

# Minutes

OF A MEETING OF THE

**OXFORDSHIRE**

G R O W T H B O A R D

## Oxfordshire Growth Board Scrutiny

### Panel

HELD ON WEDNESDAY 4 MARCH 2020 AT 6.30 PM

THE LONG ROOM, OXFORD TOWN HALL, ST ALDATES, OXFORD

#### Present:

Councillors Andrew Gant (Chair), Nick Carter, Andy Cooke, Julian Cooper, Peter Dragonetti, Hayleigh Gascoigne, Alex Postan, John Sanders, Anne-Marie Simpson, John Tanner, Richard Webber, Lucinda Wing and Sean Woodcock

#### Officers contributing to and supporting the Panel:

Amit Alva	Project and Scrutiny Officer – Oxfordshire Growth Board
Anita Bradley	Monitoring Officer – Oxford City Council
Caroline Green	Assistant Chief Executive – Oxford City Council
Susan Harbour	Strategic Partnerships Manager – South and Vale District Councils
Bev Hindle	Growth Board Director – Oxfordshire Growth Board
Giles Hughes	Chief Executive – West Oxfordshire District Council
Kevin Jacob	Democratic Services Officer – Oxfordshire Growth Board
Stefan Robinson	Growth Board Manager – Oxfordshire Growth Board

**Other councillors:** Councillor Barry Wood, Chair of the Oxford to Cambridge Arc Leaders Group and member of the Oxfordshire Growth Board

### 32 Apologies for absence and substitutes; declarations of interest; Chair's announcements

Apologies were submitted from:

Councillor Matthew Barber, Vale of White Horse District Council

Councillor Derek Cotterill, West Oxfordshire District Council, (substituted by Councillor Alex Postan)

Councillor Ted Fenton, West Oxfordshire District Council

Councillor Sarah Gray, South Oxfordshire District Council

Councillor Damian Haywood, Oxfordshire County Council, (substituted by Councillor John Sanders)

Councillor Craig Simmons, Oxford City Council

#### Declarations of interest

Councillor Hayleigh Gascoigne declared an interest in Item 7.c Oxfordshire Plan 2050 Sub-Group on the grounds that her partner worked for the Project LEO low carbon hub referred to within the notes.

#### Chair's announcements

With the Panel's permission, the Chair stated that he intended to change the order of the Agenda to consider item 8 Work Programme and Action Log prior to item 7.d Feedback from joint Oxfordshire Growth Board/Health and Wellbeing Board workshop.

At the Chair's invitation, Susan Harbour, Strategic Partnership Manager at South and Vale District Councils provided an update on the status of the South Oxfordshire District Council Local Plan. The meeting was informed that the Secretary of State for Housing, Communities and Local Government had used his powers under Section 27 of the Planning and Compulsory Purchase Act 2004 to direct South Oxfordshire District Council to progress its submitted Local Plan through examination and adoption by December 2020.

Although the meetings of the South Oxfordshire District Council Cabinet and full Council scheduled for Thursday 5 March would go ahead, and councillors would receive a verbal update from officers, they would not be able to consider the options set out in the officer report because of the Secretary of State's direction. The status of the South Oxfordshire Local Plan remained as submitted and it would proceed to examination, expected in October 2020.

At the invitation of the Chair, Anita Bradley Monitoring Officer at Oxford City Council reminded the Panel that the South Oxfordshire Local Plan did not fall within the Panel's Terms for Reference. It was important for members of South Oxfordshire District Council to continue exercise caution in respect of future statements of views prior to the eventual formal consideration of its Local Plan.

### **33 Minutes of the previous meeting**

The minutes of the meeting held on 23 January 2020 were approved as a correct record.

#### Matters Arising

The Chair referred the Panel to the action from the minutes to circulate a copy of officer advice in relation to the Panel's discussion of the status of the South Oxfordshire District Council Local Plan. Stefan Robinson, Growth Board Manager, commented that it had been necessary to obtain the view of the Growth Board's Monitoring Officer and the advice would be circulated to the Panel shortly.

