



OVERVIEW AND SCRUTINY COMMITTEE

MEETING : Monday, 26th February 2024

PRESENT : Cllrs. Field (Chair), Pullen (Vice-Chair), Ackroyd, Campbell, Castle, Dee, Hilton, Hudson, Morgan, Sawyer, Wilson and A. Chambers

Others in Attendance

Leader of the Council and Cabinet Member for Environment, Councillor Richard Cook

Cabinet Member for Performance and Resources, Councillor Hannah Norman

Cabinet Member for Planning and Housing Strategy, Councillor Stephanie Chambers
Councillor Conder

Managing Director

Monitoring Officer

Head of Finance and Resources

Head of Place

Financial Services Manager

Housing Innovation Manager

Democratic and Electoral Services Officer

APOLOGIES : Cllrs. Durdey, Kubaszczyk and O'Donnell

101. DECLARATIONS OF INTEREST

There were no declarations of interest.

102. DECLARATION OF PARTY WHIPPING

There were no declarations of party whipping.

103. MINUTES

RESOLVED – That the minutes of the meetings held on Monday 22nd January 2024 and Monday 5th February 2024 were approved and signed by the Chair as a correct record.

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104. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

105. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions nor deputations.

106. ACTION POINT ITEM

RESOLVED – That the Overview and Scrutiny Committee **NOTE** the updates.

107. PRIVATE SECTOR STOCK CONDITION SURVEY

107.1 The Cabinet Member for Planning and Housing Strategy, Councillor S. Chambers, introduced the report and explained that it provided a wealth of information about the condition of the housing stock in Gloucester which would feed into the new Housing Strategy. She provided an overview of the headlines of the report.

107.2 The Chair asked for clarification as to what was meant by ethical low-cost loan organisations at 2.2(e). Councillor S. Chambers advised that these were loans which were compliant with the Islamic faith. In response to a follow-up query from Councillor Morgan, Councillor Wilson advised Members that interest on regular loans was not compatible with the Islamic faith and that ethical loans provided an alternative offering for the Muslim community.

107.3 The Chair referred to 3.12.9 in the report and noted that there was a perception that there was a high number of houses in multiple occupation (HMOs) in the city. He noted that the figures in the report had led to the decision not to pursue additional licenses and asked for further clarification on the rationale. The Housing Innovation Manager explained that the low HMO numbers identified in the survey had confirmed that there was no demonstratable need to pursue additional HMO licensing at the current time.

107.4 Councillor Hilton observed that the report was comprehensive but noted that he was disappointed that Members had not received a briefing or presentation as he felt it would have been helpful for Members to have an overview of the detailed report. He stated that there were high concentrations of HMOs in Barton and Tredworth, Kingsholm and Wotton and Westgate and expressed the view that there should be a thorough investigation into the pockets of the city with high HMO prevalence.

107.5 Councillor Hilton also raised concerns about the recommendation at 2.2(c) for the Planning Committee to determine whether there was a case for Article 4 Direction to manage conversion of houses into HMOs, noting that in his view this should be a matter to be considered by the new administration rather than Planning Committee. Councillor S. Chambers advised that the report covered the whole city, and that the survey results had not identified a need to direct staffing resource towards Article 4 Direction. She noted that the survey and report had followed the usual governance processes.

