

Cheltenham Borough Council Overview & Scrutiny Committee Minutes

Meeting date: 25 November 2024

Meeting time: 6.00 pm - 7.35 pm

In attendance:

Councillors:

Tabi Joy (Chair), Jackie Chelin (Vice-Chair), Stan Smith, Chris Day, Richard Pineger, Juan Carlos Garcia Clamp, Frank Allen and Paul Baker

Also in attendance:

Claire Hughes (Director of Governance and Customer Services and Monitoring Officer), Martin Chastney (Senior Development Manager, Place & Economic Development), Martin Stacy (Housing Strategy and Partnerships Manager), Hannah Leatherland (Air Quality Education Projects Officer), Gareth Jones (Senior Environmental Health Officer, Environmental Protection) and Ewan Wright

1 Apologies

Apologies were received from Councillors Chandler, Beale and Holliday.

2 Declarations of interest

There were none.

3 Minutes of the last meeting

The minutes of the meeting held on 21 October 2024 were approved as a true record (with one or two minor typos noted).

4 Public and Member questions, calls for actions and petitions

There were none.

5 Cabinet Briefing

The Leader reported that interviews for the post of Director for Housing – Investment, Repairs and Decarbonisation were taking place this week, boosting the transition of housing services back to CBC. She had no further updates, but was happy to take questions.

The Chair said that in view of the complex issues and public interest surrounding the proposed closure of Swindon Road Household Recycling Centre, she was considering adding it to the workplan for January and possibly forming a scrutiny task group to consider the transition. The Leader said that there was no decision to permanently close the HRC, and the report made a recommendation that scrutiny measures were undertaken throughout the review of all the options.

6 Air Quality Update

Gareth Jones, Senior Environmental Health Officer, and Hannah Leatherland, Air Quality Education Projects Officer, introduced their work briefly, the details of which were set out in the report. They were happy to take questions.

Members were impressed with the report and very pleased with the progress being made, particularly with the schools project. They were also given an opportunity immediately before the meeting to examine the equipment being used and to ask questions in relation to it. In response to questions, officers confirmed that:

- although particulate matter from electric vehicles is nowhere near as bad as that from diesel, it is acknowledged in most reports as it is still a source of PM2.5;
- they were unsure whether road-sweeping vehicles have extra filtration to protect drivers from the particulate matter picked up from the roads;
- regarding air pollution at the junction of Gloucester/Shelburne/ Lansdown Roads, this area sees peaks from short-term traffic and trains, but data from monitoring close by – where the housing starts – shows that levels do not give undue cause for concern and fall within national legal limits. The council doesn't have many of the monitors which measure short-term peaks but could consider deploying one in this area;
- identifying which of the different sources of PM2.5 - including diesel and wood-burning fires or stoves - are worse for the environment and for individuals is expensive and requires specific expertise that equipment that CBC cannot access, so unfortunately we cannot undertake closer examination of this.

A Member thanked officers for the update and good progress made, particularly the education initiative. He would like O&S to be involved in the creation of the new Air Quality Strategy and the review of the smoke control zones, and felt that the update would benefit from some further definition of environmental pollution, which for air pollution purposes relates mostly to NO2 and PM.

In response to further questions from Members, GJ confirmed that:

- there is overlap between his work and that of the climate change team, who will be presenting to O&S in the new year and explain further;

- regarding the positioning of monitoring stations and the suggestion that monitoring air pollution for safety and for climate change reasons would be useful in the Kingsditch Lane area, officers try not to move these around too much in order to maintain continuity of data. There is currently a monitoring station for NOX on Swindon Road which cannot be moved, and one near St Paul's Medical Centre, which indicates that NOX is decreasing. This is significant because it is easy to measure and a proxy for other pollutants, therefore helpful in identifying areas of concern;
- regarding the possibility of introducing a clean air zone in Cheltenham, as has been done in Bath, this would have to be a collaborative initiative between CBC and GCC, and would probably not work in a town of this size, scale and lay-out. The main aim of the Boots Corner scheme was not specifically to improve air quality but would probably have done so with the right support structures in place. Clean air zones need the support of many agencies, and although officers keep a watching brief on what is happening in other towns and cities, it is not felt to be a priority in Cheltenham;
- regarding educating users of solid fuel to use the right sort of fuel in the least destructive fashion, there are more efficient ways to use appliances, and campaigns to encourage and endorse this, including Clean Air Night in January, focussing on burning the right fuels in the right way, which can make a significant difference.