Councillor Cooper expressed his concern that this had not already taken place given the date of the previous meeting and the legal basis of the advice. At the invitation of the Chair, Anita Bradley confirmed that the advice did not relate to case law, but as stated previously, the matter of the South Oxfordshire Local Plan was not within the Terms of Reference of the Panel.

### **34 Public participation**

The Panel heard one address and received one question from members of the public.

**1. Dr Peter Collins on behalf of the Campaign for the Protection of Rural England Oxfordshire (CPRE)** made an address in which he referred to concerns previously expressed by CPRE that there was an overall lack of transparency around the Growth Board and that engagement, including with CPRE, needed to be built into the way it operated if it were to be democratic. CPRE had been recognised as a key stakeholder and this had been recognised by the Panel itself. He expressed concern that in his opinion, CPRE had not been involved enough in the development of the informal steering groups and working group supporting the Oxfordshire Plan 2050 given its history and expertise as an organisation.

In response, the Chair commented that the Panel had previously supported CPRE's involvement in discussions of matters around strategic growth as much as possible and that he was happy to reiterate that view to the Growth Board.

**2. Julia Benning on behalf of Need Not Greed Oxfordshire** asked a question which was put in her absence. The question welcomed the report to the March Growth Board meeting about zero carbon housing and drew the Panel's attention to the introduction by the West Midlands Combined Authority of a localised definition of affordable housing linked to incomes rather than house prices.

The question went on to refer to paragraph 42 of the Quarter 3 Housing and Growth Deal Progress Report which and quoted reference to the establishment of a series of 'informal steering groups and working groups' to oversee specialist topic workstreams of the Oxfordshire Plan 2050 including the workstream relating to an assessment of housing numbers. The Panel was asked whether it had confidence in relation to the membership of the groups, their brief, use of consultants, consideration of the environment, setting of a localised definition of affordable housing and reporting arrangements back to local authority councillors and the public.

In response, the Chair commented that in his view the Panel could have reasonable confidence in the composition of the steering groups, but that it was reasonable to continue to ask how the work of the groups' work would be reported back publicly. The Panel had been clear in its encouragement that the Growth Board put the environment at the forefront of its thinking and on the importance of affordable housing. A full response from officers to the technical elements of the questions put would be sent the questioner and the Panel following the meeting.

A short discussion took place regarding the merits of a common localised definition of affordable housing with a range of views expressed. It was noted that a common definition would require agreement of the five individual planning authorities, making that potentially more complex to achieve than in an area with a single local authority. It was felt by some members of the Panel that the Growth Board should be encouraging a common approach.

It was suggested that a list of the current local affordable housing definitions could be collated and brought back to the Panel.

### **35 Update from Councillor Barry Wood, Chair of the Oxford to Cambridge Arc Leaders Group and member of the Oxfordshire Growth Board**

The Chair welcomed Councillor Barry Wood, Chair of the Oxford to Cambridge Arc Leaders Group, member of the Growth Board and Leader of Cherwell District Council to the meeting.

In summary, Councillor Wood informed the Panel that:

