



15 September 2020

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COUNCIL

You are summoned to attend a meeting of the Full Council to be held remotely via Cisco Webex on **Wednesday 23 September at 6.00pm.**

Christine Gore
Interim Chief Executive

To: All Members of the Council

Due to the current social distancing requirements and guidance relating to Coronavirus Regulations 2020 – Part 3 – Modification of meetings and public access requirements this meeting will be conducted remotely using Cisco Webex.

Members of the public will be able to follow the proceedings through a broadcast on <https://www.facebook.com/CotswoldDC/> (You do not need a Facebook account for this).

Recording of Proceedings - The law allows the public proceedings of Council, Cabinet, and Committee Meetings to be recorded, which includes filming as well as audio-recording. Photography is also permitted.

As a matter of courtesy, if you intend to record any part of the proceedings please let the Committee Administrator know prior to the date of the meeting.

AGENDA

1. Apologies

2. Declarations of Interest

To receive any declarations of interest from Members and Officers, relating to items to be considered at the meeting.

3. Minutes

To confirm the minutes of the meetings of Council held on **15 July and 29 July 2020**.

4. Announcements from the Chair, Leader or Interim Chief Executive (if any)

5. Public Questions

To deal with questions from the public within the open forum question and answer session of fifteen minutes in total. Questions from each member of the public should be no longer than two minutes each and relate to issues under the Council's or Committee's remit.

Any member of the public wishing to ask a public question is requested to contact Democratic Services by no later than 5.00pm the working day before the Meeting.

6. Member Questions

The following questions have been submitted:-

(i) From Councillor Juliet Layton to Councillor Jenny Forde, Cabinet Member for Health and Wellbeing

Could Cllr Forde please update the Council on the re-opening of the Corinium Museum and the leisure centres in Cirencester, Bourton-on-the-Water and Chipping Campden. Were they reopened as and when described in the papers for Council on 29 July 2020? How have the leisure centres and the museum performed since their re-opening? What feedback have you and officers received about the re-opening

(ii) From Councillor Nick Maunder to Councillor Mike Every, Deputy Leader and Cabinet Member for Finance

What is the current position regarding financial support for the operation of our leisure centres and museum? How does this compare with the forecasts presented to Members on 29 July? Can Cllr Every please update the Council on what, if any, financial support for them we expect to be available from the Government. If required, when will Members be asked to approve any further financial support for our contractor?

(iii) From Councillor Robin Hughes to Councillor Joe Harris, Leader of the Council

The Liberal Democratic administration scrapped the Multi- Storey car park in Cirencester when they took over control of Cotswold District Council. At the time parking was becoming a serious issue and it was becoming more and more difficult to find a parking space. At the moment shops and businesses in Cirencester are suffering because of Covid and parking is not a problem. When things get back to normal parking will become a major problem again, especially with the additional 2000 or so houses that are going to be built. Shops depend on footfall and easy accessibility for shoppers, parking is a critical part of that. What solution do you have for town centre parking that allows shoppers to park close to shops and businesses enabling everyone to benefit ?

(iv) From Councillor Julia Judd to Councillor Andrew Doherty, Cabinet Member for the Environment, Waste and Recycling

The previous Conservative administration appointed Kevin Lea on a two-year contract to oversee and manage fly-tipping in the Cotswolds. Our experience is that this important service has been well managed, it has been well rolled-out, easy to report and responses have been fast and reliable; some culprits have even been apprehended. Is it this Council's intention to retain this dedicated officer in the role on a permanent contract in light of the excellent service he has provided?

(v) From Councillor Julia Judd to Councillor Andrew Doherty, Cabinet Member for the Environment, Waste and Recycling

In November 2019 Council approved the spending of £220,000 on In-Cab technology using GPS to track routes and eliminate missed collections. This technology was supposed to speed-up collections, eliminate the need for return journeys, prevent human error, enable unfamiliar drivers to follow exact routes and much more importantly, save money. Has the technology been fitted? If so when and in how many trucks and more importantly does it work?

(vi) From Councillor Gina Blomefield to Councillor Joe Harris, Leader of the Council

I am aware that CDC proposes to replace all street sign names that are in poor condition or damaged on an ongoing basis with new ones which would incorporate the Council Logo and the name of the relevant ward.

If the current administration is entering discussions with Stroud and Cheltenham to investigate creating a new unitary council with them or indeed if a single unitary for Gloucester was formed as a result of the Government's White Paper on local government reform it is possible that these new signs would soon become a historic memento of the Cotswold District Council.

In these circumstances would it be sensible not to implement these new branded CDC street signs before resolving how local government will be organised in the future?’

(vii) From Councillor Gina Blomefield to Councillor Joe Harris, Leader of the Council

During Storm Francis trees all over the Cotswolds were severely affected by the strong winds, losing their branches and in some cases the whole tree toppling over. Many of these were ash trees which provide 30% of the tree cover in this part of the country and are increasingly suffering from ash dieback which makes them brittle, and therefore vulnerable in high winds, before eventually killing them. Many of them are alongside roads and other public places including footpaths so present a danger to road traffic and pedestrians.

I understand that many landowners have been taking action by inspecting their trees in such places and where necessary felling them before they become dangerous or preferably where possible just reducing them in height as recommended.

Has CDC carried out a survey of the ash trees on the land that they own to check which are healthy and which require remedial action?

(viii) From Councillor Richard Norris to Councillor Jenny Forde, Cabinet Member for Health and Wellbeing

In its meeting 29th July this Council approved a grant in the sum of £222,140 to be paid to SLM, a Limited Company registered at Companies House. This grant was to support the opening of Cotswold Leisure Centres for the period August to October. It was also approved that SLM requirement to pay the Council a monthly management fee should be waived for the period 1st April 2020 to 31st October 2020 representing a loss of income to the Council of £61,411.

During the debate on an amendment proposing that these sums should be covered by a Loan from the Council to SLM rather than paid as a Grant, it became clear that you were unclear if support was being given to a Limited Company registered at Companies House or to a Charity, also described in the report as a “not for profit Trust”. Following a recess, it was advised that this would be investigated, clarified and reported back.

Are you now clear on the status of the company to whom this grant and financial support has been given and are you able to describe what that status is?

(ix) From Councillor Richard Norris to Councillor Jenny Forde, Cabinet Member for Health and Wellbeing

On the 25th September 2019 this Council approved your proposal that one of its key 2019-2023 aims and priorities should be to “Help residents, businesses and communities to access the support they need to ensure a high level of health and wellbeing”. On the 4th November 2019 you informed the Cabinet that you would “continue the current work relating to the production of a District-wide leisure strategy looking at provision holistically, based on current and future needs”.

Can you provide an update on what the Health and Well Being Strategy has found so far and in particular, when it will be completed?

(x) From Councillor Sue Jepson to Councillor Joe Harris, Leader of the Council

The Government are wanting the population to go back to work in their workplace.

Can Cllr Harris as the Leader of this Council tell me how many of CDC staff will be coming back to work in the Trinity Rd offices and The Moreton area offices and how many will be continuing to work from home on a permanent basis.

Can you give a date for when members will be able to resume meetings in the building, ie Full Council, Planning etc

(xi) From Councillor Tony Berry to Councillor Joe Harris, Leader of the Council

Please could you detail for me the names and titles of:-

- Staff directly employed (or being recruited by CDC).
- Staff employed (or being recruited by Publica specifically and exclusively for CDC).
- Any staff budgeted but not yet recruited which would fall into the above categories.

Items for Decision

- 7. Revised Budget 2020/21**
- 8. Climate Emergency Strategy**
- 9. Corporate Plan
(TO FOLLOW)**
- 10. Treasury Management Review 2019-20**
- 11. An Investment Strategy for Recovery of Cotswold District**
- 12. Cotswold District Council’s Response to two National Consultations:**
 - **White Paper: Planning for the Future**
 - **Changes to the Current Planning System**

13. Corporate Peer Challenge - Feedback Report

14. Appointment of Chief Executive

(END)

COTSWOLD DISTRICT COUNCIL

COUNCIL MEETING

15 JULY 2020

Present:

Councillor Nigel Robbins - Chair
Councillor Dilys Neill - Vice-Chair

Councillors -

Stephen Andrews	Stephen Hirst
Mark Annett	Robin Hughes
Julian Beale	Sue Jepson
Gina Blomefield	Julia Judd
Claire Bloomer	Richard Keeling
Tony Berry	Juliet Layton
Ray Brassington	Andrew Maclean
Patrick Coleman	Nick Maunder
Rachel Coxcoon	Richard Morgan
Tony Dale	Richard Norris
Andrew Doherty	Gary Selwyn
Mike Every	Lisa Spivey
Jenny Forde	Ray Theodoulou
Joe Harris	Steve Trotter
Mark Harris	Clive Webster
Nikki Ind	

CL.14 APOLOGIES

Apologies were received from Councillor Roly Hughes

CL.15 DECLARATIONS OF INTEREST

Councillor Webster declared an interest in Exempt Item 12 on the Agenda, and indicated he would speak as a District Councillor.

The Monitoring Officer declared an interest in respect of Exempt Agenda Item 13, and confirmed she would leave the Meeting while that item was being discussed.

CL.16 MINUTES

RESOLVED that the minutes of the meetings held on 26 February 2020 and the Annual Meeting of Council held on 3 June 2020 be confirmed.

Record of Voting - for 32, against 0, abstentions 2 (26 February 2020), absent 1.

CL.17 ANNOUNCEMENTS FROM THE CHAIR, LEADER OR INTERIM CHIEF EXECUTIVE

The Leader paid tribute to Nigel Adams and Marie Whiteman who had both retired recently from long careers in Local Government. He welcomed Dr Christine Gore as Interim Chief Executive.

The Leader also updated Council on a decision Cabinet had taken earlier in the day to support the Barn Theatre, financially to provide a Cinema in Cirencester and to continue the CDC Live broadcasts for a further year.

There were no announcements from the Chair or Interim Chief Executive.

CL.18 PUBLIC QUESTIONS

(a) Question from David Fowles to Councillor Joe Harris

'I read with great interest and considerable scepticism the full page article in Wilts and Glos Standard recently announcing the fact that probably the most experienced Senior Officer of the Council had taken 'early retirement'.

I also hear rumours that there may be discussions taking place about another senior experienced Officer possibly leaving the Council.

If true both of these Officers are leaving at a time when their knowledge and experience would have benefitted your very inexperienced Administration.

What is the total potential cost of these two payoffs – including contributions to their Pension Funds?

Is the rumour that your proposed 30% increase in car parking charges generating a potential £435,000 and coming as it does at entirely the wrong time for the local economy is your way of paying for these two staff departures? I will be attending the Council meeting and look forward to your response. Please could I have a verbal and written reply?'

Response from Councillor Joe Harris

'I paid tribute to Nigel Adams earlier in the meeting, I cannot comment on any staff matters, they are confidential and I would be interested to know where you found the information relating to discussions relating to senior members of staff, this is a serious breach of confidentiality of where these rumours came from and what they pertain to.'

Supplementary question from David Fowles to Councillor Joe Harris

'I object to the language being used, the information did not come from former colleagues. I would like to see how much has been spent on projects such as the multi-storey car park, office improvements and the financial management relating to this. Happy to have the response in writing.'

Response from Councillor Joe Harris

'Our administration had to find £1m of revenue income and savings, following being elected and I am not going to take a lecture.'

Mr. Fowles commented that he would like it putting on record that he did not expect Councillor Harris to speak to him the way he did and expected him to speak to him properly.

Question from David Fowles to Councillor Joe Harris

It is great to see the innovative ideas that the Conservative Govt have introduced to help pump prime the economy. Ideas such as reducing VAT to 5% to the hospitality sector, cash incentives to businesses to re-employ staff on furlough, even discounts on meals to encourage people to eat out.

Given Rushi Sunak has a first in PPE from Oxford, an MBA from Stanford University and worked at the Bank of England, these initiatives are probably no surprise.

Apart from dishing out government grants and planning to increase car parking charges by 30% I am not aware of any CDC initiatives to restart the economy.

Could the leader please provide details of his qualifications and business experience to reassure us we are in safe hands to guide the local economy going forward? I will be attending the meeting this evening but would request both a verbal and written response.'

Response from Councillor Joe Harris

'We have invested £350,000 for the economy, we are developing an economic development strategy, supporting local businesses, holding webinars through the Communications Team which had been celebrated, we have introduced 20 minute free parking bays in car parks, invested in the light rail project, we are supporting the Barn Theatre in bringing back a cinema. I haven't run my own business, although I do keep getting re-elected, and have a Cabinet of experienced people to help deliver the priorities of the Council.'

Mr. Fowles requested that it was noted that he objected to the language the Leader was using and he realised he had been beaten fair and square, and the Councillor elected in his ward was doing excellent work.

Question from Mike Davis to Councillor Joe Harris

'As a spokesperson for both the Cirencester Chamber of Commerce and the Cirencester Town Centre Business Forum, I have been nominated to present the findings of the Chamber Survey Monkey and the CTCBF petition both of which clearly show that increasing car parking charges at a time when the local economy needs help to recover will have a negative effect. Will you listen to the business community and either cancel or defer any car park charge increases?'

Response from Councillor Joe Harris

'The Council is under severe financial pressure, and the car parking charges mechanism put in place to extend the 'free after three' parking, introduce 20 minute free parking bays in car parks is good, charges haven't gone up for 10 years, we are

talking pence on a car park ticket and there is a need to bring money into the organisation. Through the Covid-19 emergency, we have lost £4m in income.'

Supplementary Question from Mike Davis to Councillor Joe Harris

'I would like to say that it is an wholly inappropriate time to raise car parking charges when businesses are fighting to get people back into the town centre, with a bleak recovery and ask that any plans to increase charges are delayed.'

Response from Councillor Joe Harris

'We have to make tough decisions and have had to increase other fees and charges, as we are going to have a £4m hole in the budget. I know it is not the news you want to hear, but we are keen to engage with businesses and urge you to talk to Tony Dale, Cabinet Member for Economy and Skills.'

Question from Mike Davis to Councillor Dale

'As I understand it, you were first appointed to the Cabinet as the Portfolio Holder for the Economy and Skills in May 2019.'

Could you please let the Business Community know what initiatives you have introduced to help businesses since May of last year in Cirencester and the Cotswolds.'

Response from Councillor Dale

'One of your predecessors asked a similar question in February.' There is an absolute commitment to businesses across the Cotswolds to work with them to have an appropriate recovery plan and also engage with the Cirencester Chamber of Commerce.'

During Councillor Dale's response he explained his qualifications and business experience.

Question from Amanda Davis to Councillor Joe Harris

'I am talking on behalf of Bourton Chase Resident Association. The new development of two hundred houses at Bourton Chase, Bourton-on-the Water includes affordable housing and a payment of £200-300 each year has to be paid by residents, to a management company in order for them to maintain open spaces and attenuation ponds. The attenuation ponds do not benefit residents of the estate. Everyone, including people who do not live on the estate, can use these spaces, which were not adopted either by the Council or the Parish Council. I welcome Motion 1 on the agenda tonight and would like to work with the Council to address this issue of paying fees to upkeep these public spaces.'

Response from Councillor Joe Harris

'Thank you to all the residents on the estate for highlighting the issue and credit to your and neighbours and friends for doing a lot of groundwork, it is a very complex issue, which needs to be discussed and I suggest a round table meeting with residents and Councillors.'

Supplementary Question from Amanda Davis

'Very much welcome that, thank you. Is Cotswold District Council aware just how much a democratic deficit this has created, for example lack of control and accountability leading to elected members becoming very limited in the support to their electorate and how did CDC come to allow this scandalous situation to arise in the first place.'

Response from Councillor Joe Harris

'It is a total scandal and creates a democratic deficit later down the line and puts us all in an impossible situation, particularly with the ownership of the open spaces. I totally understand the concerns and frustrations; you are doing the right thing engaging with us. Let's get around a table and discuss'.

CL19 MEMBER QUESTIONS

(a) Question from Councillor Nikki Ind to Councillor Mike Evemy, Deputy Leader of the Council and Cabinet Member for Finance

'Could you please confirm when the Electric Vehicle Charging Point procurement tender process is due to re-commence for Tetbury and can you also confirm that the Town Council will be consulted and involved in the selection of suitable sites and equipment?'

Response from Councillor Evemy

The project to install electric vehicle charge points (EVCPs) at car parks across the District has been delayed due to the coronavirus pandemic. However, four points will be delivered when the Whiteway Car Park at Cirencester Rugby Club opens in September. Work on the location, procurement and installation of EVCPs in other car parks across the District has restarted with a view to decisions to go ahead on these being taken in the autumn. Town and Parish councils in these locations will be engaged when plans for the car parks have been prepared.

There was no supplementary question; Councillor Ind commented that she looked forward to the restarting of this procurement as it has been outstanding for quite a while for Tetbury, which need charging points and she looked forward to the progress in the autumn. Councillor Evemy responded and reiterated that since taking over as Portfolio Holder this was one of the issues which was being looked at and they were looking to progress this with the help and expertise of the Head of Climate Action. He would keep Members updated with progress across the district.

(b) Question from Councillor Stephen Andrews to Councillor Joe Harris, Leader of the Council

'Officers and Staff of the Council are to be congratulated on the way that they responded to the COVID-19 emergency whilst at the same time ensuring that "normal business", such as that of dealing with Planning Applications and Planning Enforcement, continued.

One such area of "normal business" has been that the Government has continued with its consultations on key aspect of policy, including areas key to the future of Cotswold District.

Would the Leader list those consultations that have been responded to since the 11th March and provide members with a copy of the submitted responses that have been provided on their behalf?’

Response from Councillor Harris

‘I have been unable to identify any Government consultations issued since 11 March which relate to areas key to the future of Cotswold District. Officers are diligent in identifying and responding to such consultations and the only Government consultation I am aware of which has received a response since that date is that relating to National Fraud Initiative Fees, which I do not consider to be key to the future of this district. You will recall, I am sure, that there was a Government consultation on the Future Homes Standard earlier this year, but our response to that was agreed by Cabinet at its February meeting, well before the Covid-19 lockdown commenced. I can assure you that there have been other consultations which have been responded to since 11 March, albeit not from the Government. Responses have been provided by officers to consultations from Gloucestershire County Council on its draft Local Developer Guide and its emerging Local Transport Plan, and a report is currently being prepared for consideration by the Audit Committee at its next meeting setting out a draft response to the Local Government Association’s current consultation on a proposed Model Code of Conduct, for its consideration.

Supplementary question from Councillor Andrews to Councillor Harris

‘Thank you for summary of what has been done, in interest of time rather than commenting on the summary in detail, I would draw your attention to the consultation conducted from the Ministry of Housing Communities & Local Government into First Home Schemes which closed on 1 May, the consultation sought views, especially from local planning authorities, such as this council on the delivery for discounted homes for local people, the consultation specifically addressed areas with a definition of what is affordable with the aim of designing a scheme which helps local people especially first time buyers into home ownership whilst maintaining strong communities, Given the concern that this council has expressed about these matters will he undertake to check whether a response has been given to this consultation and if it has not, to liaise directly with our MP on whether if at this late stage some informal input can be given, so voice of people of the Cotswolds can be heard on this important matter.

Response from Councillor Joe Harris

‘Yes we responded to that consultation.’

(c) Question from Councillor Tony Berry to Rachel Coxcoon, Cabinet Member for Climate Change and Forward Planning

‘At the Council meeting held on 3 July 2019, a motion to investigate installing solar panels on the Trinity Road Office building was unanimously approved by this Council, based on a review that was to have been concluded in 6 months. We are now 12 months on and I am unaware of any plan being in place and would ask Councillor Coxcoon what action will take place to carry out the Council’s decision?’

Response from Councillor Coxcoon

An energy survey of Trinity Road was undertaken in April 2020, which included an assessment of the potential for solar PV installation. The survey showed that the

roofs of Trinity Road could accommodate panels with an installed capacity of around 140kWp. For context, this would meet around one quarter of the building's current electricity consumption, save around 10% of greenhouse gas emissions from the building, and achieve a financial payback of roughly 10 years.

The payback period for this investment would be reasonable in the context of the Council's key 10 year climate targets to a) Make the Council's own activities net-zero carbon as soon as possible, aiming for an 80% reduction against a 1990 baseline by 2030, and b) to achieve 100% clean energy use across the Council's full range of functions as soon as possible, and not later than 2030. However any such investment requires reasonable certainty that the building will be occupied, and have a similar electricity demand to the present, for at least the next ten years.

Officers are considering the longer term impact of the Council's use and need for office space as a whole which has been significantly impacted by the Covid -19 pandemic. The ability to maintain services during the lockdown period has shown the potential for different ways of working which could have a significant benefit in the reduction, at source, of carbon emissions for our office buildings. Solar panels have a useful part to play in reducing carbon emissions, but the ongoing review of how the building should be used may yield greater savings, and needs to be resolved before a 10 year payback investment can be justified on this building.

Officers are considering the potential installation of solar panels at other sites, which could be significantly larger installations, may provide greater certainty of long term electricity use, and would therefore (if feasible) be a better investment case. Other substantial opportunities for renewable energy generation and consumption are likely to come forward in due course, both building mounted and free-standing, and officers will actively pursue these as they emerge.

Options are also being considered on opportunities to provide or invest in renewable energy projects such as substantial ground-mounted solar farms. For example having the ability to buy electricity from such an installation could satisfy all or most of the Council's electricity demand.

Supplementary question from Councillor Berry

'This was something that could have given a 10% return on our capital investment which the administration is trying to achieve, have a problem that we are not making decisions because we are looking at different technologies and ideas, and it looks as though we are chasing the latest idea rather than necessarily getting on and doing something. We were supposed to be getting plan for the climate change emergency some six months ago and wonder when we would be receiving a plan for the climate emergency for Cotswold District Council.

Response from Councillor Coxcoon

The assessment for solar panels on Trinity Road, would not be a saving against our capital investment, it would be a contribution of 10% in carbon emission against the strategy to be zero carbon by 2030. The Plan was due to be presented to this meeting and because of prioritisation of work due to Covid-19, it will be presented to Council in September. We are looking at how we can best use resources in relation to the climate emergency and the use of Trinity Road and how that building will be used in the future.'

- (d) Question from Councillor Tony Berry to Councillor Lisa Spivey, Cabinet Member for Housing and Homelessness

'At least a year ago we were preparing to design and build 8 sheltered properties in Kemble at the Community Gardens. Since then discussions have taken place but plans do not appear to have moved forward. Please could Councillor Spivey kindly give us an update on this site and given the prominence given to sheltered housing in this administration's manifesto, when will we see some action in this direction?'

Answer from Councillor Spivey

Officers are progressing the project in line with previous Cabinet decisions. At its meeting in February 2019 the resolution was that 'community-led housing options be supported and an appropriate business case be developed'. Consultation has been carried out with the local community as part of this previous Cabinet decision to understand the community's intentions and ability to deliver this site for an affordable housing scheme.

As one of the Council's priorities it is the intention to provide housing which is truly affordable both in terms of rent and running costs by seeking to deliver on both the priority of social housing and climate change. Work is progressing on the feasibility of delivering against this need and a report will be presented to Cabinet shortly which will consider this overall strategy together with the development of Council owned sites, including Kemble.

A cross party Affordable Housing Board has been set up to review the proposals for housing delivery, with its first meeting anticipated within the next few weeks.

Supplementary Question from Councillor Berry

'When will we start to see some plans for this site and expect the report with some results?'

Response from Councillor Spivey

'The draft report has been received and will be taken to Cabinet in September. Within the next few months there will be some concrete plans, to deliver truly affordable housing within the Cotswolds.

(e) Question from Councillor Julia Judd to Councillor Andrew Doherty, Cabinet Member for Environment, Waste and Recycling

'Residents continue to regularly contact us with complaints of missed rubbish collections. Could you please explain the reasons behind the resurgence of failed collections?'

Response from Councillor Doherty

The launch of the new waste service in March was a massive undertaking and teething problems would have been expected. Launching the service in parallel with the first major pandemic in a century was less foreseeable and that led to considerably more difficulties.

The majority of issues occurred in the early part of the new service launch - when we had maximum disruption from staff absences. Cotswold has been more adversely affected than other authorities by staffing issues and the resulting gaps in local knowledge. Unlike some of our neighbouring authorities we have a minimal number of other staff, such as grounds maintenance, available to help in an emergency.

The customer service and waste teams have put in a great deal of work to identify and resolve persistent problems in collection. The level of missed collections is now greatly reduced and continues to decline. We're now down to less than 40 missed collection calls per day. That's less than 1% of the daily scheduled collections. However, that is still higher than should be considered acceptable so work continues to reduce and eliminate those remaining misses.

Supplementary question from Councillor Judd

It is good that we are down to less than 40 missed collections, but during lockdown, we received really helpful emails letting us know about missed collections, is there any chance that these emails could resume where appropriate?

Response from Councillor Doherty

One of the things I am talking to the team about is to try to ensure we are going back to normal processes, the team are still very busy trying to clear up missed collections and if we have major outages we would make sure that Members were aware of this straightaway, but we will look at an appropriate mechanism to supply information to Members.

(f) Question from Councillor Julia Judd to Councillor Andrew Doherty, Cabinet Member for Environment, Waste and Recycling

'Please could the Cabinet Member clarify why the impact of the Covid-19 crisis on waste collection services in the Cotswold District has been so much worse than for neighbouring authorities?

Response from Councillor Doherty

'I would like to cover this in more detail than time allows, but that needs a proper walk through of the South-West Audit Partnership's (SWAP) "Waste and Recycling Service Redesign - 2019/20" audit report, and the correspondence and documentation that I have seen since becoming the cabinet member.

The service we are now running is pretty much the most complex option that could have been chosen. Anyone with involvement in large projects would recognise that running an operationally complex, staff heavy service with unique custom-built vehicles does not naturally lead to a service that is flexible, robust or resilient.

What is now known about the decision making behind the service review in 2018 would suggest that the full council was persuaded to sign up to the current service without accurate information. While the cabinet recommendation was described as "what residents wanted" and "best", the primary driver of choices behind the scenes was a desire to avoid risk and significant change - the audit report specifically notes a desire to avoid "political" risk. Behind the scenes the project was littered with risks:

- insufficient resources
- a lack of financial oversight
- minimal project management expertise
- insufficient involvement or scrutiny by the administration or executive

Over 7 years the service will cost around £34,000,000 (plus inflation). The cabinet meeting that recommended the service choice took 36 minutes, that's nearly £1m per minute.

Well before the launch date the service had already turned out to be seriously mispriced – in March 2019 the unbudgeted costs were thought to be £1,274,000 a year, by August 2019 those extra costs were down to (only) £630,000 a year. That's an extra £4.4m over the life of the service and the largest chunk of the “£1m Blackhole” described in the budget process.

The most immediate outcome of the project failings was the inability of the programme to be implemented on time. The vehicles needed were not ordered until April 2019 - not soon enough for them to be delivered for a November launch. Once it was clear that couldn't be achieved the launch date was changed to March - to miss the peak Christmas period and worst of possible winter disruption. The change to a March launch turns out to be hugely consequential given the escalating pandemic and the UK lockdown the week after go-live.

The secondary issue is the type of service recommended in 2018. The decision to avoid political risk and a naive approach to cost reduction led to a more complex service. Service complexity directly affects resilience - a dual-stream service like Stroud's (a choice which Ubico very, very strongly recommended to CDC) is much simpler. It doesn't require bespoke, customised vehicles - you put most items in together and keep going until the lorry is full. It takes a lot of material to fill a 26 tonne Rear Compaction Vehicle and fewer staff to do so. At home in lockdown, our Cotswold population produced more material than could be accommodated in our bespoke vehicles - leading directly to service failures and collections not happening on schedule. A desire to avoid hard choices and significant change led to a service with less flexibility, resilience and capacity than needed, in a large rural district that needs those things.

Ubico has pointed out that the launch went relatively smoothly considering that no council has ever made such a service change during a pandemic. But, even if so, any disruption for residents is too much; and I apologise again to all those who've been affected by the problems with our collections.

The waste service is the single most complex and costly service we deliver and it deserves more attention, scrutiny and resource than it has historically received. There are many more factors involved than I have been able to cover here. If the council wishes, then this can be explored in more detail - here in council, or in the Overview & Scrutiny Committee. Having been through this experience it is incumbent on us to learn from it, to improve and ensure the service meets whatever challenges it may face in the future.

Supplementary question from Councillor Judd

New residents and people who are now getting bi-weekly collections would like to have a second bin and it looks as though people are being denied that.

Response from Councillor Doherty

We have to ensure that people who have requested their first bins are processed through the system and requests for second bins are now being processed, therefore this should not be an issue and people should start to receive their bins.

CL.20 DECLARING AN ECOLOGICAL EMERGENCY

Councillor Webster, the Cabinet Member for Planning Department, Town and Parish Councils introduced the report which recommended to Council to declare an ecological

emergency to help deliver on all the corporate priorities. Councillor Coxcoo seconded this recommendation and commented that this declaration would bring together the work which is already being carried out on the Climate Emergency

During debate Members discussed the biodiversity within the grasslands within the AONB; the policy areas which could be brought together, to look at the recommendations of the peer review which identified having a credible corporate plan and which was able to show that these issues linked together. Members were supportive of the action plan but wanted to ensure that there were the resources to deliver on the Plan.

In summing up Councillor Webster agreed that there were some useful points put forward by Members, he would undertake to talk to the Cotswold Conservation Board regarding the limestone grasslands. Councillor Coxcoo commented that the Council was fortunate to have an action plan and a lot of the work was already being undertaken.

RESOLVED that the Council:

- (a) declares an ecological emergency for the District;**
- (b) approves the 'Cotswold District Council Ecological Emergency Action Plan – leading the way towards nature recovery as set out in Annex A to the report.**

Record of Voting - for 33, against 0, abstentions 0, absent 1.

CL.21 COVID-19 COMMUNITY AWARDS SCHEME

The Council received a report on the options for a Covid-19 Community Awards Scheme.

Councillor Jenny Forde, wanted to thank officers for their work during the pandemic, for the way they had dealt with lots of different issues, personally and within the community, with the relentless workload this brought. She commented that she had felt privileged and humbled to work with Officers and the community during this time.

Councillor Joe Harris moved the following motion, which was seconded by Councillor Jenny Forde:

'The Council agrees to establish a working group of four members - the Chair and Vice-Chair of Council together with a nominee from the Conservative Group and one of the non-aligned members - to consider the detail of how this awards scheme would operate and make proposals for the Council to consider at its meeting in September 2020. The working group will also be asked to consider the proposal to establish a memorial in the District as described in Motion 2 of 2020/21 on this agenda report back on this to the September 2020 Council meeting.'

Councillor Robbins supported this motion. Councillor Morgan, Leader of the Conservatives, thanked the administration for the motion which was not party political, although considered the group may not have a wide enough membership.

Debate was around the memorials being community based rather than just a single memorial in, for example, Cirencester or Moreton-in-Marsh. Also Gloucestershire County Council were proposing a similar scheme and consideration should be given as to whether the Council's scheme would overlap with the County Council's scheme.

RESOLVED that

- (a) a working group of four members be established- the Chair and Vice-Chair of Council together with a nominee from the Conservative Group and one of the**

non-aligned members;

(b) the detail, is considered, of how this awards scheme would operate and make proposals for the Council to consider at its meeting in September 2020.

(c) the working group be asked to consider the proposal to establish a memorial in the District and report back on this to the September 2020 Council meeting.

Record of Voting - for 33, against 0, abstentions 0, absent 1.

CL.22 REPORT OF THE CONSTITUTION WORKING GROUP

The Council received a report on the suggestions and issues arising out of the meetings of the group.

Councillor Joe Harris moved the following motion, which was seconded by Councillor Mike Every:

‘The Council’s Constitution should be amended to allow for the establishment of a Chief Executive Appeals Committee if required and following discussion and agreement with the Council’s Chief Executive on their appointment.’

Councillor Every commented that recommendation (b) in the Officers report was to be included in the resolution of the meeting.

Amendments were proposed by Councillor Andrews and seconded by Councillor Julian Beale:

‘Statutory Officer Appointment and Disciplinary Process

Add a new 3rd Paragraph 2.1.2:

A member of the Working Group expressed the opinion that the way in which all three statutory officers should be dealt with should be similar. He was given assurance that was not the case and the point was overruled by the Chair on those grounds.

Add a new Paragraph 2.1.4:

Subsequent to the meeting, Statutory Guidance linking the way in which all three statutory officers should be considered was sent to the Legal Officer by that member asking if this Statutory Guidance was extant and what their advice would be on its implementation. The advice received was that the Statutory Guidance was extant and a paper outlining a proposed process, that also took account of the LGA recommendation on a model process, was attached. All of his correspondence was copied to the interim Chief Executive and to the Deputy Leader, the latter as sponsor of this proposal to the Constitution Working Group.

Attachment of Relevant Papers:

A copy of this correspondence and associated documents is attached.

Proposal #1/2:

In order to ensure that the Constitution is amended taking into account all information now available, the Council agrees to the addition of a new 3rd Paragraph 2.1.2 and a new Paragraph 2.1.4 and to refer the matter back to the Constitution Working Group in order

that it can review its recommendation to ensure that its recommendation to Council is both legally sound and takes account of best practice reflected in LGA recommendations on a model process.

