

## Overview & Scrutiny Committee

Monday, 27th July, 2020

5.30 - 8.45 pm

Attendees	
<b>Councillors:</b>	Klara Sudbury (Vice-Chair), Sandra Holliday, John Payne, Max Wilkinson, Dilys Barrell, Iain Dobie, Jo Stafford and Tim Harman (Reserve)
<b>Also in attendance:</b>	Tim Atkins (Managing Director of Place and Growth), Dave Brooks (Chairman of the Board at Publica), Jan Britton, (Managing Director), Councillor Flo Clucas (Cabinet Member Healthy Lifestyles), Jamie Fox (Programme Consultant), Simon Hodges (Estates Surveyor), Councillor Horwood (rep on HOSC), Paul Jones (Director of Finance and Assets), Councillor Steve Jordan (Leader), Darren Knight (Director of People and Change - CBC), Gill Morris (Client Officer – CBC) Bill Oddy (Group Manager - Publica) and Phil Martin (Group Manager – Business Support Services)

### Minutes

**1. APOLOGIES**

Councillors Mason and Baker had given their apologies. The vice-chair would take the chair and Councillor Harman substituted for Councillor Mason.

**2. DECLARATIONS OF INTEREST**

Councillor Holliday declared a non-pecuniary interest in agenda item 6 (Annual review of Publica) as a relative worked for Publica.

**3. MINUTES OF THE LAST MEETING**

The minutes of the last meeting had been circulated with the agenda.

It was noted that a sentence was missing from item 11 of the minutes (Cabinet Briefing) and the reference to the Local Transport Plan (LTP). A suitable summary of the response would be added after the meeting, if members were happy for the chair to sign them as an accurate record.

Upon a vote it was unanimously

**RESOLVED that the minutes of the meeting held on the 24 February 2020, as amended, be agreed and signed as an accurate record.**

**4. PUBLIC AND MEMBER QUESTIONS, CALLS FOR ACTIONS AND PETITIONS**

None had been received.

**5. MATTERS REFERRED TO COMMITTEE**

No matters were referred to the committee.

## **6. PUBLICANNUAL REVIEW OF PUBLICA**

The Chair introduced Dave Brooks (Chairman of the Board at Publica), Jan Britton, (Managing Director), Bill Oddy (Group Manager - Publica) and Phil Martin (Group Manager – Business Support Services).

Dave Brooks thanked the committee for the opportunity to present another year of performance. He reminded members that Publica was established in 2017, to deliver IT, finance and HR and in that time had generated savings of circa £3m for the four shareholder councils; twice the level set out in the original business plan. Publica were now looking to evolve to meet the changing expectations and service requirements of the four councils and their residents and felt that the '2020-22 Business Plan' encapsulated how Publica would do this. He acknowledged that the last four months had been challenging but felt that Publica had worked well, fundamentally because of the shared service model that was in place.

Jan Britton voiced his frustration that the plan had been agreed and then almost immediately the Covid-19 pandemic hit, but he felt that Publica had coped well and been able to provide support which aided the response of the partner councils. This had undoubtedly caused delay to the delivery of the plan to drive progress and build on performance, but he was confident that they could achieve what they had set out to.

The group gave the following responses to member questions:

- It was suggested by a member that political awareness was a fundamental requirement of a local authority company and yet a significant finding of the SWOT Analysis was that there was a limited political awareness and understanding across Publica. Publica suggested that it was less about political awareness and more to do with awareness of the political environment and how to work effectively with Councillors. Members were assured that employee training had already taken place and importantly staff had started to talk more regularly and effectively with Councillors. This was not to say that they had done all they needed to do, but progress had been made and whilst Covid was clearly a terrible development, it had allowed Publica to nurture these relationships as it responded to demand.
- How did Publica prioritise the needs of four competing councils? Publica was non-political and independent, delivering shared services across the four shareholder councils, but it delivered these services in a way in which each council wanted, in order that they could retain their independent identities. Balancing these different demands was undoubtedly a challenge but they often emerged at different times for each council, allowing Publica to divert resources as required. One thing that Publica were slow to understand as quickly as they should have, was the diminished appetite from the shareholder councils to make Publica more commercial, by delivering services for other organisations, as their focus shifted to other priorities such as climate change. Publica would be surprised if local government restructuring and localisation was not on every councils risk register, but assured

members that Publica would continue to provide support where necessary and that this issue would not cloud their primary focus on delivering good services, on a daily basis.

