

Overview & Scrutiny Committee

Monday, 28th November, 2022

6.00 - 7.40 pm

| Attendees | |
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| Councillors: | John Payne (Chair), Graham Beale, Nigel Britter, Jackie Chelin, Tabi Joy, Louis Savage, Julian Tooke (Vice-Chair), Suzanne Williams and David Willingham (Reserve) |
| Also in attendance: | Harry Mayo, Judith Baker, Darren Knight and Paul Minnis, Martin Chastney, Richard King and Gethin Evans |

Minutes

- 1. APOLOGIES**
Cllrs. Harvey and Fifield sent apologies, with Cllr. Willingham substituting.
- 2. DECLARATIONS OF INTEREST**
There were none.
- 3. MINUTES OF THE LAST MEETING**
The minutes of the 31st October meeting were approved and signed as a correct record.
- 4. PUBLIC AND MEMBER QUESTIONS, CALLS FOR ACTIONS AND PETITIONS**
There were none.
- 5. CABINET BRIEFING**
The Leader was not in attendance to give a briefing.
- 6. MATTERS REFERRED TO COMMITTEE**
There were none.
- 7. SOUTH WEST AUDIT PARTNERSHIP (SWAP)**
David Hill, Chief Executive of the South West Audit Partnership (SWAP), highlighted the key points of his report. The SWAP was an internal audit company operating mainly in the government sector, including large councils like Liverpool City and Kent County, although they worked with charitable bodies too. The partnership was first created in 2005 and had since grown to 26 official partners. It operated as a not for profit partnership, so any surplus made in the year went into its reserves. In terms of governance, the owner's board set the strategy, and all the partners were represented on the board of directors, including Darren Knight as the CBC representative.

He emphasised the SWAP's 100% partner retention, which he hoped said something about the work they did. They took professional engagement seriously, and were considered a top performer in the sector in terms of innovation and investment in new technology. The partnership regularly turned in a surplus, expected to be around £950k this year, so financial performance was good. The only issue was their pension liability, as with all public sector bodies, but they were in the fortunate position that when the Somerset unitary authority formed next year, the large majority of the SWAP's pension deficit would be swallowed back in and come off the balance sheet.

He highlighted the topic of innovation, noting that they had produced a one page report which had been picked up both nationally and globally, and that they were investing significantly in new technologies. This included data visualisation, i.e. how their work linked to the council's core objectives and strategic risks. It was important to audit the right things at the right time. They were also moving into other new technologies, like NLP and AI. The internal audit world was changing, and so were its budgets – in the past, around 95% of costs went on staff, and now it was more like 75%. The new Audit Management System was being implemented and would hopefully be live in the next month or two.

The Chair thanked the officers for their report, and moved into Member questions and debate:

- One Member noted that in their role on Audit and Governance Committee (to which the SWAP regularly reported) they had seen the value they brought to the governance of Cheltenham. Another Member who sat on this committee agreed.
- One Member asked about the issues faced both in terms of attracting and retaining qualified staff, and what they were doing with apprenticeships and academia to ensure there was a pipeline of staff coming in. The SWAP Chief Executive responded that they sought to develop the team in-house wherever possible, and had made 58 internal promotions in the last 18 months. Their focus on innovation was a key factor in staff retention, as it made them more attractive in a marketplace that often lacked it. Some turnover was to be expected, and they were not finding retention to be a major issue. On the pipeline question, they had two apprenticeships currently running, and worked closely with professional bodies.
- One Member asked what the SWAP's main strategic focus was. The SWAP Chief Executive responded that their primary role was to ensure good governance, and make sure that authorities fulfilled their statutory obligations. They had moved from static plans to six monthly rolling plans so they could more effectively adapt to dynamic risks in all areas.
- One Member asked how the SWAP was likely to expand in the future in order to keep their competitive advantage. The SWAP Chief Executive responded that their mantra was to deliver more with less, and they were continuously improving on this. The future might well be based around partnerships and shared learning, and the charity sector and NHS would be key partners. The private sector was off the table since they were a not for profit company.

- One Member praised the presentation of data, and asked how they kept up with wider trends when comparing and contrasting data sets from very different sources. The SWAP Chief Executive responded that every council had a different system, and while data quality varied a lot it was generally not as good as it should be. They aimed to ensure good data governance and that data was accurate and well looked after. Machine learning allowed them to automate a lot of processes, and a key goal for the future was to make good use of new technology.
- One Member asked whether there was any specific feedback for CBC on a data governance level. The SWAP Chief Executive did not have any specific feedback for Cheltenham, but stressed that they worked closely with all partner authorities to try to ensure collaboration. Independence did not have to mean isolation – they could be objective and provide advice without losing their independence.
- One Member asked how they developed the skills needed to work in complex and fast-moving fields like cyber security. The SWAP Chief Executive responded that the professional network was invaluable to this, and they had lots of key contacts in the public and private sectors.