- The Arc Leaders Group covered the whole of the geography of the Oxford to Cambridge Arc and was composed of the leaders of all the local authorities within that areas. It was a significant footprint within the UK.
- Different aspirations and politics were reflected within the Group, which operated on the principle of seeking to arrive at consensus rather than complete unanimity. It was a collaboration of the willing, based upon the collective benefit of working together.
- Although the Arc had in the past been highlighted in statements made by Ministers relating to HM Government's ambition for housing numbers along the Arc footprint by 2050 and Highways England's proposal for an Oxford to Cambridge expressway, the expressway was a separate project to the Arc.
- It remained to be evidenced how this commitment in principle would be demonstrated and put into action, for instance, through the Budget, and/or HM Government Comprehensive Spending Review.
- It was expected that there would be a relationship between HM Government spending and how local partners collaborated in order to manage the impacts of growth in their areas to mutual benefit.
- The Oxford to Cambridge Arc Joint Declaration between HM Government and partners had included a specific paragraph relating to the value placed on the natural environment and the aim to meet joint economic and housing ambitions whilst overall improving, rather than degrading, the environment in the Arc for present and future residents.
- If the aspirations set out in that paragraph were to be realised, even in part, it would demonstrate the value of local authority and HM Government collaboration.
- Arc Leaders had recently agreed to look at the development of a co-designed, robust, deliverable, inclusive and sustainable economic and environmental framework for the Arc between HM Government and local partners. In addition, it had been suggested that there could be a green Arc which prioritised climate change.
- There had been a recommitment to the principles of subsidiarity with local planning authorities continuing to be a central pillar of land use planning, but with governance mechanisms such as Growth Board's providing a degree of collaboration and proof of the duty to collaborate.
- The Oxfordshire Growth Board had been one of the first Growth Board's to be established and whilst it could and would be improved, it would be an important building block in the development of the Arc.

The following points were raised during the Panel's discussion with Councillor Wood and Bev Hindle:

- HM Government had yet to confirm its acceptance, but ARC Leaders had been clear in their discussions with it that subsidiarity involved the taking of decisions and implementations of actions at the level of optimum effectiveness. Growth Boards could be a potential bridge between HM Government, local authorities and local people. For Oxfordshire, this would include a clear focus on sustainability and the Panel itself had a key role to play in monitoring and questioning the delivery of that agenda.

- The Arc provided a level of scale at which it was more likely that influence could be brought to bear on HM Government on cross boundary issues such as enhancements in building regulation to meet the climate emergency.
- The Oxfordshire Growth Board and Cambridgeshire and Peterborough Combined Authority were likely to be one of four governance bodies across the Arc with a form of Executive Committee comprised of representatives from all four groupings. It was felt by the Panel, that any members of this committee should be elected councillors.
- No definitive information was available at the time of the meeting in respect of the future of the Oxford to Cambridge expressway, although it was possible this would be an element of the Budget or connected statements.
- Confirmation had been received that the East West Rail project had been approved and this had the potential to significantly reduce road traffic between Oxford and Milton Keynes.
- Whilst the commitment to sustainability and the environment for the Arc was welcomed, the Panel sought actual examples of what the ambition would look like in practice. The Panel was informed that the incorporation of the role of sustainability and environment with the Arc was still at the vision stage of development, and it was important that HM Government took actions that would count and have real outcomes. There would be additional demands upon local authorities as partners arising from this which would need resources on the ground.
- Adding an environmental ambition to the other Arc objectives and in leading the way provided an opportunity to persuade the public of the wider benefits arising from the Arc otherwise it could be viewed as a threat.
- There should be an aspiration to make affordable housing genuinely affordable. It was noted that details of expenditure of the £60m provided as part of the Oxfordshire Housing and Growth Deal to support affordable housing were set out in the regular progress reports. It was likely that there would be deals equivalent to the Oxfordshire one across the geography of the Arc and lessons could be learnt from it.
- Concern was expressed that funding from HM Government might not be enough to meet the aspirations of the Oxford to Cambridge Arc, particularly considering any reappportionment of funds to other parts of the country following the election. In response, the comment was made by Councillor Wood that it was felt there would still be funding available for the Arc, but it would be necessary to continue to put forward a good business case in a highly competitive context. HM Government was aware of the importance of the Arc geography for the UK economy.

The Panel welcomed the reference by Councillor Wood to the importance of improving the natural environment alongside the other objectives of the Arc set out in the joint declaration and felt that this should be championed by the Growth Board as the Oxford to Cambridge Arc developed. The Panel also supported the development of digital connectivity as part of the ambition for the Arc.

The Panel accepted the invitation from Councillor Wood that he could provide a further update on the Arc's development on an annual basis.