Public Forum within Virtual Meetings

Replace Paragraph 2.2.3

In order to provide a more accurate reflection of the context for those not present at the meeting and where the responsibility for any further consideration should lie Paragraph 2.2.3 should be replaced with:

A member pointed out that some practical experience had been gained through the way in which Public Representation in respect of Planning Applications had been conducted. This was ruled by the Working Group Chair as out of the scope of this discussion as Public Representation for applications was a matter for the Planning Committee to agree. The member pointed out that this would result in the anomaly that at Planning Meetings a member of the public would be able to be “virtually present” to ask a Public Question but unable to make any similar representation in respect of an application. The Chair accepted that this should be noted but that this was something for the Planning Committee to consider.’

Proposal #2/2:

The Council agree to the replacement of Paragraph 2.2.3 with the above wording and that the Planning and Licencing Committee consider this at the earliest opportunity.

Councillor Beale spoke to the motion indicating that this clarified the position of these issues.

Councillor Every spoke and put forward an amendment to the resolution to change Chief Executive to Statutory Officers in order to be clear that the Appeals Committee would include all three statutory officers.

The amendment proposed by Councillor Andrews and seconded by Councillor Beale was put to the vote with **14 votes for, 18 votes against, 1 abstention and 1 absent**, therefore the amendment was **lost**.

The amendment proposed by Councillor Harris and seconded by Councillor Every was put to the vote:

RESOLVED that:

- (a) the Council’s Constitution should be amended to allow for the establishment of a Statutory Officers Appeals Committee if required and following discussion and agreement with the Council’s Chief Executive on their appointment;**
- (b) authorises the Monitoring Officer to make the necessary revisions to the Council’s Constitution arising out of the decisions made by the Council.**

Record of Voting - for 19, against 1, abstentions 13, absent 1.

CL.23 NOTICE OF MOTIONS

(i) **Motion 1 of 2020/21 re Fairer management of public open space and waste collection on new developments**

Proposed by Councillor Coxcoon, Seconded by Councillor Maunder

Council notes that:

Prior to 2011, public open spaces, dog waste bins, litter bins and play facilities on new housing developments were generally taken on by Parish or Town Councils for management.

As average development size (and thus the scale of associated landscaping) has greatly increased since 2011, there has been an increasing tendency for parish and town councils to decline to take on the management of public open spaces, bins, street furniture and play equipment.

It is now common practice for developers to hand over the long term management of public facilities on new housing estates to private management companies, for which new residents must pay a surcharge over and above their council tax. These charges vary, but an example is the Moreton Park estate, where each dwelling contributes an average of £181 per year.

Combined, the residents of new housing in the Cotswolds, constructed since 2011, are therefore likely to be paying in the region of £770k per annum, over and above council tax, for public open space management. With a government imposed housing target of over 400 homes per year, this figure will only increase.

Council believes that the situation as it stands is:

Unfair: New residents pay full council tax, but pay an excess over and above this for the public open spaces nearest to their homes to be maintained. Other local residents can, and do, use these spaces free of charge.

Divisive: The move away from parish and town council delivery of public open space management has created an 'us and them' atmosphere. New residents feel aggrieved that they are treated as outsiders and must contribute more than residents of older parts of town.

Unethical: Residents on new estates repeatedly tell ward members that they cannot get redress or response from private management companies or developers where they pay a standard service charge. Worse still, in situations where an 'Embedded Management Company' (EMC) is imposed, annual costs can rise without cap, and EMCs can interfere with the sale of homes where back-payments are due.

Uneconomical: In towns with several estates built by different developers, there are limited economies of scale in the delivery of services. Different personnel, driving different vehicles, turn up on different days of the week to mow grass and empty bins within very short distances of each other. As much as 25% of the management fee is devoted to 'administration'; managing mailings and address lists that could be centralised. CDC customer service staff deal with repeated enquiries about green spaces the council cannot control, wasting CDC time and money.

Of limited environmental and social benefit: Multiple vehicles visit towns, where one would suffice. Private management companies often employ least-cost management techniques, rather than those that would maximise biodiversity, actively sequester carbon, and deliver a high quality green environment. Opportunities for community events and

community access to funding for green space initiatives are limited by the private delivery structure.

Council therefore commits to instruct officers to:

1. Carry out an evidence review and satisfaction survey, to produce an accurate picture of:
 - (a) the sums being paid for public open space management by residents on new housing estates across the district;
 - (b) the levels of service they are receiving for the fees paid, and the variation in service cost between developments;
 - (c) the levels of resident satisfaction with the services being provided by private management companies or other forms of site management;
 - (d) the identity and operating location of the management companies and contractors delivering the services, to better understand the economic value to the district of the services being delivered (i.e. how much money is leaking out of the local economy to contractors based elsewhere);
 - (e) the biodiversity and environmental value of the green space management practices generally applied across the district's new estates, and whether these are in line with agreed management plans;
 - (f) how green space management in the district compares with other Council areas, to establish best-practice from elsewhere.
2. Produce a report to Cabinet for April 2021 outlining the range of options open to the District that that would allow the Council to ensure that new public open spaces are managed effectively and to a high quality, in a way that:
 - (a) is fair to all residents, existing and new;
 - (b) produces high quality outcomes for biodiversity, climate emergency response, and the quality of the public realm;
 - (c) strengthens the local economy, by keeping money local and creating local employment opportunities;
 - (d) creates opportunities for bringing existing housing estates out of private management;
 - (e) sets out the level of provision and management expected of a high quality public open space;
 - (f) promotes inclusive communities and the use of public open space by all sectors of the community, to deliver health and wellbeing benefits;
 - (g) identifies costs, commercialisation opportunities, and potential funding sources.
3. Establish what mechanisms the council can use to prevent future use of 'Embedded Management Companies' and similar arrangements that limit accountability to residents on new developments.

Council also commits to allocate a sum of up to £25,000 from the Council Priorities Fund for additional resources (increased internal capacity and/or external consultants and specialist advice) to support the delivery of this work. Officers to investigate grants and whether there are existing partnerships of local authorities and green space experts actively looking into these issues, and partner where possible to minimise this spend.

In proposing the motion Councillor Coxcoo highlighted that issues surrounding the open spaces and pavements on the Moreton Park Estate had not been resolved by the management company, with the Council's enforcement teams being deployed to check issues such as dog waste bins.

Councillor Maunder seconded the motion and explained that he was doing so because his experience in relation to these issues was based on personal experience.

Members considered that this motion should be approved as it was a matter of urgency to resolve issues such as these.

RESOLVED that the Motion be supported.

Record of Voting - for 33, against 0, abstentions 0, absent 1.

(ii) Motion 2 of 2020/21 re Coronavirus COVID-19

This motion which was proposed by Councillor Joe Harris and seconded by Councillor Forde was withdrawn to enable the working group as detailed in Minute No. CL.21 to report back to Council in September 2020.

(iii) Motion 3 of 2020/21 re Car Parking Charges

Proposed by Councillor Morgan, Seconded by Councillor Berry

'This council should abandon plans to increase parking charges by almost 30% in council owned car parks across the Cotswolds. Retail shops and small business owners across the Cotswolds have been hugely impacted by Coronavirus and the subsequent lockdown. On top of COVID-19 many of our high streets were already having to react to changing consumer behaviour and new large online competitors. Given how under pressure our retail shops and small business owners are, this council should do everything that we can to support these entrepreneurs and their staff to keep our high streets and car parks as accessible as possible. This council should abandon its plans to raise parking charges by 30%.'

In proposing this motion Councillor Morgan highlighted that during a Cabinet meeting it was mentioned that car parking charges had not been increased for 10 years. Councillor Morgan stated that the last administration had done a lot of work on keeping the charges frozen for 10 years and consultation which took place prior to the pandemic being announced, business owners indicated that that charges should not be increased. This would mean that an extra £400 per year would need to be paid by workers, which may not be able to find this extra money. He commented that the current administration had inherited a council in a good financial position and that they should delay the price increase, which would make it harder for people to find jobs and urged Members to support the motion.

Councillor Evemy, Deputy Leader and Cabinet Member for Finance was invited to speak, he highlighted that it was recognised that it was a difficult time for businesses across the District and country. As a Council some difficult decisions will need to be faced during the budget process and he thought it was reasonable and fair to ask residents, visitors and workers to pay slightly more on the car parking charges to bring in much needed income. During April and May there were no charges on the Council's car parks and zero income had to be taken into account. The implementation of the rise in charges had been delayed. Officers and Members had been giving businesses a lot of help during the Covid-19 emergency, although the Council needed to receive income to help the residents and business of the District. He urged Members to reject this motion.

During debate it was considered that this was a difficult decision to make, and it was considered that local businesses should be supported in the run up to Christmas.

Councillor Joe Harris explained that this was a tough decision to make and it needed to be taken, as the Government had indicated at the beginning of the pandemic that the finance would be available to local authorities where needed, this was not now the case.

Councillor Maclean tabled an amendment to the motion to defer the increase by three months. This proposal was seconded by Councillor Ind.

Councillor Ind explained that she would not want to abandon or change our decision on a decision that had already been made, but she considered that something needed to be done to help businesses.

Councillor Evemy pointed out that the decision taken to increase charges had already been deferred to 1 September 2020 and to defer the charges further would incur around £100,000 of lost income and urged Members not to support this amendment to the motion.

Concern was expressed that Councillor Hughes was discussing a confidential item and should not be referring to the item in question.

Councillor Berry suggested that the amendment should be four months to take over the Christmas period into account, or perhaps six months when the budget was brought to Council in February.

Councillor Maclean amended his amendment to the motion to 4 months, Councillor Ind seconded this. On being put to the vote the amendment was lost

Record of Voting - for 15, against 18, abstentions 0, absent 1.

Councillor Berry spoke to the main motion explaining that the Council had to make provision for future years, as Government funding would not be available, the Waterloo car park had been delayed which meant funding would be being put back in the budget. There was a need to support businesses, who were struggling due to Coronavirus and recommended that Members supported this motion.

Councillor Morgan responded with one last plea to ask Members to support the motion.

On being put to the vote the motion was lost..

Record of Voting - for 16, against 17, abstentions 0, absent 1.

Following this item a vote had to be taken for an extension of time, as three hours had elapsed since the start of the meeting.

Record of Voting - for 19, against 14, abstentions 0, absent 1.

CL.24 EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public and Press be excluded from the Meeting for the following items of business on the grounds that they involve likely disclosure of exempt information as defined in paragraph (1) of

- (a) Part I of Schedule 12A to the said Act (Information relating to any individual) and**
- (b) Part I of Schedule 12A to the said Act (Information relating to the financial or business affairs of any particular person (including the authority holding that information));**

that the public interest in maintaining the exemption outweighs the public interest in disclosing the information concerned.

Record of Voting - for 20, against 1, abstentions 12, absent 1.

CL.25 SENIOR MANAGEMENT STRUCTURE

The Council received an exempt report regarding the senior management structure to consider the early retirement of the Monitoring Officer and appointing a new Monitoring Officer.

The Leader explained that discussions had taken place with the proposed new Monitoring Officer, who would be part time and a 'fresh pair of eyes.' The new Monitoring Officer would take up post on 1 August 2020.

RESOLVED that:

- (a) the Council agrees to the early retirement of the current Group Manager Legal Services/Monitoring Officer on the terms detailed in the report;**
- (b) delegated authority be given to the Interim Chief Executive in consultation with the Leader, the Interim Head of Legal Services and Section 151 Officer to complete the agreement;**
- (c) Council approves:**
 - (i) the appointment of an Interim Head of Legal Services and Monitoring Officer, subject to the approval of the proposed candidate by the Interim Chief Executive in consultation with the Leader of the Council;**
 - (ii) delegated authority be given to the Interim Chief Executive to, negotiate a business case regarding both future service provision and the interim Monitoring Officer role.**

CL.26 PROPERTY MATTER

A report was presented to Council by Councillor Joe Harris and Councillor Mike Evemy to enable a decision to be made on the joint acquisition of a property which was a strategic

site for future economic development purposes to support integrated transport infrastructure for the north Cotswolds.

RESOLVED that the Council enter into a joint agreement for the acquisition of a strategic site for economic development purposes.

The Meeting commenced at 6.00pm adjourned between 9.05pm and 9.10pm and closed at 10.40pm

Chair

(END)

Unconfirmed

COTSWOLD DISTRICT COUNCIL

COUNCIL MEETING

29 JULY 2020

Present:

Councillor Nigel Robbins - Chair
Councillor Dilys Neill - Vice-Chair

Councillors -

Stephen Andrews	Stephen Hirst
Julian Beale	Roly Hughes
Claire Bloomer	Sue Jepson
Tony Berry	Julia Judd
Ray Brassington	Richard Keeling
Patrick Coleman	Juliet Layton
Rachel Coxcoon	Nick Maunder
Andrew Doherty	Richard Morgan
Mike Every	Richard Norris
Jenny Forde	Gary Selwyn
Joe Harris	Lisa Spivey
Mark Harris	Ray Theodoulou
Nikki Ind	Steve Trotter
	Clive Webster

CL.27 APOLOGIES

Apologies were received from Councillors Mark Annett, Gina Blomefield, Tony Dale, Robin Hughes and Andrew Maclean

CL.28 DECLARATIONS OF INTEREST

Councillor Tony Berry indicated that he was a member on the Committee of the Friends of Museum.

Councillor Stephen Andrews indicated that he was a regular user and of Cotswold Leisure Centre.

There were no declarations of interest by Officers

CL.29 REOPENING OF LEISURE FACILITIES

The Cabinet Member for Health and Wellbeing introduced the report explaining that the Leisure Centre and Museum were forced to close on 20 March 2020 due to the Covid-19 Pandemic. Work to start to re-open the Leisure Centre and Museum had been ongoing and getting residents to return to these facilities was a priority. She was recommending Option 3 of the report to Members.

Councillor Every seconded the proposal. He highlighted that a word in recommendation (e) of the report should be changed from 'and' to 'or' to read 'or the Cabinet Member for Health and Wellbeing'.

Speaking to the proposal he explained that when the pandemic first started himself and financial officers agreed to waive the management fee for the first few months and highlighted the report in relation to Government funding. He understood that the financial position is difficult but wanted to reassure Members that the costs have been scrutinised by officers and are robust. He reiterated that he would be supporting the recommendation of Option 3 in the report.

Councillor Theodoulou proposed an amendment which was seconded by Councillor Andrews.

Speaking to the amendment he highlighted that it should be a loan that is given to SLM, rather than a grant. The reason for this was that he had looked at the accounts of SLM and concluded that it was a wealthy company, with sales amounting to £217m, which was a successful company and paid a dividend to the shareholders of £656,000. As such, a grant would not be appropriate, and urged members to provide a loan which would be paid back. By providing a grant the Council would never receive anything in return.

Amendment set out below:

- a) That the phased re-opening of the District's Leisure centres as outlined in the report (Annex A. Option 3) be approved;
- b) That the re-opening of the Corinium Museum in Cirencester as outlined in the report (Annex A. Option 3) be approved;
- c) That the financial support package for SLM for August-October, at an estimated cost of £222,140, be approved as a loan to SLM;
- d) That the requirement for SLM to pay the Council a £8,773 monthly management fee for the period 1st April 2020 to 31st October 2020 (~~total lost income to the Council of £61,411~~) be ~~waived~~ included within the loan to SLM;
- e) That authority to finalise and sign an agreement with SLM confirming the terms upon which this financial package is based, including the consideration of a more detailed analysis of when the "breakpoint" of moving into a neutral or profitable position might be on the basis of a shared (CDC/SLM) business recovery plan, in order to determine what level of support might be judged equitable, shall be delegated to the Interim Chief Executive in consultation with the Deputy Leader of the

Council or in his absence with the Leader of the Council and the Cabinet Member for Health and Wellbeing.

- f) That the lost income referred to in (d) above be part-funded from the Government Grant promised to compensate the Council for income lost as a direct result of the impact of Covid-19;
- g) That the financial impact of the lost income from SLM which will not be funded through Government grant, and the impact of the SLM support package be included in the revised Budget for 2020/21, which is due to be considered by Council in September 2020;
- h) That Council note that the 2020/21 Budget report to its meeting in September will include all Covid-19 costs and income pressures together with expected Government funding for the year, and will recommend how the overall funding gap will be financed.
- i) That although Tetbury and Fairford leisure centres are no longer the direct responsibility of CDC, the health and wellbeing of all Cotswold residents is the responsibility of CDC. As a result, CDC will contact relevant parties in Tetbury and Fairford and ask if we can offer any assistance.

Councillor Neill highlighted that a Task and Finish Group had been set up to look at the Tetbury and Fairford Leisure facilities.

The amendment had been given to Members just before the Council meeting. If a loan were to be offered to SLM it was unlikely that the centres would open.

Councillor Morgan believed that questions should be clarified for the public and understood that there were no immediate plans to open the Tetbury and Fairford Sports centres.

Private gyms were beginning to open and the sports hall in Tetbury remained closed and requested help to open the sports hall.

Concern was expressed and clarification was given on the question of SLM being a successful company and requesting a grant to open the centres. This was a private company limited by shares with subsidiaries, of which Everyone Active is a wholly owned subsidiary which is a charitable trust.

Councillor Every spoke to the amendment and highlighted that if Members had concerns about the status they should have raised it earlier, as the Council has been working with SLM Everyone Active since 2013. Officers had waived management fees and undertaken negotiations with the trust. The arrangements are negotiated between now and the end of October. He urged Members to reject the amendment.

A review had been undertaken by the Overview and Scrutiny Committee, looking at the contract break point. The principal company was SLM with a subsidiary of Everyone Active which was a charitable trust.

Councillor Theodolou again reiterated that the company was Sports and Leisure Management Limited which was a substantial organisation with

substantial dividends to shareholders it was not a charitable organisation. The subsidiary which was a charitable organisation did not disperse money and was not registered with the charities commission. He was horrified to hear that the proposal had already been agreed with SLM, and questioned whether due diligence had been carried out. He recommended the amendment to all Members.

The amendment was put to the vote:

Record of Voting - for 12, against 16, abstentions 0, absent 5.

The amendment was lost.

The meeting adjourned at 8.10pm to discuss these issues and recommenced at 8.35pm.

The Cabinet Member for Health and Wellbeing spoke to the proposal recommending option 3, reiterating that it was imperative that the leisure centres and Museum should be opened. Keeping them closed would lose market share, a review can take place at a date in the future.

She thanked Councillor Theodoulou for raising these issues, but explained that the leisure centres and Museum must re-open.

RESOLVED that:

- (a) the phased re-opening of the District's Leisure Centres as outlined in the report (Annex A. Option 3) be approved;**
- (b) the re-opening of the Corinium Museum in Cirencester as outlined in the report (Annex A. Option 3) be approved;**
- (c) the financial support package for SLM for August-October, at an estimated cost of £222,140, be approved;**
- (d) the requirement for SLM to pay the Council a £8,773 monthly management fee for the period 1st April 2020 to 31st October 2020 (total lost income to the Council of £61,411) be waived;**
- (e) the authority to finalise and sign an agreement with SLM confirming the terms upon which this financial package is based, be delegated to the Interim Chief Executive in consultation with the Deputy Leader of the Council or in his absence with the Leader of the Council or the Cabinet Member for Health and Wellbeing;**
- (f) the lost income referred to in (d) above be part-funded from the Government Grant promised to compensate the Council for income lost as a direct result of the impact of Covid-19;**
- (g) the financial impact of the lost income from SLM which will not be funded through Government grant, and the impact of the SLM support package be included in the revised Budget for 2020/21, which is due to be considered by Council in September 2020;**
- (h) Council note that the 2020/21 Budget report to its meeting in**

September will include all Covid-19 costs and income pressures together with expected Government funding for the year, and will recommend how the overall funding gap will be financed.

Record of Voting - for 28, against 0, abstentions 1, absent 5.

CL.30 SCHEME OF DELEGATION

The Leader introduced this report highlighting that under the Constitution it was required to ask Council for these changes.

The Interim Chief Executive responded to a question relating to the Monitoring Officer explaining the Council would employ the Monitoring Officer.

Council was being asked to give delegated authority to the Monitoring Officer to make the following amendments:

- (a) All references to the Head of Paid Service be deleted and replaced with Interim Chief Executive;
- (b) The scheme of delegation makes it clear that the positions of Returning Officer and Electoral Registration Officer are held by Jan Britton;
- (c) All references to the Group Manager for Legal Services are deleted and replaced with Interim Head of Legal

RESOLVED that Delegated authority is given to the Monitoring Officer to make the required changes to scheme of delegation.

Record of Voting - for 29, against 0, abstentions 0, absent 5.

CL.31 EXCLUSION OF THE PUBLIC AND PRESS

Proposed by Councillor Joe Harris and Seconded by Councillor Mike Evemy.

RESOLVE that under Section 100A(4) of the Local Government Act 1972 the public and Press be excluded from the Meeting for the following item of business on the grounds that it involves likely disclosure of exempt information as defined in paragraph (1) of Part I of Schedule 12A to the said Act (Information relating to the financial or business affairs of any particular person (including the authority holding that information)). and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information concerned.

Record of Voting - for 29, against 0, abstentions 0, absent 5.

CL.32 MEETING HOMELESSNESS NEEDS

The Cabinet Member for Housing and Homelessness introduced the report and explained that she was proposing this as she would never want people to be put in a hotel or bed and breakfast and in taking on the lease of the property the Council was being proactive and having control of where people are housed. The Council has a statutory duty to house the homeless and the property would benefit the residents most in need. The effects of Coronavirus had highlighted the need for this type of housing.

Councillor Every seconded the proposal, supporting the report and explained that this would be something positive that had come out of the pandemic and a way in which the Council could provide a home for the residents most in need. Financially it made sense and was right to make these investments. The finances were explained in the report with a comparison of what it would cost us to provide bed and breakfast accommodation. He recommended this to the Council.

An amendment was put forward by the opposition group, but was withdrawn after advice from the Monitoring Officer.

RESOLVED that the Council:

- (a) agrees to enter into a lease as set out in the report to be used for housing homeless persons from Cotswold District, with agreement for Heads of Terms delegated to the Interim Chief Executive in consultation with the Head of Legal Services and Monitoring Officer, Deputy Leader of the Council and Cabinet Member for Finance and the Cabinet Member for Housing and Homelessness;**
- (b) offers any spare capacity within this accommodation, recharging all costs, to other Councils.**
- (c) notes the principles on securing homeless accommodation to meet local needs and embed these principles in a wider Affordable Housing Strategy;**
- (d) notes that budgetary provision will be included in the updated budget and Medium Term Financial Strategy to be considered in September 2020.**

Record of Voting - for 23, against 1, abstentions 5, absent 5.

The Meeting commenced at 7.00pm, adjourned between 8.10pm. and 8.35pm., and closed at 9.30pm.

Chair

(END)



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 7
Subject	REVISED BUDGET 2020/21
Wards affected	ALL
Accountable member	Cllr Mike Every, Deputy Leader and Cabinet Member for Finance Email: Mike.Every@cotswold.gov.uk
Accountable officer	Jenny Poole, Chief Finance Officer Email: jenny.poole@cotswold.gov.uk
Summary/Purpose	The purpose of this report is to present a revised budget for 2020/21 reflecting the impact of the Covid 19 pandemic on the Council's finances.
Annexes	Annex A - Revised Budget 2020/21
Recommendation/s	<i>It is recommended that:</i> <i>(a) Council approves the revised budget 2020/21;</i> <i>(b) delegated authority is granted to the Head of Climate Action to use £10,000 from the Council Priorities Fund to commission support for local residents to access the Green Homes Grants.</i>
Corporate priorities	The revised budget for 2020/21 reflects the financial implications of the Council Priorities approved in September 2019.
Key Decision	NO
Exempt	NO
Consultees/ Consultation	The following have been consulted on this report and the detail contained within: Major contractors: Publica Business Managers, Ubico, SLM and Cabinet Members, Monitoring Officer and Interim Chief Executive.

1. BACKGROUND

- 1.1. The Council set its budget for 2020/21 on 26th February 2020, just before the Covid 19 lockdown. Demand fell for the Council's income generating services from early in March 2020, and this was further exasperated following the announcement of lockdown on 23rd March 2020. The Council's service related income has continued to be impacted throughout the April to September period.
- 1.2. In addition to reduced service income, the Council has also faced pressure on its expenditure budgets. In particular, providing emergency accommodation for individuals and families facing homelessness; collecting additional waste and recyclable materials presented by households and ensuring that the Council's leisure contractor was able to fulfil its contractual obligations to ensure that the Council's leisure centres and museums were being adequately maintained and managed while they were closed to the public.
- 1.3. The Council has been regularly reporting the impact of Covid 19 on its finances to the Government. In response the Government has provided three tranches of grant funding in recognition of expenditure pressures. The Government has also made a promise of additional funding to compensate for income losses, although no funding for income losses has yet been received.
- 1.4. The financial impact of Covid 19 has been felt across the Council's services and therefore across many of the 2020/21 service budgets. This report therefore proposes a revised budget for 2020/21 which: revises income budgets to reflect forecast service income for 2020/21, revises expenditure budgets to reflect additional cost pressure in 2020/21, incorporates the additional Government funding for Covid 19, both received and promised, and sets out revised funding for the 2020/21 budget.
- 1.5. The revised budget for 2020/21 has been prepared following engagement with the Council's key service delivery partners: Publica Group Ltd, Ubico Ltd and SLM. This included a review of the Council's capital programme and earmarked reserves.

2. MAIN POINTS

Revised Budget 2020/21

Changes from Council decisions and external factors excluding Covid 19

- 2.1. The original budget for 2020/21 included provision for pay award inflation of 2.5%. The final pay award of 2.75% has now been agreed. An increased pay award of 0.25% increases cost pressure by £25,000.
- 2.2. The budget assumed an income reduction of £45,000 as a result of proposed changes to the Gloucestershire County Council Food Waste Collection and Delivery Agreement, now known as the "Residual Waste Incentive Agreement". The revised scheme has now been determined by the County Council and consists of an element of fixed financial contribution and a flexible element which is performance related. The budget needs to reflect this new arrangement and a further reduction of £20,000 has therefore been included in the base budget.

- 2.3. The impact of the decision taken by Gloucestershire County Council to change the location of delivery of green waste collected by this Council to Purton in Wiltshire, as opposed to the Love Lane Depot in Cirencester, is expected to increase the Ubico contract cost by £68,000.
- 2.4. The Council's decision to defer submitting the planning application for the decked car park on the Waterloo car park site means that additional car parking being made available in Cirencester is now available for additional car parking capacity rather than for use as decant car parking. It is estimated that the additional capacity could generate additional income of £18,000 in 2020/21. This assumes that the Whiteway car park is half full from November 2020 to March 2021.
- 2.5. During 2019/20, the Council acquired new vehicles for use in its revised waste and recycling services. The vehicles cost £3.245 million and were expected to be financed through external borrowing resulting in revenue costs for the future repayment of the debt and interest payments. The Council received higher than anticipated capital receipts during 2019/20 as a result of right to buy capital receipts which are passed through to the Council from Bromford Housing Association. The Council was therefore able to finance the vehicle purchased through use of capital receipts rather than borrowing. The budgets for minimum revenue provision, £750,000, and interest, £99,000, are therefore not required.
- 2.6. The majority of new claims for financial support with rent payments are now processed under the Government's Universal Credit arrangements. Historically, under the previous rent allowance benefit, where the Council has identified overpayments of rent allowance, the Council has recovered the overpayments. The budget for overpayment recovery needs to be realigned to reflect the rent allowance caseload and associated lower incidence of overpayments for recovery. It is proposed that the budget is realigned by £118,000.

Impact of Covid 19 on 2020/21 Budget

- 2.7. The Council has responded to increasing demand for support for individuals and families facing homelessness by securing additional accommodation which will cost £50,000 each year. The Council has also needed to make adjustments to its accommodation in Ashcroft Road to enable social distancing to be maintained. This has increased costs by £11,000.
- 2.8. The savings target for 2020/21 included an increase to the management fee received from SLM of £35,000. As the leisure and museum services were closed from late March to early August, and are currently subject to social distancing and additional health and safety requirements which reduce capacity, the contractor is unable to generate the additional income which would enable this increase in the management fee to be paid to the Council. It is unlikely that the leisure and cultural services will return to pre-covid levels of capacity for the remainder of the financial year and it is therefore unlikely that SLM will be in a position to pay any of the Council's management fee for 2020/21. The impact upon income from the management fee is therefore £105,000.

- 2.9. Under the terms of the contract with SLM, the Council is required to work with SLM to manage the financial impact Covid 19. The Council has approved an interim financial arrangement with SLM for the period from April to the end of October 2020. SLM will be operating under open book arrangements and will be reporting actual financial performance to the Council. The Council's estimated liability for this period is £222,140. The period from November to March is subject to a further review depending upon customer usage and income generated. There is the potential for further costs associated with the SLM contract and the budget provides for an additional £578,000 of costs.
- 2.10. The Council's waste and recycling service provider, Ubico, responded to increased levels of recycling materials being presented by households, as a result of lockdown, at the same time as implementing changes to the Council's recycling collection service. Ubico also faced challenges with some operatives not being available due to the national measures implemented in response to Covid 19 and a requirement to put in place appropriate health and safety arrangements including the use of personal protective equipment, hand sanitizer and wipes etc.
- 2.11. Ubico worked with the Council's commissioning team and the Cabinet Member for Environmental Services to deliver the Council's priority services during this challenging time. As a result, the Council's garden waste collection service was cancelled during the period from March to May. The Council therefore decided to maintain the fee for the service at £30 for the year rather than increase to £35 as per the Council decision in February 2020. This has reduced income by £79,000.
- 2.12. As Ubico is a wholly local authority owned company, the Council pays for the actual cost of service delivery. Additional costs incurred by Ubico for agency staff, hire vehicles and personal protective equipment are therefore passed through to the Council. For the period April to July, additional costs have amounted to £200,000. As the operatives that were shielding have now returned to work and changes have been put in place to recycling vehicles to manage the high level of recycling material being presented for collection, provision of £50,000 for additional costs for the period August 2020 to March 2021 have been included in the revised 2020/21 budget.
- 2.13. The high level of recycling materials is also driving recycling processing costs. Additional costs of £65,000 are forecast for 2020/21. The market price for purchasing cardboard is currently very low and income from the sale of recycling materials is forecast to be £190,000 below budget. However, this is partially offset by additional recycling credits of £50,000.
- 2.14. Overall the waste and recycling service costs are forecast to be £315,000 higher than budget and income is forecast to be £140,000 lower. The total impact upon the 2020/21 budget is forecast to be £455,000.
- 2.15. The Council has responded to various Government policies to manage the financial impact of Covid 19 on residents and businesses. This has resulted in revised council tax and business rates bill being prepared and posted. The Council passes on the costs of enforcement action necessary to recovery unpaid council tax and business rate income to the bill payer. Taking recovery action in these times has not

been appropriate. The impact of additional costs and lost income in respect of council tax and business rates is £78,000.

- 2.16. The Council suspended charges in its car parks in March 2020 in response to Covid 19. The increases to car parking charges approved as part of the budget process in February have not been implemented until September 2020. Since the lifting of lockdown, demand in the Council's car parks has remained low but is gradually improving. In June weekly income was around 80% lower than budget assumptions, this improved to 50% lower in July and is currently around 30% lower, although August sees increased use of the car parks due to tourist visits and income may fall again in September. Income from car parking for the year is forecast to be around £1,680,000 lower than budget based upon losses of 70% in quarter 2, 50% in quarter 3 and 25% in quarter 4. It is possible that this shortfall will improve if use of the car parks continues at the current level through autumn and winter periods and will be helped by the new charges which come into effect in September.
- 2.17. Demand for planning services has reduced during lockdown. Income for April and May was around 50% of the profiled budget. Income was in line with budget in June before falling back again in July to 60% of budget. The number of planning applications received is currently around 75% of the number received at the same period last year. The impact upon planning fee income and pre-application advice for the year is expected to be £450,000.
- 2.18. Demand for building control services has also been impacted by lockdown. Income is forecast to be £130,000 over the course of the year. Licensing Income and water sampling income has been impacted in public protection services and is forecast to be £72,000 lower for the year.
- 2.19. Income from the land charges service was 60% lower than expected in the budget in the first quarter of the year. Income has recovered to 85% of the monthly budget in July. Assuming that income returns to the budget level for the second half of the year, the overall impact on income is expected to be £49,000 for the year.
- 2.20. The Council has supported its commercial tenants by permitting deferrals of rental income. Given the economic conditions, it is possible that some tenants may not be able to continue in business. Based upon contact from tenants to date, provision for income losses of £40,000 from commercial tenants has been included in the revised budget. Rental income and commission from holiday bookings at the Moreton Area Centre have also been impacted by the closure of the centre and the financial impact is forecast at £19,000.
- 2.21. A review has been carried out to identify budgets which are no longer used and therefore not required. These budgets are available to fund the above cost pressures and total £181,000.
- 2.22. Changes to the 2020/21 base budget, which will also impact upon budget for 2021/22 are set out below:

Service/Cost Driver	Income Change £000	Expenditure Change £000	Total £000

Pay Inflation		25	25
GCC Waste Incentive scheme	20		20
GCC decision on location of green waste		68	68
Cirencester car parking capacity	(18)		(18)
Minimum Revenue Provision Interest		(750) (99)	(849)
Housing Benefit Overpayments	118		118
Non-Covid 19 Impact upon Base Budget	120	(756)	(636)
Homelessness additional ongoing costs		50	50
Total Base Budget changes	120	(706)	(586)

2.23. One-off changes to the 2020/21 budget as a result of Covid 19 are set out below:

Service/Cost Driver	Income Change £000	Expenditure Change £000	Total £000
Homelessness		11	11
Leisure and Cultural Services	105	800	905
Garden waste income	79		79
Ubico – hire of waste vehicles, agency workers and personal protective equipment		250	250
Recycling processing and materials	140	65	205
Council tax and business rates recovery	46	32	78
Car park income losses to date and impact of delay to increases to charges	1,680		1,680
Planning income	450		450
Land Charges income	49		49
Commercial income provision for bad debts	40		40
Moreton area centre rental income and commission	19		19
Public Protection fees and charges	72		72
Building Control fees	130		130

Savings in supplies and services budgets		(181)	(181)
Total Covid 19 impact upon budget 2020/21	2,810	977	3,787

2.24. Government has recognised the financial impact of Covid 19 on local authorities and has provided a grant of £1,062,180 to this Council towards the expenditure impact upon the Council. In addition a new burdens grant of £170,000 has been provided towards the cost of administering the £37.4 million of grants to businesses.