In response to Members' questions about the engagement with schools, officers confirmed that:

- the education officer post is a temporary one, and with regard to sustainability and on-going training for teachers, officers hope that the projects will continue as schools and individuals have been very engaged and we would like to continue in a working relationship with them into the future. It is difficult for teachers to manage the workload however, and they really need a dedicated point of liaison and case worker to facilitate, research and maintain links. Officers hope an important legacy will be left in some schools, with culture changes and new ideas and processes becoming embedded even without further engagement from CBC now that operations are in motion;
- a lot has been achieved in schools already, but much more is possible if the time and manpower was available, not only around air quality but potentially around other public health-related work such as healthy eating and exercise – the possibilities are endless, and officers are never short of ideas to make the subject interesting and engaging for children of all ages, including smoke zone reviews and self-built pollution monitors. Some elements, like cycling update or actions to encourage outdoor play and walking, would also address air quality by reducing reliance on cars.

In response to further Member questions, GJ said that:

- the council has very limited power against noise from idling vehicles outside people's homes, despite its negative health impact, although it may be that dealing with idling vehicles from an air pollution point of view will contribute to controlling the noise problem as well. He agreed that it is a real nuisance for

some residents but not something that can be dealt with under Environmental Health powers since it is almost impossible to enforce against;

- some of the latest equipment includes acoustic data and can be used in specific places where there is an issue that can be monitored – although officers are more likely to deal with any matters informally before taking any formal action.

A Member thanked officers for an interesting report and Members for a good discussion. He noted that the emphasis in the report is about focussing resources on education and awareness rather than enforcement, which he felt was the right track, although difficult. The officer said the council has some powers of enforcement but the law regarding idling, for example, is not very helpful and not up to the task. He said education in the first place is far more effective, and the county council had provided a grant to roll out more engagement with schools where idling is a problem in the new year but unfortunately the education officer will be on maternity leave. He said officers are unlikely to have capacity to deliver the campaigns, although education is the key and far more effective than trying to pin fixed penalties on idling vehicles.

The Chair thanked everyone for their contributions.

7 Understanding Barriers to Affordable Housing Delivery

Ewan Wright, Senior Housing Strategy and Enabling Officer, thanked Members for the opportunity to present this critical area of the council's work, meeting local housing needs, supporting residents to reach affordable home ownership, and creating thriving communities. The report has been jointly produced with colleagues in planning policy and the major developments and regeneration teams.

He highlighted the following:

- the government definition of affordable housing is very wide, and covers homes for rent, discounted market sale and affordable home ownership. Rent means social and affordable rent delivered largely by the council and housing associations; this definition is found in the latest National Planning Policy Framework;
- the Corporate Plan includes a key corporate objective to deliver 450 affordable homes between 2023/24- 2027/28, and key planning policy requirements around affordable housing are also set out in the JCS, policies SD12 and SD11;
- the 2020 Gloucestershire Local Housing Needs Assessment tells us CBC should deliver 194 affordable homes per year up to 2041, and the housing register shows that the number of households needing affordable housing has risen from 2,200 in 2018-19 to 2,667 this year. CBC and housing associations delivered 477 affordable homes between 2018 and 2024, so it will clearly be a challenge to meet our targets;
- the key issues holding us back are broadly:
 - o planning – delivering large sites is problematic and takes a long time, there are issues with S106 delivery both locally and nationally. Updating

- the JCS through the Strategic and Local Plan is a huge piece of work, requiring much internal work and work with GCC and TBC;
- financial – issues are preventing CBC from delivering more homes through the HRA, and there are many pressures on housing providers to improve the quality of existing homes, for example by remedying damp and mould and improving energy efficiency;
 - construction – due to inflation, costs associated with this have spiralled, and viability issues mean affordable housing sometimes cannot be delivered on site. In addition, Net Zero objectives, while laudable, come at a cost, and are another of the issues holding back affordable housing delivery;

He said there are, however, opportunities to address the issues:

- continuing to focus on additionality – ie CBC and housing associations working to provide affordable homes delivery above and beyond what the market would normally deliver through our affordable housing policies;
- delivery of affordable housing on S106 sites – policy requirement is generally 40%, with 35% on strategic allocations – and looking to stalled sites such as Pittville School;
- Planning policies give a great opportunity to improve existing policies and add new ones, such as updating the Strategic and Local Plan, JCS Affordable Housing Guidance Note, and First Homes Technical Advice Note;
- there is a lot of positive talk nationally about delivering affordable housing, with a new affordable housing programme promised for Spring 2025, an outstanding NPPF consultation, and talk of higher housing targets. It remains to be seen how all this will pan out;
- if the sites at North and West Cheltenham deliver, this will make a huge difference to affordable housing delivery across the borough;
- under the acquisitions programme, CBC is looking to buy 20-25 affordable houses each year and this could focus on buying back larger properties to meet the acute need for 4-5-bedroomed rented affordable homes by making use of existing stock;
- with the marketing and planning policy teams, officers are looking to make the best use of town centre spaces, to ensure a vibrant town centre where people can afford to live, and including the delivery of affordable homes.

