

Cheltenham Borough Council Overview & Scrutiny Committee Minutes

Meeting date: 13 January 2025

Meeting time: 6.00 pm - 7.55 pm

In attendance:

Councillors:

Tabi Joy (Chair), Jackie Chelin (Vice-Chair), Frank Allen, Graham Beale, Chris Day, Richard Pineger and Stan Smith

Also in attendance:

Councillor Adrian Bamford (Chair of Audit, Compliance and Governance), Councillor Rowena Hay (Leader of the Council), Claire Hughes (Director of Governance and Customer Services and Monitoring Officer), Councillor Peter Jeffries (Deputy Leader of the Council and Cabinet Member for Major Developments and Housing Delivery), Amy Keates (Construction Project Manager), Richard King (Construction Manager, Major Developments & Regeneration) and Paul Minnis (Director of Major Development and Regeneration)

1 Apologies

Apologies were received from Councillors Chandler, Garcia Clamp and Holliday.

2 Declarations of interest

There were no declarations of interest.

3 Minutes of the last meeting

RESOLVED THAT

The minutes of the meeting held on 24 November 2024 were approved as a true record.

4 Public and Member questions, calls for actions and petitions

There were none on this occasion, but the Chair said that she looked forward to receiving input from the public and Members at future meetings.

5 Cabinet Briefing

The Leader said it had been a busy few weeks with publication of the government's white paper on devolution and its major changes to planning regulations. She highlighted the following issues:

- the government is clear that the reorganisation of local government must involve the districts in a meaningful way, with various ideas around Gloucestershire reorganising with one or two unitary councils or one wider and more strategic combined authority. This is very much work in progress at the moment;
- we will not know the outcome of the county's request to the Secretary of State for the May elections to be delayed until early February. None of Gloucestershire's district councils apart from Tewkesbury Borough support this proposal, and they have written a joint letter to the Secretary of State to that effect;

It is clear that, with devolution, parishes will have a bigger voice, but much of Cheltenham is unparished. The Leader will set up a Cabinet working group of 4-5 people, including herself, to look at the options of what a town council might look like; it will be a new council with different powers, and we need to consider what services and income we might want to retain to ensure that we are ready for the future in a local way.

In response to Members' questions, the Leader confirmed that:

- she cannot say why Tewkesbury Borough Council is supporting the county's move to delay the elections in May, but believes it has good reasons;
- discussions between Gloucestershire councils are underway and ongoing, including the option of having two unitaries and one strategic authority in Gloucestershire. Some people prefer this option, believing it will keep things local, but others believe a single unitary is the right way to go. She has been keen to start the conversation for some time, but said it is clear that Gloucestershire County Council is not on the priority list, not yet having started on the journey, but given Cheltenham's drive around cyber security, we are likely to favour the West of England Combined Authority or Bath and North East Somerset model.

The Chair thanked the Leader for all she has done so far and for providing context about where the council is heading, noting that nothing is likely to change until 2027 at the earliest. She said she would welcome Overview and Scrutiny inclusion, particularly in terms of what should be prioritised for preserving in the face of any unitary shifts.

The Leader wanted to give a very clear steer that it is very much 'business as usual' for the present – CBC has a huge agenda and some really important projects to drive through. She also acknowledged that the reorganisation won't come without

significant cost, both financial and capacity-wise, for example additional resource will be needed to consider the options of setting up a town council.

In response to a further Member question about the Strategic Local Partnership, the Leader confirmed that this is very much going ahead, though there is clearly some significant work to be done around CBC's five-year housing supply, affordable housing provision, and the introduction of the grey belt.

The Chair thanked the Leader again, and looked forward to further updates in February.

6 Matters referred to committee

There were no issues referred to Overview and Scrutiny.

7 Feedback from other scrutiny meetings attended

Councillor Bamford, CBC representative on Gloucestershire Health Overview and Scrutiny, outlined the main elements of his report circulated and Members had the opportunity to ask questions of him. These included how districts can support the NHS via councillor activities in the community since health services are a significant issue for residents; whether there had been any changes to the survival cancer rates in the county and whether there was any move to reopen midwifery at Cheltenham General Hospital. Members were informed that CBC were already active in the community regarding health issues and would welcome a briefing on these so not to duplicate work.

8 Golden Valley Social Value Strategy

The Chair welcomed Paul Minnis, Director of Major Development and Regeneration, Richard King, Head of Construction and Amy Keates, Construction Project Manager, from the Golden Valley Development (GVD) team, thanking them for their report and their work so far. Responses to Members' written questions had been provided and there were no follow-ups. She said the objective is to increase understanding of the delivery of social value with GVD, and invited Members to ask further questions.