2.25. The Government has also committed to funding some of the income losses. The principle is that where income losses exceed 5% of budget, the Government will fund 75% of these losses. The detail of how this additional funding will be claimed by local authorities has not been announced at the time of drafting this report. It is estimated that a grant of up to £1,533,000 could be available to this Council.

2.26. The impact of Covid 19 on the Council's budget is set out below:

Service/Cost Driver	Income Change £000	Expenditure Change £000	Total £000
Forecast Covid 19 impact upon budget 2020/21	2,810	977	3,787
Government grant received/forecast	(1,533)	(1,232)	(2,765)
Net impact upon budget 2020/21	1,277	(255)	1,022

2.27. When the savings identified in the base budget 2020/21, as detailed in 2.21 are reflected the overall position is as follows:

Service/Cost Driver	Income Change £000	Expenditure Change £000	Total £000
Forecast Covid 19 impact upon budget 2020/21	2,810	977	3,787
Government grant received/forecast	(1,533)	(1,232)	(2,765)
Net impact upon budget 2020/21	1,277	(255)	1,022
Savings in base budget	120	(706)	(586)
Net change in 20/21 budget	1,397	(961)	436

- 2.28. The budget for 2019/20 assumed a contribution from the General Fund Balance of £166,000. The actual use of General Fund Balance was £437,000 reducing the General Fund Balance by £271,000.
- 2.29. When the Council set the original budget for 2020/21, the forecast General Fund balance at the end of 2020/21 was £1,690,000. The Council, at meetings in June and July 2020, approved funding of one-off payments totaling £333,000 from the General Fund. The payments were necessary as a result of changes to the Council's leadership team.
- 2.30. Funding the £436,000 impact of the changes to the 2020/21 budget will reduce the General Fund Balance to £650,000 at the end of 2020/21. While this is lower than ideal, the General Fund will improve by £1,634,000 in each of the next two financial years as pension deficit payments due to the Gloucestershire Local Government Pension Scheme for 2021/22 and 2022/23 were paid up-front in April 2020.
- 2.31. The revised budget does not account for the impact of Covid 19 on the economy and the associated risk to the Council's collection of council tax and business rate income. Retained income from business rates accounts for £3.1 million of income in 2020/21. Council tax income amounts to £5.6 million in 2020/21. The impact of Covid 19 will be reflected in the budget setting for 2021/22.

General Fund Balance

- 2.32. The budget for 2019/20 assumed a contribution from the General Fund Balance of £166,000. The actual use of General Fund Balance was £435,000 reducing the General Fund Balance by £271,000. The Opening Balance for the revised budget for 2020/21 has therefore reduced from £4,746 to £4,475.
- 2.33. The forecast use of the General Fund Balance is set out below:

	2020/21 Approved Budget £000	2020/21 Revised £000
Opening Balance	4,746	4,475
2020/21 Council decisions June/ July use of Balance	0	(333)
Contribution to Glos. LGPS	(3,268)	(3,268)
Saving on LGPS Pension Deficit	0	0
Revenue budget surplus/(deficit)	212	(223)
Closing Balance	1,690	651

Review of the Capital Programme

2.34. The Capital Programme has been reviewed and is attached at **Annex A3**. The key changes to the capital programme include:

1. Carry forward of capital expenditure previously due to take place in 2019/20 for car park improvements, a strategic site acquisition in Cirencester, additional electric vehicle charging points, works on the Corinium Museum and replacement vehicles in the Ubico fleet.
2. The impact of decisions taken by Council since February 2020 including the provision of a loan to the Barn Theatre to provide a cinema in Cirencester and provision for a strategic site acquisition in the north of the District.
3. The revised budget for the new Whiteway car park in Cirencester.
4. Investment in the Cotswold Leisure Centre in Cirencester have been deferred until 2021/22.
5. Investment in the decked car park at the Waterloo car park in Cirencester has been deferred until 2022/23.
6. Provision has been included for flood prevention works which are urgently required at the Packers Leaze depot.

2.35. The revised capital expenditure programme for 2020/21 and the sources of funding is set out in the table below:

	2020/21 Approved Budget £000	2020/21 Revised £000
Capital Expenditure	8,667	10,887
Financed By:		
Borrowing	4,758	2,220
Revenue Contribution	250	250
Reserves	757	1,847
Capital Receipts	2,252	5,670
External Funding/Grants	650	900
Total Financing	8,667	10,887

2.36. The impact upon the Council's capital receipts balance is set out below:

	2020/21 Approved £000	2020/21 Revised £000
Opening Balance	8,060	10,023

Forecast new Capital Receipts	915	915
Funding capital programme	(2,252)	(5,670)
Closing Balance	6,723	5,267

Review of Earmarked Reserves

- 2.37. A review has been carried out of the revenue reserves previous earmarked for specific purposes. Balances of £872,000 have been identified as no longer required for their original purpose and have been reallocated to the Council Priority Fund to provide one-off funding to support initiatives directly related to the Council's Priorities. Details of the reserve balances reallocated to the Council Priorities Fund are set out at **Annex A5**.
- 2.38. The following addition commitments have been identified as requiring one-off funding from the Council Priorities Fund:
- 2.39. £20,000 support for a legal case in the public protection service.
- 2.40. £25,000 support for work on an Open Space Review approved at Council on 15 July 2020.
- 2.41. £23,000 funding for the Housing First initiative agreed at Cabinet on 1 June 2020.
- 2.42. £75,000 provision for work related to the Devolution White Paper expected from the Government.
- 2.43. £12,000 to fund the revenue impact of the Council's strategic property acquisition in Moreton-in-Marsh until the site is developed and becomes self-financing.
- 2.44. The Government has recently launched the new Green Homes Grants. scheme £10,000 has been provided from the Council Priorities Fund to enable the Council to work in partnership to provide a public-facing advice service to help local residents access the Green Homes Grants.
- 2.45. Details of all commitments against the Council Priorities Fund are set out at **Annex A4**.

3. FINANCIAL IMPLICATIONS

- 3.1. The Council can manage the financial impact of Covid 19 in 2020/21 so long as promised Government funding for income losses is in line with the assumptions in this report.
- 3.2. There remain some considerable challenges to the longer term financial sustainability of the Council. Delivery of the Recovery Investment Strategy will be critical to that sustainability. The Council is putting in place additional resources dedicated to delivery of the strategy.

4. LEGAL IMPLICATIONS

- 4.1. None directly as a result of this report.

5. RISK ASSESSMENT

- 5.1. The risk of local lockdowns within parts of the district would lead to further income losses and additional pressure on expenditure budgets.
- 5.2. The new waste and recycling service was introduced at the same time as the national lockdown response to Covid 19. At the time of preparing this report, it is unclear whether the cost pressures experienced by Ubico are temporary, as a result of lockdown, or become more embedded as households change their patterns of behaviour. This will become clearer as communities settle into a new routine post the Covid 19 lockdown.

6. ALTERNATIVE OPTIONS

- 6.1. Performance against the revised budget for 2020/21 will be reported quarterly to the Council's Overview and Scrutiny Committee and the Cabinet. The Overview and Scrutiny Committee will be able to propose further changes to the 2020/21 budget to the Cabinet and the Council.
- 6.2. The Council could decide not to revise the budget for 2020/21, however, this will mean that significant variances will need to be reported to Members throughout the financial year. It is recommended that the Council revises the budget in order to enable financial management and control.

7. BACKGROUND PAPERS

- 7.1. None.

(END)

REVISED BUDGET 2020/21
Annex A1

	2020/21 £000s	2020/21 Revised £000s
Expenditure base budget	23,413	23,413
Inflation - Salaries Retained Staff and Members Allowances	26	30
Inflation - Publica	213	234
- Contracts	140	140
Total Inflationary Increases	379	404
Unavoidable budget pressures - See Annex A2	1,728	1,992
Savings		
Savings - Publica and Leisure	(329)	(294)
Recovery Investment Strategy	(774)	(695)
Total Expenditure	24,416	24,820
Income base budget	(12,256)	(12,256)
Inflation		
Other Growth - see Unavoidable budget pressures Annex A2	100	2,896
Total Income	(12,156)	(9,360)
Net cost of service	12,260	15,461
Central Government Funding Retained Business Rates		
Collection Fund (Surplus)/Deficit (Business Rates)	92	92
S.31 Grant	(2,459)	(9,305)
NNDR Income (NNDR1)	(13,236)	(6,390)
Tariff	11,485	11,485
Levy	1,037	1,037
Renewable Energy Business Rates Retention	(69)	(69)
Business Rates Income Estimate	(3,150)	(3,150)
Revenue Support Grant/Covid 19 Gov Funding	0.000	(2,765)
Rural Services Delivery Grant	(602)	(602)
New Homes Bonus	(3,169)	(3,169)
Overall Central Government Funding	(6,921)	(9,687)
Council Tax		
Estimated Council Tax Base	41,817.64	41,817.640
Band D Council Tax	133.93	133.93
Council Tax Yield	(5,601)	(5,601)
	3.88%	3.88%
Collection Fund (Surplus)/Deficit - Council Tax	49	49
Overall Funding Position	(12,473)	(15,238)
Budget (Surplus)/Deficit	(212)	223

Annex A2

Unavoidable Budget Pressures	2020/21	2020/21 Revised
Expenditure		
Revenue Impact of increase to external borrowing - MRP	683,000	(67,000)
Loan repayment from RSL matches MRP on external Borrowing for loan		
Revenue Impact of increases to external borrowing - interest	99,348	0
Interest from Ubico re vehicle lease payments		
Interest on loan to RSL matches interest on external borrowing for loan		
GCC Incentive payment	45,000	65,000
Review of statutory officers	50,000	50,000
Flytipping Officer - saving		
Flytipping Officer - made permanent in establishment		
Transfer of Green Waste to site in Purton		68,000
Waste Service Review	610,000	610,000
Additional cost pressure on Ubico Contract over and above £124k provision in approved MTFS + repairs provision as fleet ages		
Proposed increase to Ubico contract sum 2021/22		
Additional fleet hire costs in Ubico contract		
Use of capital receipts to fund MRP re vehicle fleet - Ubico payments		
Members Allowances re new Scheme approved May 2019	47,005	47,005
Council Chamber Webcasting Ongoing Support and Maintenance	20,000	20,000
Severn Wye funding for investment in SMEs climate change measures	3,000	3,000
Climate Change Manager Post	70,000	70,000
Contribution to election fund	10,000	10,000
Green Energy Supply	6,100	6,100
Insurance Premiums	23,280	23,280
External Valuation Resource - Property Services	10,000	10,000
Support of in-cab system for waste and recycling vehicles	26,000	26,000
Enhanced support for communications team	5,000	5,000
Community Welfare Grants	20,000	20,000
Additional costs for homeless service		50,000
Savings from Civica Revs and Bens System Licences		
One-off costs impact of Covid 19		1,157,000
One-off savings related to impact of Covid 19		(181,000)
Recycling Materials Processing Costs		
Business Rates and Utilities budget alignment to match actuals		
Savings in Supplies and Services Budgets		
Total Expenditure Budget Pressures	1,727,733	1,992,385
Car parking income from Decked Car Parking Cirencester - offset prov for debt repayment and interest costs		
Loss of investment interest resulting from lump sum payment to pension fund		
Planning income	100,000	100,000
Additional income Whiteway Car Park and other additional car parking in Cirencester		(17,646)
Loss of Inv Income - investment in strategic site in MIM		
Additional Car Parking MIM car park		
Loss of income from housing benefit overpayments as a result of new claimants claiming via universal credit		118,000
Recycling Materials Market Value Changes		
Realignment of income budgets to meet actual income		
One-off Covid 19 Impact upon income		2,696,000
Total Income Growth/Budget Pressures	100,000	2,896,354
TOTAL	1,827,733	4,888,739

Annex A3

	2020/21 As per Approved MTFS £000	2020/21 Revised £000
Capital Reserves		
Opening Balance of capital receipts and capital grants	(8,060)	(10,023)
Expenditure:		
Private Sector Housing Renewal Capital Grant - DFGs	700	700
ICT Capital funding	200	120
Business World Upgrades - Finance and HR System	15	0
Replacement of Idox/Uniform system (ICT)		0
Planning documents and scanning solution		0
Car Park Improvements		245
Additional investment in Car Parking at Rugby Club	192	390
Provision for further electric vehicle charging points	150	600
Replace pay and display machines	125	125
Provision for Ubico Ltd waste vehicles	1,410	2,080
In-cab technology		140
Ubico contract - roller brake testing	52	52
Waste receptacles growth in properties and replacements	55	55
Contribution to Rural Broadband scheme	500	500
Capital works on Corinium Museum		241
Community Projects Fund	50	115
Barn Theatre Loan		20
Barn Theatre Grant - from CPF Carry forward		4
Potential new capital schemes		
Investment in Cirencester Leisure Centre		
Replacement Leisure equipment	380	
Investment in multi-storey car parking Cirencester	4,758	0
Investment in Strategic Property Acquisition (Council 27 June 19)		1,875
Investment in Strategic Property Acquisition (Council 27 June 19) additional borrowing requirement - changed to funding from capital receipts		2,485
Recovery Investment Strategy		
Webcasting and Audio Visual Investment	80	80
Acquisition of Strategic Site Moreton-in-Marsh		980
Packers Leaze Depot - flood prevention works		80
Financing:		
Borrowing for Waterloo Car Park Development	(4,758)	0
Borrowing other investments	0	(2,220)
Capital Financed from Revenue	(250)	(250)
Earmarked reserves funding Cirencester multi-storey car park	(705)	
Earmarked reserves funding Strategic Prop Acquisition Council 27 June 19		(1,795)
Earmarked reserves funding roller brake testing	(52)	(52)
DFG Grant / Better Care Fund	(650)	(650)
Right to Buy and other misc. capital receipts	(150)	(150)
Loan repayment from Ubico Ltd for waste vehicles	(765)	(765)
Application of Ubico receipts to fund MRP		
Unilateral Undertaking funding for development of MIM Site		(250)
Estimated Closing Balance of Capital Receipts	(6,723)	(5,267)

Revenue Reserves	2020/21 As per MTFS £000	2020/21 Revised £000
Council Priorities Fund (and CPF allocations)		
Opening balance	(2,441)	(4,045)
Income		
Contribution to CPF From review of earmarked reserves		(873)
Allocation of financial gain from Business Rates Pool	(350)	(350)
Windfall gain from BR Pool 2019/20		(189)
Expenditure/Commitments		
Defibrulators		32
Additional Resources - Legal, Property, ERS		70
WWI Grants		4
Funding capital expenditure multi-storey car park (Waterloo)	705	
Acquisition of strategic prop in Cirencester		1,795
Kemble Housing (Funding Allocation Sept 2017)		81
Revenue contribution to 2020 Vision Programme		0
Gloucestershire Wildlife Trust Contributions	3	3
Funding OMH Demolition and Redevelopment		65
Decked car parking in Cirencester		118
Coach Park BOTW (Feb 16)		52
Kemble Housing		20
DFG - Relocation Revenue Grants	5	5
Additional car parking provision Cirencester	60	
Climate Change Studies		105
Members ICT Smoothing Fund	5	5
Local Plan Carry Forward of Previous Funding		92
Local Plan Refresh	400	375
Transport Engineer Post funded from LP Refresh		25
Media and comms - especially Corporate Plan and budget consultation		5
Development of Health, Wellbeing and Leisure Strategy	50	50
Resource to support fundraising for the Corinium Museum	20	20
Resources to support development and implementation of Recovery Investment Strategy and Economic Development	350	126
Property Services - Options Appraisals	50	32
Contribution to feasibility study on Cirencester light railway - Council 22/1/20	13	13
Communications Funding for Market Research, Council Plan, Flytipping, Car Parking Project etc.	30	35
Roller brake testing	52	52
New and Replacement Street and District Signage	20	20
LED lighting in Council buildings and improve external lighting	20	20
New noise equipment and resource for Air Quality	20	10
Legal Fees re health and safety case		20
Open Space Review		25
Housing First		23
Devolution White Paper - Gloucestershire Unitary Authorities		75
Strategic Site Moreton-In-Marsh Revenue Support		4
Ubico - provision for additional costs re waste collection from residents - work from home/covid 19 lockdowns etc.		
Green Homes Grants - work in partnership enabling local residents to access grants		10
Closing balance	(988.000)	(2,070)

Revenue Reserves	2020/21 As per MTFS £000	2020/21 Revised £000
Other Earmarked Reserves (excluding CPF)		
Opening balance	(3,120)	(3,767)
Income		
Expenditure		
Community Led Housing Grant - community led housing officer post	39	39
Community Led Housing Grant - other expenditure	361	361
Housing First		37
Barn Theatre Grant part funded from reserves and part from Community Projects Fund		7
Trf to Council Priorities Fund		873
Closing balance	(2,720)	(2,450)
Total of Earmarked reserves	(3,708)	(4,520)
General fund working balance		
Opening balance	(4,746)	(4,475)
Impact of Senior Management Changes		333
Lump sum contribution to Gloucestershire LGPS	3,268	3,268
Revenue budget (surplus)/deficit for the year	(212)	223
Closing balance on the General Fund	(1,690)	(651)
Total of Council revenue reserves (GF and Earmarked Reserves)	(5,398)	(5,171)

Annex A5

Balance

Transfers

to CPF

Earmarked Revenue Reserves		Balance 1/4/20	Balance Transfers to CPF
XX0715	Training Fund	12,568	12,568
XX0726	Economic Development Fund	16,070	16,070
XX0741	Planning Appeals and Enforcement	10,000	10,000
XX0742	Crime prevention Initiative	47,318	
XX0755	Insurance Fund	36,796	36,796
XX0756	Ring fenced Benefit Reserve	168,397	68,397
XX0766	Housing Condition Survey	37,500	
XX0771	County Wide Choice Based Lettings	829	829
XX0773	Accommodation Guide Glos.	162,251	
XX0774	New Burdens	111,000	100,000
XX0776	Ubico Purchases Reserve	4,479	4,479
XX0777	Museum App. Fund	475	
XX0780	Flooding Works (Revenue Allocations)	6,476	
XX0784	Revs and Bens - Transition funding	191,077	
XX0785	Severe Weather Recovery Scheme (FLD052)	16,593	
XX0789	Building Maintenance Smoothing	5,050	5,050
XX0791	Development Advice Officer (2014/15)	36,144	36,144
XX0792	Chesterton Farm Development (DEV499)	29,667	
XX0793	Business Rates Movement Reserve	588,099	400,000
XX0794	Neighbourhood Planning Redesign - DCLG	13,000	13,000
XX0795	Homelessness ICT Software	18,000	18,000
XX0798	Chesterton Planning Application - extra resource [16.06.16 Cabinet]	84,341	
XX0799	DCLG Community-led Housing Grant	857,099	
XX0800	New Burdens - Brownfield Land Registers (Fwd Planning)	26,263	
XX0803	Counter Fraud Unit	123,798	
XX0804	Delivery of self build planning permissions [DCLG]	90,000	
XX0805	Capacity Fund - Chesterton Strategic Site [Homes & Communities Agency]	224,000	
XX0806	Bourton Project [COM405], Community Wellbeing Grant GCC	4,929	
XX0807	Flexible Homelessness Support Grant (HOM001)	110,178	
XX0808	Planning Enforcement Unspent Revenue Allocation 1718	11,734	
XX0810	Commercial Property - review (Cab. 21st June)	20,000	20,000
XX0811	Member Training (Cab. 21st June 2018)	10,000	
XX0812	Cirencester Strategic Plan [Rev allocation 18/19]	14,579	14,579
XX0813	Implementaion of CiL [Rev allocation 18/19]	14,453	
XX0814	Community Covenant Grant Scheme [COM496]	1,404	
XX0815	Youth Participation Funding [COM403]	3,771	
XX0816	Second Homes Projects [HLD400]	6,642	
XX0817	Lottery Play Projects [HLD402]	5,220	
XX0818	Health and Wellbeing [HLD401]	8,306	
XX0819	Local Authority Parks Improvement [MHCLG]	13,736	
XX0821	Support for Warterloo Car Park [Council Feb 18]	150,172	
XX0822	Planning Resource [Rev allocation 18/19]	40,539	40,539
XX0823	Carbon neutral hsg developments [LGA]	30,000	
XX0824	ICT Cyber Security Training [LGA]	5,000	
XX0825	Local Housing Needs Assessment Reserve Total	5,000	
XX9685	Homelessness Prevention Fund	37,202	
XX9747	Car Parking Reserve	92,514	
XX9750	27/27a Dyer Street Reserve [Council 26th Feb 19] Total	136,409	
XX9872	Land Charges - New Burdens	76,215	76,215
XX9935	Housing Enabling Fund	44,884	
XX9953	Mobile Cinema Set Up Fund	6,558	58
Total		3,766,734	872,724



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 8
Subject	COTSWOLD DISTRICT COUNCIL CLIMATE EMERGENCY STRATEGY 2020-2030
Wards affected	ALL
Accountable member	Cllr. Rachel Coxcoon - Cabinet Member for Planning Policy, Climate Change and Energy Email: Rachel.coxcoon@cotswold.gov.uk
Accountable officer	Christopher Crookall-Fallon (Head of Climate Action) Tel: 01285 623250 Email: chris.crookall-fallon@cotswold.gov.uk
Summary/Purpose	This report sets out: a) A description of the purpose and main points of the accompanying Climate Emergency Strategy. b) A description of the purpose and main points of the accompanying high level three year indicative programme plan for climate actions. c) A description of the proposed governance arrangements for overseeing the strategy and the actions which fall out of it. d) Observations on how the strategy, once adopted, may be best put in the public domain.
Annexes	Annex A - Cotswold District Council Climate Emergency Strategy – 2020-2030 Annex B - Indicative high level three year programme for climate actions.
Recommendation/s	<i>Cabinet recommendation: That Council approves the Strategy and Programme Plan.</i>
Corporate priorities	Responding to the challenges presented by the climate emergency
Key Decision	NO
Exempt	NO

Consultees/ Consultation	Consultation has been carried out by the Head of Climate Change with the portfolio holder, key Officers and colleagues within Cotswold District Council, with district stakeholders with climate emergency concerns, and with delivery partners and with Officers from neighbouring District Councils. This consultation process has informed the Climate Emergency Strategy provided in Annex A and the high level three year programme in Annex B.
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1. BACKGROUND

- 1.1. The purpose of this high level strategy is to:
 - a. justify why the climate emergency is a high council priority;
 - b. formalise a high level of ambition in taking action on climate, commensurate with the Council's declaration of a climate emergency in July 2019;
 - c. set out the high level principles that underpin the development and execution of the strategy;
 - d. identify the scale and sources of emissions from the district and from council operations;
 - e. identify the points of greatest leverage in bringing about carbon reductions in the district; and
 - f. set direction and identify priority action areas.
- 1.2. The timeframe of this strategy is 2020-2030, reflecting the importance of the crucial 'Decade to Make a Difference' – the ten years in which the world must see annual greenhouse gas (GHG) emissions stop rising, plateau, and start falling steeply, if we are to have a chance of limiting global climate breakdown.
- 1.3. Climate science, technology innovation, public understanding, sentiment and behaviour changes, the international and national policy environment for climate action, and the scientific evidence on greenhouse gas emissions and climate impacts, are all changing fast. For this reason it is likely to be necessary for this strategy to be thoroughly reviewed during the ten year period, at least at the mid point in 2025, if not sooner.
- 1.4. At the review point we must expect the evidence of climate crisis to be starker than it is today. It is very likely that climate scientists will confirm that it will be practically impossible for global heating to be contained below at least 2 degrees Celsius, and probably very significantly higher. This will have implications for the climate adaptation actions that need to be taken in the Cotswold District, and may spur the adoption of even more ambitious carbon reduction targets than are suggested in this strategy.
- 1.5. Reflecting the speed of change in climate priorities, the strategy does not attempt to identify specific actions to be delivered over a ten year period, but is a high level direction finder which identifies broad priority areas for action.

2. MAIN POINTS

- 2.1. **This strategy sets out high level principles, imperatives, targets and action areas for responding to the climate emergency** (both as a Council and more widely for the district as a whole) for the ten year period 2020-2030, consistent with the Council's unanimous declaration of a climate emergency in July 2019.
- 2.2. **The climate crisis, and the related ecology crisis, present a profound threat** to the prospects and livelihoods of all Cotswold district residents, but particularly our young people, and future generations beyond them. There is an urgent imperative to act.

- 2.3. **The Covid-19 crisis has shown that people pull together in an emergency, and that change can happen very fast** when it has to. We have a chance to make permanent changes for the better, as we recover from the virus.
- 2.4. **Cotswold District as a whole emitted 605,000 tonnes of greenhouse gases (CO₂e) in 2018**, equivalent to the emissions from burning about one and a half Cirencester leisure centre-sized pools of diesel every day. A bit less than half is from road travel (diesel and petrol), a third is from gas and other fuels for heating homes and workplaces, and 15% is from electricity for homes and workplaces. Some carbon is also sequestered (stored) in grasslands and woodland.
- 2.5. **The Council's own corporate emissions for 2019-20 were 2,746 tonnes CO₂e, or 0.4% of the district** as a whole. Half is from diesel used by the waste fleet, a quarter is from gas for heating council buildings and leisure centres, and a quarter is from electricity.
- 2.6. **We propose to develop an emissions reduction target and pathway for the whole District.** This will be extremely challenging, and outside the direct control or resources of the Council. The Council will use the target to focus discussions with key stakeholders to increase commitment and seek joined-up solutions.
- 2.7. **The Council's target for its own net emissions is to reduce by two thirds from the current level by 2030, and to zero by 2045**, with no reliance on offsetting. This is a challenging target, and how the Council organises itself post Covid-19 will affect progress towards it.
- 2.8. **The organising principles of this strategy** include being bold; providing leadership; being evidence based; looking for the biggest effects and co-benefits; linking mitigation with adaptation and linking the climate and ecological emergencies; working in partnership; encouraging citizen leadership; and leveraging external help and internal strengths.
- 2.9. **The Council has to work within the constraints of its levers of influence.** The Council has a high level of control over some actions that will have only a small emissions impact (relative to the district as a whole), but only a low level of control over other actions that could have a much larger impact. Our leadership role is therefore crucial, in using our own commitments and actions to help others to realise the impact they can have.
- 2.10. **Priority action areas are broken down by scope of Council leverage.** Action areas are divided into **direct control** (eg council's own operations), **indirect control** (eg commissioning), **place shaping** (eg Local Plan policies), **enabling** (eg proactively helping others to take action) and **engaging** (eg communicating and consulting)

3. FINANCIAL IMPLICATIONS

- 3.1. Some finance is still available from the provisions set aside when the climate change emergency declaration was made, and it is expected that priority actions emerging from this strategy will be able to draw on that original allocation.
- 3.2. Since this strategy sets out high level principles, imperatives, targets and action areas, it is not possible to provide cost implications to the Council on the detailed measures that will in due course fall out of the strategy.

- 3.3. Several of the action areas identified in the strategy are nonetheless already incorporated and outline costed within the corporate plan being submitted to the September Council.
- 3.4. The general proposed action on the climate emergency is wide reaching and incorporates everything that the Council currently does, plus much which it doesn't yet do. For interventions aimed at meeting the Council's own target for emissions reduction, some may comprise making changes to the way the Council works and carry little or no cost. Some interventions are already happening, such as Publica's agile working strategy. However, the Strategy is clear that the scale and urgency of the climate crisis requires everyone, including the Council, to undergo a paradigm shift in thinking about taking decisions and investing to achieve a liveable climate, which will inevitably conflict with established ways of thinking about cost-benefit calculations and value for money.
- 3.5. The Strategy has some specific medium-term financial implications:
- it makes a commitment to conduct research to determine a district-wide science-based emissions reduction target based on the level of reduction necessary to contribute fully to meeting the Paris Climate Accord.
 - it seeks to reduce the Council's own greenhouse gas emissions. This, for example, includes the fuel that waste collection vehicles use, insulating Council buildings and reducing the energy consumed for heating Council buildings. There will be some (currently unknown) short-term costs in making this transition but also opportunities for (also currently unknown) cost savings in the medium- to long-term from taking this action.
- 3.6. Any further investment required, in addition to current budgetary provision, will be subject to Council's usual decision making processes and will require business cases to be produced for formal consideration.

4. GOVERNANCE AND DELIVERY

- 4.1. Delivery of this strategy will initially be overseen by the Council's portfolio holder and the existing Overview and Scrutiny Committee. However one action identified in the strategy and in the Declaration of a Climate Emergency is the creation of a citizen climate panel, which reflects the strategy's goal of engaging with Cotswold District residents and enabling citizen leadership on the climate emergency. Whilst the form of the citizen panel is yet to be defined, it may, aside from general consultation and ideas generation, be able to provide some ongoing oversight of the delivery and review of this strategy in parallel with the responsibility of the Overview and Scrutiny Committee.
- 4.2. The indicative, high-level three year programme plan in Annex B is not intended to be read as an action plan. Its intention is to complement the main strategy document to illustrate in broad terms which categories of activity are likely to be brought forward earlier or later within a three year forward view.
- 4.3. Individual action plans and projects linked to this strategy will be developed and brought forward to the Council (as required) through the Council's normal channels.

- 4.4. For non-investment actions we envisage identifying resources, intended outcomes and success indicators, and approving and allocating resources as required. The progress of such climate actions will be overseen by the portfolio holder and the Overview and Scrutiny Committee in the normal way.
- 4.5. For investment actions aimed at delivering a climate benefit, the Council's normal higher level of scrutiny would apply in line with the scale of the investment, and may include a suitably detailed feasibility study, outline business case, detailed business case, risk management plan, delivery plan, and bespoke oversight as required. It seems likely that any such 'climate' investment proposals that come forward are likely to be conceived as part of, be managed through, and subject to the controls of, the Council's emerging Recovery Investment Strategy.
- 4.6. More detailed climate action plans will be developed and brought to Council in due course. They will take the form of live, rolling three year plans broken down by month and costed. They will be brought forward for approval, kept under constant review, progress reported to the Council at a frequency to be agreed, and revised and updated annually.
- 4.7. The first three year plan will be based on the priority action areas identified in the Strategy being adopted here. Subsequent updates and developments to the rolling plan will still take their direction from the strategy but will also reflect new opportunities, risks, funding streams, ideas and partnerships that emerge.

5. PLACING THE STRATEGY IN THE PUBLIC DOMAIN

- 5.1. Part of the purpose of the strategy is to be a communication tool, contributing to what should be an ongoing meaningful engagement with Cotswold District residents on the meaning of the climate crisis and actions that all stakeholders can take.
- 5.2. For this reason it is proposed that the strategy, once adopted, is not immediately published in the form attached here (other than through the usual channel of putting Council papers on the public record). It is proposed that a more visually appealing, better produced version be prepared (with no change to the approved content) for electronic distribution, enabling easier integration of the strategy into climate communication channels.
- 5.3. Furthermore, considering the importance of wide public engagement in this issue, and also acknowledging the length the document, it is proposed that a succinct infographic is developed which captures the key data and issues contained in the strategy, is published alongside the main strategy document, and is used in public communications and engagement on the climate topic.
- 5.4. Considering the importance of engaging all residents in the District in this crucial topic, regardless of political or any other affiliation, it is further proposed that Councillors may wish to consider that the carefully produced version of the strategy, perhaps through the foreword to the strategy, be endorsed by the leaders of each political grouping and jointly signed by them.

6. LEGAL IMPLICATIONS

- 6.1. There are no legal implications arising from the recommendations in this report.

7. RISK ASSESSMENT

- 7.1. The Strategy, at section 5.3, identifies and discusses four significant high level potential near- and medium-term risks to the delivery of this strategy, these are:

- Planning Reform White Paper,
- Economic recession,
- Covid-19 and
- Unitarisation

- 7.2. The strategy's guiding principles make clear that the Council will need to be bold and ambitious, and to accept and manage risks. It further explains that responding to the climate emergency requires the Council to take, and learn to manage, a level of economic and political risk in taking actions, and helping others to take actions, which are commensurate with the scale of the emergency. Strong leadership and effective partnership working are prerequisites.

8. EQUALITIES IMPACT (IF REQUIRED)

- 8.1. The impacts of implementing Climate Action for Cotswold District will have an equal impact on all services, customers and staff as there is a shared benefit to the objectives of this report.

9. CLIMATE CHANGE IMPLICATIONS (IF REQUIRED)

- 9.1. To avoid repetition, please see the Summary and Main points sections of this Cabinet Report for further detail.
- 9.2. The Strategy also identifies ecological emergency implications, principally that climate emergency and the ecological emergency are intrinsically linked. Many of the measures set out in Annex 1 to address climate change issues will therefore also help to address ecological emergency issues.