Members thanked officers for their detailed and interesting report, and had many questions and comments.

A Member calculated that the failure to hit the 40% target in some major developments due to viability issues, has resulted in a loss of 169 affordable home – with commuted sums of £2.2m for some, which doesn't equate to 169 homes. Developers are allowed to make 15-20% return on developments and not provide any affordable housing. This isn't ideal – is there anything the council can do to push back on that?

EW said the profit margin developers are allowed to make is taken from national planning policy guidance, and is typically a minimum of 15-20%, depending on the nature of the development and the risks involved. Viability assessments across the borough will be updated to link in with the policies; it is a lengthy, detailed and technical exercise, but once complete should be in line with planning policy guidance, ensuring policy-compliant delivery, with no need to go down the viability route – although there are some situations where even policy-compliant developments struggle to provide enough affordable homes, such as brownfield sites.

Regarding the acquisition strategy and the yield on buying, a Member noted that the 5.1% available is just about enough to cover interest, and wondered whether the burden of loan repayments would hinder the council's affordable housing aims. He noted that developers can wriggle out of affordable housing requirements, still make a healthy profit, and put homes in the pool which the council then buys back at market value. Developers therefore reap all the rewards, while the council tries to do the right thing by its residents in providing affordable housing.

TB said it was important to break the misconceptions around viability assessment. When an application is submitted, independent viability experts are appointed, and consider every element put forward from the cost of land to abnormal construction costs. If there was no headroom, developers would not put schemes forward. She said officers work very hard on numbers but developers have to make a profit. She said work around CIL and S106 agreements includes the cost of the land; developers work closely with the council, and are robustly challenged around those costs.

The Cabinet Member for Major Developments and Housing Regeneration agreed that allowing developers 15-20% headroom while the council operates on nothing when buying properties in the open market is out of balance. He said the acquisitions programme was originally around buy-backs of ex-council houses, and the acceleration of that scheme around the open market came further down the line in response to the refugee crisis and was partly funded by government. He conceded that buying from the open market to provide for need was ludicrous, but said that unless the government system changes, the council will continue to do this if it is the only way to deliver affordable housing.

Another Member had three questions, as follows:

- he asked if the acquisitions, buy-backs and commuted sum figures for affordable housing were brought into the overall totals for additionality or considered separately, and whether extra affordable housing bought by those schemes fit into S106 or additionality figures. EW confirmed that acquisitions and buy-backs are broadly the same thing, and included in additionality. Where commuted sums translate into delivery, with buy back or assisting with supporting additionality on a certain scheme – this would also be counted as part of additionality. All this is difficult to present, but where buy-backs, acquisitions and commuted sums equate to delivery, these are included in the additionality totals;
- he noted that the report states that acquiring empty homes is an area to capitalise and wondered if the limitations in pushing forward with this are due to

staffing and resource issues. EW confirmed that housing officers are working with the private sector housing team to consider how to move forward, but there are resource issues, with pressure on the private sector housing team significantly increased, partly due to the Ukraine crisis, and pressures of improving standards in the private sector, with further pressures anticipated going forward in light of the supported housing act requiring new licensing of exempt properties; officers have to work out their priorities from a policy point of view and find finance to deliver against all these schemes if required;

- as the Strategic and Local Plan provides an opportunity to consider new policies, he asked whether it would be possible to stratify housing delivery targets further: rather than the current 35/40% targets, could the requirement be 30% on developments of 10-50 houses, 35% on developments of 50-100, and 45% on developments of 500+? The officer said this could be done in theory, but there would be complications – it would need to be viability tested, with a number a typologies/apologies tested to see which strikes the sweet spot. It would also need agreement with Tewkesbury and Gloucester.

Another Member welcomed the sense of innovation in the report, and all the ideas of how to get more out of the system. He hoped that the housing team was permanent.

Following up the comments of TB, he noted that some councillors were not happy with the developer making 20% profit from Stone Crescent, but pointed out that developers, like everyone else, need to make money. He had three questions:

- the local housing needs assessment suggests that CBC needs to build 194 homes a year but has failed to do this so far, and would need to build 275 a year up to 2030 to get back on target. EW stated that the likelihood of achieving that is small, though if we get strategic allocations on line, this will go some way to meeting the need. With outline applications for strategic allocations submitted, he is confident that numbers will rise, although the 194 affordable housing figure should be taken with a pinch of salt, as it uses a different methodology from a few years ago. The housing list shows that we are going in the right direction, though not as quickly as we would like;
- regarding the number of people in B&Bs paid for by CBC, following the introduction of the new law on no-fault evictions in February, the officer was pleased to say the council makes very few placements, and length of stay is very short, with families accommodated for just a few days, and single people for less than a month before being moved to more secure long-term accommodation. CBC is also looking at innovative schemes to avoid using B&Bs, such as working with the YMCA to provide emergency accommodation.

