

Minutes of a meeting of the SCRUTINY COMMITTEE on Wednesday 15 May 2019

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Committee members:

Councillor Gant (Chair)	Councillor Altaf-Khan
Councillor Arshad	Councillor Corais
Councillor Howlett	Councillor Lloyd-Shogbesan
Councillor Bely-Summers	Councillor Djafari-Marbini
Councillor Donnelly	Councillor Fry
Councillor McManners (Vice-Chair)	Councillor Simmons

Officers:

Nigel Kennedy, Head of Financial Services
Anita Bradley, Monitoring Officer
Alan Wylde, Housing Development & Enabling Manager
Carolyn Ploszynski, Planning Policy and Place Manager
Stefan Robinson, Scrutiny Officer
John Mitchell, Committee and Member Services Officer

Also present:

Councillor Mike Rowley, Board Member for Housing, Housing

Apologies:

No apologies were received

1. Election of Chair for the Council Year 2019-20

The Committee resolved to elect Councillor Gant as Chair for the Council year 2019-20.

2. Election of Vice-Chair for the Council Year 2019-20

The Committee resolved to elect Councillor McManners as Vice Chair for the Council year 2019-20.

3. Declarations of interest

None.

4. Chair's Announcements

The Chair welcomed new members to the Committee and welcomed back those who had served on it previously.

The Chair explained that Stefan Robinson, the Scrutiny Officer, would be leaving the Council in a few weeks' time having been appointed to a post supporting the Growth Board. The next meeting of the Committee would be his last.

5. Minutes

The Committee resolved to APPROVE the minutes of the meeting held on 02 April 2019 as a true and accurate record. The Chair said he had conveyed further points to the City Executive Board relating to street art and graffiti removal as had been requested and the Committee's points had been noted.

6. Work Plan and Forward Plan

The Committee agreed with the Scrutiny Officer's suggestion that the Fusion Lifestyle Annual Service Plan should be added to the Work Plan for the meeting of the Committee on 4 June. This resulted in a particularly busy agenda for that meeting and the Committee agreed that the item on No Local Connection Review should therefore be moved to be considered by the Housing Panel at its meeting on 27 June instead.

The meeting on 4 June would have a substantive item on the future work programme. While there were already 50 items on the list for discussion it was not too late to submit requests for further items but this should be sooner rather than later, not least to allow requests to be 'scored' properly as the others had been. The Scrutiny Officer agreed to send the current list to members of the Committee well in advance of the next meeting.

7. Scrutiny Operating Principles and Standing Panel Arrangements

The Chair said that the report before the Committee included suggestions for streamlining the work and operation of the Standing Panels. This included proposals to limit membership of all panels to 4 or 6; that they be politically balanced; and that there should be a quorum for all panels.

Given the Council's recent resolution about a Climate Emergency, the Committee considered whether it should have some role in scrutinising relevant aspects of the Council's activity. It was noted that the capacity for scrutiny activity was finite (ie currently three standing panels and two review groups or three standing panels and two review groups). Consideration could perhaps be given to asking the current standing panels to conduct environmental impact assessments in the context of their ongoing responsibilities. Agreed that this should be discussed further at a later meeting.

The Scrutiny Committee resolved to:

1. **Agree** the revised Committee Operating Principles for the 2019/20 municipal year, as set out in Appendix 1;
2. **Agree** to re-establish the Finance, Housing and Companies Standing Panels for the 2019/20 municipal year;
3. **Appoint** Councillor Fry as Chair of the Finance Panel, and Councillor Bely-Summers as Chair of the Housing Panel.
4. **Continue** the current membership arrangements for the Companies Panel, so that it may meet on 28 May; and

5. **Agree** that the number on each of the Finance, Companies and Housing Panels be 4, 4, 6 respectively.

8. The future strategic direction for the Council's group of housing companies

At its meeting on 29 May 2019, the Cabinet would consider a report on the future strategic direction for the Council's group of housing companies. This item provided an opportunity for the Committee to comment on the report and make recommendations to the Cabinet.

The Head of Financial Services introduced the item by reminding the Committee that the report was a response to recent government policy changes which had, helpfully, removed restrictions on the ability to borrow within the Housing Revenue Account (HRA). This in turn necessitated a review of the approach previously adopted by the Council and the future role of Oxford City Housing Limited (OCHL).

The Housing Development & Enabling Manager drew attention to a minor change to recommendation 6 which would appear in the version of the report which would be considered by Cabinet.

The Cabinet Member for Housing said it made good sense to manage new social housing within the HRA and it was good to be able to start developing a series of potential sites rather than the previous practice of one 'task and finish' project followed by another

It was suggested that the list of development sites might be over ambitious. The Housing Development & Enabling Manager pointed to the number of developments for which planning permission had been granted and said that steps were being taken to maintain and expand relationships with developers. Some developments were being bundled together to make them more attractive to bigger developers; the smaller developments presented more of a challenge.

In a wide ranging discussion about the importance of reducing carbon footprints and energy efficiency, the Housing Development & Enabling Manager said that OCHL insisted on conditions which were over and above the legal minima. In relation to the potential OCHL sites identified in the report there would be 2-3 years in which to consider and develop proposals for a move to houses with an ever decreasing carbon footprint. Thought was already being given to making larger sites more energy efficient and would involve not just OCHL. Oxford Direct Services, for example, was already planning for a reduction in its capacity to service gas boilers.