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- 107.6 Councillor Pullen thanked Councillor S. Chambers and Officers for the detailed report, and agreed that a briefing would have been helpful, noting that this was a matter for the Scrutiny Group Leads to consider for future meetings. He referred to 3.7 in the report and the statement that 73 households had refused to participate in the survey and asked whether the Council could have applied any legal pressure to encourage participation. He also asserted that the Moreland ward had similar issues as the other wards identified in the report, and asked for further information as to the powers the Council had to intervene if serious issues were identified. The Housing Innovation Manager commented that in his view, the low number of refusals demonstrated a high participation rate from residents. He advised that the Council did not have the power to enter homes against the wishes of residents for the purposes of undertaking the survey. The Housing Innovation Manager further clarified that the survey and all addresses which had consented to taking part were anonymous, and that there was therefore no way of following up on specific issues which had been identified.
- 107.7 Councillor Morgan noted that the report was hugely complex and that it was unreasonable to expect the Cabinet Member or Officers to present the findings in detail. He stated that all the information was contained in the report for Members to consider, and suggested that Members who had detailed questions about the implications for their ward put their questions to Officers directly.
- 107.8 In response to a follow-up query from Councillor Pullen as to the anonymity of the survey, the Housing Innovation Manager explained that the purpose of the survey was to use the results to identify trends in certain areas.
- 107.9 Councillor Pullen referred to the narrative in the Condition Survey report confirming that 46 dwellings were seen to have severe damp and mould, with 217 dwellings having moderate damp and mould. He reflected on challenges the Task and Finish Group on Damp and Mould had experienced with ascertaining the extent of the problem in private rented accommodation and queried whether the Condition Survey report could help in this regard. The Housing Innovation Manager confirmed that the survey had provided some data on damp and mould growth, however it had identified more serious Category 1 hazards, such as falls on steps and stairs. Councillor Pullen suggested that the Task and Finish Group might wish to reconvene to discuss the findings in the report.
- 107.10 In response to a question from Councillor Sawyer as to what the Council could be doing to continue to increase decent homes in the city, the Housing Innovation Manager explained that the Private Sector Housing Team were actively involved in improving housing standards with a focus on both social housing and private rented accommodation in the city. He advised that they undertook inspections and offered advice to help improve standards, noting that there was a number of interventions which the private sector housing team could take, including enforcement action against landlords. Members were advised that since 2020, they had improved over 800 dwellings.

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107.11 Councillor Hilton put forward the following recommendations which were agreed by the Committee.

RESOLVED that the Overview & Scrutiny Committee **RECOMMENDS** that:

- (1) A Member Briefing be offered to all Councillors on the Private Sector Stock Condition Survey following the 2024 local elections.
- (2) Members representing Barton and Tredworth, Kingsholm and Wotton, Westgate and Moreland be fully consulted on the issues and proposed actions for their respective areas.
- (3) Consideration be given to revisiting the proposals following the 2024 local elections, to take into account any new actions which are felt necessary by the new composition of the Council.

108. FINANCIAL MONITORING QUARTER 3 REPORT

108.1 The Cabinet Member for Performance and Resources, Councillor Norman, introduced the report and provided an overview of the main headlines. She advised Members that the forecast year end position was currently a decrease to the Council's General Fund Balance of £683k against a budgeted decrease of £104k, which was improvement on the Q2 forecast deficit.

108.2 The Chair stated that he was pleased to note that the Council had received a £400k windfall of business rates refunds following a review of the application of business rates to museums by the Valuation Office. In response to his request for further information, the Financial Services Manager stated that this was due to a longstanding national challenge against the Valuation Office which had been ongoing since 2011. He confirmed that the Valuation Office had this year concluded its review with a decision that museums should not be rateable, which had resulted in a 12-year backdated rebate.

108.3 The Chair referred to 5.5 in the report and the narrative regarding the South West Regional Development Agency (SWRDA) assets. He asked for clarification as to what properties were still in Council ownership. Councillor Norman confirmed that Southgate Moorings Car Park was still in ownership, and that income received from this car park was reserved for regeneration purposes.

108.4 Councillor Wilson noted that the shortfalls in the in the Q3 Financial Monitoring Report and Money Plan recently considered by Council appeared to be different, with a forecast deficit of £349k in the Money Plan and a predicted deficit in the Q3 Financial Monitoring Report of £683k. He asked which document was the most up to date. The Head of Finance and Resources confirmed that both reports should be seen in parallel, with the Financial Monitoring Report providing retrospective figures and the Money Plan looking forward.