The Chair thanked the SWAP Chief Executive and Assistant Director for attending, and for the valuable work they did.

8. DRAFT CORPORATE PLAN

Darren Knight (Executive Director of Place and Communities) introduced his paper, explaining that the corporate plan set the framework for the council's initiatives over the next few years, guiding future opportunities and allowing them to prioritise resources and skills. Thanks to the previous corporate plan, they had not started from a blank piece of paper, and projects like the Golden Valley development and housing investment plan continued to be key priorities, alongside the cost of living crisis and other agendas like sport.

The plan was not set in stone, but was rather a working document. It also included a number of measures of success and KPIs, while the discussion paper summarised the results of the residents' satisfaction survey, which was to come to the next O&S meeting in January. From a resident's perspective, it showed overall satisfaction, though there were some areas where they could improve. The plan was now in the process of wider engagement, and they had met with all but one of the town's parish councils to discuss it. The plan set out their ambitions for Cheltenham, but also the challenges faced in operating.

The Chair moved into Member questions and debate:

- Several Members praised the plan as an ambitious, interesting and readable brochure for the town. The Executive Director of Place and Communities thanked them for their feedback and emphasised the importance of accessibility and reducing jargon, which was why they had also produced a one page version.
- One Member noted that the old symbol for Gloucestershire Constabulary had been used, and it needed to be G3R rather than E2R.

The Executive Director of Place and Communities was happy to correct this.

- One Member suggested that it could be worth considering the geospatial location of answers to the satisfaction survey that were less than satisfied, in order to target future engagement and support.
- One Member suggested that while the present measures of success were largely positive things (e.g. the number of new businesses and the retail occupancy rate), it might be worth including other measures that were about reducing negative things, like antisocial behaviour. It was good to see positivity, but it could also be useful to view things from the other perspective. It was important to avoid the trap of false positives, like opening more food banks. The Executive Director of Place and Communities agreed that reducing ASB and improving night-time safety were key.
- One Member noted that in their role as Chair of Licensing Committee, the council's aspiration to retain the Purple Flag night-time safety award was close to their heart.
- One Member stressed that it was important for the 'more homes' priority to mean more affordable homes. The Executive Director of Place and Communities agreed, and highlighted the central focus on affordable homes in the housing investment plan, and CBH were investing heavily in both this and carbon neutral homes.
- One Member noted that nearly half of those surveyed who had left the town had done so for a better job, and asked what was being done to ensure they retained talent. The Executive Director of Place and Communities highlighted the importance of investing in skills, and they had just allocated some Shared Prosperity Funding to a number of institutions including Gloucestershire College. He hoped that by the time the corporate plan was debated at Council in February, he would be able to report on the positive results of this.
- One Member was pleased with the focus on residents, and asked how the two-way relationship between residents and their authority was being built. The Executive Director of Place and Communities advocated a strong mutual relationship, in which residents felt they were able to influence council decision-making. CBH was boosting resident engagement and interaction, and he would recruit residents to test the digital platform in the new year before it went live.
- One Member noted that several residents' groups in their ward were keen to get involved with the climate and carbon neutrality agendas but were finding it hard to do their bit. The Executive Director of Place and Communities agreed it was important to get residents involved with Cheltenham Zero, and would follow this up offline with the climate change team. They could arrange for officers to meet these groups directly.
- One Member advocated a higher level of community group involvement in order to ensure that future prosperity was evenly distributed. It was important to invest from the ground up rather than just entice new people in. They cited the example of Preston council, which focused procurement on anchor institutions based in the local area. A systemic

approach was needed to help priorities complement each other. The Executive Director of Place and Communities agreed about the importance of recycling the Cheltenham pound through the local supply chain, and reported that they had started to establish the anchor institutions network across Gloucestershire alongside the county council. Procurement was a useful way to support the local supply chain, though they were sometimes limited by procurement rules.

- One Member asked how conflicts between competing interests, like the ambition to build affordable homes versus the need for sustainability, were managed. The Executive Director of Place and Communities acknowledged that there were always complexities and areas of compromise which were sometimes tricky to navigate, and they were making changes to manage this. On the sustainability question, he noted that the climate change SPD had been well received, and the new climate change impact assessment tool ensured that these key concerns were taken into account from the very start of the decision-making process.
- One Member queried the placement of Golden Valley as priority 1 when it would not have a significant impact during the corporate plan's timeframe. The Executive Director of Place and Communities clarified that while it was a flagship project, this didn't mean that other projects weren't treated with importance.