### **RESOLVED:**

#### **The Scrutiny Panel recommended that:**

1. The Growth Board, in its future involvement in the Oxford to Cambridge Arc, continues to champion and seek deliverability specifically against the following section of the

Oxford to Cambridge Arc joint declaration between HM Government and local partners, which the Scrutiny Panel supports:

*“We value the natural environment highly and aim to meet our economic and housing ambitions while overall improving, rather than degrading, the environment in the Arc. We want better places to live, which are beautiful and inspiring, to benefit the Arc’s residents today as well as tomorrow. The Government has already set out its intention for the Arc to embody England’s 25 Year Environment Plan, which we will work together to deliver, including through planning for local natural capital. We want new developments to use intelligent and sensitive design to create or enhance habitats and improve habitat 8 connectivity, in situ and in the surrounding area. We also want to improve access to the environment for existing and new communities in order to improve health and wellbeing.”*

2. Any representation from the Growth Board within the formal governance structures of the Oxford to Cambridge Arc should remain reserved for elected councillors within the Growth Board.

### **36 Oxford to Cambridge Arc Update**

It was noted this subject had been covered during the previous item.

### **37 Growth Board response to scrutiny panel recommendations - 23 January 2020**

The Panel noted the Growth Board’s response to the recommendations from the meeting on 23 January 2020 as set out in the Agenda. In presenting the report the Chair highlighted that the recommendations had been received positively by the Growth Board. As requested, a formal request had been sent from the Growth Board to the Secretary of State for Transport regarding the future of the Oxford to Cambridge Expressway.

A copy of the letter and the response of the Transport Minister for Roads, Buses and Places indicating that an update on the future of the project would be given in due course had been circulated to the Panel and was also available via the Growth Board’s webpage.

### **38 Oxfordshire Growth Board papers 11 March 2020**

#### **a Zero Carbon Housing**

The Panel considered a report to the Growth Board presented by Caroline Green, Assistant Chief Executive Oxford City Council, which set out emerging best practice and challenges faced by local authorities in promoting and encouraging net-zero carbon housing development.

The Panel was informed that the report had been informed by discussions at the Housing Advisory Sub-Group which had identified that the journey to Zero Carbon housing was a key priority for Oxfordshire authorities and nationally.

Expert advice on climate change indicated that meeting the challenges of delivering zero carbon housing would be key to meeting HM Government’s legal commitments on achieving net zero carbon emissions by 2050. Systemic barriers to the upscaling of zero

carbon housing existed, but there were also genuine policy development opportunities available for Oxfordshire as set out in the report.

The Panel was informed that the report's recommendations had been drafted flexibly to allow for a potential programme of work to be developed by officers over time.

The Chair and Panel thanked Caroline Green for an important and informative report. In its discussion about the issues raised, the Panel commented and noted that:

- Higher design standards were welcomed as a possible objective of the Oxfordshire Plan 2050 with policies to support the delivery of the energy strategy, (para 39.d). The Panel was reminded that the Oxfordshire Plan 2050 would require individual approval by each of the district local planning authorities. It would be a matter for each local planning authority to come to a judgement on what issues, (such as design standards) they were comfortable with for the Oxfordshire Plan 2050 to cover versus what would be covered in their local plans. There would be an advantage in potentially having common standards across Oxfordshire which provide scope to be more adventurous.
- The best way to achieve high building standards would be through changes to national building regulations rather than through local plans, but it was argued that the regulations had not kept pace with the environmental standards local authorities aspired to. Many local authorities had sought to bridge this gap through local planning policies, but these needed to be tested. An advantage of an Oxfordshire Plan 2050 approach to zero carbon was that it could represent the next best opportunity to put in place a policy with real planning weight. More work was required, and it would require consensus across the Oxfordshire local authorities.
- A concern that the Government's consultation on the Future Homes Standards could remove discretion from local authorities to set higher standards.
- In addition to long-term national climate change targets, it was important for HM Government to put in place short and medium-term targets as staging points by which progress could be monitored.
- Significant financial investment through incentives and leadership would be required from HM Government to support the measures required to achieve zero carbon housing, particularly regarding the significant cost of retrofitting existing housing stock. This made it particularly important to move to a zero-carbon standard as soon as possible for new housing, both in its operation and construction.
- It was felt that the Growth Board did have an important role to play in seeking to encourage and coordinate joint action on zero carbon housing across Oxfordshire and in lobbying HM Government, potentially through the Oxford to Cambridge Arc.
- Encouragement of modern methods of construction was required, including from mortgage lenders as it could be difficult for borrowers to obtain finance for non-traditional building methods.
- It would be necessary to scale up from current early demonstrator zero carbon projects although there was evidence that it was possible to do so.
- There were issues around the capacity of firms to upscale zero carbon housing capacity and the sharing of skills and technologies.
- It was noted that zero carbon homes had not yet commanded a premium in the housing market to outweigh the current additional costs for most developments.
- It was important to ensure that new measures designed to encourage zero carbon housing did not contradict existing planning requirements.