Members welcomed the excellent report, and in response to their questions, GVD officers confirmed that:

- safety and reducing crime is crucial and is being highlighted and considered as part of the Social Value Strategy. This is currently a working draft, and a lot of detail will be drawn out over the next 12 months;
- the team will be working closely with the chosen construction company to ensure that the effects of construction traffic, including its CO2 emissions, are taken into account. Phase 1 of the construction period will include well-lit paths and on-site

patrols, with answers to other questions to be drawn out over the next 12-18 months;

- construction traffic is inevitable with any development but actions can be taken to minimise its impact, such as ensuring the contractor uses pre-defined routes, excludes larger vehicles from suburban areas, agrees a good logistics plan for getting construction vehicles in and out of the site, identifies suitable parking and offloading facilities, and provides on-site facilities for construction workers to minimise to-ing and fro-ing throughout the day;
- also being drafted into the document is the promotion of local suppliers and workers, with a key performance indicator of a 30-mile radius from the site, although some materials will need to be brought in from further afield;
- regarding the juxtaposition of a high-security cyber centre with the low-level petty crime and anti-social behaviour of the surrounding area, the vision is very much for the new development to be an extension of West Cheltenham and at the same time to enhance local communities through different initiatives. These include contractors visiting local schools to talk about opportunities in the construction industry, giving talks to the community and holding drop-in sessions with the opportunity to meet the site and project managers and discuss how the development is progressing. It will also elevate the area with walkways, sports provision and green space, all available to local communities, and involve initiatives which potentially give local people priority for employment. Officers are thinking about the bigger picture, and the long-lasting impact and legacy of the development, and has received good feedback so far from the Plexall community engagement project, which is looking at how we can improve and support people in Springbank and Hesters Way;
- apprenticeships and work experience are a big part of the tender, and officers are already building a relationship and links with the construction college in Cheltenham, and aiming to involve people of all ages and abilities in the development.
- regarding communications and marketing, and the some residents' perception that the GVD is a 'vanity project' in West Cheltenham with no benefits for the rest of the town, the team is very much working on changing perceptions and ensuring that people understand that there will be benefits for the whole of Cheltenham. The communications and marketing team are involved in the social value strategy to help get the message across;
- with reference to the minimum lease period for future tenants and the positive impact of a stable, long-term tenant base, lease negotiations are driven by equity market forces. Average lease lengths have come down over recent years from 25 years to five or less, and the team have to get the balance right between tenants who want to commit to the scheme through a relatively long lease, and those who are starting up or scaling up, in the cyber security field, for example, and require more flexibility. They are aiming for a broad range of tenants.

The Chair thanked the team for their report, saying she appreciated the KPIs which will act as a measure of success and can be used to change the strategy as it progresses. The Cabinet Member for Major Development and Housing Delivery thanked Members for their questions and observations before the report is taken to Cabinet, and concurred that it was important that residents understand that the

Golden Valley Development will not only bring jobs and economic benefits to Cheltenham, but through social value will transform lives across the town. He thanked the team, and also everyone at HBD for their hard work.

The Chair said she is keen to keep the Golden Valley Development high on the agenda, making sure that councillors are able to share beneficial communications and keep residents as informed as possible.

9 2025/26 General Fund and Housing Revenue Account Budget proposals

As Chair of Budget Scrutiny Working Group (BSWG), Councillor Bamford said he and other working group Members had been considering the specific role of the group, and deduced that this is not to comment on how the reports have been prepared – there are good processes already in place to check for any technical errors - but to consider strategically how the finance team had arrived at certain decisions. He said it was unfortunate that the Cabinet Member for Finance and Assets was unable to attend the recent BSWG meeting, but thanked the Deputy Chief Executive for standing in to answer questions, which focussed on budget savings and additional income, considering the green, amber and red categories and what the impact on the budget would be if they didn't come to fruition as planned.

BSWG also considered interest rates, noting that these can change at any time, and Councillor Day subsequently met with the Director of Finance and Assets to discuss some outstanding concerns which will be reflected in the final report to Council. Looking at the savings plan and additional income plan, Members noted that there were some uncertainties, but that provision for this was built into the budget. Councillor Bamford said that in these difficult times, the council's sound budget and relatively healthy financial position was a great reflection on the Deputy Chief Executive, finance team, and council as a whole.

There were no formal notes from the previous week's BSWG meeting, but Councillor Bamford read the following summary:

The Budget Scrutiny Working Group met with Paul Jones and Gemma Bell to review the draft HRA and General Fund Budgets on Thursday 9 January. We discussed the proposals in detail.