10. ALTERNATIVE OPTIONS

- 10.1. No alternative strategies for delivering Climate Action for Cotswold District are being considered. However, the Strategy provides a range of initiatives that will collectively help Cotswold District Council to deliver on its climate change emergency targets.

11. BACKGROUND PAPERS

11.1. The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Declaration of a Climate Emergency Declaration at Council 3 July 2019¹; and
- Declaration of an Ecological Emergency at Council 15 July 2020²
- Adoption of Motion 9 of 2019/20, Carbon Neutral³, at Council 25 September 2019

11.2. These documents will be available for inspection at the Council Offices at Trinity Road, Cirencester, GL7 1PX during normal office hours or via www.cotswold.gov.uk for a period of up to four years from the date of the meeting. Please contact the author of the report.

(END)

1

<https://www.cmis.cotswold.gov.uk/CMIS5/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=EYiTFnXeSBGN3L%2bgvd33ejv1y1FVfCA4Dym9iYQIVJc8s2spw0IOSw%3d%3d&rUzwRPf%2bZ3zd4E7Ik n8Lyw%3d%3d=pwRE6AGJFLDNlh225F5QMaQWcTPHwdhUfCZ%2fLUQzgA2uL5jNRG4jdQ%3d%3d &mCTIbCubSFfXsDGW9IXnl%3d%3d=hFfUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=h FfUdN3100%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJFf55vVA%3d&FgPIIEJYlotS%2bYGo Bi5oIA%3d%3d=NHdURQburHA%3d&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJFf55vVA%3d&WG ewmoAfeNR9xqBux0r1Q8Za60lavYmz=ctNJFf55vVA%3d&WGewmoAfeNQ16B2MHuCPMRKZMwaG1 PaO=ctNJFf55vVA%3d>

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<https://www.cmis.cotswold.gov.uk/CMIS5/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=1ilrp666gWXP4X92KRNHblaQJtLX9rYM0SdpLjeHRv%2bEPmur5v095A%3d%3d&rUzwRPf%2bZ3zd4E7Ik n8Lyw%3d%3d=pwRE6AGJFLDNlh225F5QMaQWcTPHwdhUfCZ%2fLUQzgA2uL5jNRG4jdQ%3d%3d& mCTIbCubSFfXsDGW9IXnl%3d%3d=hFfUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=h FfUdN3100%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJFf55vVA%3d&FgPIIEJYlotS%2bYGoBi 5oIA%3d%3d=NHdURQburHA%3d&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJFf55vVA%3d&WG ewmoAfeNR9xqBux0r1Q8Za60lavYmz=ctNJFf55vVA%3d&WGewmoAfeNQ16B2MHuCPMRKZMwaG1 PaO=ctNJFf55vVA%3d>

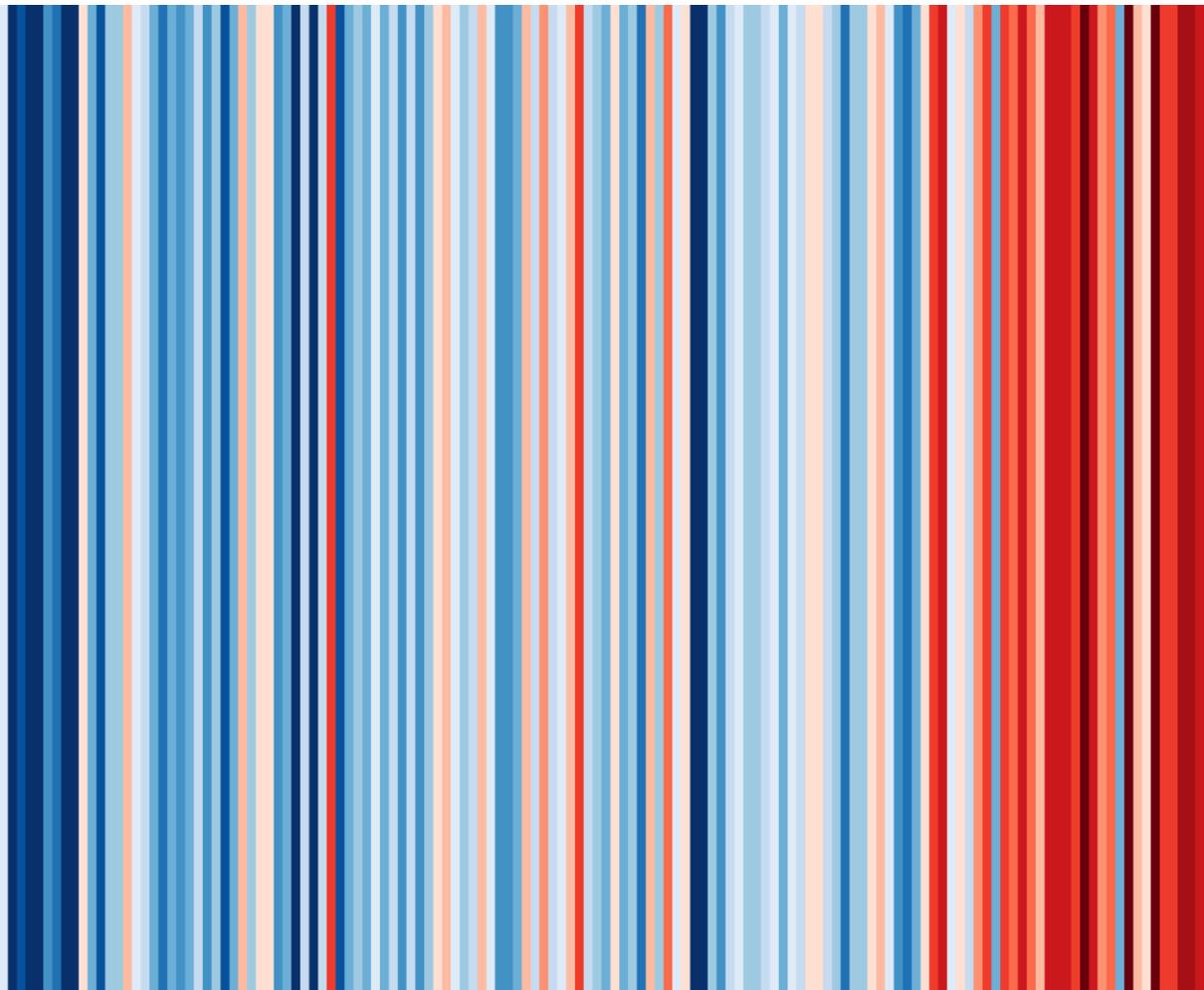
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<https://www.cmis.cotswold.gov.uk/CMIS5/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=p4UC7VGTXFqkcODyFtVBorSznJi9rzilmsrmnVjO1X5yYW3iFw4zoQ%3d%3d&rUzwRPf%2bZ3zd4E7Ik n8L yw%3d%3d=pwRE6AGJFLDNlh225F5QMaQWcTPHwdhUfCZ%2fLUQzgA2uL5jNRG4jdQ%3d%3d&mC TIbCubSFfXsDGW9IXnl%3d%3d=hFfUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=hFfU dN3100%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJFf55vVA%3d&FgPIIEJYlotS%2bYGoBi5oI A%3d%3d=NHdURQburHA%3d&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJFf55vVA%3d&WGewm oAfeNR9xqBux0r1Q8Za60lavYmz=ctNJFf55vVA%3d&WGewmoAfeNQ16B2MHuCPMRKZMwaG1PaO =ctNJFf55vVA%3d>

Cotswold District Council

Climate Emergency Strategy 2020-2030

[draft]



Graphical presentation of annual temperature anomaly, England, 1884-2019¹

¹ <https://showyourstripes.info/>

Contents

1	Foreword.....	6
2	At a glance.....	8
3	About this strategy.....	10
4	The imperative for action	11
4.1	International progress on tackling climate change.....	11
4.2	UK progress on tackling climate change	12
4.3	UK climate impacts to date	13
4.4	UK future climate impacts	13
4.4.1	Heat and precipitation	14
4.4.2	Excess summer deaths.....	15
4.5	Evidence of citizens' views.....	16
4.6	Speed of change and the need for local leadership.....	17
5	Challenges, opportunities and risks	18
5.1	Challenges	18
5.2	Opportunities.....	18
5.3	Risks	19
5.3.1	Planning White Paper	19
5.3.2	Recession	19
5.3.3	Covid-19	19
5.3.4	Unitarisation	20
6	Organising principles.....	21
7	Greenhouse gas emissions from Cotswold District	25
7.1	The national context	25
7.2	Cotswold district emissions.....	26
7.2.1	Territorial (production) emissions	26
7.2.2	Consumption emissions	30
8	Greenhouse gas emissions from the Council's operations.....	33
9	Emission reduction targets	35
9.1	A district-wide target	35
9.1.1	Context setting.....	35

Annex A

9.1.2	Identifying and communicating a district-wide target	36
9.2	The Council’s operational target.....	37
10	The Council’s scope to act and priority action areas	39
10.1	Levers of influence	39
10.1.1	Direct control	40
10.1.2	Indirect control	40
10.1.3	Place shaping.....	40
10.1.4	Enabling.....	40
10.1.5	Engaging	40
10.2	Illustrative projects and actions.....	41
11	Appendix 1 – Foundations	42
12	Appendix 2: Links to external support	44
13	Appendix 3: Illustrative projects and actions.....	45
13.1	Indicative direct control action areas	45
13.1.1	Waste fleet.....	45
13.1.2	Affordable housing.....	45
13.1.3	Data and carbon reporting.....	46
13.1.4	Staff knowledge, training, support and working practices	46
13.1.5	Trinity Road	46
13.1.6	Energy projects at commercial and non-commercial sites.....	47
13.1.7	Major developments and investment projects.....	47
13.1.8	Electric vehicles.....	48
13.1.9	Leisure centres	48
13.2	Indicative indirect control action areas	48
13.2.1	Sustainable procurement, commissioning.....	48
13.2.2	Renewable electricity procurement	48
13.2.3	Staff commuting and home working	49
13.2.4	Co-investment in capital projects	49
13.3	Indicative place shaping action areas	49
13.3.1	Transport.....	49
13.3.2	Renewable energy strategy	49
13.3.3	Economic development	49
13.3.4	Local plan review	50

Annex A

13.4	Indicative enabling action areas	50
13.4.1	Promoting and supporting electric vehicle use	50
13.4.2	Supporting whole house energy retrofit.....	50
13.4.3	Supporting renewable electricity switching.....	51
13.4.4	Facilitating community-owned renewable energy	51
13.4.5	Solar neighbourhoods	52
13.4.6	Multi-stakeholder energy projects	52
13.5	Indicative engagement action areas	53
13.5.1	Supporting citizen led initiatives	53
13.5.2	Climate communications strategy	53
13.5.3	Signposting information and resources	53
13.5.4	Engaging key stakeholders.....	53
13.5.5	District wide carbon reduction target.....	53
13.5.6	Climate panel	53
13.5.7	Town and Parish Councils	54
14	Appendix 4: Summary of CDC's Climate Emergency Declaration	55

Annex A

Figure 1: Paris agreement likely overshoot (Climateactiontracker.org).....	12
Figure 2: 2017 Climate Change Risk Assessment report (UK government).....	14
Figure 3 Projected changes in temperature, Met Office UK Climate Impacts project	14
Figure 4 Expected changes in precipitation, Met Office UK Climate Impacts project	15
Figure 5: UK territorial (production) greenhouse gas emissions, 1990-2018.....	25
Figure 6: Relative emissions from six Gloucestershire districts.....	27
Figure 7: Proportional emissions from all sources, Cotswold District, excl LULUCF.....	28
Figure 8: LULUCF balance, ktCO ₂ , 2018	29
Figure 9: Time series analysis of district emissions	30
Figure 10: Relative change in UK production and consumption emissions.....	31
Figure 11: Average emissions per person, UK, 2017	32
Figure 12: CDC corporate emissions breakdown.....	33
Figure 13: Target setting options for district-wide emissions excluding electricity	36
Figure 14: CDC historic and target net emissions	37
Figure 15: Levers of influence	39
Table 1: District-wide emissions by source, incl LULUCF, ktCO ₂ e	27
Table 2: CDC corporate emissions by source, 2019-20.....	33

1 Foreword

“We have to change, not by appeals to different kinds of optimism, but to deliberate, compelling, life or death decisions...

The moment of crisis has come. We can no longer prevaricate.”

Sir David Attenborough

BBC interview, 16 January 2020

Climate change is complex. Few people have time to research the science, and not everyone regularly thinks, and talks to others, about it. However opinion research shows that a majority of people in the UK acknowledge that climate change is real, man-made, already being felt in this country, going to affect everybody, and is making them worried.

The Covid-19 crisis has demonstrated that people pull together in an emergency, and that change can happen very fast when it has to. Nobody wanted the global emissions reduction that accompanied the Covid-19 lockdown to happen for that reason. Nonetheless the lockdown reduced noise and emissions, improved air quality and reinforced our appreciation of our beautiful Cotswold landscape, which will have helped the mental health of many during a very trying period. Research shows that very few people want to go back to “normal” after the worst of the crisis is over, and recognise that this is an important moment of change.

The science is long settled. Climate heating is man-made, and net greenhouse gas emissions must be cut to zero (and eventually reversed). All major agencies agree that the climate crisis, and the closely related ecological crisis, is the biggest medium- and long-term threat to our world and all our livelihoods. These crises, and the strength and effectiveness of our collective response to them, is the defining context of the next few decades, and indeed much further into the future.

Taking action on the climate crisis means two things. Mitigating climate change involves reducing emissions of the main gas that causes global heating, carbon dioxide (CO₂). Adapting to climate change involves managing the physical, economic and social impacts of already inevitable climate disruption. Both have to be done in parallel.

Our success in mitigating climate breakdown will play out over the medium- and long-term measured against a human lifetime, and a split second measured against human history. The benefits of taking ambitious action on the climate emergency, and the nature recovery challenge, are clear. Preserving a liveable climate protects future generations, makes us healthier, and preserves the countryside. It can also create new jobs in growth industries, reduce waste, improve air quality, build fairness, and preserve and improve natural habitat, wildlife, and our enjoyment of it.

Annex A

The threat of a rapidly changing climate requires a global response. But action is also required at every level, from international institutions to governments to individuals. Driving down greenhouse gas emissions will require not less than every human activity to change, but often for the better, from travel to energy generation to food to what we buy to how we use energy in homes and workplaces.

The UK has a legally binding target to reduce net emissions to zero by 2050. That sounds a long way off, but children leaving primary school today will just be in mid-career by that date, perhaps with children of their own. Climate models suggest that unchecked climate change will cause repeated economic shocks, create public health crises and huge pressure on our health system, undermine food production and drive increased conflict and mass migration. If the world, and that includes us, doesn't take determined, rapid and far-reaching action, those primary school children's lives will be much harder, much less secure and much less hopeful than the lives of people reading this.

By its nature the climate crisis will, increasingly, impact every aspect of the lives of Cotswold residents, and every aspect of the work of the Council. Our responses to the climate crisis therefore do not fit into a single policy area. The challenge we are taking on is to integrate the climate emergency response, and the nature recovery challenge, into every aspect of the Council's work.

Cotswold District Council itself has neither the powers nor the pocket to enable the whole District to rapidly reduce emissions and adapt to climate change. Therefore a small part only of the actions can be taken by the Council itself, with Council funds. The much bigger challenge, which will deliver much bigger benefits for all, will be leveraging external knowledge, help and finance, and working with, supporting and promoting the carbon reduction ideas, efforts, and investment by individual citizens, and organisations of every type in the District.

In keeping with the Council's unanimously adopted Declaration of a Climate Emergency in July 2019, this climate strategy is the starting point for a decade of action by Cotswold District Council, to rise to the urgent challenge of the climate emergency.

Responding to the climate emergency is a collective effort from which everyone gains. This is a challenge we all must rise to, or explain to today's primary school children why we didn't.

"The current global crisis has disrupted every aspect of our lives, but it has also presented an extraordinary opportunity; a chance to reset and accelerate efforts to improve the state of our world...

We need nothing short of a paradigm shift, one that inspires actions at revolutionary levels and pace. We simply cannot waste any more time. The only limit is our willingness to act. And the time to act is now."

HRH Prince Charles

WEF, Davos, January 23, 2020

2 At a glance

- **This strategy sets out high level principles, imperatives, targets and action areas for responding to the climate emergency** (both as a Council and more widely for the district as a whole) for the ten year period 2020-2030, consistent with the Council's unanimous declaration of a climate emergency in July 2019.
- **The climate crisis, and the related ecological crisis, present profound threats** to the prospects and livelihoods of all Cotswold district residents, but particularly our young people, and future generations beyond them. There is an urgent imperative to act.
- **The Covid-19 crisis has shown that people pull together in an emergency, and that change can happen very fast** when it has to. We have a chance to make permanent changes for the better, as we recover from the virus.
- **Cotswold District as a whole emitted 605,000 tonnes of greenhouse gases (CO₂e) in 2018**, equivalent to the emissions from burning about one and a half Cirencester leisure centre-sized pools of diesel every day. A bit less than half is from road travel (diesel and petrol), a third is from gas and other fuels for heating homes and workplaces, and 15% is from electricity for homes and workplaces. Some carbon is also sequestered (stored) in grasslands, woodland and well managed soils.
- **The Council's own corporate emissions for 2019-20 were 2,750 tonnes, or 0.4% of the district as a whole.** Half is from diesel used by the waste fleet, a quarter is from gas for heating council buildings and leisure centres, and a quarter is from electricity.
- **We propose to develop an emissions reduction target and pathway for the whole District.** This will be extremely challenging, and outside the direct control or resources of the Council. The Council will use the target to focus discussions with key stakeholders to increase commitment and seek joined-up solutions.
- **The Council's target for its own net emissions is to reduce by two thirds from the current level by 2030, and to zero by 2045**, with no reliance on offsetting. This is a challenging target, and how the Council organises itself post Covid-19 will affect progress towards it.
- **The organising principles of this strategy** include being bold; providing leadership; being evidence based; looking for the biggest effects and co-benefits; linking mitigation with adaptation and linking the climate and ecological emergencies; working in partnership; encouraging citizen leadership; and leveraging external help and internal strengths.
- **The Council has to work within the constraints of its levers of influence.** The Council has a high level of control over some actions that will have only a small emissions impact (relative to the district as a whole), but only a low level of control over other actions that could have a much larger impact. Our leadership role is therefore crucial, in using our own commitments and actions to help others to realise the impact they can have.

Annex A

- **Priority action areas are broken down by scope of Council leverage.** Action areas are divided into **direct control** (eg council's own operations), **indirect control** (eg commissioning), **place shaping** (eg LP policies), **enabling** (eg proactively helping others to take action) and **engaging** (eg communicating and consulting)

3 About this strategy

The purpose of this high level strategy is to:

- Justify why the climate emergency is a top Council priority;
- formalise a high level of ambition in taking action on climate, commensurate with the Council's declaration of a climate emergency in July 2019 and an ecological emergency in July 2020;
- set out the high level principles that underpin the development and execution of the strategy;
- identify the scale and sources of emissions from the district and from council operations;
- identify the points of greatest leverage in bringing about carbon reductions in the district;
- set direction and identify priority action areas.

The timeframe of this strategy is 2020-2030, reflecting the importance of the crucial 'Decade to Make a Difference' – the ten years in which the world must see annual greenhouse gas emissions stop rising, plateau, and start falling steeply, if we are to have a chance of limiting global climate breakdown.

Climate science, technology innovation, public understanding, sentiment and behaviour changes, the international and national policy environment for climate action, and the scientific evidence on greenhouse gas emissions and climate impacts, are all changing fast. For this reason it is likely to be necessary for this strategy to be thoroughly reviewed during the ten year period, at least at the mid point in 2025, if not sooner.

At the review point we must expect the evidence of climate crisis to be starker still than it is today. It is very likely that climate scientists will confirm that it will be practically impossible for global heating to be contained below at least 2 degrees Celsius, and probably very significantly higher. This will have implications for the climate adaptation actions the Cotswolds needs to take, and may spur the adoption of even more ambitious carbon reduction targets than are suggested in this strategy.

The strategy does not identify specific actions to be delivered over the decade, but is a high level direction finder which identifies broad priority areas for action. Specific action plans and initiatives will be proposed, approved and reported separately from this strategy, and individual actions referenced in Appendix 3 are illustrative only, and are neither a comprehensive list nor a limit to what the Council can and will do.

4 The imperative for action

4.1 International progress on tackling climate change

In Paris in 2015, the international community achieved a breakthrough by reaching the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) process. The Agreement stated the aim to “hold the increase in the global average temperature to well-below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C”. Global heating is already over 1°C.

In 2018 the Intergovernmental Panel on Climate Change (IPCC) released the Special Report on 1.5°C². The report showed that risks rose significantly between 1.5°C and 2°C in terms of damage to ecosystems (species loss, extinction and ecosystems services vital to humans), and extreme weather events (heat extremes, heavy precipitation, droughts). The report also showed that risks to health, livelihoods, food security, water supply, human security, and economic growth are projected to increase with global warming of 1.5°C and increase further with 2°C.

The UK has consistently been a global leader in enshrining carbon reduction commitments in law, and the Climate Change Act 2008 now commits the country to reducing net emissions to zero by 2050. The UK has submitted its national emissions reduction commitment to the UNFCCC, alongside all other participating countries.

The problem is that, taken together, these individual national commitments do not come close to the level of emissions reduction required to achieve the limits set in the Paris Agreement (Figure 1). If emissions are reduced in line with stated commitments (and that itself must be questioned), it would lead to global heating of around 2.4°C - 3.8°C by 2100³. Heating at this level can only be described as catastrophic.

² <https://www.ipcc.ch/sr15/chapter/spm/>

³ Research by Potsdam Institute for Climate Impact Research for Carbon Action Tracker, see: https://climateactiontracker.org/documents/698/CAT_2019-12-10_BriefingCOP25_WarmingProjectionsGlobalUpdate_Dec2019.pdf

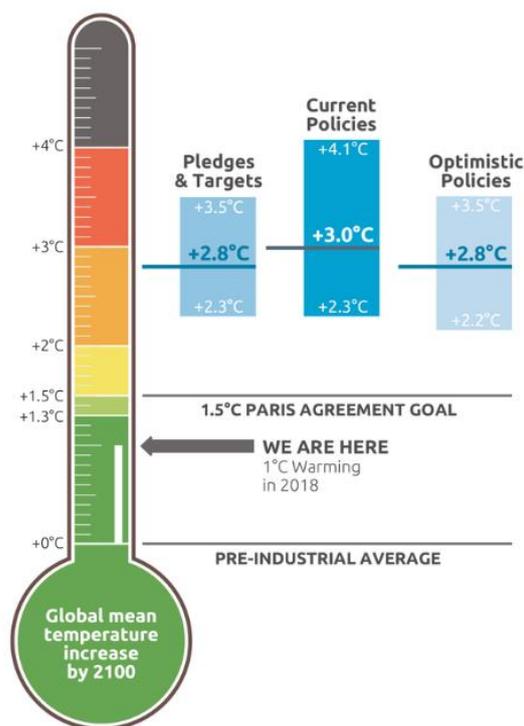


Figure 1: Paris agreement likely overshoot (Climateactiontracker.org)

4.2 UK progress on tackling climate change

The Committee on Climate Change 2020 annual report to Parliament⁴ makes clear that, whilst the UK has met its carbon budgets in previous years, it is not on track to meet future ones. This is exacerbated by the tightening of the UK's carbon reduction target to net zero by 2050 since earlier carbon budgets were set.

The report shows that only a limited number of steps have been taken over the past year to support the transition to a net-zero economy and improve the UK's resilience to the impacts of climate change, and much remains to be done.

Regarding the challenge of post-Covid recovery, the report highlights five clear investment priorities: low-carbon retrofits and buildings that are fit for the future; tree planting, peatland restoration and green infrastructure; strengthening energy networks; improved infrastructure to make it easy for people to walk, cycle, and work remotely; moving towards a circular economy. Many of these priorities relate as much to Cotswold District as they do to the country as a whole.

The report also identifies opportunities to support the transition and the recovery by investing in the UK's workforce, and in lower-carbon behaviours and innovation through, eg, reskilling and retraining programmes, promoting climate-positive behaviours, and targeted science and innovation funding.

⁴ <https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/>

4.3 UK climate impacts to date

The Met Office's 2020 State of the Climate annual report⁵ shows "an undeniable warming trend for the UK". 2019 was the 12th warmest year in a series over 135 years, and the 24th in a series over 360 years. Four national high temperature records were set in 2019: a new all-time record of 38.7 degC during a brief but exceptional heatwave, a new winter record (by a large margin) of 21.2degC, a new December record of 18.7degC, and a new February minimum temperature record of 13.9degC. 2019 had the second warmest February over 135 years.

All of the top 10 warmest years on record have occurred in the last 17 years. 2020 will not break this trend. The most recent decade (2010–2019) has been on average 0.3degC warmer than the previous decade, and 0.9degC warmer than 1961–1990.

Severe flooding affected the UK in 2019, and will continue to be a significant risk, exacerbated by climate change. Winters in the most recent decade have been on average 5% wetter than the previous decade, and 12% wetter than 1961-1990, however there are long term natural variations that may account for some of this change.

To date, storms have not been a major impact from climate change. There are no significant trends in storminess (maximum gust speeds) over the last five decades.

The Woodland Trust monitors how the seasons are being impacted by climate change, and reported that warmer weather and milder spring temperatures in 2019 saw the first leaves appear on trees almost 10 days earlier than the baseline period. The Trust's chief executive, Darren Moorcroft, warned that these seasonal shifts "could have dire impacts further down the food chain". "Our trees, and all the wildlife they support, are on the frontline of climate change," he said. "This is a stark reminder of the need to take immediate action on climate change."

4.4 UK future climate impacts

The Climate Change Act requires government to produce a periodic climate change risk assessment. The last was 2017⁶ (due for update in 2022) and showed a generally high level of risk in most categories reviewed (Figure 2). In the three years since that assessment, atmospheric CO₂ concentration has continued to rise.

⁵ <https://www.metoffice.gov.uk/research/climate/maps-and-data/about/state-of-climate>

⁶

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/584281/uk-climate-change-risk-assess-2017.pdf

Flooding and coastal change risks to communities, businesses and infrastructure (Ch3, Ch4, Ch5, Ch6)	MORE ACTION NEEDED
Risks to health, well-being and productivity from high temperatures (Ch5, Ch6)	
Risk of shortages in the public water supply, and for agriculture, energy generation and industry (Ch3, Ch4, Ch5, Ch6)	
Risks to natural capital, including terrestrial, coastal, marine and freshwater ecosystems, soils and biodiversity (Ch3)	
Risks to domestic and international food production and trade (Ch3, Ch6, Ch7)	
New and emerging pests and diseases, and invasive non-native species, affecting people, plants and animals (Ch3, Ch5, Ch7)	RESEARCH PRIORITY
NOW -----> RISK MAGNITUDE -----> FUTURE LOW MEDIUM HIGH	

Figure 2: 2017 Climate Change Risk Assessment report (UK government)

4.4.1 Heat and precipitation

The Met Office’s UK Climate Projections (UKCP)⁷ programme provides the most up-to-date assessment of how the climate of the UK may change over the 21st century. The headline findings for projected future temperatures are given in (Figure 3) and for future precipitation in (Figure 4).

By 2070 temperatures of every season will be higher, hot summer days will be more common and the frequency of hot spells will rise from one every four years, to four every year.

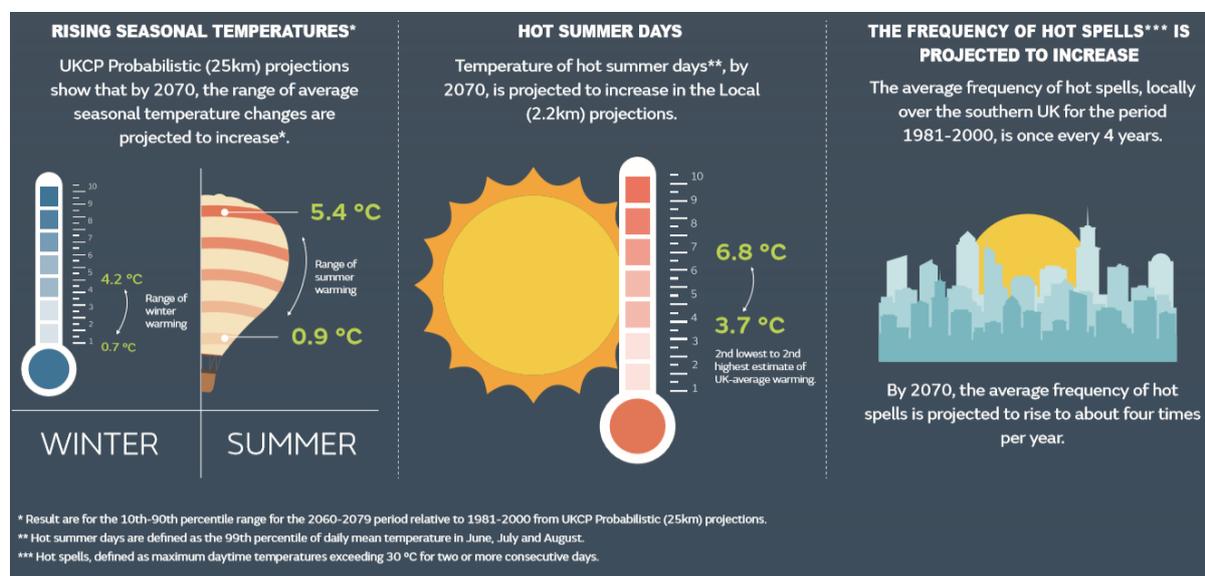


Figure 3 Projected changes in temperature, Met Office UK Climate Impacts project⁸

⁷ <https://www.metoffice.gov.uk/research/approach/collaboration/ukcp/index>

⁸ <https://www.metoffice.gov.uk/pub/data/weather/uk/ukcp18/science-reports/ukcp-infographic-headline-findings.pdf>

By 2070 winters will be wetter and summers drier. Extreme rainfall events will increase by 25%, and rainfall will be higher intensity, carrying a higher risk of localised pluvial and fluvial flooding.

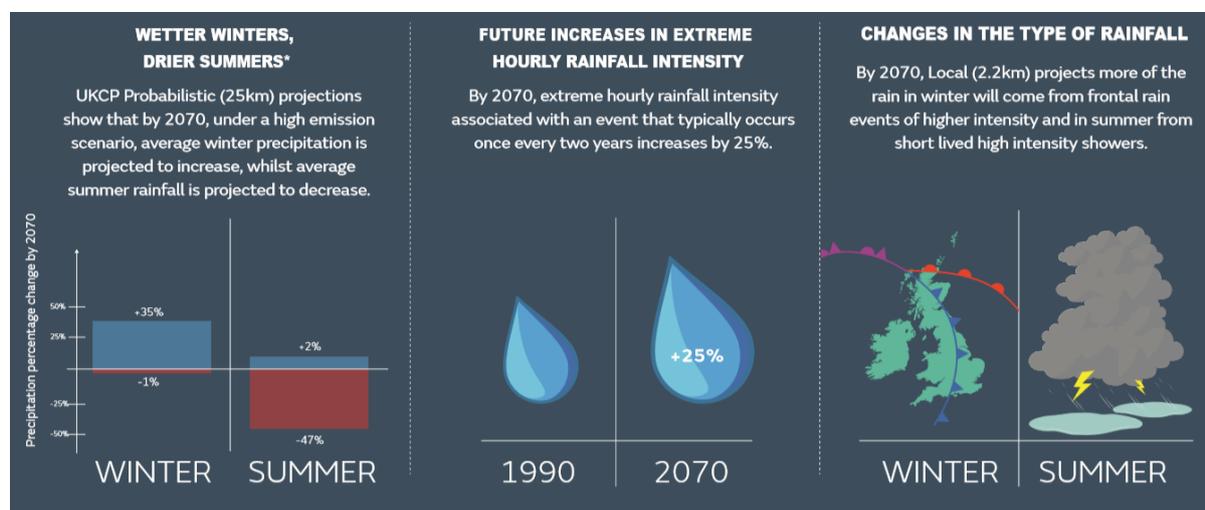


Figure 4 Expected changes in precipitation, Met Office UK Climate Impacts project⁹

4.4.2 Excess summer deaths

Public Health England (PHE) reports 892 excess deaths in 65+ year olds over three heatwave events in 2019. There were more excess deaths in 2019 than in 2018 (863 deaths) and 2017 (778 deaths), but fewer than in 2016 (908 deaths), 2006 (2,323 deaths) and 2003 (2,234 deaths).¹⁰ PHE states that “Heatwaves are predicted to increase in frequency and intensity as a result of climate change. The health impacts of these events can be significant particularly for vulnerable populations when excess mortality can occur.”¹¹

The House of Commons Environmental Audit Committee report *Heatwaves: Adapting to climate change* (2018)¹² made clear that heatwaves will increasingly threaten health, wellbeing and productivity. The Met Office predicts that heatwaves of a similar intensity to those in 2003 and 2006, which led to over 2,000 excess deaths each, will occur every other year by the 2040s. The average number of heat-related deaths in the UK is expected to more than triple to 7,000 a year by the 2050s.