- The report, at 3.11 stated that based on the data Publica was delivering high performing services, but the feedback at 3.8 didn't seem to support this statement and there was a complete lack of narrative around specific services, were Public sure that they were collecting sufficient data. Publica highlighted that the report had been drafted prior to lockdown and that this period had not been reported on. It was acknowledged that performance data was weak and was a measure of CBC provision rather than any other Cheltenham clients. Publica were working with Gill Morris, Client Officer for CBC, to work on the indicator matrix and would ensure that a wider set of performance indicators and appropriate narrative would be included in future reports. What was important to note was that Publica were delivering on all of the targets set by CBC.
- The staff survey was the first of its kind to be carried out by Publica and they had intended to repeat it but this had been delayed due to lockdown.
- What work did Publica undertake for Cheltenham clients, as there was no reference to any of these in the report? Publica provided a range of service provision to three Cheltenham based clients: CBH, Ubico and the Trust.
- The weaknesses flagged in the SWOT relating to Directors and their lack of focus on strategic issues and the criticism from the LGA was worrying. Public advised that a report had been taken to the Executive Directors back in December and members were assured that they were now clear on what the Managing Director expected of them, as well as giving much more focus to strategic issues. If this report had been written now it was likely that a significant progress would have been reported and it was suggested that this report represented a line drawn in the sand some 6/7 months ago. The member followed-up with a query as to why Publica were presenting such out of date information and suggested that they should have redrafted the report or provided an update.

Darren Knight, Commissioning Officer and Gill Morris, as Client Officer were invited to give their views from the client perspective.

Gill Morris explained that as Client Officer she tended to deal with operational level matters and was in regular contact with Libby Butler, the Client Manager at Publica, who was very helpful. She accepted that the performance data within the report was somewhat historical at this point and assured members that operationally performance had improved over the last year, with Publica proving to be much more responsive to CBCs needs and she described the support that had been provided throughout lockdown had been exceptional.

Darren Knight, as Commissioning Lead started by welcoming Jan Britton's direct involvement in procurement which he felt would result in a more holistic

approach. In terms of improvements he hoped to see over the coming year, one was that the Board maintain a focus on all shareholder councils and; the other was greater transparency in terms of costs. He took the opportunity to thank Publica at an operational level for the support that they had provided over the last few months which had enable CBC to be as responsive as it had. Members joined Darren in thanking Publica, particularly ICT for their support during lockdown.

The Chair thanked Publica for their attendance and advised that she and the other lead members would discuss whether they felt it necessary to hear from Publica again, before the 2021 performance review and update the work plan as necessary.

## **7. GOLDEN VALLEY, WEST CHELTENHAM- IMPACT OF COVID ON THE PROJECT**

The Chair welcomed Tim Atkins, Managing Director of Place and Growth and Jamie Fox, Programme Consultant.

Tim Atkins reminded members that the Council sought to deliver the development of 45 hectares of land which was acquired in August 2019 and represented a programme which had gathered pace. He had been asked to update the committee on the impact of Covid-19 on the procurement process, the programme and the assessments which had informed these processes.