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- 108.5 Councillor Wilson asked whether this suggested that the financial situation had deteriorated by £334k, or whether the deficits were not comparable. The Head of Finance and Resources confirmed that the figures were comparable, and that the Council was still expecting the deficit to continue to reduce towards the outturn of the financial year.
- 108.6 In response to a further question from Councillor Wilson as to whether the forecast deficit in the Money Plan papers was too optimistic, the Head of Finance and Resources confirmed that in his view, the Council was not being too optimistic and that he expected the figures to align more closely in the remaining financial quarter. Councillor Norman further noted that an improved trend had been seen throughout each Quarterly Financial Monitoring Report and that in previous years, the Council had seen improvements in the final outturn.
- 108.7 Councillor Pullen referred to the £130k reduction in expected income from Longsmith Street car park due to its continued closure, and asked for an update on the current position. He also asked for clarification as to the expected costs needed to reopen the car park. Councillor Norman confirmed that she was still awaiting the final report and costings which would inform a timeline for completion. In response to a further question from Councillor Pullen as to whether the Council intended to reopen the car park, Councillor Norman confirmed that the Council did plan to reopen Longsmith Street car park however she was unable to confirm the timelines until Officers fully understood the costings involved and the timeline for repairs.
- 108.8 Councillor A. Chambers asked for clarification on the figures contained at 5.3 regarding the Performance and Resources portfolio. Councillor Norman confirmed that the forecast variance to budget for her portfolio in Q3 was £348k. The Head of Finance and Resources explained that the budgeted costs for this portfolio totalled £123k, and that the year-end forecast was £472k. It was explained that 5.4 in the report provided a breakdown of the pressures, which included the reduction of income from the Longsmith Street Car Park and increased energy costs.
- 108.9 In response to additional questions from Councillor A. Chambers regarding the Culture and Leisure portfolio, the Head of Finance and Resources clarified that the Council was budgeted to spend £1.948m. The Financial Services Manager confirmed that the Culture and Leisure Service was adverse to budget by £571k, however it was noted that there was a pressure of £630k in the Leisure Service with cultural venues including the Museum, Guildhall and Blackfriars being favourable to budget.
- 108.10 Councillor A. Chambers requested an update on the safety inspections which had been undertaken on Council buildings. Councillor Norman noted that the wording of the motion approved by Council had been amended to provide a record of the inspections, rather than a report. Councillor A. Chambers requested that the Committee make follow-up enquiries as to when this record was likely to be ready for inspection.

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- 108.11 Councillor Hilton asked for clarification as to the budget variance in the Commercial Property income at 5.3 in the report. Councillor Norman noted that the shortfall was partly due to negotiations around lease renewals, however she confirmed that there was lots of activity in the Asset Management team around investment in Gloucester and it was the expectation that some empty properties in the city would be filled, although this would be dependent on the market.
- 108.12 In response to a further query from Councillor Hilton, the Head of Finance and Resources noted that it was likely that the commercial property portfolio would expand once the Forum development was completed, and that any preferential rates for the repayment of loans would be a central Government Treasury decision.

RESOLVED – That the Overview and Scrutiny Committee **NOTE** the report.

109. FUTURE OPPORTUNITIES FOR THE FLEECE

- 109.1 The Leader of the Council, Councillor Richard Cook, introduced the report and explained that it sought Cabinet approval to explore a potential development option for the Fleece Hotel site with the Phoenix Village Project. He outlined the recommendations at 2.2 in the report and highlighted that the Appendix 1 showed the extent of the site.
- 109.2 Councillor Cook advised that although the site was initially earmarked for a boutique hotel or retail opportunity following receipt of Levelling Up funding for the development of the site, the Covid-19 pandemic had changed the local economy and the initial agreement had been reconsidered. He advised that the Phoenix Village Project were developing a business plan as a community hub with provision for young adults and that next steps would be work with Phoenix Village to develop a Statement of Intent for negotiations.
- 109.3 The Chair expressed the view that the proposals were interesting and ambitious, and asked whether the plans were realistic. The Head of Place advised that the report sought Cabinet approval to enter into negotiations, and that the Council would obtain further detailed information about the proposals once those negotiations had taken place. He noted that Officers would provide further recommendations to Cabinet based on those discussions.
- 109.4 Councillor Wilson stated his view that the proposals were worthwhile, but noted that he wondered why the Phoenix Village Project were particularly interested in the Fleece site. He highlighted that development of the site would be a large, expensive and demanding project. Councillor Cook noted that the Phoenix Village Project had approached the Council with their interest, and had already undertaken a visit of the site.
- 109.5 Councillor Hilton asked whether the Council intended to pursue a secure freehold sale for the site, where the Council intended to obtain grant funding from and whether there would be any capital implications for the Council if the funding bid was unsuccessful. He also asked for further information as to