We do not have data for excess summer deaths in Cotswold District, but we should note that the age profile of the District is higher than the UK average. The EAC report points out that older people are

⁹ <https://www.metoffice.gov.uk/pub/data/weather/uk/ukcp18/science-reports/ukcp-infographic-headline-findings.pdf>

¹⁰

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/841320/PHE_heatwave_report_2019.pdf

¹¹ <https://www.gov.uk/government/publications/phe-heatwave-mortality-monitoring>

¹² <https://publications.parliament.uk/pa/cm201719/cmselect/cmenvaud/826/826.pdf>

Annex A

particularly vulnerable and suffer increased fatalities from cardiac and respiratory disease during heatwaves.

There is a need for increased public understanding of the risk from heat. The EAC report references the (then) Minister for Public Health and Primary Care recognising that the public tend to see heatwave alerts as “barbecue alerts.” The EAC report references government’s view that local authorities have a “huge role” in adapting to heatwaves, and this is likely to lead to additional responsibility and cost for CDC in the medium term.

4.5 Evidence of citizens’ views

Whilst it has not been possible to consult widely with Cotswold District residents on the climate crisis to date, national and local exercises involving randomly sampled members of the population demonstrate a strong appetite for local authorities as well as national government to prioritise the climate crisis and take determined action.

The UK Climate Assembly¹³, commissioned by six Select Committees of the House of Commons, used stratified random sampling to ensure that the 110 members of the public taking part were randomly chosen but fairly and fully representative of the UK population in terms of age, gender, level of qualification, ethnicity, location, whether urban or rural, and their attitudes to climate change.

Assembly members were given access to expert opinion and data on climate change, presented by some of the most respected experts in their field. An interim report from the National Assembly, focused on the challenge of building back better after the pandemic, showed that 79% of assembly members ‘strongly agreed’ or ‘agreed’ that, “Steps taken by the government to help the economy recover should be designed to help achieve net zero”. 93% of assembly members ‘strongly agreed’ or ‘agreed’ that, “As lockdown eases, government, employers and/or others should take steps to encourage lifestyles to change to be more compatible with reaching net zero.”

Ipsos Mori conducted a similarly rigorous Assembly commissioned by Oxford City Council¹⁴, triggered by the Council’s declaration of a climate emergency. The question for the Assembly was “The UK has legislation to reach ‘net zero’ by 2050. Should Oxford be more proactive and seek to achieve ‘net zero’ sooner than 2050?” After examining the evidence, 90% of the randomly selected and representative participants said ‘yes’.

Other headline recommendations from the Assembly members were that Oxford should be a leader in tackling the climate crisis; enhanced biodiversity was central to the City’s overall ‘net zero’ vision along with more cycling, walking, and public transport, and far fewer cars; the buildings sector should adopt improved building standards, widespread retrofitting, and more domestic and non-domestic energy needs should be met by sustainable sources.

¹³ <https://www.climateassembly.uk/>

¹⁴

https://www.oxford.gov.uk/news/article/1257/oxford_citizens_assembly_on_climate_change_report_published

Annex A

It is also worth noting how Assembly members were perturbed by the extent to which the burden of change was – in their eyes – being placed on individuals. The council was challenged to communicate a shared vision and strategy to reaching ‘net zero’ that shows the roles played by local and national government, businesses, and individuals.

As more Citizens’ Assembly exercises are undertaken by Local Authorities, a consistent picture is emerging that residents, when presented with the facts of the climate emergency, consistently call on local leaders to respond more determinedly and raise the ambition.

4.6 Speed of change and the need for local leadership

There are positive signs of change. Public awareness of the threat of climate change is growing, and behaviours are changing, giving greater legitimacy to political decisions to invest public monies and make changes to infrastructure and policies that affect citizens’ daily lives.

The electricity system is changing fast. National Grid and the energy regulator Ofgem have said that a fully zero carbon electricity grid is now possible, and new technology innovations are happening with increasing speed. Electric vehicles are the only growing segment of the car market.

Some 70% of councils have now made declarations of a climate emergency, and many have developed strategies and action plans to back them up. In 2021 the UK will host the 26th Conference of the Parties to the UNFCCC – CoP26, delayed by Covid-19 and scheduled for Glasgow. CoP26 is a pivotal event, which it is hoped will deliver even greater commitment and action than CoP22 in Paris in 2015.

Nonetheless overall progress is unsteady and needs to be much faster. Whilst international agreements are important, leadership at local level must be even more committed.

5 Challenges, opportunities and risks

5.1 Challenges

The climate crisis, and our collective response to it, is the defining context for humankind for the foreseeable future. What we do, or don't do, over the next few decades will have far-reaching consequences.

A challenge for all organisations is to find how to move climate change from a stand-alone, ring-fenced issue, to a mainstreamed, integrated issue which is universal and embedded across all thought, assumptions and decisions as automatically as any long-established issue like cost effectiveness, welfare, or health and safety.

Rising to the challenge of the climate crisis will cost money. The key reason we are in the climate crisis in the first place is because our economic systems consistently failed to price in externalities – that is, ignored the true long-term cost of exploiting carbon resources laid down over geological timescales (despite full scientific understanding of the danger).

There will have to be a universal paradigm shift in understanding in every part of society that the costs we have to bear now to try and limit the damage we have already done, and prevent it becoming much worse, is simply the cost we decided not to bear historically when we were enjoying the benefits of abundant cheap fossil fuels. That historic profligacy and willful ignorance of climate science has now come back to bite us and future generations, and we must now be prepared to pay, even if those costs clash with established ways of thinking about cost effectiveness and return on equity.

This is a challenge for any organisation that chooses to take a leadership position, since many of these messages and consequences are naturally unpalatable to many. There is intrinsic unfairness in this and future generations having to pay an extremely high price for the lack of care of previous generations. Nonetheless the understanding of the climate crisis is quickly becoming more universal, with much of the impetus coming from large private sector organisations. Local authority leadership now can help accelerate the necessary change.

5.2 Opportunities

Alongside the challenges will be opportunities, not least in the creation of new investment, training and jobs, and in the beneficial physical and social consequences of adopting new low-carbon ways of living and working.

Government spending to build back better after the Covid-19 crisis presents an opportunity to invest in green infrastructure such as active travel routes.

Annex A

The Council, through its Local Plan review, forthcoming sustainable transport strategy, green economic development plan and other means will seek to get ahead of, and make sure that the district can be a net beneficiary of, the profound changes that are necessary across all of society.

The opportunities for the district may include, for example, new employment in businesses servicing new green industries such as whole-house retrofit of low carbon technology to minimise householder running costs, new ways of doing agriculture than emphasise local supply chains, and green infrastructure investments. Others will be jobs associated with renewable energy generation, building a network of electric vehicle changing points, building a network of safe and attractive cycle routes, and all the associated economic benefits / cost savings that would come with improved health and wellbeing and tourism.

5.3 Risks

There are significant potential near- and medium-term risks to the delivery of this strategy.

5.3.1 Planning White Paper

If changes are made to the planning system in line with the intentions set out in the MHCLG white paper Planning for the Future (August 2020), it will probably severely restrict the Council's ability to set local policy on carbon and energy efficiency of new developments. It has already been noted that the white paper pushes the requirement of zero carbon development off to 2050 (compared to its long-abandoned original target date of 2016), so immediately undermining the ambition of many Councils to push for much faster adoption of this benchmark.

5.3.2 Recession

The UK is entering a period of recession, with the biggest fall in GDP of any G7 country, in the context of the deepest global economic downturn since the 1930s. The fallout of the pandemic, and the speed of economic recovery for this country are unknown, but a sustained recession will undermine confidence and the ability to deliver projects of every type.

5.3.3 Covid-19

Most commentators predict that we will have to learn to live with the virus. If the kind of short term changes we have made to adapt to the virus become permanent, it will affect many aspects of how we live, shop, travel and work, and therefore will change the assumptions underpinning the investment case for low carbon projects.

Many uncertainties hang over how and whether Covid-19 it can be defeated. These include the eventual uptake rate of a vaccine (once available), possible changes to the virus itself, increased understanding about its long-term effects, and indeed the emergence of similar global pandemics fuelled, partly, by our over-exploitation of the natural world.

5.3.4 Unitarisation

Whilst still highly uncertain in process, timeframe and outcome, there may be pressure to move Gloucestershire towards a unitary authority. The risk is two-fold; in the medium term is the uncertainty that any such change introduces to the long-term stability of CDC as a decision maker on local policy and a counterparty to low carbon projects, and in the longer term the potential for a future unitary authority to dilute the low carbon ambition expressed by CDC.

6 Organising principles

In determining and executing our strategy and prioritising the types of action we can take, we will seek to be guided by the following high level organising principles.

Be bold and ambitious; accept and manage risks

The scale of the global climate crisis, and its forthcoming effects on Cotswold district, leave no room for timidity or uncertainty. This was spelled out in the Council's declaration of a Climate Emergency. Responding to the climate emergency requires the Council to take, and learn to manage, a level of economic and political risk in taking actions, and helping others to take actions, which are commensurate with the scale of the emergency.

Provide leadership

The Council's climate emergency declaration commits the Council to providing leadership within the District, and by extension more widely, to help all stakeholders to understand the scale of the emergency more quickly than they might otherwise have done, and to embolden and encourage those already choosing to take action. The climate crisis already is, and will increasingly in the future, affect everyone. Society has reacted far too slowly to this threat to date, and at this moment continues to react far too slowly. We cannot wait until unequivocal consensus is reached on the right course of action – leadership is needed from all stakeholders now.

Follow the evidence

A district council cannot also be a climate science expert. However we will access highly reputable interpretations of the rapidly evolving science on climate breakdown, and what it means for Cotswold District, provided by bodies like the Committee on Climate Change and the Met Office. We will also track and take account of the evidence of fast, deep and wide-scale change in both public attitudes and corporate decision making in favour of a net zero carbon future, to be achieved sooner than the present national goal of 2050.

Determine and promote a stretching district-wide emissions reduction target and pathway

Most Local Authorities that have declared a climate emergency have also adopted area-wide reduction targets, often more ambitious than the UK's current legally binding target of net zero territorial greenhouse gas emissions by 2050. Many have not made clear how such a target may be reached, which stakeholders must be involved, and the role of the council in achieving it.

We acknowledge the limits to the Council's direct powers and influence, and will conduct research to determine a district-wide science-based emissions reduction target based on the level of reduction required to contribute fully to meeting the Paris Climate Accord, and which also seeks a fair allocation of effort and reward across all communities. We will identify actions that may be taken by stakeholders across the district, and the emissions reduction pathway that those actions could deliver.

Focus on the biggest wins

We will seek actions that deliver the largest greenhouse gas reduction impact, and which focus on the largest emissions categories in the District (agriculture, road transport, heating buildings) as well as the largest categories of our own emissions (waste fleet fuel, gas for heating). We will resist the temptation to focus on actions with high public relations value but small emissions value, even though actions delivering large reductions are hard and require us to work creatively with many other stakeholders.

Connect mitigation and adaptation

Whilst climate mitigation and adaptation are separate tasks, wherever possible we will seek actions that link the two, ideally having a useful impact on both objectives simultaneously.

Connect the climate and ecological emergencies

The Council voted to declare an ecological emergency in July 2020, putting ecological issues at the heart of the Council's actions to deliver nature recovery across the district. We recognise that the two emergencies are intimately linked and wherever possible we will seek actions that help to tackle both objectives.

Maximise co-benefits

In taking climate action ourselves, and supporting others to take action, we will identify and seek to maximise the co-benefits of those actions, and wherever possible align these with the Council's other priorities and statutory responsibilities. Whilst the primary focus of climate actions will be on adaptation and emissions reduction, there will be co-benefits not measured in tonnes of carbon, which may include, among others, economic regeneration, improved air quality, better public health, increased enjoyment of and access to nature, new employment and skills, investment opportunities, reduced fuel poverty and greater community spirit.

Deliver fairness

As well as the long-term benefit of helping to assure a liveable climate for Cotswold residents, and the potentially multiple associated co-benefits of climate actions, there will also inevitably be additional cost, disruption, changes to the status quo and changes to behaviours and expectations. These changes will touch everyone in the country, from individual citizens to every sort of organisation.

Public attitude research consistently shows that most people hold fairness as a high principle when enacting necessary change. At local level this will mean thinking carefully about where the burden of costs and changes falls, seeking to protect the most vulnerable and least well-off (who will anyway be most impacted by forthcoming climate change), and providing leadership to show the justification for necessary changes.

Work in partnership

As stated elsewhere, Cotswold District Council has neither the powers nor the pocket to deliver emissions reduction across the district at the scale necessary. However we will be able to work in partnership with stakeholders across the district to share information, develop new ideas, align our climate objectives and communications, co-invest, and seek new collaborative opportunities for emissions reduction projects.

The Council will also do everything within its power to encourage the developers of any large scale or infrastructure projects, which have significant climate impact, to take a courageous lead in voluntarily aiming at the best possible emissions target, consistent with the scale of the climate emergency that faces us all.

Encourage and support citizen leadership

The Council's declaration of a climate emergency in July 2019 stated the aim of creating a citizens' climate panel to help guide the Council's actions and to better link with communities on the climate emergency. As with virus pandemics, systemic threats of any kind bring people together since collective action is essential where everyone is at risk, and everyone benefits from the solutions. Climate change is many orders of magnitude larger than Covid-19 in its medium- and long-term damaging impacts.

The climate crisis is universal and therefore awareness of it, and responses to it, must be shared as widely as possible. We will enable and support individual Cotswold residents and existing and new community-based groups with a focus on the climate and ecological emergencies, to own the problem as well as the solution, provide local leadership which reinforces the Council's aims, and encourage faster and wider response to the emergencies among all communities in the District.

Replicate and share good ideas

To be efficient with limited resources we will avoid re-inventing the wheel. As the country wakes up to the depth of the climate and ecological crises there is a burgeoning range of ideas, support and opportunities for collaboration, all of which can reduce risk for the Council and other stakeholders, speed up actions, and maximise effectiveness.

Responding to the climate emergency is becoming mainstreamed, and being part of networks such as the Countryside Climate Network, which Cotswold District Council is a founder member of (an initiative of the UK100 network Local Government leaders focused on climate and clean energy policy), is just one channel for accessing and sharing these ideas. To tackle the climate crisis it is no longer necessary to carry innovation risks alone.

Leverage external resources

Annex A

Commensurate with taking controlled risks and collaborating with others, we will seek to leverage external finance, expertise, ideas, support and projects, to magnify the impact of what we would otherwise achieve with our own much more limited resources.

Leverage internal strengths

Whilst Cotswold District Council has practical constraints of tangible resources such as finance, land, buildings and human resources, it has important intangible assets which can be leveraged to support others taking action. The Council is a stable long-term body, and therefore able to enter long term contracts that help to de-risk, and therefore reduce the costs of, projects such as renewable generation.

The Council has long-term relationships with many stakeholders, a close understanding of the settlements in the District, and is a trusted 'brand'. These can be leveraged to help accelerate the uptake of new initiatives such as green electricity switching, rooftop PV investment, electric vehicle uptake and home energy retrofit, even when the Council itself is not the implementing body.

7 Greenhouse gas emissions from Cotswold District

7.1 The national context

As the graph of UK territorial emissions¹⁵ shows (Figure 5), thirty years ago the UK's biggest greenhouse gas emitter was industry, closely followed by power generation. Third on the list, with half the emissions of industry and power, was vehicles and buildings. Today the story is very different.

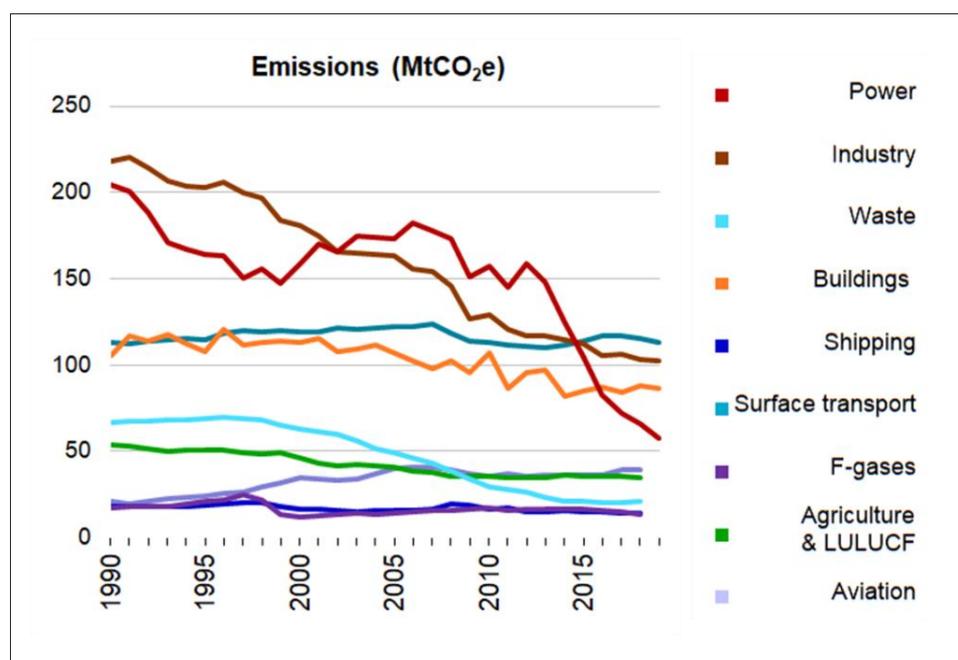


Figure 5: UK territorial (production) greenhouse gas emissions, 1990-2018

Industrial emissions have dropped significantly – both through greater efficiency, but also because globalisation has pushed a lot of manufacturing overseas, and those consumption emissions – that is, emissions from manufacturing and transport elsewhere in the world, associated with the things we buy - are not recorded in this graph.

The really dramatic change is in power generation. The increasing use of gas (displacing coal) from the 1990s onwards, and more recently the huge growth in renewable energy generation, has slashed emissions from power generation by three quarters. That's impressive, and indeed since renewable energy is now more cost effective than thermal generation (that is, burning coal, oil and gas to make electricity), it is foreseeable that we could eventually have a near-100% renewable powered grid in this country.

¹⁵ Data from Committee on Climate Change, supporting the CCC's 2020 annual report to Parliament. See: <https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/#supporting-research,-charts-and-data>

Annex A

The really stubborn emitters are vehicles and buildings. Vehicle emissions have flatlined for thirty years, and is now the biggest single emissions category. The uptake of electric vehicles has started, but has not yet had an impact on emissions, and indeed market forces (such as the popularity of sport utility vehicles) has actually moved the graph the wrong way in recent years.

Emissions from buildings (that is, heating) has barely dropped in 30 years - energy efficiency of the UK's housing stock is generally poor, and improving household energy efficiency (whilst being vital, and bringing dramatically lower energy bills to householders) will be expensive and disruptive, requiring the replacement of gas boilers by high efficiency electric heating, and increasing insulation.

National level progress to date leaves no room for complacency. As the Committee on Climate Change's 2020 recent annual report to Parliament¹⁶ makes clear, whilst the UK has met its carbon budgets to date, it is projected to miss future ones, and that's before taking account of the revision to the legally binding target of net zero emissions, which used to be -80%, and is now -100% by 2050 (from a 1990 baseline).

The country, just like businesses, individuals and public sector bodies like Cotswold District Council, now faces the really hard work. Many of the easy wins (like swapping coal generation for gas) have been done, and the legally binding target of net zero emissions by 2050 requires a much steeper fall in emissions per year from now onwards, than we have achieved to date.

For individuals and organisations at local level, it is true that much of the heavy lifting in building low carbon infrastructure - like installing offshore wind turbines or building nuclear power stations or manufacturing electric vehicles for example - is being done by others. However we won't achieve the zero carbon future we need unless individuals and organisations play an active role in spending their own money and adapting their own behaviours to enable the big infrastructure changes to take effect.

7.2 Cotswold district emissions

7.2.1 Territorial (production) emissions

The most recent BEIS data (2018) for Cotswold District shows net emissions of approximately¹⁷ 605 ktCO₂e, equating to around 6.8 tCO₂e per resident, and 0.52ktCO₂e/km² of land area (Table 1: District-wide emissions by source, incl LULUCF, ktCO₂eTable 1). This comprises approximately¹⁸ 650ktCO₂e arising directly from fuels burned and electricity consumed (generated mainly out of the district), less an estimate of carbon removed from the atmosphere - that is, sequestered (or stored) in plants and soils in the district (approximately negative 44.5ktCO₂e), termed LULUCF (land use, land use change and forestry) emissions.

¹⁶ <https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/#supporting-research,-charts-and-data>

¹⁷ 604.8 ktCO₂e

¹⁸ 649.3 ktCO₂e

Annex A

Cotswold District-wide GHG emissions by source, 2018, ktCO ₂ e		Emissions, ktCO ₂ e	Individual percentage of total excl LULUCF	Category percentage of total excl LULUCF
Industry, commercial & agriculture	Industry and Commercial Electricity	48.8	7.5%	29.8%
	Industry and Commercial Gas	27.6	4.3%	
	Large Industrial Installations	3.7	0.6%	
	Industrial and Commercial Other Fuels	77.9	12.0%	
	Agriculture	35.3	5.4%	
Homes	Domestic Electricity	52.2	8.0%	24.8%
	Domestic Gas	73.7	11.3%	
	Domestic 'Other Fuels'	35.5	5.5%	
Transport	Road Transport (A roads)	200.3	30.8%	45.4%
	Road Transport (Minor roads)	86.7	13.4%	
	Diesel Railways	2.3	0.3%	
	Transport Other	5.5	0.8%	
Total emissions excluding LULUCF:		649.3		
LULUCF	Forest (sequester)	-59.5	-9.2%	-6.9%
	Grassland (sequester)	-49.0	-7.5%	
	Settlements (emit)	30.0	4.6%	
	Cropland (emit)	34.0	5.2%	
LULUCF emissions:		-44.5		
Total net district emissions including LULUCF:		604.8		

Table 1: District-wide emissions by source, incl LULUCF, ktCO₂e

For context, Cotswold District annual CO₂ emissions are equivalent to the emissions from burning about 560 Cirencester leisure centre-sized swimming pools of diesel each year, or driving an average family car about 2.7 billion miles. At 18% of the county's total, Cotswold's emissions are the third largest of the six districts (Figure 6).

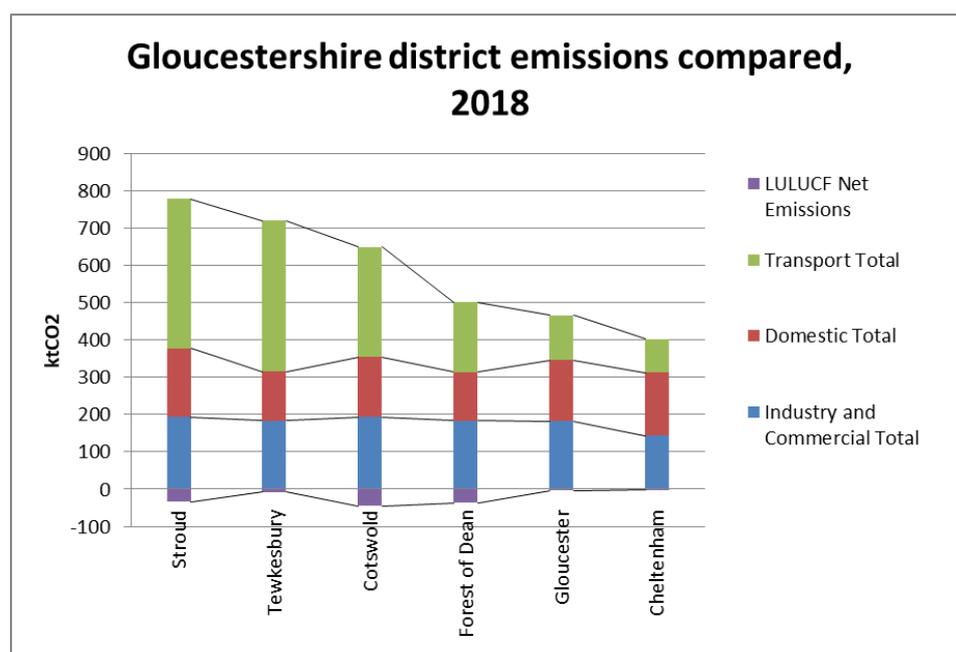


Figure 6: Relative emissions from six Gloucestershire districts

Annex A

For emissions excluding LULUCF, slightly less than a third of emissions arise from industry, commerce (offices, shops and venues) and farming. One quarter comes from households, and just shy of half comes from road transport (Figure 7).

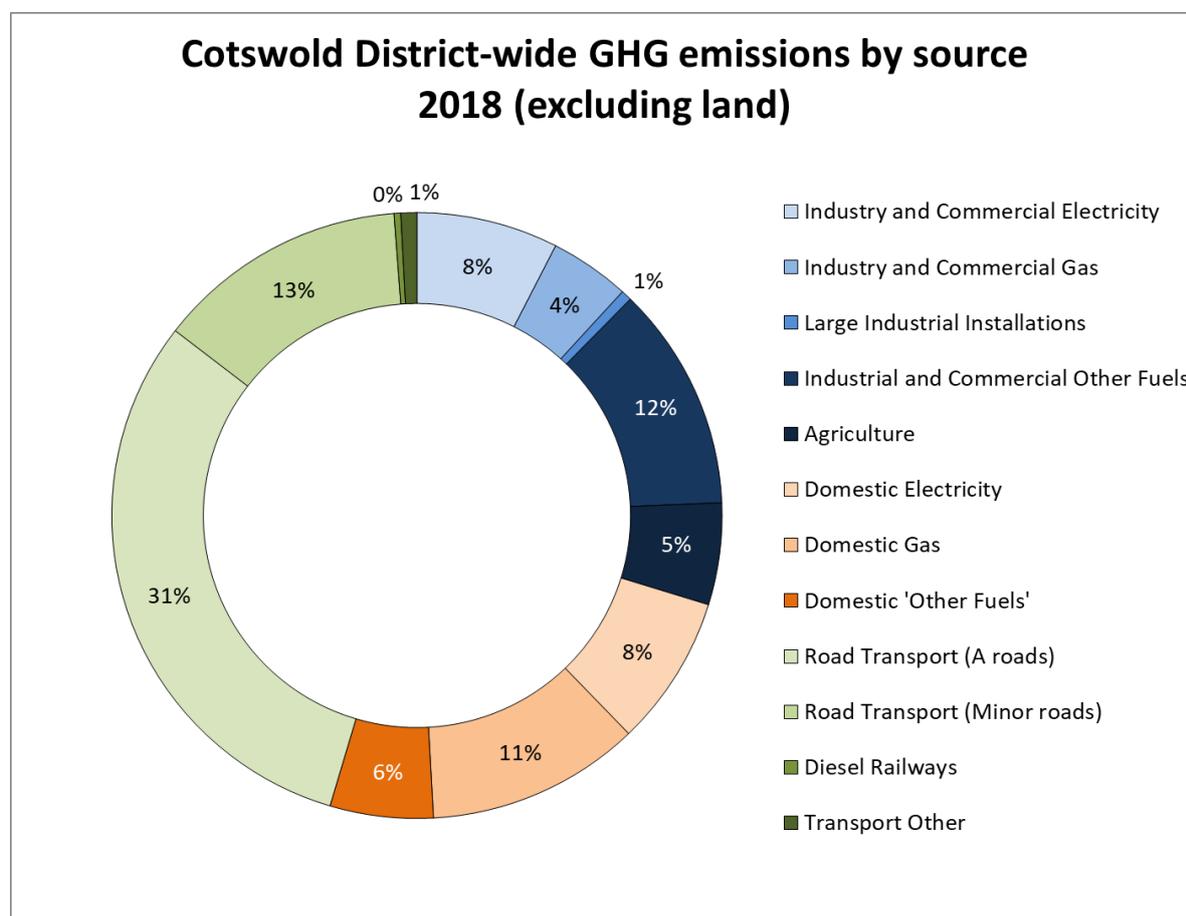


Figure 7: Proportional emissions from all sources, Cotswold District, excl LULUCF

Not included in (Figure 7) is the effect of carbon being emitted from or taken up by land. The balance between carbon emitted and sequestered through land use is an estimate only, and only around 6% of the total, but nonetheless is important (Figure 8).

Increasingly, rural and farming parts of the country will need to find more ways to reduce carbon emissions from land, and increase the amount of carbon sequestered into standing biomass and soils. Government's estimate of land-based carbon balance for the Cotswolds shows that carbon is emitted from cropland and settlements, but this is more than offset by the amount sequestered into forest, grassland and well managed soils, leaving a net negative emission figure (that is, sequestered carbon) of 44.5ktCO₂.

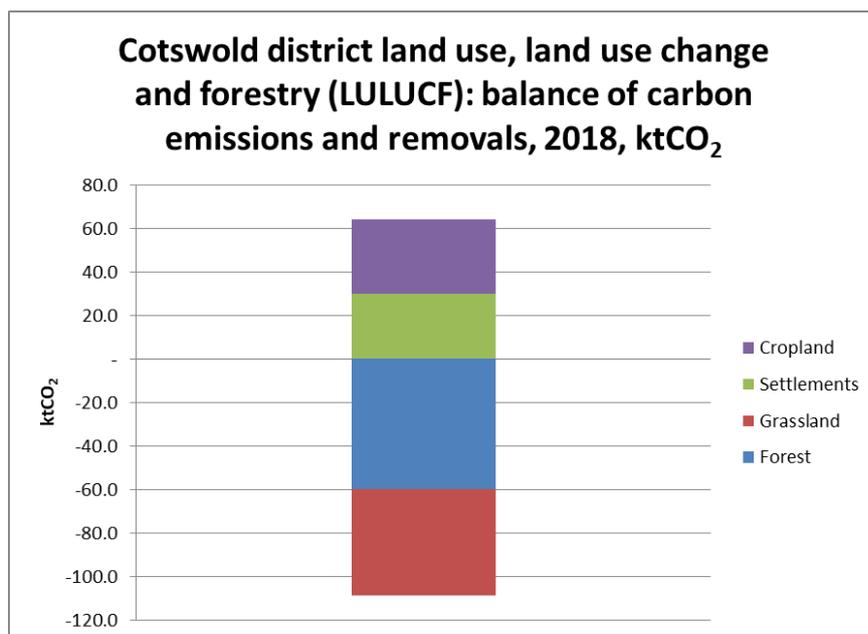


Figure 8: LULUCF balance, ktCO₂, 2018

The proportions of different emissions make clear the challenge for emissions reduction in the District. Electricity emissions will continue to fall as the grid decarbonises, and whilst the District should be able to contribute significantly towards this by building renewable generation, the really tough nuts to crack are road transport and fuels for heating. Burning these fossil fuels emits over 500,000 tonnes of CO₂e per year, or around 85% of the District's total.

The history of greenhouse gas emissions in the District over the last thirteen years (Figure 9) shows how hard it is to reduce these direct fossil fuel emissions. Whilst electricity emissions have fallen steadily, emissions from burning gas, vehicle and other fuels is virtually unchanged.

The same challenge faces the whole country, but as a rural district it is particularly acute. Rural areas do not (currently) benefit from the frequency of public transport and the density of space that cities do. Many properties are still heated by oil, and most residents outside of our main towns rely on private cars. Ours is a large district with a low population density, so distances travelled tend to be larger. Many of the District's older stone properties, whilst having the benefit of remaining significantly cooler during heatwaves than newer properties, can nonetheless be 'hard to heat and hard to treat' (that is, difficult to improve the energy efficiency of).

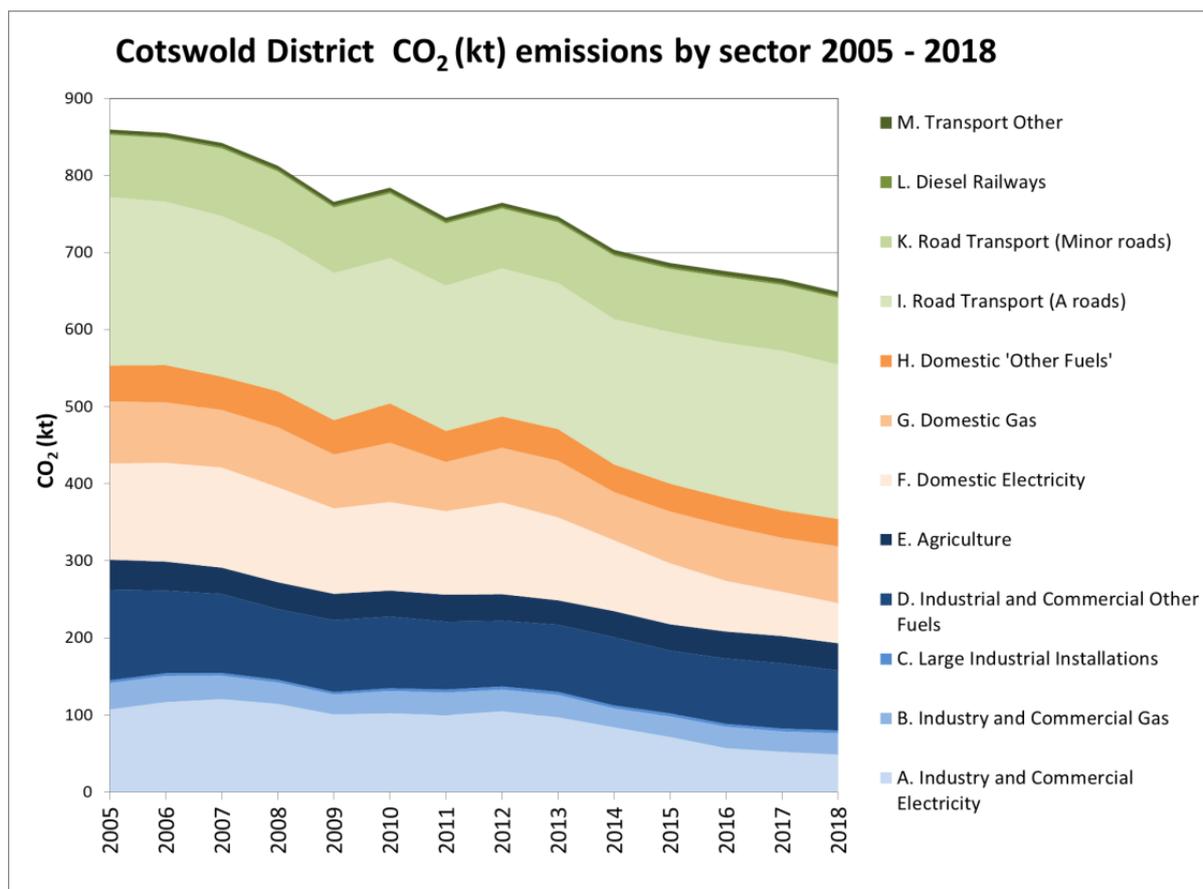


Figure 9: Time series analysis of district emissions

7.2.2 Consumption emissions

Government statistics for greenhouse gas emissions from Cotswold district reported above relate only to emissions that arise directly from activity in the district (such as burning fossil fuels in buildings and vehicles), and emissions from electricity consumed in the district, but mainly generated elsewhere. These are termed ‘production emissions’, since they arise from activity taking place within the territory.