Jamie Fox explained that the procurement of a development/investment partner was due to be launched, in March at Mipim, the world's leading real estate market event. The proposed launch to attract investor/development partners included a ministerial introduction supported by the Department of International Trade (DIT). Unfortunately, due to Covid-19, this process plan had to be reviewed and in April 2020, four options were considered in relation to the procurement of a future development/investment partner:

- Option 1 – Continue procurement as proposed in original timetable
- Option 2 – Continue procurement allowing for new timetable
- Option 3 – Defer procurement
- Option 4 – Alternative procurement structure

It was agreed that that the authority should continue with the competitive dialogue approach approved by Cabinet in March 2020, so as not to lose the momentum and excitement already generated in the wider development/investment market, however should allow for a new timetable to be considered taking account of potential delays from Covid-19 (option 2 above). Pursuing this option further demonstrated the confidence the Council had in achieving their vision and delivering their objectives of enhancing Cheltenham as the UK's Capital of Cyber.

The Council formally launched its search for a development partner on the 11 May and given Covid-19, attention was focussed on marketing online and utilising social media platforms to support the launch. In addition a number of presentations were made to DITs international colleagues across the global regions. Around 120 enquiries were made, resulting in 11 formal expressions of interest being received. These submissions were in the process of being

reviewed and a maximum of 6 would be invited to submit outline tender solutions, before being shortlisted to 3 in late 2020, with the preferred party being chosen spring 2021.

Tim Atkins stressed that this process would be subject to stringent internal gateway reviews by the Project Board, Executive Leadership Team and Cabinet Member, as well as more widely with Tewkesbury Borough and Gloucestershire County Council. There were clearly a number of factors at play, with key issues such as Junction 10 yet to be finalised; but the UK ambition to become the global leader in terms of cyber meant that Cheltenham ticked a lot of boxes. Generating more Government interest was undoubtedly possible but allocating resources to this end, at a time when CBC was under such financial pressure meant the ability to do this was limited.

The Managing Director of Place and Growth and Programme Consultant gave the following answers to member questions:

- For commercial reasons, it would not be possible to announce details of any development partners until the preferred bidder was announced.
- There was a question over whether a green recovery was deliverable. The green ambitions of this council and those of Gloucestershire County Council were set out in the procurement document, as well as in the Supplementary Planning Document which was agreed by Council, but this set the bar high and could impact the financial viability of any future development proposal. CBC would strive to achieve as much as was possible and he was confident that the outcome would still be a good one in terms of green credentials.
- The Minster Project demonstrated the huge demand for low carbon modular construction and innovative co-working space and would result in a different working environment/proposition to existing commercial properties in Cheltenham and feedback from the market suggested that there was indeed a market for it.
- There was no doubt that CBC needed to take existing communities with them on this journey, not least because the areas being discussed were adjacent to some of the highest levels of deprivation in the town. Members would be aware that the plan had been to appoint new personnel to undertake a community role but given the financial pressure that CBC now found itself under, due to Covid-19, resource for this would have to be reconsidered.
- £22m of funding had been secured from the Local Enterprise Partnership for improved transport and infrastructure links; colleagues at GCC were increasingly supportive of this focus. Junction 10 and the Arle Court park and ride improvements was positive news for Cheltenham but CBC was clear that it did not want a car based scheme at Golden Valley. The competitive dialogue route allowed CBC to have discussions with bidders and ask searching questions regarding sustainability and transport. In relation to the proposed form of development and impact of Covid, it was important to note that Golden Valley would be a 10 -15 year programme, which would therefore also

be faced with different economic cycles which ultimately could impact the composition of any development.

- The relationship between CBC and GCHQ had developed over many years. GCHQ were looking at moving some elements of what they do to Manchester, but a lot of what was being done in Manchester was less to do with cyber and therefore not the sector Cheltenham was focussing on.
- Covid-19 could result in more office accommodation being available, with lower rents, but many of these spaces were and would continue to be unsuitable for those operating in the cyber industry. Cheltenham looked to become the cyber capital, as the UK sought to become a cyber nation and this required a lot of scaling up. That was the vision which Golden Valley proposed to achieve.
- In terms of unit numbers, the JCS had used a basic multiplier to arrive at the figure of 1100 residential properties, but further, more in-depth analysis of the site (through the recently adopted SPD) has resulted in a potential increase in unit numbers to around 2600 – but this would be subject of future planning application(s) and members were reminded that the vision for this site was high quality design, the likes of which were not often seen.
- Marketing of the cyber proposals and economic facts had landed well and there had been a number of discussions with various people within Government, but lobbying campaigns required lots of resource and money to do well and CBC were not able to commit to this at a time when it was facing significant financial challenges. Lots of channels were still open and anything they could do to influence the government would be done.