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the current condition of the historic inn, and what the Phoenix Village Project's future intentions were for this building. The Head of Place confirmed that the building remained in a similar condition to that of Councillor Hilton's visit and that several surveys had been undertaken which had provided an idea of costs of restoration. He advised that there were 3 distinct parts to the site, and that the Council had not decided whether the sale would be freehold or leasehold, noting that this would form part of the negotiations. The Head of Place confirmed that the Council had had positive discussions with a national organisation, and that the intention, subject to approval, was to make a 2-stage grant funding bid. In terms of the historic inn, he advised that he had not seen specified allocation plans for this part of the site.

- 109.6 Councillor Pullen expressed the view that the proposals were innovative and refreshing. He asked for clarification as to whether the Council intended to seek grant funding to prepare the site, with a view of then passing the project on to the Phoenix Village Project to develop the site. The Head of Place responded that this was correct.
- 109.7 In response to a further question from Councillor Pullen as to whether the public would be welcomed at some areas of the development, Councillor Cook confirmed that the proposals included plans for a mix of retail, food and drink and leisure opportunities. He confirmed that although some areas would be out of bounds for accommodation, there would be areas available to be enjoyed by the wider public.
- 109.8 Councillor Pullen asked whether there were other similar schemes in place across the country. He further asked whether it was likely that the site would be disposed of below market value. The Managing Director and Head of Place confirmed that there was a similar concept in East London and it was agreed that examples would be provided to the Overview and Scrutiny Committee in due course. Councillor Cook advised that it was too early in the process to determine the valuation of the site.
- 109.9 Councillor Dee noted that she was pleased that there were plans to bring an important heritage asset back to life, however she expressed the view that both the existing and unexplored structures of the building should be preserved and protected in the development. The Head of Place advised that one of the buildings at the site was Grade I listed, and that Historic England were currently viewing the other building to determine whether it ought to be regraded from Grade II to Grade I. He confirmed that the rationale behind the Council seeking grant funding rather than the developer, was so that the authority could have control over the works and protect the heritage of the buildings.
- 109.10 Councillor Sawyer asked if there was a visual plan available for Members to review. The Head of Place advised that the plans were at the space allocation stage and had not yet been developed into detailed visual plans.

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- 109.11 In response to a further query from Councillor Sawyer regarding capital costs, the Head of Place advised that there might be some capital costs to the Council when it applied for grant funding or to bring the building up to the required specification. He further confirmed that these costs would be known before the Council entered into any contract.
- 109.12 Councillor Morgan noted that it was helpful that there were similar projects and expressed his view that it was positive that local luminaries with a wealth of experience were supportive of the project.
- 109.13 In response to a query from Councillor A. Chambers as to the supporters list on the Phoenix Village website, the Head of Place and Managing Director confirmed that they would ask the organisation to remove Council Officers from the list.
- 109.14 In response to an additional query from Councillor A. Chambers as to the valuation of the land and whether alternative options, such as selling the site via auction, could be pursued, the Head of Place confirmed that the Council had previously tried to market the site several times and that the repair costs needed to restore the site negated the land value. The Managing Director further highlighted the narrative in 10.2 and 10.3 outlining that any disposal for less than best consideration would require consent from the Secretary of State, and that a valuation would need to be undertaken prior to disposal to ascertain whether the land remained to have a negative value.

RESOLVED – That the Overview and Scrutiny Committee **NOTE** the report.