The Chair thanked the Executive Director of Place and Communities for putting together an document that reflected the town's ambitions.

9. FEEDBACK FROM OTHER SCRUTINY MEETINGS ATTENDED

The update from the Police and Crime Panel was taken as read.

Cllr. Willingham added that he had attended two relevant county council committees in his role as a county councillor. The first was a joint meeting of the Health Overview and Scrutiny Committee and the Adult Social Care and Communities Scrutiny Committee, which invited nine mostly NHS organisations for a discussion about urgent and emergency care systems in Gloucestershire. He was not sure that the length of time spent on this topic had led to any great outcomes or proposals. It should not have needed three hours to establish that a number of organisations had staff retention issues, as staff did not feel sufficiently valued and often suffered abuse. He was sure that the regular O&S representative would be able to give further detail on this going forward.

There had also been a joint meeting of Environment Scrutiny and Economic Growth Scrutiny, which had covered two issues relevant to Cheltenham. The first of these was Stagecoach's withdrawal of a number of bus services, on which the county believed that sufficient notice was not provided. The second was the Community Infrastructure Levy, on which the county felt it did not have enough influence, and was considering judicially reviewing Stroud's CIL policy. In his view, this was not a helpful development in delivering infrastructure for anyone. He was aware that Cllr. Horwood, as Cabinet Member for CIL, was reviewing processes to ensure they worked well for Cheltenham. It was also key

to ensure that Planning Committee approved both S106 and CIL contributions rather than letting developers convince them that this was double dipping, when they could afford to pay more.

10. UPDATES FROM SCRUTINY TASK GROUPS

The update was taken as read. The Democracy Officer added that another meeting of the task group had taken place since the update was circulated, focusing on the topic of housing. Following a recommendation from the last O&S meeting, fuel poverty had been added to the task group's remit, and this had been discussed in detail at the meeting.

Cllr. Willingham added in his role as Chair of the task group that it was clear there were a number of urgent actions that needed to be progressed before the end of the process.

11. REVIEW OF SCRUTINY WORKPLAN

The workplan was taken as read.

12. DATE OF NEXT MEETING

The Chair noted that the next meeting had been moved from the 9th January to the 31st January, in order to accommodate an extraordinary meeting of Full Council on the 9th.

13. GOLDEN VALLEY

The Chair explained that although this was originally listed as an exempt item, it had been agreed that it would take place in public session as the paper did not contain any commercially sensitive information.

Paul Minnis (Director of Major Developments & Regeneration) began by introducing a number of key officers from the Golden Valley team, namely Martin Chastney (Senior Development Manager), Gethin Evans (Marketing and Communication Lead Officer) and Richard King (Head of Construction). He explained that since the development agreement with HBD x Factory was signed in June 2022, they had mainly been concerned with the southern parcel of the site, which would be the commercial centre, rather than the northern parcel, which would be mainly residential.

The key part of the first phase of the southern parcel was the Innovation Centre, which was in the region of 120,000 square feet but would involve other land uses as well. After the initial phase of masterplanning this year, they had moved onto public consultation, with a concentrated phase of this early next year to inform the completion of the masterplan process, before the planning applications phase. He acknowledged a number of key recent challenges, including interest rates, material costs and inflation, which had pushed the masterplanning and design process on a bit, but they were still targeting next summer to submit the planning applications. A significant planning phase would follow, before they hoped to be on site the following year to deliver the first phase by 2026.

Martin Chastney (Senior Development Manager) summarised the key points of the paper that been circulated to members, which had sought to identify the key impacts on local residents and explain how these were being addressed. He acknowledged that development could be a very intrusive activity with a real impact on local residents, and that the council was held to a higher bar than other developers. It was important to be a considerate developer and take the lead in understanding and mitigating these risks.

He emphasised that they did not have all the answers at this point, and while the paper listed a number of development and construction impacts, it was more about articulating the processes they would follow in the coming weeks and months to better understand and respond to the risks. The paper outlined a number of statutory processes in place to respond to impacts, including the high level of consultation attached to the planning process and the requirements placed on builders and contractors during the construction phase.

However, he stressed that they would go beyond what was required by law, and ensure that strong communication networks were established between communities and residents, while engaging with stakeholder groups to ensure that feedback loops were solid. Gathering information was key, both from websites and from oral and written feedback. There was a clear need to undertake a responsive design process in order to mitigate risk.