Members agreed that this was an ambitious and exciting prospect for Cheltenham and commended everyone involved for the impressive, exciting and engaging marketing that had been done to date.

The Chair felt that this was the most exciting thing to happen in Cheltenham in her lifetime, but also acknowledged the unfortunate timing of Covid. She felt that the economy would ultimately determine what quality of development we would end up with and worried that this might make the vision undeliverable. She also urged development partners to be encouraged to have artists and creators involved at an early stage to ensure that any public art was more than simply an afterthought, which she felt would be a missed opportunity. Officers were asked to come back at relevant stages of the programme to keep members informed of progress and Jamie Fox would liaise with Democratic Services on timescales.

## **8. COUNCIL INVESTMENTS**

Paul Jones, the Director of Finance and Assets and Simon Hodges, the Estates Surveyor had agreed to come along and answer any questions members had in terms of council investments. Paul Jones explained that this was specifically linked to media coverage surrounding council finances. He advised members that the council's commercial investments were less of a worry to CBC than the

loss of parking income, simply because unlike some neighbouring authorities, CBC had a more diverse investment portfolio. Simon Hodges confirmed that his team had granted rent deferment plans ranging from 1-3 months, with the balance spread over the rest of the lease terms or next rent review whichever came first and some tenants had opted to pay in arrears. There were two tenants refusing to pay rent, one had written to CBC prior to lockdown to request a 50% reduction in rent and since lockdown had refused to pay any at all. Another had not paid rent since lockdown and had approached the Government to ask for a 9 month rent break, which it had not agreed. This tenant had since written to CBC asking for a rent waiver, looking to pay only 20-30% based on their trade figures of the previous year. The Coronavirus Act, 2020, protected tenants from eviction until the 30 June initially, though this was then extended to the 30 September and could well be further extended. Paul Jones noted that the two tenants refusing to pay rent were not at the highest level of rent the council charged and assured members that the issue had been approached in the same way for each tenant. He hoped that this gave members reassurance that this council was not in the same position as some other authorities who faced huge exposure to the retail sector.

In response to a member question the Director of Finance and Assets advised that the council were risk aware and not risk averse and approached all asset purchases with a plan A, B and C. He reminded members that Cheltenham had lost 250k square feet of office space to residential developments and lack of supply had pushed up rents. CBC had stepped in to rebalance the levels of supply and demand, but there was always the option to apply for a change of use and it would be likely to any application would be to likely be for housing to meet demand in that area. Also, it was worth noting that whilst Sainsbury's was performing well through the pandemic, if anything changed, the site was 5 acres and as part of the acquisition the ability to build housing on this site had been discussed.

Members thanked the officers for their honest appraisal of the council's position and commended the prudent investments that had been made, in Cheltenham, for the benefit of Cheltenham.

## **9. FEEDBACK FROM OTHER SCRUTINY MEETINGS ATTENDED**

The Chair referred members to the updates which had been circulated in advance of the meeting and asked that they contact the relevant member representatives with any questions in relation to the Police and Crime Panel and Gloucestershire Economic Growth O&S Committee.

She welcomed Councillor Horwood and invited him to add to the written update on the Health Overview and Scrutiny Committee (HOSC) that was circulated to members. Councillor Horwood highlighted that Councillor Willingham had asked a question at this meeting, as a member of the public, relating to the high death rate from Covid-19 in Alstone and St. Mark's, which was 32 in three months. He asked that the HOSC investigate what had contributed to this, including the possibility that it was related to the large number of care homes in the area. It was highlighted that Public Health England did not share data with local Public Health teams which limited their ability to respond effectively to local outbreaks, which had obvious implications on the effectiveness of any track and trace process. He suggested that he and Councillor Willingham could

write, formally, to Public Health England on this subject and the committee agreed, but also felt that the HOSC should be looking at this issue.