After further discussion, the Panel welcomed the report and agreed that recommendations should be drafted based on its discussion at the Chair's discretion.

**RESOLVED:**

1. That the Growth Board encourage Government to put in place a series of phased incremental 5-year targets to reduce carbon emissions from new and existing homes to achieve Net Zero Carbon emissions by 2050. This could be an effective measure to increase the focus on realistic delivery towards this target.
2. That in view of the Government's target to reduce carbon emissions by 2050, the Growth Board recognise the significant need for a national household retrofitting programme in addition to ensuring current developments are inexpensive to retrofit. Furthermore, make the case to Government for investment support.
3. That the Growth Board recognise the higher than average purchase price for modular build and zero carbon housing built by modern methods, setting out to Government the need for more accessible mortgage products.

**b Quarter 3 Oxfordshire Housing and Growth Deal Progress Report and Financial Summary**

The Panel considered a report to the Growth Board presented by Bev Hindle, Growth Board Director, which set out an update on progress at Quarter 3 (2019/2020) with the Oxfordshire Housing and Growth Deal, and the interim financial position. The following points were highlighted:

- Para 27 set out spend against the agreed programme for the Oxfordshire Affordable Housing Programme over a three-year period. A theme was that the programme was finding it difficult to compete with other schemes including those provided by Homes England, HM Government's housing delivery agency.
- Several proposals to help improve performance had been made to HM Government which had been received well, but the effect of these would take time to have an impact and might not have effect until after the end date of the programme.
- Active consideration was being given to how the Oxfordshire Affordable Housing Programme, (OAHP) and wider Growth Deal could be turned into a longer-term programme and there was the potential to deliver a lot more in the future.
- As of Quarter 3, a significant amount of learning was taking place around potential strengths and weaknesses and it was acknowledged that performance needed to improve.
- The target for capital programming had been achieved at Year 1, in part because a lot of work had already taken place on individual projects, but it had been harder to bring completely new scheme forward in Year 2.
- The capital programme for the OAHP was over a three-year period and the capital programme for Home from Infrastructure was a five-year period, but delivery experience indicated that a 10-15-year programme might be more appropriate.

In its discussion of the report with Officers, the Panel commented and noted that:

- The Chair commented that in his view, the overall tone of the report had been quite negative, particularly the change in performance outlined in paras 26-27 between June 2019 and December 2019 which showed a significant decrease in performance and the challenge around providing a competitive grant rate in comparison to other providers