110. 2022-2024 COUNCIL PLAN SIX MONTH UPDATE

- 110.1 Councillor Cook introduced the report and explained that it sought to provide an update on the delivery of the activities as outlined in the Council Plan 2022-24. He reminded Members that the Council plan included 45 actions split across the three priorities set out in 3.3. He advised that of the 45 actions, 35 were currently complete or expected to complete on time, 9 were delayed and 1 was not expected to be completed. He further outlined some of the notable achievements set out at 3.6 in the report.
- 110.2 The Chair referred to the narrative around the successful funding bids to Arts Council England and the increase in cultural organisations which had been awarded National Portfolio Organisation (NPO) status. He asked what the NPOs were in the city. Councillor Cook confirmed that these organisations included Gloucester Guildhall, Strike a Light and Gloucester Culture Trust.
- 110.3 In response to a further query from the Chair regarding the benefits of NPO status, Councillor Cook advised that NPOs were granted significant investment from the Arts Council.
- 110.4 Councillor Wilson noted that the action around supporting the recommendations of the Commission to Review Race Relations had been delayed and requested further information as to why, The Managing Director

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confirmed that the legacy organisation which emerged from the Race Commission's work was newly formed and were still establishing their objectives. He advised that Officers had met with the organisation and they had confirmed that they no longer operated under the 'GREAG' name, however they were working to establish a business plan.

- 110.5 In response to concerns raised by Councillor Pullen regarding the re-branding of the organisation, the Managing Director noted that the Council needed to be guided by them as it was inappropriate for the authority to drive the agenda on such a sensitive issue. He further noted that the organisation was also being supported by the VCS alliance. Councillor Pullen suggested that the new Overview and Scrutiny Committee, following the local elections, may wish to invite the legacy organisation to a future meeting to provide an update on their vision going forward.
- 110.6 Councillor A. Chambers referred to the narrative in the report regarding the regeneration of Matson and Podsmead, noting that the action relating to Matson regeneration was delayed. He asked for an update on the current situation and whether the Council was putting any pressure on the provider to progress energy improvements. The Managing Director noted that Gloucester City Homes (GCH) was responsible for leading on the action, and that they had not been able to take forward their original proposal for regeneration. He understood that GCH were formulating plans to deliver improvements to the existing housing stock throughout Matson with a view of improving the Energy Performance Certificate (EPC) ratings in homes. Councillor S. Chambers further confirmed that she had received assurances from one of the GCH directors that he would provide her with the timescale of the EPC work within the next few days.
- 110.7 In response to a further question from Councillor A. Chambers regarding the action to reduce the use of bed and breakfast accommodation for temporary accommodation and proposed steps to improve the situation, Councillor Cook advised that the Council had agreed to invest £5m to acquire more temporary accommodation to reduce pressures in this area. It was noted that pressures in temporary accommodation were a national issue.
- 110.8 Councillor Hilton referred to the action to develop Wessex House and queried whether the proposed future use for the site was for housing as per the City Plan. The Leader indicated that this was still the case.
- 110.9 In response to further comments from Councillor Hilton impressing the need for elected ward Members to be consulted on the proposals, Councillor S. Chambers suggested that Councillor Hilton contact her and the Head of Place with his views as she was keen to hear his ideas.
- 110.10 In response to concerns raised by Councillor A. Chambers regarding the actions pertaining to housing and homelessness in the Council Plan, the Leader of the Council stated that the Council had a balance of priorities which needed to be managed in an appropriate manner.

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110.11 Councillor Pullen put forward the following recommendation which was agreed by the Committee.

RESOLVED that the Overview & Scrutiny Committee **RECOMMENDS** that:

- (1) The legacy institution which emerged from the Race Relations Commission's work be invited to attend a meeting of the Overview and Scrutiny Committee following the 2024 local elections, to provide an update on its current position and activities.

111. OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND COUNCIL FORWARD PLAN

RESOLVED – That the Overview and Scrutiny Committee **NOTE** the Work Programme.

112. DATE OF NEXT MEETING

Monday 3rd June 2024 at 6.30pm.

Time of commencement: 6.30 pm hours

Time of conclusion: 8.33 pm hours

Chair