The Trust had also presented the emergency service changes that were introduced in April and June in response to the epidemic and whilst HOSC accepted the need for these changes, concerns were raised by some that these temporary changes would then morph into permanent ones, given the Trust had re-launched their 'Fit for the Future' public consultation on urgent and emergency care. Members were reassured that Cheltenham A&E would be restored to a Type 1 A&E but he felt that this was slightly undermined by several references to the benefits of centralisation unrelated to Covid. He highlighted the differential between the performance of Cheltenham and Gloucester A&E, in terms of the four hour wait target for patients to be seen and either admitted or discharged, with Gloucester consistently falling below Cheltenham and it remained to be seen how Gloucester would cope as a single A&E under the temporary emergency changes. What was clear however, was that Cheltenham residents were being negatively impacted by increased travel times and he stressed that they would be further disadvantaged if general surgery was permanently centralised in Gloucester.

In response to member questions he gave the following responses:

- The HOSC were promised a further report on attempts to resolve the issue of national PHE data on individual patients not being shared with local public health teams and he would update this committee accordingly.
- The discharge of patients back to care homes was part of national policy, which was currently subject to a public inquiry and again, HOSC would hear more on this at their September meeting.

Councillor Dobie volunteered to write to xxx, as the spokesperson for his group at Gloucestershire County Council for Adult Social Care and Public Health, and highlight the failures in the policy to discharge patients into care homes; as deaths in care homes accounted for almost half of Covid related deaths in Gloucestershire. The Chair requested that he also include a question about where patients had tested negative and were then placed in care homes where residents had tested positive.

The committee put on record their thanks to all frontline NHS and care staff for their hard work and dedication curing this pandemic.

The Chair reminded members that the Trust had previously committed to bring forward, to this council, proposals as part of their 'Fit for the Future' consultation and given the re-launch of this process, the Trust would be reminded of that commitment and asked to provide suitable dates.

A councillor raised the issue of Cheltenham's magistrates' court. The Police and Crime Commissioner had written to the Minister to ask for his support but the Minister had not yet replied. He asked whether the Chair of this committee could write to the Minister and urge him to respond without delay, as he felt it raised fundamental issues about how the administration of justice was dealt with in this country. It was agreed that this would be discussed with the Chair as part of the next lead member briefing.



**10. CABINET BRIEFING**

The Leader confirmed that the Interim Events Policy was due to be taken to Cabinet in March and though this had been overtaken by global events, it would be revisited.

He advised members that he was preparing to take a decision regarding the future of the Economic Growth Joint Committee. This was set-up for a six year period, with a requirement to provide 12 months' notice (at the 5 year point) of the intention to continue or disband. Unfortunately, the fact that this decision should have been taken in September 2019 appeared to have been overlooked and as such, he was being asked to agree to waive that notice period, allowing the committee to continue to operate for another 18 months. He noted that this decision would be published on the council website. He felt that this decision made sense given that it was tasked with looking recovery plans for all six councils and the Local Enterprise Partnership (LEP). Asked by a member if the meeting of the committee would be broadcast, he confirmed that it would be.

**11. REVIEW OF SCRUTINY WORKPLAN**

The work plan had been circulated with the agenda.

The committee suggested that the Police and Crime Commissioner item should be removed and asked that the Air Quality clarify which authority was responsible for air quality, how and when.

The Chair confirmed that the Lead Members would meeting to discuss and agree the agenda and noted her view that as a committee we should focus on what is important to Cheltenham and what this authority is doing, rather than giving too much focus to issues over which we have no power.

**12. LOCAL GOVERNMENT ACT 1972 - EXEMPT INFORMATION**

Upon a vote it was unanimously

**RESOLVED that in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:**

**Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

**13. THE CHELTENHAM TRUST**

The committee received an update on The Trust.

**14. DATE OF NEXT MEETING**

The next meeting was scheduled for the 7 September 2020.

**Chairman**