That review and the feedback provided to this Committee forms part of the consultation on the draft budgets. Cabinet will use this feedback to prepare a final budget that will be presented to the Council in February.

Councillor Day will be having a further meeting with Gemma Bell to discuss a number of areas in more detail and will provide feedback to the Working Group and Cabinet.

The Working Group's discussion identified the following:

- *The difficulty of achieving the savings targets for 2025/26 was highlighted, with shortfalls in achieving targeted savings over the prior two financial years*

noted. The need was stressed for specifics on how the money will be saved identified and agreed, with detailed implementation plans in place. In particular the £150k listed under a review of discretionary services needs greater clarity from the Cabinet. (it was noted that savings from the decision on the HRC is not included within this total amount);

- *The Working Group discussed whether it was better to set a more realistic target for savings and payment into reserves, from a financial and political perspective;*
- *Concern was raised that the proposed contribution to the general reserves may be optimistic due to the external challenges discussed. It was recommended that the draft budget proposals be reviewed before the final report to recognise that circumstances outside of the council's control have moved since the report was originally written.*

The Leader apologised for the fact that no Cabinet Member was able to fill in for the Cabinet Member for Finance and Assets at the BSWG meeting at such short notice.

A Member commented that what Councillor Bamford had said changed the focus of the report presented today, as it appears that the role of Overview and Scrutiny (O&S) is to scrutinise budget scrutiny rather than scrutinising the budget. As he understood, the role of BSWG role was to recognise the story and the numbers, and for O&S to promote to the Cabinet and Leadership Team anything that needs guidance or further examination.

In response to Members' questions, the Deputy Chief Executive said:

- the recent press story concerning CBC's pension contributions was poor and irresponsible journalism; it was ludicrous to suggest that Basingstoke Council could spend 106% of its council tax income on pension contributions, and to suggest that CBC's only income is from council tax, which in fact represents just 10% of the council's £100m turnover. The council has a specific pension strategy, and what is reported in The Times as Cheltenham's annual contribution is in fact three years' worth of contributions, an up-front payment made as a conscious budgetary decision which from 2026 will result in a £2m reduction in the council's annual pension contributions. This strategy has been in place since 2016, and was explained to the Times reporter who deliberately chose to ignore it to give the true context. It would be impossible for CBC to fund all the services it provides from bin collection to upkeep of parks, if it was spending 75% of its council tax on pension contributions;
- to explain the green, amber and red assessments on the savings page: green means the money is banked and the project will be delivered; amber means that there are plans in place (such as EV charging) but there may be timing issues due to contractual arrangements and practical issues; and red means that there are no clear plans in place or decisions made, but these will always be included in the budget assessment because of the statutory duty under the Section 25 report for an assessment of the adequacy of reserves and balances.

To clarify the role of BSWG and O&S, the Monitoring Officer explained that O&S's input is required as part of the budget consultation, and that BSWG's responsibility is

to look at the finance reports on behalf of O&S and report back. Ideally, a summary of its findings will be shared.

A Member echoed the comments of the Deputy Chief Executive about the substandard and misleading Times journalism, saying that any business operating a defined budget pension scheme would give its eye teeth for a pension scheme in the funding position that CBC is in today. He said residents can be assured that we have a very strong pension scheme that will greatly assist future cash flow and costs for the council. The Chair agreed that it was very frustrating that the council was receiving a lot of negative backlash as a result of the incorrect news item.

She said it is valuable to have BSWG reporting in to O&S, keeping an external eye on the council's finances and holding ourselves to account. Keen to meet the needs of O&S, the working group will welcome any suggestions or ideas of what should be included in its remit. She thanked the Deputy Chief Executive and the Chair of the Budget Scrutiny Working Group for their input, saying that it might be worth considering more regular check-ins and updates to keep everyone well informed.

10 Updates from scrutiny task groups

There were currently no active scrutiny task groups.

11 Review of scrutiny workplan

In response to a question regarding an expected update to Overview and Scrutiny on the Household Recycling Centre (HRC), the Leader informed that the HRC had closed on Friday and the Cabinet Member Waste, Recycling and Public Realm would be updating all Members on next steps shortly. The Chair added that she acknowledged that time had been taken up with the devolution white paper and the planning reform proposal but had requested an update to the committee at each meeting. The Leader then advised that she had written to GCC to support the CBC decision but was awaiting a response.

A Member commented that the pitches strategy and sports and activity plan had many interlinkages which improved the provision of facilities to the local community. However, as these were being treated as separate pieces of work it was proving challenging for some community groups.

12 Any other item that the Chair determines to be urgent

None.

13 Date of next meeting

24 February 2025