However for a fuller understanding of how we as individual citizens, businesses and the public sector affect the climate crisis, we must look also at our ‘consumption emissions’ – that is, emissions related to the supply of goods and services we buy, including those imported from abroad.

Accurate data for consumption emissions is not readily available for Cotswold district. However we can draw some high level conclusions from UK-wide data.

The first point to note is that, whilst UK emissions from territorial activity (‘production emissions’) have fallen by over 40% in the period from 1990 to 2018, emissions due to the goods and services

Annex A

we buy and consume have fallen much less – by just 16% to the year 2017 (Figure 10)¹⁹. This discrepancy is because, whilst the UK has markedly reduced emissions from the power sector, we have also reduced the amount of indigenous manufacturing, with a much greater proportion of the goods we consume now made overseas, often in parts of the world with high emissions from the manufacturing and power sectors.

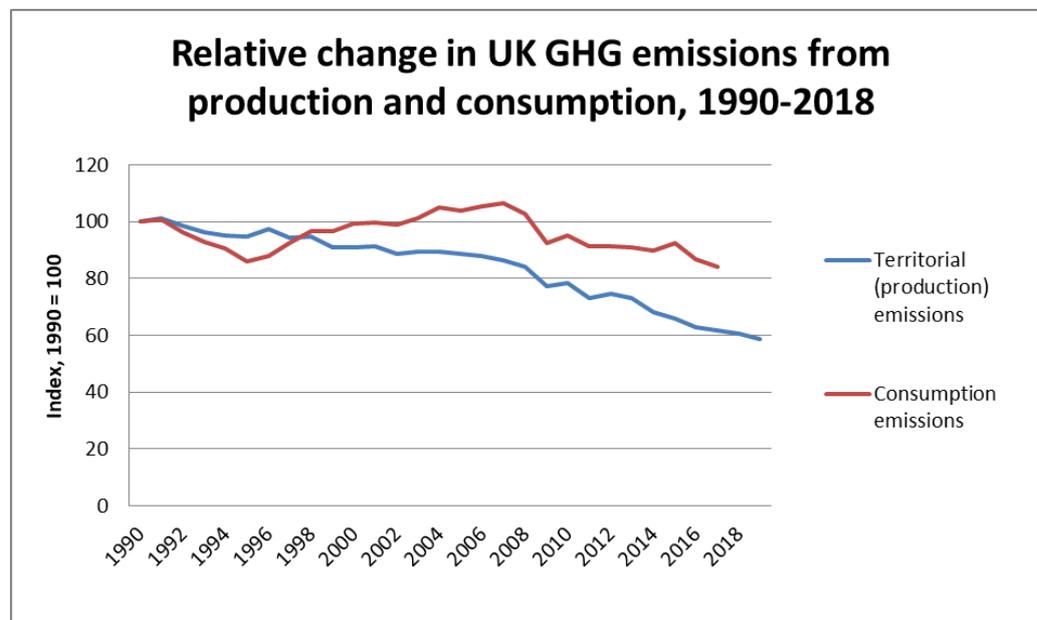


Figure 10: Relative change in UK production and consumption emissions

At an individual level, the average greenhouse gas emissions per person in the UK is around 9 tonnes CO₂e per year (Figure 11)²⁰. No data exists for what the emissions footprint is of an average resident of Cotswold district. However the factors that affect individuals' and households' emissions will include wealth, size of property, age of property, amount of air travel, heating system, diet and many others.

For the average UK resident, about half our emissions come from the energy we consume directly (vehicles, home heating etc) and half from the things we buy. The conclusion is that the big wins come from slashing emissions from heating buildings and driving vehicles, followed closely by our food choices.

¹⁹ Committee on Climate Change, supporting data to the 2020 progress report to Parliament, see: <https://www.theccc.org.uk/publication/reducing-uk-emissions-2020-progress-report-to-parliament/#supporting-research,-charts-and-data>

²⁰ University of Leeds for Defra

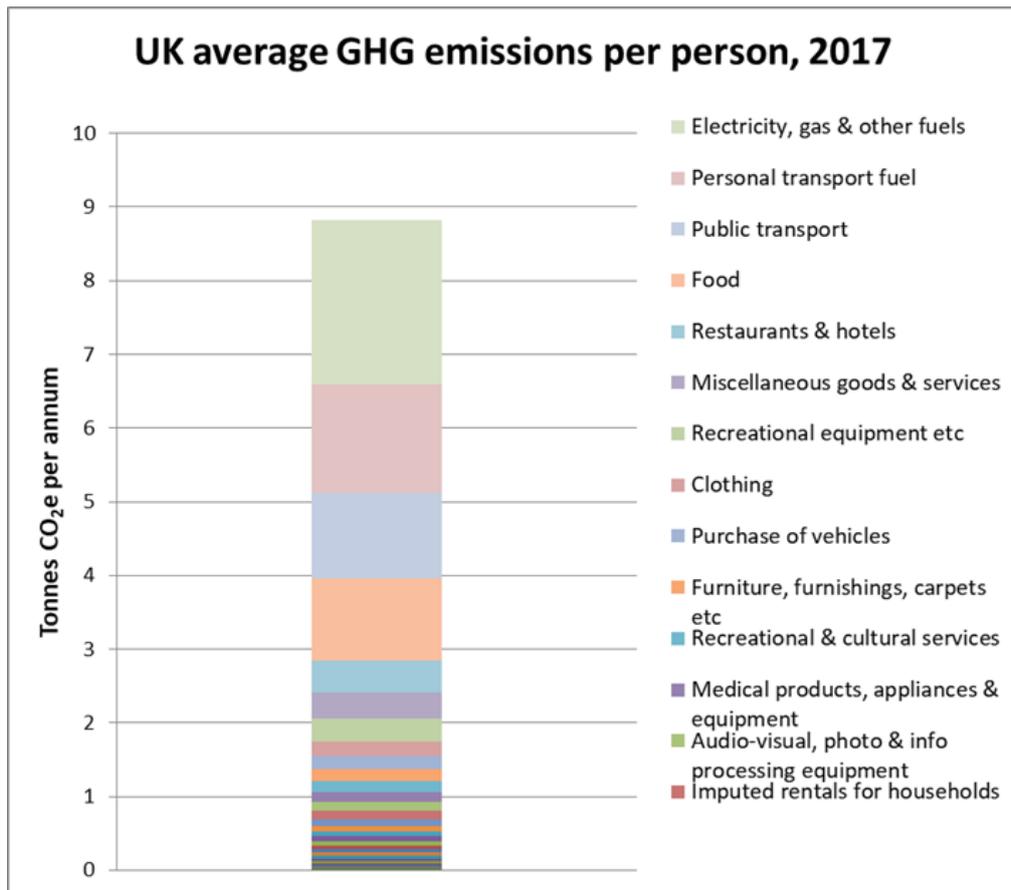


Figure 11: Average emissions per person, UK, 2017

8 Greenhouse gas emissions from the Council’s operations

Emissions due to the buildings and operations of the Council, for the most recent year (2019/20) amount to some 2,746 tonnes CO₂e, or around 0.4% of the emissions of the district as a whole (Table 2) and (Figure 12).

Breakdown of 2019/20 CDC corporate emissions by source and council function tCO ₂ e	Fossil fuels		Electricity	Water	Total per council function	%age per council function
	Liquid fuels	Gas				
Council buildings	-	309.2	327.6	8.0	644.8	23%
Waste services	1,283.8	-	-	-	1,283.8	47%
Staff and Councillor travel	114.7	-	-	-	114.7	4%
Leisure buildings	-	379.2	304.0	19.5	702.7	26%
Total per source	1,398.5	688.4	631.6	27.5	2,746.0	100%
%age per source	51%	25%	23%	1%	100%	

Table 2: CDC corporate emissions by source, 2019-20

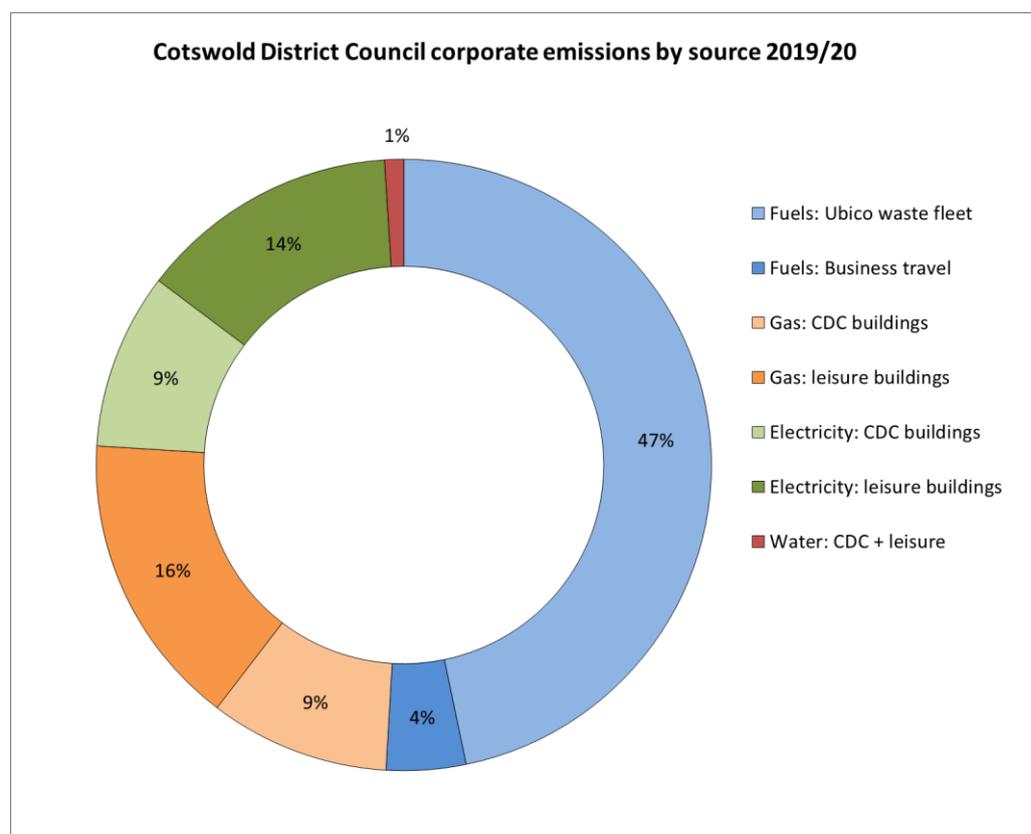


Figure 12: CDC corporate emissions breakdown

Annex A

Data has been collected according to the principles of materiality and practicality, and audited by an independent external body. No organisational emissions data exercise is ever complete or accurate, but principle sources of data have been collected which enable a fairly complete picture, and enable year-on-year comparisons.

The largest contributor by emission source (51%) is liquid fuels (diesel, petrol), principally for the waste collection fleet, and the second largest (25%) is gas consumption to heat Council buildings and leisure buildings.

Looking at current emissions in the context of the last nine years for which good data has been collected shows good progress by the council to date, with emissions falling from around 4,000 tonnes CO₂e in 2010 to 2,746 today.

The key omission from data to date has been staff commuting. Setting up systems to enable staff commuting to be measured will take time, require additional data input by staff, and will never be precise. However this is an important data set to capture, since incentives and changes of habit are likely to deliver significant carbon savings.

One result of the Covid-19 crisis has been much more home-working and much less commuting. Publica's agile working strategy means that staff commuting emissions will continue to be lower than before, but whilst commonsense suggests home working saves carbon, there are many factors and assumptions at play. Estimates by the International Energy Agency²¹ using European averages suggest that workers who avoid a commute by car for four miles or more may save carbon, whereas those who drive less far, or who take public transport or active travel may emit more carbon by working from home. True figures will be very hard to calculate.

²¹ <https://www.iea.org/commentaries/working-from-home-can-save-energy-and-reduce-emissions-but-how-much>

9 Emission reduction targets

Many Local Authorities with a climate strategy have adopted a target for emissions reduction for their entire administrative area, and all have adopted a target for reduction of emissions from the council's own estate and operations.

9.1 A district-wide target

Government estimates of district-wide emissions are available up to 2018. As discussed elsewhere, emissions from electricity consumption are falling fast, as the grid decarbonises (as more renewable electricity generation is brought on).

Whilst the District must play the fullest part it can in hosting new renewable energy generation, the more difficult task is reducing emissions from road transport and fossil fuels for heating. Since the grid will continue to decarbonise, district-wide target setting must also address the most difficult emission categories – ie, all those excluding electricity.

9.1.1 Context setting

As context for the target setting research, and to illustrate the scale of the challenge, (Figure 13) sets out alternative targets and pathways for comparison.

The 'zero by 2050 straight line' target simply mirrors the net zero target now enshrined in UK law through the Climate Change Act 2008. As the UNFCCC points out, national level commitments to date are insufficient to reach the Paris target of limiting global heating to 1.5degC.

The Science-based targets initiative (SBTI)²² is a voluntary commitment increasingly being made by large corporates, in which they adopt targets based on achieving either the most ambitious Paris target of 1.5degC (1.5C), or else the fall-back Paris target of 'well below 2degC' (WB2C). Whilst mainly used by large private sector firms, it is useful to show the equivalent reduction paths for the District. The 1.5C pathway is steeper (more challenging) than the 'zero by 2050 straight line' pathway, but the WB2C pathway is shallower.

For comparison the diagram also shows the equivalent reduction pathway adopted by the Council relating to its corporate emissions. This is the most challenging pathway of any illustrated, which is consistent with the leadership role the Council wishes to fulfil.

²² https://sciencebasedtargets.org/sbt_events/net-zero-targets-in-the-corporate-sector-option-1/

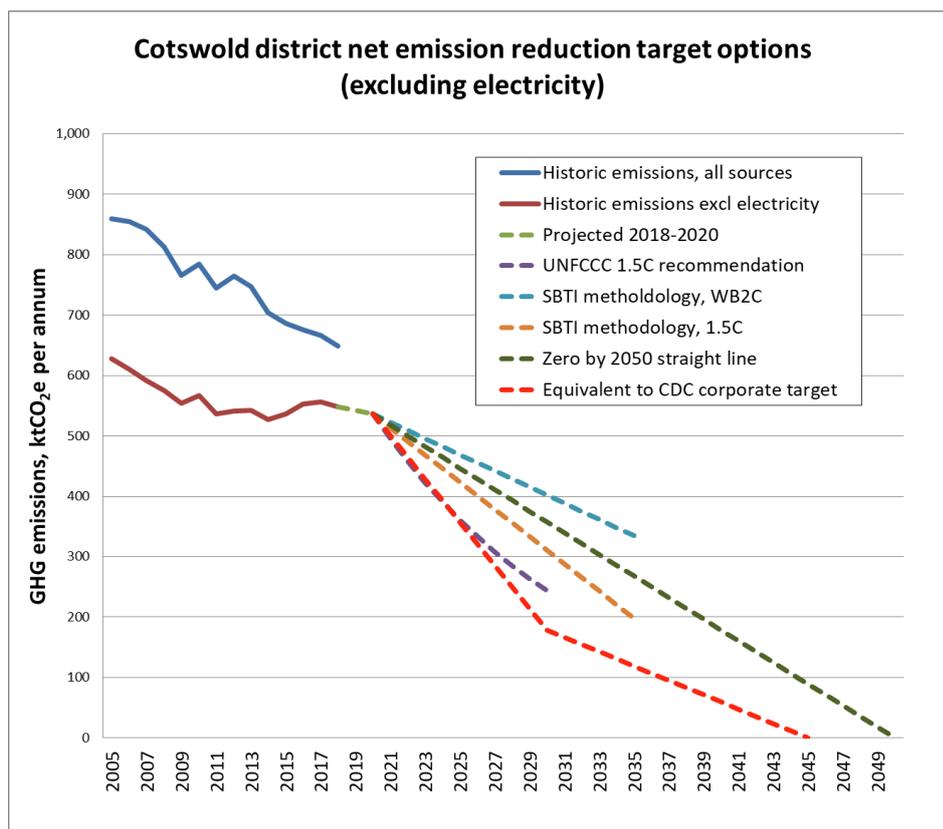


Figure 13: Target setting options for district-wide emissions excluding electricity

The United Nations Environment Programme²³ (UNEP)’s 2019 ‘annual gap report’ spells out how far national commitments to date will deliver the Paris agreement. It makes for sobering reading. UNEP estimates that if existing national commitments are adhered to (a big assumption in itself), it would lead to catastrophic global heating of over 3degC. UNEP states that an emissions reduction of 7.6% per year is now required, for the decade 2020-2030, in order to keep within the Paris limit. This reduction pathway, applied to the district, is slightly less steep than the target adopted by the Council for its corporate emissions.

What is certain is that leaving the attempted achievement of a target to close to the target date will not work. Emissions must be avoided as early as possible in the decade since the heat trapping gases build up in the atmosphere, and leaving action to later increases the cost and disruption of that action.

9.1.2 Identifying and communicating a district-wide target

We will conduct cost-effective research to determine a stretching district-wide emissions reduction target based on the level of reduction necessary to contribute fully to meeting the Paris Climate Accord, and which also seeks a fair allocation of effort and reward across all communities. The target setting research will identify the actions that would need to be taken by stakeholders across the district, and the emissions reduction pathway that those actions could deliver.

²³ <https://unfccc.int/news/cut-global-emissions-by-76-percent-every-year-for-next-decade-to-meet-15degc-paris-target-un-report>

This will inevitably be an immensely challenging target, in keeping with the scale of the climate emergency. The Council will work with key large emitting stakeholders in the district, as well as engaging with residents, and use the target to raise awareness, focus debate, increase commitment and spur the wider adoption of the target and development of joint projects that collectively can deliver large emission reductions.

In this way the target is above all else a communication tool, but one which is based in science and highlights the lack of international and national progress to date, and the need for all countries, organisations and individuals urgently to reduce emissions.

9.2 The Council’s operational target

The target for CDC’s own estate and operations forms part of the Climate Emergency Declaration approved unanimously by the Council in July 2019: to *“Make the Council’s own activities net-zero carbon as soon as possible, aiming for an 80% reduction against a 1990 baseline by 2030, and a 100% reduction by 2045, with no reliance on offsetting or the trading of carbon credits”*.

The 1990 baseline year is used because it mirrors the baseline used in the Climate Change Act 2008. The Council has recorded its own emissions data only since 2010, but back-casting from 2010 data, using changes in national level emissions as a proxy, suggests Council emissions may have been at around 4,500 tonnes CO₂e in the baseline year (Figure 14).

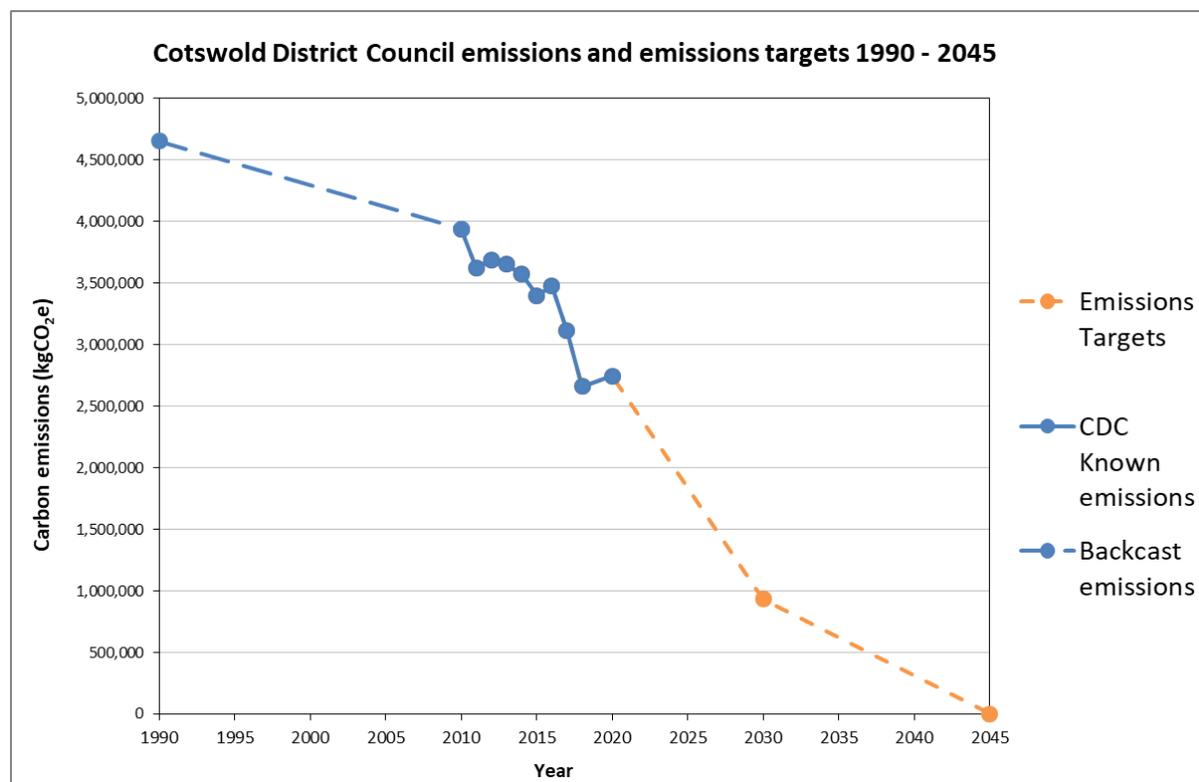


Figure 14: CDC historic and target net emissions

Annex A

Projecting forward from the baseline year shows the scale of the Council's commitment, aiming to reach around a two thirds reduction from present level by 2030, and zero net emissions by 2045. The Council's annual emissions are reported consistently, and it will be straightforward to report progress towards this very challenging target.

10 The Council’s scope to act and priority action areas

Whilst the Council has statutory responsibility for waste collection, local planning policy and other matters, it has neither the powers nor resources to directly drive down district-level emissions which are the responsibility of individuals and organisations. However the Council has an important leadership role, networks and relationships which can be used to assist and influence key stakeholders.

10.1 Levers of influence

A simple analysis of the levers of influence available to the Council (Figure 15) illustrates the difference between control and effect. There are activities over which the Council has direct control (such as decisions relating to assets and property owned and operated by the Council), but which contribute only a small amount to the whole district’s emissions reduction. In contrast there are activities that the Council has limited influence and no control over, but which if implemented would have the largest effect on the whole district’s emissions.

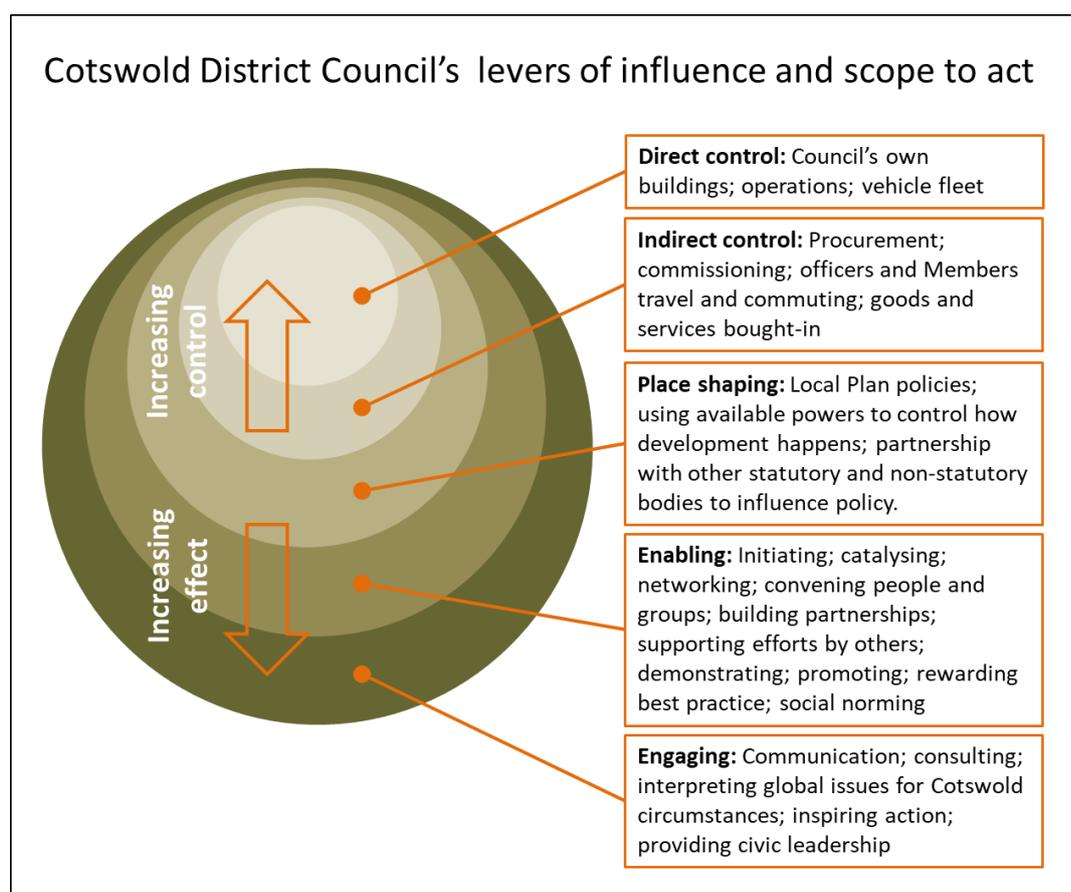


Figure 15: Levers of influence

Annex A

10.1.1 Direct control

Actions in this category are aimed at achieving CDC's stated target of a minimum of two thirds reduction in net emissions from 2020 to 2030, reaching net zero by 2045. Illustrative action areas include waste fleet decarbonisation through new technology, delivering affordable and net zero carbon housing, widening carbon data capture, improving staff climate literacy, taking action at Trinity Road, and undertaking energy projects at commercial and non-commercial sites.

10.1.2 Indirect control

Actions in this category relate to projects, services etc procured or strongly influenced by the Council, including policies and incentives that encourage employees to act in a low-carbon way. Actions will contribute less directly to CDC's emissions target, affecting mainly 'scope 3' emissions, and will also impact district-wide emissions to some extent. Illustrative action areas include developing a sustainable procurement policy with climate considerations at its heart, putting climate considerations into key policy areas such as economic development and the Council's corporate plan, procuring 100% place-based renewable electricity, reducing carbon from staff home working and commuting, and co-investing in capital projects.

10.1.3 Place shaping

Place making relates to the Council's responsibility for Local Plan policies, but also partnerships where the Council is a key influencer or stakeholder. Illustrative action areas the review of the Local Plan to make it green to the core, creation of a renewable energy strategy for the district for incorporation into the Local Plan, and development of a sustainable travel strategy and action plan for the district.

10.1.4 Enabling

Enabling actions are those where the Council's role is proactive, helping others to take action by initiating new ideas, supporting new projects, promoting initiatives and social norming – helping to make low carbon business decisions and lifestyle choices easy and automatic. Illustrative action areas include promoting electric vehicle uptake, supporting whole-house energy retrofit, supporting renewable energy tariff switching and neighbourhood solar PV schemes, helping to build a community owned renewable energy co-operative, and initiating multi-stakeholder energy schemes.

10.1.5 Engaging

Engagement actions aim to achieve a closer dialogue with citizens and organisations throughout the district on the topic of the climate emergency, and our responses to it. Good engagement is particularly important in the context of the need for rapid and profound change to respond to what, for many, is still an invisible or hypothetical threat.

A key challenge is in accessing all audiences, and opening the engagement up beyond those who are already well aware of the climate crisis. Everyone has their own world view and experiences, and

Annex A

the impact of climate change will be felt differently by everyone. Good engagement should help us listen to and understand the widest possible range of personal experiences, bring people together round this agenda, and help make the Council's communications and decisions better as a result.

The foundation of successful engagement is a communications strategy. There are great examples of local authorities that have spent considerable sums on innovative ways of engaging the public in the climate topic, but it may not be appropriate for Cotswold to devote such significant resources in this way.

Nonetheless, meaningful and sustained engagement is essential to capture ideas, understand individuals' priorities, and build the public mandate to take increasingly vigorous and innovative action on the climate emergency.

Illustrative action areas include supporting citizen-led activities like Green Open Homes, developing a climate change communications strategy, building on existing good relationships with key organisations in the district, identifying a district-wide carbon target, establishing a climate panel and working with Town and Parish Councils.

10.2 Illustrative projects and actions

Illustrative projects are set out in Appendix 3, and are grouped according to the Council's levers of influence and scope to act - direct control, indirect control, place shaping, enabling and engaging. Appendix 3 contains only a brief summary description of the main issues, alongside illustrative actions.

11 Appendix 1 – Foundations

- CDC Climate Emergency Declaration, July 2019²⁴
- UK's legally binding commitment to zero net carbon by 2050 / Climate Change Act²⁵
- UK's fifth carbon budget 2028-32 , and any subsequent revisions²⁶
- The UNFCCC Paris agreement (2015) on limiting global warming to a maximum of 2degC, and aiming for 1.5degC²⁷
- Science-based target setting based on 2015 Paris agreement 1.5 degrees target²⁸
- UK's Intended Nationally Determined Contribution (INDC) related to the Paris Agreement, 2015 , and any updates following CoP26, 2021²⁹
- IPCC special report on global warming of 1.5 degrees C (2018)³⁰
- Gloucestershire Sustainable Energy Strategy, GFirst LEP (2019)³¹
- 'Leading the response to the climate emergency' - Gloucestershire climate change strategy 2019/20 to 2024/25³²
- GFirst LEP Sustainable Energy Strategy, January 2019³³
- CDC annually reported corporate greenhouse gas emissions
- Cotswold district estimated greenhouse gas emissions as per BEIS, based on National Atmospheric Emissions Inventory, 2018³⁴
- Emerging evidence from the UK-wide citizens' Climate Assembly³⁵

²⁴ <https://tinyurl.com/yxznjcjs>

²⁵ <https://www.theccc.org.uk/what-is-climate-change/the-legal-landscape/the-climate-change-act/>

²⁶ <https://www.theccc.org.uk/publication/the-fifth-carbon-budget-the-next-step-towards-a-low-carbon-economy/>

²⁷ <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

²⁸ <https://sciencebasedtargets.org/>

²⁹

<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/United%20Kingdom%20of%20Great%20Britain%20and%20Northern%20Ireland%20First/LV-03-06-EU%20INDC.pdf>

³⁰ <https://www.ipcc.ch/sr15/>

³¹ <https://www.gfirstlep.com/downloads/2019/gloucestershire-energy-strategy-2019.pdf>

³²

<https://glostext.gloucestershire.gov.uk/documents/s57482/Item%208%20Glos%20Climate%20Change%20Strategy.pdf>

³³ <https://www.gfirstlep.com/downloads/2019/gloucestershire-energy-strategy-2019.pdf>

³⁴ <https://data.gov.uk/dataset/723c243d-2f1a-4d27-8b61-cdb93e5b10ff/emissions-of-carbon-dioxide-for-local-authority-areas>

³⁵ <https://www.climateassembly.uk/>

Annex A

- Evidence and Action reports from the Gloucestershire Environment and Climate Action Group (July 2019)

12 Appendix 2: Links to external support

There are a number of county, regional and national level initiatives, policies and support structures which are relevant to this strategy, and may be drawn on.

Some 70% of UK local authorities have declared a Climate Emergency to date³⁶. Several Local Authority initiatives support councils to take action on the climate. Cotswold District Council is a founder member of the Countryside Climate Network³⁷, an initiative by the UK100 group of council leaders ambitious to make a difference on the climate agenda.

The LGA is developing support and coordination for LAs to improve efficiency and consistency in setting strategy and policy, and sharing ideas and innovation. The LGA is actively canvassing views from LAs on what kind of support would be the most beneficial, and new products and services are likely to come forward in due course.