He highlighted that the report was a snapshot of where they were at the moment, and he hoped it offered a good overview of their rationale. Their priorities were to gather and understand information, and to set up communication networks through public consultation exercises and targeted stakeholder consultation. A central part of this would be the role of the community coordinator, who would be the fulcrum of the relationship between the project team and wider community. The Marketing and Communication Lead Officer added that the development partner currently employed Caroline Dyer to lead community engagement and build on existing relationships.

The Chair moved into Member questions and debate:

- One Member highlighted the need for an infrastructure-first approach to future proof the site, building on lessons learned from other projects. In a high-tech area, it was important to ensure that utility channels could be changed and upgraded in the future without causing major disruption – for example, by installing wires under pavements rather than under roads. The Senior Development Manager responded that future proofing structures was at the core of what they were doing. The initial bid from the development partner included a focus on smart city principles for this very reason, and it was key to provide cost-effective solutions that suited the county from a highways perspective too. Another key aspect of this was flexibility, so they would include new bus routes and mobility hubs to make things as car-free as possible. They needed to keep streets walkable and encourage cycling and e-scooters. The Head of Construction also added that on the utilities question, their focus was on longevity, so they were currently establishing the best connection points and how best to serve the site. He expected that the most effective way

of implementing these services would be in phases rather than trying to serve the whole site on day one.

- One Member was pleased to hear that they would go above and beyond their statutory obligations. With this in mind, how would they get best value out of their contractors? The Director of Major Developments & Regeneration responded that most of these would be Tier 1 contractors, who were renowned for public engagement. Contractors would be pre-qualified to ensure they got the right partners on board from the council's perspective.
- One Member asked about the precise working relationship between HBD x Factory and CBC. The Senior Development Manager responded that they were development partners, with HBD x Factory as the lead partner, and with financial interest and benefit involved for both parties. Throughout the procurement process, they had tried to bring on board a partner with greater capacity and resource than the council, so they would do the majority of the legwork. The council's role was to support them, challenge them, ensure that they were working to the vision and goals defined in the development agreement, and provide input on that. The Director of Major Developments & Regeneration added that within the development agreement, there were governance mechanisms that provided a solid basis, including monthly project steering meetings and quarterly project board meetings including the Cabinet Member (Cllr. Collins) and CBC director (Paul Jones), which provided strategic guidance. Their involvement was both day-to-day and at formal monthly meetings with clear terms of reference.
- One Member asked whether there was a project team, and whether they had a project plan showing the interdependencies of the various components which was regularly reported to the board. The Director of Major Developments & Regeneration confirmed that they were the core team, and they were documenting a lot of activities on Clearview along with their overall goals. They also catalogued and managed risks using this system, with a summary provided to the program board every month both on progress reports and risk assessments.
- One Member asked what they saw as the biggest risk to the project considering the current volatile financial environment. The Director of Major Developments & Regeneration responded that at the moment this was probably ensuring viability throughout the development phase. All developers were facing real challenges at the moment, including the cost of building materials, the availability of skilled labour, and interest rates.
- One Member emphasised the importance of creating a self-sustaining system, and asked what they expected this to look like. The Senior Development Manager responded that, as the Golden Valley SPD had made clear, it was an employment-led development which needed to expand out effectively with sufficient housing. They were working on an indicative phasing plan to deliver the right balance, including community integration as a crucial part of the project.
- One Member noted that bus routes seemed to be a priority, and was concerned that a lack of car parking provision might create a rat run. They were not convinced that bus services were in a condition to be

rolled out and expanded when they were currently being cut back. The Senior Development Manager clarified that their overall travel strategy also prioritised cycle routes, and had a clear green spine throughout. There were different types of cyclist to think about, both those who did it for leisure and those who cycled to work. Bus services would be key for residents and businesses, and while it was not entirely within their control they needed to act now in order to future proof.

- One Member appreciated the focus on public consultation, as well as the willingness to learn from pre-existing local problems.
- One Member asked about the situation with Junction 10, which would be key for the supply of goods as well as to future planning applications. The Director of Major Developments and Regeneration responded that they were keeping a very close eye on this at a number of different levels, as it would affect how housing was delivered, especially in the northern parcel. It was now not expected to be delivered until 2027.

The Chair thanked the officers for their contributions, and looked forward to hearing from them again in the future on this key project.

14. LOCAL GOVERNMENT ACT 1972 - EXEMPT INFORMATION

Members resolved to move into exempt session.

15. EXEMPT MINUTES

The exempt minutes of the 31st October meeting were approved and signed as a correct record.

John Payne
Chairman