- Concern was expressed regarding the scale of the challenge of delivering 70% of the affordable homes target in the final year of the programme and whether this could realistically be achieved.
- The scale of the challenge was accepted by officers, which was most acute in respect of the Affordable Housing Programme. Mitigations to improve performance had been proposed to HM Government, but unfortunately a number had not been accepted which was discouraging.
- Steps had been taken across the Oxfordshire local authorities such as the pooling of resources and developing dialogues with developers to build longer term relationships. The view of officers was HM Government strongly wanted the programme to succeed, but some of its current governance structures and processes had tended to make this more difficult.
- The Housing and Growth Deal had been the first of its kind and whilst it would deliver, all parties would seek to apply the learnings for future arrangements. It was a significant challenge to deliver complex housing projects within the period of the Deal, but progress was being made.
- The Panel welcomed the information set out in the report, but also commented that it would be helpful to see some of background information supporting it, particularly to help it understand spend versus benefits realised.
- The Panel suggested that it would be helpful for there to be a review of the Deal and programmes with recommendations for the future. It was noted that there was an annual review process with HM Government and that there was the potential to also undertake an audit. This would be welcomed as it would provide a useful insight for all parties on what could be improved.
- Concern was expressed about slippage in the Year 2 affordable housing programme and asked whether HM Government funding had been the most significant issue or whether other factors, such as planning delays had had also had an impact. The Panel was informed that the reasons were multi-factorial. Delivery of some major sites had slipped, and some potential sites had been lost to providers with more attractive grant offers and the picture had been similar in respect of infrastructure. It was necessary to be transparent and clear that not all factors on delivery could be controlled locally or that mitigations were not controlled local either.
- Members suggested that it might be appropriate to set numerical targets for delivery that reflected the risk of some sites dropping out of the Affordable Housing Programme and it was confirmed this was already considered.
- It was technically possible that HM Government could decide to clawback unspent funds, but both it and the Growth Board, were working to support the Deal.

The Panel strongly welcomed the actions being taken by officers in seeking to mitigate any risks to the Affordable Housing Programme and the Growth Deal and were supportive of a review.

**RESOLVED:** That the Scrutiny Panel recommended that the Growth Board, in considering the Housing and Growth Deal Progress report, seek to develop a reflective paper on experiences to date concerning the deliverability of the Housing and Growth Deal including mitigation activities and future risks. Furthermore, that the Growth Board ask the Government to respond to the request for extension made by officers on the Oxfordshire Plan 2050 timelines and that this should reflect on the need to set flexible and realistic timescales for any future investment agreements with Government following an audit of existing arrangements.

**c Oxfordshire Plan 2050 sub-group update**

The Panel considered the notes of the Oxfordshire Plan 2050 Sub-Group held on 13 February 2020. Giles Hughes, Chief Executive West Oxfordshire District Council, commented that the meeting had focussed on the Local Transport and Connectivity Plan, (LTCP5) and the Local Energy Oxfordshire Project.

In discussion of the notes, the Panel referred to the promotion of cycle networks as part of the LTCP5 and commented on the importance of towns and villages being properly connected. Efforts to increase awareness of the Oxfordshire Plan 2050 amongst younger age groups and the BAME community were welcomed and supported.

In respect of the timeline for the Oxfordshire Plan 2050, the Panel queried whether HM Government had agreed the 12-month extension to the date of adoption of the Plan. It was confirmed that HM Government had been written to requesting an extension, but formal confirmation had yet to be received. Plan officers were focussing on the next stage of the plan's formal consultation. It was highlighted to the Panel that councillor engagement within each authority would be very important.

Members of the Panel referred to the apparent priority given to social justice and inclusivity issues by young people in their responses to engagement on the Oxfordshire Plan 2050. The Panel was informed these issues would be considered.

**d Feedback from joint Oxfordshire Growth Board/Health and Wellbeing Board workshop**

The Panel noted a short report to the Growth Board which set out feedback arising from a networking event between members of the Growth Board and members of the Health and Wellbeing Board. The Panel was informed that the event had been successful and had underlined the importance of both organisations working together for the benefit of Oxfordshire's residents and areas of joint work were being developed.

**39 Work Programme for the Scrutiny Panel and Action Log - March 2020**

The work programme of the Panel was considered as set out in the Agenda. Amit Alva, Growth Board Scrutiny Officer, introduced the report and drew the Panel's attention to the possibility of the Panel establishing task and finish groups in specific areas as endorsed at its previous meeting, and asked for suggestions to be submitted to him.

**40 Dates of meetings**

The Panel noted the dates of meetings as follows:

- 28 May 2020
- 15 September 2020
- 19 January 2021
- 16 March 2021
- 1 June 2021

The meeting closed at 8.50 pm

Chairman

Date