The South West Energy Hub, hosted by West of England Combined Authority and fully funded by BEIS, is an information and expertise centre for low carbon transformation in energy generation and use, focused on local energy initiatives. In Gloucestershire the partner is Gfirst LEP. Many of the SW Energy Hub's strategic priorities align well with CDC's objectives, and we are already in discussion with the Energy Hub about possible support to initiatives in the Cotswolds. Support is available from the Energy Hub for project development up to procurement stage.

Gloucestershire County Council's Climate Emergency Strategy 2019/20 to 2024/25 is consistent with this strategy.

Gfirst LEP's draft Local Industrial Strategy³⁸ (2019) states the aim for the County to reduce carbon emissions to net zero by 2050, with aspirations to go further and faster. Whilst the draft strategy is not wholly focused on climate change, it does state the ambition to make Gloucestershire the greenest place to live and work in England, and the first place in the world to create a healthy circular economy.

³⁶ <https://www.climateemergency.uk/blog/list-of-councils/>

³⁷ <https://www.uk100.org/campaigns/countryside-climate-network/>

³⁸ https://www.gfirstlep.com/downloads/2020/gloucestershire_draft_local-industrial-strategy_2019-updated.pdf

13 Appendix 3: Illustrative projects and actions

Priority action areas are broken into the Council's leverage areas – direct control, indirect control, place shaping, enabling and engaging.

The projects and actions listed here are illustrative only, and specific project plans will be brought forward through a separate report.

13.1 Indicative direct control action areas

13.1.1 Waste fleet

This is a very hard nut to crack. The Cotswold district covers 450 square miles, with a population of about 90,000. One of CDC's statutory duties is the collection (although not disposal) of domestic waste. Electric vehicles to collect household waste are at an early stage of development, but at present are around three times more expensive and only work in high density environments where routes are short.

Innovation is happening at a fast pace, but it is not yet clear what winning technology will emerge for the replacement of heavy, medium- to long-distance diesel vehicles like refuse trucks. Rural districts like the Cotswolds therefore present a big challenge to emissions reduction in waste fleets. The Council will work actively with the waste collection contractor Ubico (part-owned by CDC) to continue to explore options initially for incremental emission improvements, and as soon as possible, more radical and complete solutions.

Cotswold district is an important exemplar for other rural districts. Our per km² emissions are the lowest of all Gloucestershire districts, reflecting our low population density, and the distance our waste collection lorries have to travel. Cotswold therefore represents a valuable opportunity to pilot solutions as soon as they become viable.

13.1.2 Affordable housing

Delivering genuinely affordable housing is one of the Council's high priorities, along with the commitment to ensuring that all new CDC public buildings, and all residential and commercial developments on CDC disposed land, will be carbon neutral throughout their entire lifespan.

Affordability needs to encompass not just the cost to build or buy, but residents' total lifetime running costs. Low running costs can be delivered through high energy efficiency and zero carbon design, which will cost more to build than poorer specification homes. Whilst national policy does not demand it, increasing numbers of homes are being built to net zero carbon standards, and the techniques and technologies required to achieve this benchmark are evolving quickly and falling in cost, as the industry scales up its capacity.

Annex A

The Council will have limited opportunities for such development, but where possible, and in keeping with the aim of providing leadership, will showcase developments to use as exemplars for other rural authorities.

13.1.3 Data and carbon reporting

Annual reporting of CDC emissions can be made more complete by increasing the data capture from some 'scope 3' categories, notably on staff commuting. Presently staff commuting emissions are not captured, and we will look at efficient and effective ways of capturing this data.

13.1.4 Staff knowledge, training, support and working practices

Action is already being taken to develop and roll-out a programme of information and training which will bring all staff up to a level of understanding of the science of climate change, the risks it brings, the means of reducing emissions, and the role of the council. Excellent examples exist of training programmes that can be replicated at CDC. The challenge is to bring climate literacy up to the level of organisational commitment and universal coverage that we see in, for example, health and safety or safeguarding.

There are existing incentives for staff to buy bikes and electric cars, and these can be promoted more widely.

The Council already encourages car sharing and planning meetings to minimise travel. There are good example policies developed by national agencies and adopted by other public sector bodies that can be borrowed to enhance our 'grey fleet' (private car use) policy to ensure that we are minimising emissions from travel round the district.

Publica's agile working strategy, developed in the light of the Covid-19 working from home requirement, will deliver valuable carbon savings from avoided commuting³⁹.

13.1.5 Trinity Road

Gas and electricity consumption at Trinity Road are the largest emitters within the council's direct control (excluding waste fleet and leisure centres). Good work has been done in recent years to improve energy efficiency through eg controls and lighting upgrades, and some opportunity exists for additional small scale projects to improve energy efficiency with a reasonable payback period, but now significant further progress can only be made with more fundamental changes and investments.

Turning Trinity Road into a true zero carbon office space is, just, technically feasible, but would be enormously expensive and disruptive, given the intrinsic structure and energy performance of the Victorian era property.

³⁹ IEA: <https://www.iea.org/commentaries/working-from-home-can-save-energy-and-reduce-emissions-but-how-much>

Annex A

The Covid-19 crisis has introduced very significant short-term uncertainty on how to further tackle emissions at Trinity Road. Staff have largely worked from home during the crisis, reducing emissions from Council buildings. Publica's agile working strategy will further reduce office occupancy over the longer term. An assessment has shown that a Trinity Road solar PV array of around 140kWp is feasible, but cannot be taken forward without more certainty about the medium and long term plan for future use of the building.

13.1.6 Energy projects at commercial and non-commercial sites

There may be opportunities for refurbishment of energy systems (eg boilers, lighting, controls, certain fabric measures) on some of the commercially-let CDC properties, irrespective of the terms of the leases. In the case of fully-repairing leases where the lessee has responsibility for the building's Energy Performance Certificate and for decisions on upgrading energy systems, it may be possible to take a coordinated approach to investing in energy performance improvement which benefits both CDC and the tenant.

Achieving net zero across the commercial estate will demand both a deep fabric-first refurbishment of the properties, to maximise thermal efficiency and make the property technically suitable for the installation of highly efficient electric heat pump heating. For the end result to be net zero carbon will require the tenant to purchase electricity from a guaranteed zero-carbon source. Changes will require partnership working with the tenant to achieve cost sharing.

If individual commercial properties prove impossible to bring up to net zero carbon standards, CDC could consider disposal, with the aim of purchasing or building an alternative building asset with a NZC performance, capable of yielding the same rental income.

There may be minor solar PV opportunities at other council-owned sites, for example storage depots, or containerised electricity storage at (eg) Trinity Rd (which has its own feeder substation). Note that storage is unlikely to be viable as a stand-alone project, but could become feasible if combined with other interventions. Small scale PV installations on (eg) depots, particularly where there is low site demand, are unlikely to be cost-effective unless power can be provided to an adjacent offtaker on commercial terms.

13.1.7 Major developments and investment projects

The Council has adopted a motion (Motion 9 of 2019/20)⁴⁰ committing itself to ensuring that all new CDC public buildings, and all residential and commercial developments on CDC disposed land, will be carbon neutral throughout their entire lifespan (with Gloucestershire-based carbon offsetting as required).

This commitment binds the Council for developments it takes forward, and will influence any investment or co-investment opportunities that come forward.

⁴⁰ <https://tinyurl.com/yyqb4pzt>

Annex A

The Council will seek commercial investment and co-investment opportunities, ideally within the district, for projects such as renewable generation that deliver the low carbon objective, whilst also providing a suitable risk-reward balance.

13.1.8 Electric vehicles

The Council is developing an electric vehicle strategy that encompasses electric vehicle charging infrastructure for Council premises and public car parks, recognising that accelerating this fundamental technology shift will be one of the fastest ways to decarbonise transport.

13.1.9 Leisure centres

Cirencester leisure centre already has good energy efficiency, but a planned survey is likely to show that some further improvement is possible, albeit at a higher cost since many of the 'easy wins' have already been taken. An initial assessment has shown the potential for around 300kWp PV generation on the Cirencester leisure centre and around 70kWp at Bourton.

A half hourly electricity consumption analysis at Cirencester shows that sizing a PV array to supply only on-site instantaneous consumption limits the installation to around 120-150kWp in order to maximise economic return. However for both Cirencester and Bourton it may be possible to increase the size of the installation and sustain or enhance the returns through collaboration with nearby electricity consumers, battery storage, electric vehicle charging and other initiatives.

Complex multi-component and multi-party projects of this kind require some certainty over the long term power demand, and this needs to be evaluated in the context of emerging from the Covid-19 crisis.

13.2 Indicative indirect control action areas

13.2.1 Sustainable procurement, commissioning

The Climate Emergency Declaration contains the commitment to require all suppliers to the Council to declare the carbon intensity of the goods or services, and for the Council to incorporate this as a decision factor. Procurement policies will be updated to incorporate this requirement.

13.2.2 Renewable electricity procurement

The Council's current electricity supply is 100% renewable, as evidenced by certificates linked to renewable generation, but not evidenced by direct contracts with generators. From a corporate carbon reporting viewpoint, and drawing on established best practice, this does not count as 'location based' 100% green electricity. Purchasing electricity based on contracts with generators, and linking the supply to the real-time renewable generation, does permit the Council to claim zero carbon status for the electricity, and this will be explored at the next available contract break point.

13.2.3 Staff commuting and home working

The Council's carbon data gathering will be extended to capture commuting emissions, and the data used to help inform staff of the cost and carbon saving opportunity of avoiding these emissions by moving to active travel and taking advantage of incentives for electric vehicle ownership.

As Publica's agile working policy becomes embedded, the Council will provide advice to employees on how to save energy and carbon from home working, particularly in the winter where home heating emissions will rise.

13.2.4 Co-investment in capital projects

The Council will seek opportunities to co-invest in renewable energy and other carbon-reducing projects which meet a range of risk and return criteria. Where the Council is a junior party in a multi-party investment, we will use our influence to ensure the biggest carbon benefit is delivered, ideally alongside other Council priorities.

13.3 Indicative place shaping action areas

13.3.1 Transport

The Council is committed to producing a district-wide sustainable transport strategy, which will seek to deliver multiple benefits not just in carbon reduction but in increasing active travel, improving health and air quality, and introducing new ways for Cotswold residents to access services.

13.3.2 Renewable energy strategy

Whilst the district has the *emissions* disadvantage of a large area and dispersed, low density settlements, its land area can be an emissions advantage if land is used in ways that protect and increase carbon stored in soils and standing biomass, and generates sustainable energy.

The Council is commissioning consultants to produce a renewable energy strategy that will be incorporated into the revision to the Local Plan. The strategy will take account of all opportunities and constraints (such as landscape constraints in the AONB), and propose ways to maximise renewable generation in the district, consistent with those constraints and with the declaration of a climate emergency.

13.3.3 Economic development

The Council's economic development strategy and plans will incorporate climate change to ensure consistency between the objectives.

13.3.4 Local plan review

The Council has begun its review of the Local Plan, consistent with the Council's priority to make the Local Plan 'green to the core'. The renewable energy strategy is a key part of this, but all other aspects of the Local Plan policies, particularly relating to sustainability criteria for housing and infrastructure developments, will be examined through the lens of the climate emergency.

13.4 Indicative enabling action areas

13.4.1 Promoting and supporting electric vehicle use

The largest source of emissions in the district is from road transport, much of it by people living outside the district but travelling through. This is the hardest nut to crack, since CDC's control and influence is minimal. Nonetheless CDC can play a valuable role in promotion and facilitation of residents making the move to electric vehicles through a district-wide electric vehicle strategy which works with other parties to rapidly install EVCP infrastructure, and promote the use of EVs.

CDC has an opportunity to link car park charging to vehicle emissions, as has been successfully done in some London boroughs.

A growing number of initiatives and options are available for towns and neighbourhoods to access low carbon technology, and many more will come forward during the decade. One current example is CoCars – a not-for-profit social enterprise car club based in Exeter that rents electric cars by the hour. Such innovations can make zero carbon technology available to people who can't afford to join the electric vehicle revolution by owning their own vehicle.

Promotion and support of citizens moving to electric vehicle use will be integrated into the intended district-wide sustainable transport strategy and plans.

13.4.2 Supporting whole house energy retrofit

Retrofitting existing housing stock to bring it up to a near-net zero carbon standard is a key requirement for the District. Government has announced grants to support this, and the Council can proactively identify suitable low carbon interventions that would benefit Cotswold residents, and promote the grants scheme.

CDC may be able to take a role in providing due diligence, risk reduction and confidence building for early adopter owner occupiers by working with established suppliers to bring a housing retrofit solution (ie, contractor due diligence, objective evaluation of needs, contracting platform, etc) to the District. It may be possible to coordinate this with social housing providers to help scale faster, improve efficiency and reduce costs.

Such retrofit works will normally entail fabric improvement (insulation, airtightness) coupled to ventilation, heating system and controls. The main candidate technology for zero carbon domestic heating is air source heatpumps.

Annex A

A key consideration for the District is the control of any retrofit works that affect the external appearance of buildings. Specific (more expensive) solutions will be required for period or historic houses. In order to maximise the employment benefits for the District CDC could help coordinate links between local colleges and existing contractors in the District, to promote apprenticeship schemes. If retrofit is done at scale it ought to create business opportunities for existing firms in the District.

It may increase the effectiveness of the scheme if it has its own District-specific brand / identity, making messaging more effective. It may be possible to work with established lenders to arrange a financing facility, in recognition of the established fact that owners of very high (energy) performance homes have a low mortgage default rate.

The Council may be able to support homeowners to access government support for energy retrofit actions by quality assuring and signposting homeowners to sources of advice.

13.4.3 Supporting renewable electricity switching

It may be possible to roll out a bulk electricity tariff switching offer to residents, in conjunction with a carefully chosen partner. To make an impact on carbon emissions the tariff(s) would have to be 100% additional renewable supply. The Council can undertake due diligence to determine compliant suppliers, and can furthermore promote tariffs that support community-owned renewable energy generation.

Depending on their existing tariffs, some residents may be able to make a slight saving, but 100% genuine green tariffs are more expensive than those that compete solely on price. In principle it may be possible for CDC to recoup some costs through a customer acquisition fee, which could be used to fund specific climate projects.

13.4.4 Facilitating community-owned renewable energy

Ensuring residents get involved in climate and nature protection, and inviting residents to take a leadership role, will be vital to the long term objective of achieving a net zero carbon District. A key plank of such a transition is likely to be community ownership of, and investment in, renewable energy and other carbon reduction solutions. Research consistently shows that local people feel differently, and much more positively, about necessary renewable developments when they have a real say, and when they and their communities are in charge and directly benefit.

Done well, community energy organisations can have a reach well beyond the initial investors. Good examples to look to include Oxfordshire's Low Carbon Hub, Bath and West Community Energy, and Plymouth Energy Community. All three have close working relationships with councils.

The Council may be able to take a proactive role in facilitating the creation of a new entity, perhaps Cotswold Community Energy Ltd, probably with an independent Community Benefit Society structure (a form of co-operative). The Council could, in principle, then co-invest in schemes alongside community shareholders.

13.4.5 Solar neighbourhoods

Neighbourhood-wide PV bulk purchasing is well established. Developing and promoting a scheme could be (depending on the route chosen) a (relatively) low effort action for CDC. Households would be contacted, with CDC branding, and invited to express interest in taking part in a reduced-cost solar installation scheme. When sufficient have expressed interest, the chosen contractor arranges surveys, and a firm price is offered to each household, without obligation. Significant cost reductions can be achieved compared to the open market, and more importantly, residents can have much greater confidence in the product, installer, warranties etc, due to the due diligence undertaken by CDC.

This approach targets the able-to-pay segment, not fuel-poor residents. It is a simple intervention, but CDC could work with the enabling company to brand the initiative and give it greater local relevance. One potential aspect of this is to push in-roof installations, rather than on-roof installations. The former are less visually intrusive, have more resistance to wind uplift, and may be more fitting for a District with high landscape value and pride in its historic built environment.

CDC could take a leadership role, ensuring maximum local employment value by linking the scheme to local quality-assured contractors / installers. It is relatively easy for CDC to implement (easy as in time consuming, but not complex and un-manageable), and has the benefit of demonstrating early action. CDC could lead a District-wide programme broken down by town and/or neighbourhood. A clear offer to residents would guarantee on price, quality and energy yield. It would be possible to link installations to advice on complementary supply tariffs and hot water storage or battery storage, to maximise benefits. Installations could be packaged up with domestic electric vehicle charging installation, again to maximise PV benefit.

13.4.6 Multi-stakeholder energy projects

Energy projects may be possible, enabled by the Council's ownership of land and buildings, which link together multiple buildings and their occupiers / owners, with a combination of PV generation, behind-the-meter supply, electric vehicle charging, high efficiency heat pump heating, energy and heat storage, and smart controls such as time of use tariffs and demand side management. Such schemes could be viable at a number of town centre sites, but will require considerable innovation in commercial structures, financing, legals and technology integration in order to succeed.

The energy market and commercially available technologies are both fast-moving. Bringing several complementary technologies together can achieve viability where isolated technology applications alone do not. Larger scale projects can benefit from improved economics, however multi-site, multi-stakeholder projects carry the additional burden of complexity, which increases project risk.

We will explore opportunities for innovative schemes, taking a cost-effective incremental route to exploring viability and building momentum.

13.5 Indicative engagement action areas

13.5.1 Supporting citizen led initiatives

Examples of highly successful initiatives that have been rolled out at scale elsewhere include the Green Open Homes network (peer mentoring and encouragement of homeowners wanting to make energy improvements), domestic electric vehicle chargepoint sharing platforms such as Chargeie, and peer mentoring for new electric vehicle drivers.

13.5.2 Climate communications strategy

The Council will develop a communications and engagement strategy, and integrate all actions into it. It is likely to be beneficial to adopt a proven digital democracy platform to enable dialogue to take place, and this will be integrated into the Council's other consultation actions.

13.5.3 Signposting information and resources

The Council will develop climate communications through its web sites and social media, and signpost resources to guide citizens to the best quality information, to build confidence and the commitment to act.

13.5.4 Engaging key stakeholders

The Council will develop further its engagement with key stakeholders in the district whose own actions and whose influence on others will have important climate change outcomes. Such stakeholders would include statutory and non-statutory bodies, pressure groups, landowners and developers, other authorities, and public sector and private sector organisations.

13.5.5 District wide carbon reduction target

The Council will undertake its own research and commission consultancy support if necessary, to establish a rational, evidence based but stretching district-wide carbon reduction target and pathways. The target will be used in climate engagement work, as a means to open conversations and encourage greater commitment to action. The target can be used to show all stakeholders that the UK's national target (net zero by 2050) is too little too late, measured against the scale and speed of change we need to achieve. It will furthermore prompt challenging discussions about how to achieve fairness and the equitable distribution of the burdens and benefits of action.

13.5.6 Climate panel

The Declaration calls for the creation of a District-wide Climate Panel. This idea will be developed in the context of an overarching engagement and communications strategy, with the potential to use a citizens' panel as part of the oversight and governance of the Council's climate strategy. It is unlikely to be cost effective to develop a full

13.5.7 Town and Parish Councils

The Council will engage consistently with TCs and PCs, not least through climate action planning days. TCs and PCs will be able to play an important role in convening local citizens, generating local ideas and understanding the place-specific needs of residents.

14 Appendix 4: Summary of CDC's Climate Emergency Declaration

- The Council's own activities to be net-zero carbon ASAP, aiming for 80% reduction against 1994 baseline by 2030 and 100% reduction by 2045, no reliance on offsetting or allowance trading;
- 100% clean energy use across the Council as soon as possible, no later than 2030;
- Delivery plan by July 2020;
- CDC and Publica to embed climate emergency considerations in all work areas and decision processes;
- Ensure climate change and environment scrutiny of all policy;
- Appoint manager to give senior support to CDC to embed climate-friendly working practices, coordinate strategy and policy development;
- Training for all CDC and Publica staff to ensure climate change consideration is part of all decisions and all roles;
- Review the adopted Local Plan, ensure climate change is a strategic priority for all planning and new development, introduce SPDs as necessary, create greater ambition for renewable energy generation, storage, housing energy efficiency, green infrastructure, sustainable drainage, and low-carbon transport;
- Oblige all CDC and Publica contractors to report carbon emissions; use carbon / environmental cost as key criterion in contractor selection;
- Publicly report investments (pensions, other) in fossil fuel industry shares; review investment strategies and ensure climate change has due consideration;
- Provide climate emergency leadership in the District; work with and influence partners; develop partnership working aimed at a zero carbon future;
- Establish a climate change panel (Councillors, residents, young citizens, climate scientists, solutions experts, businesses, others) to shape and promote a District-wide zero carbon strategy; maximise health / employment / wellbeing benefits across all sectors;
- Call on UK government to provide the powers, resources and assistance to deliver these objectives; call on relevant MPs to help;
- Enact a no-fly rule for Council business in the EU; flights outside EU require cabinet member approval.

Cotswold District Council Climate Emergency Strategy 2020-2030

Annex: Indicative, high-level three year programme for priority action areas

The diagram in this annex illustrates in broad terms only the potential sequencing and prioritisation of different action areas identified in the Climate Emergency Strategy.

This diagram is not included in the main body of the Strategy since it looks only at a three year timescale, and the strategy is intended to be a more durable document with a ten year timescale.

The action areas here are broken down in line with the Council's leverage, or scope to act – that is:

Direct control

Actions in this category are aimed, ultimately, at achieving CDC's stated target of a minimum of two thirds reduction in net emissions from 2020 to 2030, reaching net zero by 2045. Illustrative action areas include waste fleet decarbonisation through new technology, delivering affordable and net zero carbon housing, widening carbon data capture, improving staff climate literacy, taking action at Trinity Road, and undertaking energy projects at commercial and non-commercial sites.

Indirect control

Actions in this category relate to projects, services etc procured or strongly influenced by the Council, including policies and incentives that encourage employees to act in a low-carbon way. Actions will contribute less directly to CDC's emissions target, affecting mainly 'scope 3' emissions, and will also impact district-wide emissions to some extent. Illustrative action areas include developing a sustainable procurement policy with climate considerations at its heart, putting climate considerations into key policy areas such as economic development and the Council's corporate plan, procuring 100% place-based renewable electricity, reducing carbon from staff home working and commuting, and co-investing in capital projects.

Place shaping

Place making relates to the Council's responsibility for Local Plan policies, but also partnerships where the Council is a key influencer or stakeholder. Illustrative action areas the review of the Local Plan to make it green to the core, creation of a renewable energy strategy for the district for incorporation into the Local Plan, and development of a sustainable travel strategy and action plan for the district.

Enabling

Enabling actions are those where the Council's role is proactive, helping others to take action by initiating new ideas, supporting new projects, promoting initiatives and social norming – helping to make low carbon business decisions and lifestyle choices easy and automatic. Illustrative action areas include promoting electric vehicle uptake, supporting whole-house energy retrofit, supporting renewable energy tariff switching and neighbourhood solar PV schemes, helping to build a community owned renewable energy co-operative, and initiating multi-stakeholder energy schemes.

Engaging

Engagement actions aim to achieve a closer dialogue with citizens and organisations throughout the district on the topic of the climate emergency, and our responses to it. Good engagement is particularly important in the context of the need for rapid and profound change to respond to what, for many, is still an invisible or hypothetical threat. Illustrative action areas include supporting citizen-led activities like Green Open Homes, developing a climate change communications strategy, building on existing good relationships with key organisations in the district, identifying a district-wide carbon target, establishing a climate panel and working with Town and Parish Councils.

Indicative high level plan of priority action areas, 2020-2022														
		2020				2021				2022				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Colour codes	Put in queue													
	Awaiting resolution of uncertainties													
	Early stage research and preparation													
	Planning / commissioning													
	Execution													
Council leverage / scope areas	Direct control	Waste fleet												
		Net zero carbon affordable housing												
		Data and carbon reporting												
		Staff knowledge, training, support and working practices												
		Trinity Road												
	Indirect control	Energy projects at commercial and non-commercial sites												
		Electric vehicles												
		Leisure centres												
		Sustainable procurement, commissioning												
		Renewable electricity procurement												
Place shaping	Economic development policies and strategy	Staff commuting and home working												
		Co-investment in capital projects												
		Sustainable transport												
		Renewable energy strategy												
		Local plan review												
	Enabling	Supporting electric vehicle use												
		Supporting whole house energy retrofit												
		Supporting renewable electricity switching												
		Facilitating community energy												
		Other multi-stakeholder energy projects												
Engaging	Solar neighbourhoods													
	Climate panel													
	Climate communications strategy + digital platform													
	District wide carbon reduction target													
	Supporting citizen led initiatives													
	Signposting information and resources													
	Ongoing engagement with key stakeholders													
	Climate communications													
	TC and PC planning days													
	Engagement and consultation platforms													



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 9
Subject	CORPORATE PLAN
Wards affected	ALL
Accountable member	Cllr Joe Harris / Leader of the Council Email: joe.harris@cotswold.gov.uk
Accountable officer	Christine Gore – Interim Chief Executive Email: christine.gore@cotswold.gov.uk Tel 01285 623605
Summary/Purpose	To consider and adopt the Corporate Plan
Annexes	Annex A – Corporate Strategy Annex B – Corporate Plan
Recommendation/s	<i>That Council considers and adopts the Corporate Plan</i>
Corporate priorities	Respond to the challenges presented by the Climate Change Emergency Deliver good quality social rented homes Present a Local Plan which is green to the core Ensure that all services delivered by the Council are delivered to the highest standard Help residents, businesses and communities to access the support they need to ensure a high level of health and well-being
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

- 1.1. In September 2019, following the district council elections in May of that year, the Administration submitted its proposed Corporate Strategy 2019-23 Aim and Priorities for consideration by Council (Annex A). These were duly adopted and were to be followed by further work to develop key actions to deliver the priorities, which would be considered by Council in May 2020.
- 1.2. The advent of the Covid-19 pandemic in early-mid March 2020 resulted in the cancellation of formal meetings and the redeployment of significant numbers of staff in order to ensure not only that essential frontline services could continue to operate, but also to provide adequate capacity for the Council to fulfil its duties to respond to the emergency, particularly in terms of providing support for the elderly and vulnerable members of the community.
- 1.3. Consequently there has been a delay in the further work outlined above. However, a comprehensive Corporate Plan is now set out for consideration and is attached as Annex B.

2. MAIN POINTS

- 2.1. The aim, priorities and principles that were to set the direction of the Corporate Plan were agreed in September 2019 and have received considerable exposure during the intervening period. Circumstances within the district have changed significantly in the months since the Covid-19 lockdown was commenced and whilst in some areas progress has already been made, there remains much to do to deliver against all of the priorities in the period covered by the Plan, which it is now proposed should be 2020 -2024. The draft Plan sets out the progress made to date against each of the priorities, together with the key actions that will be taken over the next four and a half years to deliver the overall aim to 'Rebuild the Council' so it can be proactive and responsive to the needs of our residents and businesses in a fast changing environment, building for the future whilst respecting our heritage.
- 2.2. One of the things which has become clear during the pandemic is the very significant role that the Council plays in relation to both the health and well-being of the residents of the district, and the sustainability and viability of its businesses. That being the case it is proposed that the priority 'Help residents, businesses and communities to access the support they need to ensure a high level of health and well-being' becomes two separate priorities, one relating to residents and communities and the other to businesses, as shown in the attached version of the Plan.
- 2.3. In addition, earlier this year Council declared an Ecological Emergency and so reference to this has been added to the Climate Change priority on the basis that the two are inextricably linked.

3. FINANCIAL IMPLICATIONS

- 3.1. There are no specific financial implications arising from this report. The ambition set out within the Corporate Plan is reflected in the draft revised budget which also

appears on this agenda. Individual actions which have specific financial implications will be the subject of specific business cases and reports at the appropriate time.

4. LEGAL IMPLICATIONS

- 4.1. There are no legal implications associated with this report.

5. RISK ASSESSMENT

- 5.1. The key risk associated with this report is the potential failure to deliver against the priorities and actions set out in the Corporate Plan, and the impact this would have on the reputation of the Council and its service delivery partners. This risk is mitigated by the alignment of the Plan with the draft revised budget and MTFS

6. EQUALITIES IMPACT (IF REQUIRED)

- 6.1. No Equalities Impact Assessment has been undertaken in relation to the Corporate Plan itself. As each action is progressed an EIA will be undertaken as required.

7. CLIMATE CHANGE IMPLICATIONS (IF REQUIRED)

- 7.1. There are no specific climate change implications associated with this report. The Corporate Plan sets out a range of actions that the Council will take over the period of the Plan to tackle the climate change emergency.

8. ALTERNATIVE OPTIONS

- 8.1. Council could decide not to adopt the Plan. This would carry a reputational risk of appearing to have no focussed plans for the remainder of this Council term and beyond.

9. BACKGROUND PAPERS

- 9.1. None

(END)

Cotswold District Council Corporate Plan 2019-23

Cotswold District is at the heart of the larger area of the Cotswolds, which is internationally renowned for its natural beauty and heritage. Approximately 84,000 people call the district home, and they deserve the services and support a progressive Council can provide. This Corporate Plan recognises and embraces the challenges facing the district, and states the ambitions of this administration.

This Corporate Plan will be underpinned by a set of action plans which will describe in detail how these ambitions will be delivered.

Our Aim

Rebuild the Council so it can be proactive and responsive to the needs of our residents and businesses in a fast changing environment, building for the future whilst respecting our heritage.

Our Priorities

Working towards our aim, we have the following key areas of focus:

- Respond to the challenges presented by the Climate Change Emergency
- Deliver good quality social rented homes
- Present a Local Plan which is Green to the Core
- Ensure that all services delivered by the Council are delivered to the highest standard
- Help residents, businesses and communities access the support they need to achieve their ambitions

Our Principles

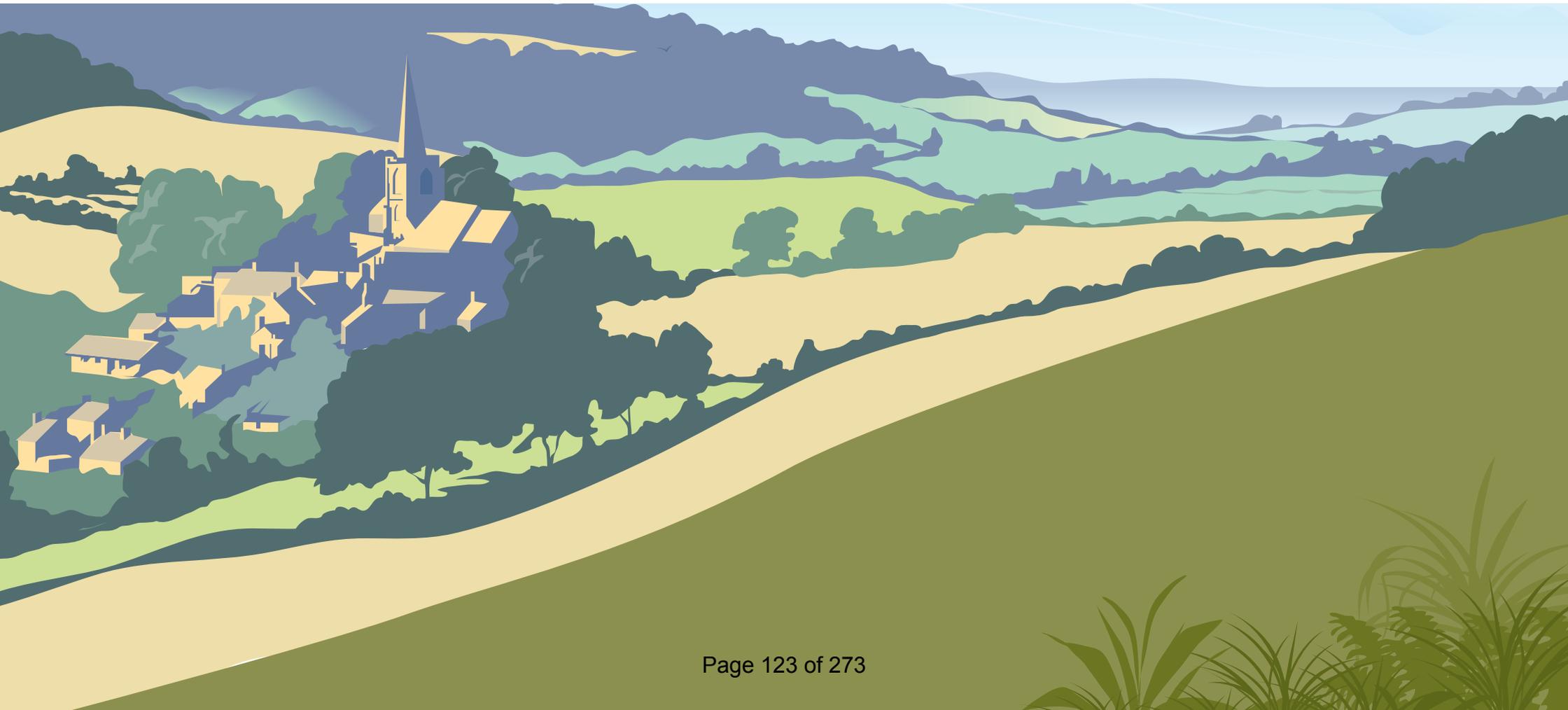
Everything we do will be built on the following principles:

- Rebuilding trust and confidence in the Council by promoting a culture of openness and transparency
- Value for money - we will use the Council's resources wisely, but will invest in fabric and future of the District
- Listen, Hear, Act - we will seek thoughts and ambitions from our residents to inform our decision-making



COTSWOLD
DISTRICT COUNCIL

Cotswold District Council Corporate Plan
Draft 24/08/2020



Message from Councillor Joe Harris, Leader of the Council 1

Aim, Priorities and Principles 2

Building Back Better Infographic 3

Deliver the highest standard of service 4

Responding to the climate crisis 7

Providing socially rented homes..... 9

Make our local plan green to the core..... 11

Support health & wellbeing 14

Enable a vibrant economy 18

Message from Councillor Joe Harris, Leader of the Council

The Cotswolds is a great place in which to live, work and visit. This document sets out how we plan to make our region even better, and to tackle the challenges we face.