A Member noted the huge transition of CBH to CBC and wondered how well-resourced the council currently is, to enable it to deal with any challenges. The officer confirmed that there is definitely a resource issue, despite great staff, and there are further pressures coming down the line, with the delivery of first homes and the admin following on. An officer of the major developments and regenerations team concurred that resourcing was challenging and difficult, nationally and locally, and but with the return of CBH, three new starters were now in position to help

deliver projects, which is great news for 320 Swindon Road and Monkscroft School. He said the team was not looking to expand further but to consolidate and define, and strategically consider the right way forward for the team.

The Member had three further questions:

- he wondered about the £180m for new house-building and where the council has got to with that. The Cabinet Member for Major Developments and Housing Regeneration said that spending on current projects is around £40-50m; this will ramp up with projected delivery at West Cheltenham;
- he noted that the Pittville School scheme had stymied and that there were other outstanding permissions affecting the five-year housing supply, and wondered what the council is doing to bring forward schemes such as this which include affordable housing. EW confirmed that the council is doing what it can to help bring forward these applications, in particular the critical scheme at Pittville School. He was pleased to say that 320 Swindon Road and Monkscroft School are progressing well;
- there are three definitions of affordable housing, but the key one, and one we need most, is social housing. He asked whether planning applications which include social housing against other types of affordable housing are being prioritised. EW said the through negotiation with developers, the council tries to achieve 70% rental properties – social housing as councillors would term in – and generally prioritise the delivery of this, the most genuinely affordable tenure for our residents. However, he said that compromise is sometimes necessary, for example at Shurdington Road, where the greatest need is for one-bed and four-bed properties. As a compromise, these are being included at social rent (50-55% of the market rate), with the remaining two-bed and three-bed properties at affordable rent (about 80% of the market rate). So yes, we are prioritising social rented housing, and this will come forward in the affordable housing guidance note as well as in the Strategic and Local Plan policies.

Councillor Chelin thanked everyone for a good airing of the issues, and officers for their report and responses. The Cabinet Member for Housing and Customer Services also thanked officers, and Members for their excellent questions. She said if they had any further questions to ask, they should get in touch with the team – this is the whole point of Overview and Scrutiny.

8 Draft Overview and Scrutiny Annual Report 2023-2024

Councillor Chelin took the chair, and presented the report. She said it included an explanation of how the structure of O&S fits in the council's governance, a foreword from the Chair, a list of activities undertaken over the previous year, including scrutiny working groups and task groups. She invited questions and comments from Members.

One Member welcomed the report, saying it was well put together and accurately summarised the work of the committee. Another Member also found the report useful and had a question relating to the Strategic Flood Risk Assessment – is this a

live risk assessment which is monitored regularly? The Vice-Chair confirmed that there is a lot of activity in this area, and the paragraph would be updated to make this clear.

Members voted unanimously to recommend the report to Council.

9 Feedback from other scrutiny meetings attended

The Vice-Chair confirmed that Councillor Bamford had provided his usual comprehensive report from the Gloucestershire Health O&S Committee. A Member noted that the wait for elective procedures was 65 weeks – a high figure but showing improvement – and asked whether patients know that if they have to wait more than 18 weeks for treatment, they have the right to choose, and their healthcare provider has to provide private options. The Vice-Chair said this question would be passed on to Councillor Bamford.

There was no update from the Gloucestershire Economic Strategy Scrutiny Committee, as the next meeting of that group is on 28 November 2024.

Councillor Atherstone's report from the Gloucestershire Police and Crime Panel was added as a supplement.

Any questions or comments on any of the above will be welcome.

10 Review of scrutiny workplan

The Vice-Chair thanked everyone who had fed into the workplan, and hoped it accurately reflected what had been discussed.

The Monitoring Officer said that the presentation from the Cheltenham Trust, previously due in the January meeting, had been rescheduled. She advised that, in its absence and depending on the outcome of the Cabinet meeting on Tuesday 26 November, the Chair proposed considering the terms of reference for a task group around the closure of the Household Recycling Centre. Members agreed that this would be a timely addition.

11 Any other item that the Chair determines to be urgent

There were none.

12 Date of next meeting

The next meeting is scheduled for Monday 13 January 2025.