Given the increased capacity to borrow it was suggested there was no reason not to accelerate the move to houses with a reduced and, ultimately, zero carbon footprint.

The Cabinet Member for Housing said OCHL would have to look at what was possible and the Council, as lender, would need to decide what it was willing (and what would be prudent) to pay for.

The report noted that the review of the future role and activity of OCHL might extend to the purchase of land. The Cabinet Member for Housing fully expected that this would be the case although, not necessarily within the City. While the new opportunity for prudential borrowing was very welcome he reminded the Committee that it was not free and accompanied by an element of risk which OCHL had to consider carefully. There was, also, the possibility of the current government policy being reversed at some point in the future. On balance however the risks were considered to be manageable.

The ability to respond swiftly to potentially advantageous land or property purchases was recognised as important. The best means of securing additional funds for this purpose at short notice would probably be via the urgency provisions in the Constitution.

The emerging strategy did not include proposals for self-build, partly as a result of other resource priorities and partly because the practice elsewhere had shown its success to be patchy (particularly where land is at a premium).

There was a discussion about whether the proposals would be compromised in the event of a future failure of the Growth Deal to progress according to plan. Officers confirmed that in that event alternative funding sources would need to be identified to replace grant from the deal. This could involve an application to Homes England.

The Chair drew the discussion to a close, saying that the Committee welcomed the change in Government policy and that the proposals contained in the report represented a good response to them.

As a result of the discussion the Committee agreed to make two recommendations to Cabinet:

Recommendation 1: That the Council ensures that the feasibility assessment and design phases of future OCHL developments align with the Council's carbon neutral and environmental ambitions. These stages should also consider the need for appropriate disability access. More broadly, the environmental objectives of the Council should align with all aspects of OCHL's work.

Recommendation 2: That the Council, through OCHL, establishes a standalone and unallocated funding pot to enable rapid property and land acquisitions. Consideration should be given to other ways that the same outcome might be achieved, such as through urgent decision procedures.

9. Community Infrastructure Levy charging schedule review

At its meeting on 29 May 2019, the Cabinet would consider a report on the Community Infrastructure Levy charging schedule review. This item provided an opportunity for the Committee to comment on the report and make recommendations to the Cabinet.

The Planning Policy and Place Manager introduced the report and drew attention to a few key points. The consultation which had preceded the report had resulted in requests that strategic sites should be zero rated for CIL but, in the absence of sufficient information to test the need for this, so no further action would be taken at this point.

Representations had also been made in relation to B2 and B8 sites and, following viability testing, it was now proposed to submit a 'statement of modification' to reduce the rate of CIL for those sites to zero.

Regulations permit the introduction of an Exceptional Circumstances Relief Policy which the report sought to agree. She emphasised that the policy could only be employed if, on a case by case basis, the conditions set out in the regulations and summarised in the draft policy at Appendix 6 of the report were met.

As highlighted in the draft policy, it was important to note that the majority of sites would be viable and the policy would only ever be relevant in relation to few, if any. Furthermore, this was a discretionary policy which could be withdrawn at any point.

The Committee expressed concern at the possibility of developers exploiting the relief offered by the exception when it was not warranted and was keen, therefore, to find a mechanism by which Members could be reassured about the transparency and accountability of the application of the policy. Concern was also expressed about the delegation which gave authority to the Head of Planning Services to authorise decisions in relation to the Exceptional Circumstances Relief Policy. It was considered that this may be a significant decision in some large scale developments, which should be open to councillor review. The Committee resolved to make the following recommendation to Cabinet:

That the Council ensures that any application of the Exceptional Circumstances Relief Policy receives thorough councillor oversight and that a standard operating procedure is devised to ensure this process is in place.

10. Tourism Management Review Group Report

The Chair introduced the report and recommendations of the Tourism Management Review Group in his capacity as Chair of the Review Group.

The Committee was keen to re-emphasise the importance of the Oxford Living Wage (notably in relation to the hospitality sector). It was agreed that this should be further emphasised in the wording of the sixth recommendation, repeating what had been said in recommendations made at the previous committee meeting. Subject to this revision the report would be submitted to the Cabinet on 29 May.

11. Report back on recommendations

The Cabinet, at its meeting on 10 April, had considered the Committee's recommendations in relation to:

- The Oxford Living Wage
- Audit of Fusion Lifestyle
- Building control enforcement
- Development of a homeless shelter and assessment hub at Floyds Row

All of which had been accepted.

12. Dates of future meetings

Meetings are scheduled as followed:

Scrutiny Committee

- 4 June 2019
- 2 July 2019
- 3 September 2019
- 1 October 2019

Standing Panels

- Housing Standing Panel:, 27 June, 3 October
- Finance Standing Panel: 01 July, 5 September
- Companies Panel: 28 May, 3 July

All meetings start at 6.00 pm

13. Matters Exempt from Publication

No matters were considered in confidential session.

The meeting started at 6.00 pm and ended at 8.30 pm

Chair

Date: Tuesday 4 June 2019