When the Liberal Democrats took control of Cotswold District Council in May 2019, we had clear aims: to rebuild a council that's proactive and responsive to the needs of our residents and businesses in a fast-changing environment, and to build for the future while respecting our heritage.

These aims are underpinned by our commitment to take radical action in response to the climate crisis, and are more important than ever in the wake of the COVID-19 pandemic – and we have reviewed and expanded our intentions as a result.

Our residents, communities and businesses face huge uncertainty as a consequence of the pandemic. We're determined to do everything we can to help them not only recover, but to take advantage of new opportunities in the post-COVID world.

While our fundamental aims haven't changed, our plans and priorities have been altered by events that have developed since the end of February 2020. Those actions – together with how we will measure our success – are outlined in this document.

In September 2019 we adopted three principles that act as the foundation for everything we do. In the world in which we find ourselves today, these are more important than ever:

- rebuilding trust and confidence in the council
- providing value for money for our residents and businesses
- listening to the needs of our community, and acting on what we hear

We've already taken steps to demonstrate our commitment to these principles, including making our meetings more accessible to more people, increasing public engagement with our use of social media, improving our council tax support scheme to help our most vulnerable residents, carrying out a comprehensive budget consultation, and listening to your views.

During the pandemic, we were quick to ensure our elderly and vulnerable residents were looked after, we responded at short notice to provide government grants to businesses, we enabled our leisure services provider to continue to support the health and wellbeing of our residents, we provided free parking permits for NHS and care workers, and we kept essential frontline services operating throughout.

We did all of this in accordance with our aims and principles, and we will continue to do so because our actions will make Cotswold District a better place in which to live, work and visit than ever before.

There's a lot to do. We can't solve every problem in one council term, and we won't get everything right, but by listening to our residents – and acting on their concerns – we can address the big issues that affect their lives.



Aim, priorities and principles

Cotswold District is at the heart of the larger area of the Cotswolds – an area that's known around the world for its natural beauty and heritage. Around 84,000 people call our district home, and they deserve the services and support that a progressive council can provide. This corporate strategy recognises and embraces the challenges facing the district, and states our aims and ambitions. It is underpinned by a set of action plans that describe in detail how we plan to deliver these ambitions.

Our aims

To recreate a council that's proactive and responsive to the needs of our residents and businesses in a fast-changing environment, and to build for the future while respecting our heritage.

Our priorities

We will do this by:

- delivering our services to the highest standards
- responding to the challenges presented by the climate crisis
- providing good quality social rented homes
- presenting a local plan that's green to the core
- helping residents and communities access the support they need for good health and wellbeing
- supporting businesses to grow in a green, sustainable manner, and to provide high value jobs

Our principles

Everything we do is built on the following principles:

- rebuilding trust and confidence in the council by promoting a culture of openness and transparency
- providing value for money for our residents and businesses by using our resources wisely and investing in the district's fabric and future
- listening to the needs of our community, and acting on what we hear

Building Back Better



Deliver the highest standards of service



Respond to the Climate Crisis



Provide Socially Rented Homes



Make our Local Plan Green to the Core



Support Health and Well-being



Enable a Vibrant Economy



DELIVER SERVICES TO THE HIGHEST STANDARD

Why is this important?

As a council, we exist to provide vital services to our residents, businesses and visitors. We aim to deliver these services to the highest possible standards, and we're always looking for ways to improve.

These services include:

- collecting council tax and business rates
- administering council tax and housing benefits
- collecting household waste and recycling
- dealing with building standards and flooding issues
- processing planning applications and preventing breaches of planning control
- dealing with food safety and air quality issues
- investigating fly-tipping and dog fouling incidents
- ensuring health and safety at work

Our services must be inclusive and flexible in order to meet the diverse and changeable needs of our residents and communities. We will listen to our residents to identify the areas in which they need support, ensuring we're adaptable but strategic in our approach, and making the best use of the resources available to us.

We will work with partners that include town and parish councils, community and voluntary organisations, our neighbouring district councils and Gloucestershire County Council to ensure our services work effectively together. We will also develop partnerships with private sector organisations that can help us achieve our aims and objectives.

We will deliver our services both effectively and efficiently, ensuring they're designed to reflect our commitment to climate change, a green economy and the delivery of truly affordable homes.



What will we achieve?

We will support strong communities and ensure the Cotswolds offers great opportunities to residents, businesses and visitors. We will protect, enhance and respect the district's environment and economy, and design our services to foster innovation, culture, wealth generation and opportunity.

Our services will be responsive, flexible, and focused on addressing the problems, concerns and needs of our residents and communities. We will increase engagement with the public to improve the detection and enforcement of enviro-crime such as fly-tipping and dog fouling, and develop a proactive approach to planning enforcement to increase the sense of civic pride that exists across the district. Above all else, we will put our residents at the heart of everything we do, and act according to our customer promise.

How will we do this?

Our aims	Our actions	Commencement	Completion
Establish financial resilience to enable investment in our priorities	Adopt and implement a clear financial strategy that reflects the changing economy and our identified needs	September 2020	Ongoing
	Adopt and implement an investment and recovery strategy	September 2020	Ongoing
	Develop and implement an asset strategy that brings new life to empty properties	March 2021	Ongoing
Create maximised flood protection measures for residential and commercial properties	Provide advice and guidance	Ongoing	Ongoing
	Promote and deliver flood mitigation measures, where appropriate		
Establish excellent working relationships with town and parish councils	Establish contact with all town and parish councils	October 2020	November 2020
	Research the issues that matter to our residents, and identify the support they need	January 2021	April 2021
	Establish regular town and parish forums	March 2021	Ongoing
	Create partnerships	June 2021	Ongoing



Provide a trusted, inclusive and transparent planning service	Restructure our team to ensure resilience	September 2020	March 2021
	Relaunch our pre-application service	September 2020	December 2020
	Improve communication with residents	January 2021	Ongoing
	Develop a proactive approach to planning enforcement	April 2021	Ongoing
	Maximise external funding opportunities	December 2020	Ongoing
Create and deliver a comprehensive parking strategy	Introduce cashless parking in all car parks	July 2020	April 2021
	Determine the feasibility of 'pay on exit' parking, and implement if appropriate	March 2021	April 2022
	Review charging periods at all car parks	March 2021	April 2021
	Make the Whiteway car park operational	January 2020	December 2020
Provide an efficient and competitive building standards service	Compare local markets	March 2021	Ongoing
	Maximise opportunities for income generation	April 2021	Ongoing
Provide modern and clean public toilets	Reviewing our estate	January 2021	March 2021
	Explore opportunities for 'comfort partnerships'	April 2021	September 2021
	Develop and implement a strategy for the provision of public toilets	October 2021	April 2022
Promote and implement civic pride initiatives	Maintain verges	November 2020	Ongoing
	Improve road sweeping regimes	November 2020	Ongoing
Promote and implement civic pride initiatives	Maintain verges	November 2020	Ongoing
	Improve road sweeping regimes	November 2020	Ongoing
	Replace worn and damaged street nameplates	September 2020	Ongoing
	Keep areas of open space tidy	April 2021	Ongoing



RESPONDING TO THE CLIMATE CRISIS

Why is this important?

Minimising and adapting to the effects of climate change is a priority for everyone. The science is settled – climate heating is manmade, and greenhouse gas emissions must be cut to zero. All major international agencies now agree that climate change, and the associated biodiversity crisis, is the biggest threat to our lives.

While global CO₂ emissions were temporarily reduced by COVID-19 in 2020 (about 5.5%), reaching the Paris target (<1.5C) will require much larger emissions reductions (>7.5%) every year this decade. Mitigation (drastically reducing greenhouse gas emissions) is essential and must go hand-in-hand with adaptation (managing the physical, economic and social impacts of inevitable climate disruption) and the use of nature-based solutions. Achieving the necessary reduction in greenhouse gas emissions and delivering nature recovery will not only impact all of us, it will require every single thing we do to change – from transport and energy generation to food production? and the way we use energy in our homes and workplaces.

What will we achieve?

Though the success of climate change mitigation and nature recovery will play out over a long period, everyone will benefit from a more liveable climate and a healthier, more resilient natural environment. In the short term there will be cost savings for residents and businesses, as well as employment and investment benefits. We will demonstrate that rural areas can play a large part in reducing greenhouse gas emissions and ensuring nature recovery, to encourage similar regions elsewhere.

Our aims are:

Our own operations: to reduce our corporate net emissions by two-thirds by 2030 and to zero by 2045; 100% true zero carbon electricity use; climate and ecological emergency considerations embedded in all decisions and policy; and all staff trained accordingly.

Our policy: to partially review our local plan to make it 'green to the core', based on a natural capital approach that includes identifying renewable energy and storage opportunities; making climate change and nature recovery strategic priorities for all planning and new developments; requiring contractors to disclose climate and ecological impacts; disclosing and reconsidering any investments that don't fit within our commitments; and seeking commercial revenue generation projects that tackle climate change and increase our natural capital.

The district: to take a leadership role, influencing and working with others, and harnessing the commitment, concern, resources and goodwill of residents and communities, to promote rapid take-up of climate-friendly actions. These include low-carbon transport, retrofitting low-energy measures in homes, the use of nature-based solutions, increased awareness and enhancement of ecosystems services, and better management of valuable habitats.



How will we do this?

Our aims	Our actions	Commencement	Completion
Achieve a reduction in carbon emissions for the district	Adopt our climate change strategy Deliver our climate change action plan	September 2020	Actions will remain live and be added to and updated on an ongoing basis
Increase renewable energy generation within the district	Support the creation of Cotswold Community Energy	September 2020	September 2021
	Secure investment in renewable energy such as photovoltaic farms and electricity generation from our own estate and in partnership with others	Ongoing	December 2022
	Support community-led and community-owned renewable energy projects	September 2020	Ongoing
	Support neighbourhood-wide climate action	September 2020	Ongoing
Reduce carbon emissions from our own operations	Work with Ubico to adopt ultra-low emission vehicle technology	March 2021	Ongoing
	Secure energy-efficient, 100% green energy for all Council premises, using renewable energy where possible	March 2021	Ongoing
	Provide electric vehicle charging points at all Council premises	September 2020	Ongoing
Influence and encourage residents, businesses and partners to reduce their carbon emissions	Develop a strategy to provide electric vehicle charging points at workplaces, in car parks, on-street and elsewhere	October 2020	Ongoing
	Work with Gloucestershire County Council to provide, improve and promote sustainable transport options, including walking and cycling	September 2020	Ongoing
	Help businesses embed climate change objectives within their operations	September 2020	Ongoing
Take a leadership role on the ecological emergency and nature recovery in the Cotswolds	Implement the adopted ecological emergency action plan	July 2020	Ongoing
Reduce the carbon footprint of our waste and recycling service	Promote the reduction and re-use of materials	December 2020	Ongoing
	Identify the true carbon footprint of our waste and recycling service	March 2021	September 2021
	Consider changes to the waste and recycling service	September 2021	March 2022



PROVIDING SOCIALLY RENTED HOMES

Why is this important?

We are at the centre of a housing affordability crisis. The gap between earnings and house prices is one of the highest in the country, and there is a shortage of good quality, genuinely affordable housing to rent. Many people struggle to find and afford suitable accommodation in the Cotswolds, and many young people are forced to leave the area they've grown up in because they can't afford to live here.

We are determined to address this by providing good quality affordable housing, with an emphasis on social rented housing and a focus on provision for young people, military veterans and families.

What makes a home 'affordable' has become a serious point of contention, and it's no wonder people become angry when what's described as 'affordable housing' isn't affordable at all. Our priority is to build and help deliver 'genuinely affordable homes' – social rented and affordable rented housing that is truly affordable, in terms of rent and running costs. We will focus on what the tenant can afford to pay for their housing – not simply on housing tenure – because we believe, quite simply, that everything starts with a home.

As part of our commitment to reducing carbon we will promote homes that are carbon neutral in their build and fuel efficient in their use. Energy efficient homes that are powered by renewable energy are cheaper to run – another factor that contributes to long-term affordability.

We want to ensure that provision for homeless people strikes a balance between meeting their needs and managing our finances. On the occasions our residents find themselves in need of emergency accommodation we will treat this as a short-term stepping stone to more settled accommodation.

Housing is key to the things we love about living in the Cotswolds – resilient, supportive communities, health and wellbeing, and a safe place to live and thrive. Without a home, none of these can flourish, and so it's vital we tackle the housing emergency and strive to provide a home for everyone.

What will we achieve?

We will deliver good quality housing that is genuinely affordable, and that can be adapted to meet changing housing needs over its lifetime. Our emphasis will be on the delivery of social rented and affordable rented homes to enable local people on low incomes to stay local.

We will ensure that suitable, good quality accommodation is provided for homeless people, and will help them to move into more settled accommodation in the long-term.

We will maximise the opportunities presented by our own assets as well as working with developers and partners to progress affordable housing developments within the district.



How will we do this?

Our aims	Our actions	Commencement	Completion
Provide more affordable housing with the emphasis on social rented accommodation	Adopt an affordable housing delivery strategy that sets out clear aims and objectives	June 2020	November 2020
Provide additional housing to meet the needs of the district	Examine our existing assets and identify opportunities for housing delivery	September 2020	May 2021
	Identify opportunities to acquire properties for homeless accommodation	July 2020	Ongoing
	Identify and consider sites for delivery	July 2020	Ongoing
	Explore modern methods of construction in the context of our rural setting	April 2021	Ongoing
	Support young people through a 'rent to buy' scheme	April 2021	Ongoing
Deliver the Kemble housing development	Secure planning permission for the development	September 2020	March 2021
	Progress the development independently, or with a suitable partner	July 2021	June 2022
Reduce reliance on bed and breakfast and hotels for emergency homeless accommodation	Maximise the opportunities of the 'housing first' model	July 2020	Ongoing
	Acquire the property approved in July 2020, and put this to use	July 2020	December 2020
	Participate in a joint Gloucestershire bid for additional government funding	August 2020	December 2021
Deliver social rented and affordable rented accommodation across the district	Explore direct delivery options Work with partners to increase the supply of social rented accommodation Investigate the feasibility of setting up a housing company	September 2020	Ongoing



MAKE OUR LOCAL PLAN GREEN TO THE CORE

Why is this important?

We have declared both climate and ecological emergencies in recognition of the climate crisis and to focus the delivery of our services. We're committed to ensuring the climate crisis is at the heart of our local plan and a strategic priority for planning and new development. We will introduce supplementary planning documents that clarify our plans for renewable energy generation and storage, housing resource efficiency, green infrastructure, sustainable drainage and low-carbon transport solutions.

Our review of the adopted local plan confirmed that it needs a partial update. The review recognised the need to actively respond to the climate crisis as well as national policy requirements, such as maintaining a robust supply of housing to 2031. After we'd carried out our review, the government published a white paper advocating major changes to the English planning system, including a switch from discretionary planning to zonal planning, similar to the systems operating in the USA and some parts of Europe. These are currently just recommendations but, if the suggestions become law, we would need to produce a new-style zonal local plan within 30 months.

Rather than being set in stone, our local plan is a rolling programme of continually evolving policies and proposals – and it's a vital document when it comes to keeping us on track. It provides the tools we need to deliver the actions we've committed to in other documents and strategies, including issues such as health and wellbeing, economy, renewable energy, leisure, housing, and sustainable transport. Because the local plan helps us deliver our aims, plans and government policy while responding to changing economic, environmental and social circumstances, it's vital that it's both relevant and up to date.

The local plan review will focus on areas where the plan is likely to become outdated, and must follow consultation procedures – including recommended steps and timescales – set out by the government. It will reflect wider issues such as the Gloucestershire Statement of Common Ground – which helps us coordinate infrastructure planning and delivery across the county – the impact of Brexit, and the effects of COVID-19.

What will we achieve?

While our local plan update follows national guidance, it plays an important part in the delivery of our priorities on climate change and on affordable housing. The local plan will empower us to promote climate change mitigation and to deliver affordable housing in the longer term.

We will succeed by including new climate crisis policies and standards that contribute to a carbon neutral society, and by achieving approval of our plan from the government's local plan inspector.



How will we do this?

Our aims	Our actions	Commencement	Completion
Develop an updated local plan that delivers our corporate priorities and promotes both carbon neutral development and infrastructure	Identify and allocate land for future housing and businesses.	July 2020	Approximately 2023/24 To be confirmed
	Draft new policies and updating existing policies to give effect to new council strategies, such as the economic recovery strategy, the climate and ecological emergency action plans and the renewable energy strategy.		
	The local plan also brings together multiple actions that are listed elsewhere in the corporate plan: <ul style="list-style-type: none"> - Include policies in the updated local plan to secure net-zero carbon housing in new developments - Allocate more land for employment through the updated local plan - review local plan policies to facilitate healthy place shaping - deliver health and wellbeing initiatives through the local plan 		
Create a programme of work that demonstrates our commitment to public consultation and engagement in the planning process	Update our local development scheme	August 2020	December 2020
	Update our statement of community involvement		



Develop a coordinated strategy for Cirencester town centre that responds positively to the changing nature of the high street	Deliver Cirencester town centre masterplan	2020/21	To be confirmed
	Work with Cirencester Town Council to deliver Cirencester neighbourhood development plan		
	Enable appropriate changes of use		
	Identify sustainable transport options		
Deliver a sustainable transport strategy	Promote sustainable methods of transport to reduce reliance on car usage for short journeys	To be confirmed in the publication of our local development scheme	Ongoing planning and implementation
	Work with Gloucestershire County Council to provide better sustainable transport routes and options	September 2020	
	Employ a Sustainable Transport Officer	November 2020	January 2021



SUPPORT HEALTH AND WELLBEING

Why is this important?

The COVID-19 pandemic demonstrated how our health underpins our lives, and how great our neighbourhoods are at looking out for one another. We know we can no longer take our wellbeing for granted, and that we all need to take responsibility for our own health.

The health and wellbeing of our residents is generally good (we rank above England and elsewhere in the county in most measures). We're one of the safest districts, with very low crime levels, and we're lucky enough to be surrounded by beautiful countryside. But we do face some challenges – not least barriers to service access, as well as loneliness and isolation, due to the rural nature of our location.

Other social, economic and environmental factors that impact the health and wellbeing of our residents require us to collaborate with a wide range of partners, to address these together. These include:

- Employment: though we have the lowest unemployment rate in the county (2.1%) the gap in the employment rate between those with a long-term condition and overall employment is 19.2%, compared to 10.5% elsewhere in Gloucestershire.
- Low income families: around 8% (1,100) of children live in low income families, and we are ranked as the most deprived district in the county for 'barriers to housing and services'. Cirencester foodbank saw a 30% increase in demand in 2019 compared to 2018, with 49% of food parcels going to children of primary school age or younger. These crises are lasting longer and require more complex support.
- Older people: having a high proportion of residents aged 65+ and 85+ has implications for age-related long-term conditions, and the number of people with caring responsibilities.
- Exercise and obesity: There is an upward trend in obesity and mental health problems. More needs to be done to address obesity and other lifestyle-related causes of life-limiting long-term conditions such as type 2 diabetes, coronary heart disease, and mental health issues. The ability to be more active and to eat healthily shouldn't be dictated by our background – nor should this be used as an excuse to explain diverging health outcomes.

We know sustainable behaviour change can only be achieved when residents are involved in the design and implementation of services, and so we're committed to working with our communities, voluntary sector organisations and public sector partners to tackle these challenges and permanently improve our residents' health and wellbeing.



What will we achieve?

We want our district to be the best in the UK for health and wellbeing.

The pandemic taught us a lot about the resilience of our residents: their kindness, their talents, and their generosity. We want to build on this success, to ensure all our neighbourhoods are safe and enjoyable places to live. Places with united communities, where we know – and can rely on – our neighbours, where parents take responsibility for their children, and where people feel confident to challenge bad behaviour, knowing they will be supported by their neighbours, police, landlord, local council and ward members.

Our aims	Our actions	Commencement	Completion
Encourage resilient, well-connected and active communities that take responsibility for their own health and wellbeing goals	Review and revise our community grants scheme to focus on our priorities	May 2020	New approach to go live in September 2020
	Continue to invest in asset-based/place-based community development	September 2020	Ongoing
	Host regular community forums with town and parish councils, community groups and community leaders	July 2020	Ongoing
	Continue to raise the profile of the Community Safety Partnership to reduce the fear of crime and ensure residents know how, and where, to get support	July 2020	Ongoing



How will we do this?

Improve equal access to quality services across the district	Use targeted initiatives to tackle both childhood poverty and food poverty in the district, so more children and vulnerable families have access to nutritious food	September 2020	Ongoing
	Work with relevant services and organisations to provide more – and better – quality healthcare services	September 2020	Ongoing
	Continue to invest in dementia-friendly communities, improve understanding and communication, and reduce loneliness and isolation	September 2020	Ongoing
	Work with the Cotswold Youth Network to increase investment in, and support for, youth engagement work	July 2020	March 2023
Promote both mental and physical health equally, to increase awareness of mental health issues and improve the community response to people in crisis	Increase the number of people trained in mental health first aid and suicide prevention	September 2020	March 2023
	Provide targeted mental health campaigns and support	September 2020	Ongoing
	Promote mental health activities and initiatives	September 2020	Ongoing
	Continue to deliver the ‘hidden harm’ project and targeted work to raise awareness of domestic abuse, in partnership with Gloucestershire Domestic Abuse Support Service	July 2020	Ongoing
	Work with the DWP, businesses, education and the voluntary sector to create more employment and learning opportunities for young people	September 2020	March 2023



Promote healthy lifestyles, fun and self-care for all ages	Complete a review of our leisure services	July 2020	September 2020
	Develop a leisure strategy to secure improved, more accessible, flexible and inclusive services	November 2020	April 2021
	Deliver the Sweatcoin campaign to reduce inactivity levels in specific socio-economic groups	November 2020	June 2021
	Deliver inclusion training and awards for young people	November 2020	April 2023
Ensure our housing and built environments enable residents to live healthy lives	Plan places with active travel and high-quality green infrastructure	October 2020	April 2023
	Develop design codes that focus on climate change and protect people from overheating risk	October 2020	April 2023
	Develop policies for dementia-friendly homes	February 2021	May 2021
	Review local plan policies to facilitate healthy place shaping	October 2020	April 2023
	Deliver health and wellbeing initiatives through the local plan	October 2020	April 2023



ENABLE A VIBRANT ECONOMY

Why is this important?

The Cotswold economy is home to businesses of all sizes and across all sectors. Together with some key local assets, they form the cornerstone of our local economy. The global visitor economy – built on the back of beautiful landscape, towns and villages – accounts for a significant proportion of employment in the district. But the Cotswold economy is about much more than tourism, and there is potential for even greater diversity. We must encourage investment and enable new infrastructure that provides the conditions for businesses to thrive and grow.

The visitor economy has been severely impacted by the Coronavirus pandemic. The retail, accommodation and hospitality sectors were particularly hard-hit, and other sectors have been affected by a reduction in demand. Through our economic recovery plan, we want to enable businesses to become more resilient, by enhancing their digital presence and looking at different business models, among other things. Our green economic growth strategy will chart the future for the local economy, putting the climate agenda at the heart of everything we do.

What will we achieve?

We want to nurture a dynamic, vibrant and balanced economy, and to grow high value, highly skilled, low environmental impact businesses in the Cotswolds. Our region is already home to some highly creative and innovative businesses. Exciting projects that are planned in the agri-tech, cyber and digital, medical equipment and environmental technology sectors promise to provide great opportunities for local people and businesses. As a business-friendly council, we won't just communicate regularly with our local business community – we will work with them to grow the district's economy to provide better opportunities for local people.

Much of our work in this area will be done in partnership with key stakeholders that include Gloucestershire County Council, GFirst LEP, chambers of commerce and other business groups, town and parish councils, institutions such as the Fire Service College, Royal Agricultural University, Cirencester College, and individual businesses. These relationships will play a vital part in the delivery of our green economic growth strategy.



How will we do this?

Our aims	Our actions	Commencement	Completion
Develop a high value, highly skilled, low environmental impact economy that includes agritech, digital/cyber, medical equipment and environmental technologies	Work with key sectors to create new highly skilled jobs	September 2020	Ongoing
	Allocate more land for employment through the updated local plan	March 2021	June 2023
	Secure the provision and occupation of new commercial space	March 2021	Ongoing
Help our town centres recover from COVID-19 and in the face of changing shopping habits	Support businesses to become resilient and grow	July 2020	Ongoing
	Help towns create long-term plans where needed, such as the Cirencester town centre masterplan	September 2020	Ongoing
	Support businesses to enhance their digital presence	July 2020	July 2021
	Develop a 'shop local' campaign to encourage residents to support local businesses	July 2020	Ongoing
	Encourage the introduction of new uses – including non-retail, cultural and affordable housing – to improve the vitality of the area and the visitor experience	October 2020	Ongoing
Secure successful businesses in the visitor economy with higher visitor spend and more even footfall	Deliver the actions set out in the Cotswold Tourism destination management plan	September 2020	Ongoing
	Make the Cotswolds a vibrant year-round destination		
	Promote high-quality visitor experiences		
	Increase tourism's contribution to the economic, social and environmental sustainability of our communities	April 2021	Ongoing
Attract investment in infrastructure	Welcome better broadband and 5G coverage	September 2020	Ongoing
	Support completion of the A417 'missing link'	September 2020	March 2023



	Support completion of the A417 'missing link'	September 2020	March 2023
Offer better qualifications for our young people	Work with our partners to ensure our young people have the skills they need to secure employment in the district	September 2020	Ongoing
	Work with GFirstLEP to improve the Growth Hub provision in the north Cotswolds	January 2021	Ongoing
Develop strong networks, collaboration and partnerships with businesses and organisations	Work with partners to support existing businesses and encourage the growth of start-ups	July 2020	Ongoing
	Build a reputation as a business-friendly council		
Use our investments and assets to boost the local economy	Invest in local projects and development opportunities	September 2020	Ongoing
	Use our assets to generate jobs locally	April 2021	Ongoing
Ensure the benefits of the internet and digital technologies are accessible to everyone in the district	Establish needs	October 2020	December 2020
	Identify partners that can deliver improvements	January 2020	March 2021
	Develop and implement an action plan to improve digital inclusion	June 2021	Ongoing



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 10
Subject	ANNUAL TREASURY MANAGEMENT REVIEW 2019/20
Wards affected	N/A
Accountable member	Cllr. Mike Every - Deputy Leader and Cabinet Member for Finance Email: mike.every@cotswold.gov.uk
Accountable officer	Jenny Poole - Chief Finance Officer Tel: 01285 623313 Email: jenny.poole@cotswold.gov.uk
Summary/Purpose	The CIPFA Treasury Management Code of Practice, adopted by Council on 25 February 2010 requires the submission to Council of an annual report on the treasury management activities and results for the previous financial year. It is also a requirement of the Code to report during the year on activities undertaken and on variations from agreed policies/practices.
Annexes	Annex A - Treasury Management Outturn Report for 2019/20
Recommendation/s	<i>That the Treasury Management Review 2019/20 be considered and approved.</i>
Corporate priorities	Priority - Ensure that all services delivered by the council are delivered to the highest standard Principle - Value for money - we will use the Council's resources wisely, but will invest in the fabric and future of the district
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Arlingclose Limited - Council's treasury advisors

1. BACKGROUND

- 1.1 The CIPFA Treasury Management Code of Practice requires the submission to Council of an annual report on the treasury management activities and results for the previous financial year. The Treasury Management Outturn Report for 2019/20 is attached at **Annex 'A'**.
- 1.2 The Council has complied with the requirements under CIPFA Code of Practice on Treasury Management.

2 FINANCIAL IMPLICATIONS

- 2.1. The Council maintained an average investment portfolio of £33.544m during 2019/20. The funds earned an average rate of return of 2.16%, this compares to 1.16% in 2018/19.
- 2.2. The Council budgeted for £533,568 in treasury investment income for 2019/20. Actual performance exceeded target by £106,049, with investment income received of £639,617.
- 2.3. Further detail is contained within the report at **Annex 'A'**.

3. LEGAL IMPLICATIONS

- 3.1. None.

4. RISK ASSESSMENT

- 4.1. Treasury risk is managed by the application of the Council's Treasury Management Strategy. Treasury risk is recorded in the Council's Corporate Risk Register which is reported regularly to the Audit Committee.

5. BACKGROUND PAPERS

- 5.1. None.

(END)

COTSWOLD DISTRICT COUNCIL
TREASURY MANAGEMENT OUTTURN REPORT
2019/20

1. Introduction

In February 2011 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve a treasury management annual report after the end of each financial year.

This report fulfils the Authority's legal obligation to have regard to the CIPFA Code

The Authority's treasury management strategy for 2019/20 was approved at Council on the 26th February 2019. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the authority's treasury management strategy.

Treasury risk management at the authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a Treasury Management Strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. This report fulfils the authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

2. Economic commentary

The UK's exit from the European Union and its future trading arrangements had remained one of major influences on the UK economy and sentiment during 2019/20. The 29th March 2019 Brexit deadline was extended to 12th April, then to 31st October and finally to 31st January 2020. Politics played a major role in financial markets over the period as the UK's tenuous progress negotiating its exit from the European Union together with its future trading arrangements drove volatility, particularly in foreign exchange markets. The outcome of December's General Election removed a lot of the uncertainty and looked set to provide a 'bounce' to confidence and activity.

The headline rate of UK Consumer Price Inflation UK Consumer Price Inflation fell to 1.7% y/y in February, below the Bank of England's target of 2%. Labour market data remained positive. The ILO unemployment rate was 3.9% in the three months to January 2020 while the employment rate hit a record high of 76.5%. The average annual growth rate for pay excluding bonuses was 3.1% in January 2020 and the same when bonuses were included, providing some evidence that a shortage of labour had been supporting wages.

GDP growth in Q4 2019 was reported as flat by the Office for National Statistics and service sector growth slowed and production and construction activity contracted on the back of what at the time were concerns over the impact of global trade tensions on economic activity. The annual rate of GDP growth remained below-trend at 1.1%.

Then coronavirus swiftly changed everything. COVID-19, which had first appeared in China in December 2019, started spreading across the globe causing plummeting sentiment and falls in financial markets not seen since the Global Financial Crisis as part of a flight to quality into sovereign debt and other perceived 'safe' assets.

In response to the spread of the virus and sharp increase in those infected, the government enforced lockdowns, central banks and governments around the world cut interest rates and introduced massive stimulus packages in an attempt to reduce some of the negative economic impact to domestic and global growth.

The Bank of England, which had held policy rates steady at 0.75% through most of 2019/20, moved in March to cut rates to 0.25% from 0.75% and then swiftly thereafter brought them down further to the record low of 0.1%. In conjunction with these cuts, the UK government introduced a number of measures to help businesses and households impacted by a series of ever-tightening social restrictions, culminating in pretty much the entire lockdown of the UK.

The US economy grew at an annualised rate of 2.1% in Q4 2019. After escalating trade wars and a protracted standoff, the signing of Phase 1 of the trade agreement between the US and China in January was initially positive for both economies, but COVID-19 severely impacted sentiment and production in both countries. Against a slowing economic outlook, the US Federal Reserve began cutting rates in August. Following a series of five cuts, the largest of which were in March 2020, the Fed Funds rate fell from of 2.5% to range of 0% - 0.25%. The US government also unleashed a raft of COVID-19 related measures and support for its economy including a \$2 trillion fiscal stimulus package. With interest rates already on (or below) the floor, the European Central Bank held its base rate at 0% and deposit rate at -0.5%.

3. Financial markets

Financial markets sold off sharply as the impact from the coronavirus worsened. After starting positively in 2020, the FTSE 100 fell over 30% at its worst point with stock markets in other countries seeing similar huge falls. In March sterling touch its lowest level against the dollar since 1985. The measures implemented by central banks and governments helped restore some confidence and financial markets have rebounded in recent weeks but remain extremely volatile. The flight to quality caused gilts yields to fall substantially. The 5-year benchmark falling from 0.75% in April 2019 to 0.26% on 31st March. The 10-year benchmark yield fell from 1% to 0.4%, the 20-year benchmark yield from 1.47% to 0.76% over the same period. 1-month, 3-month and 12-month bid rates averaged 0.61%, 0.72% and 0.88% respectively over the period.

Since the start of the calendar 2020, the yield on 2-year US treasuries had fallen from 1.573% to 0.20% and from 1.877% to 0.61% for 10-year treasuries. German bund yields remain negative.

4. Credit background:

In Q4 2019 Fitch affirmed the UK's AA sovereign rating, removed it from Rating Watch Negative (RWN) and assigned a negative outlook. Fitch then affirmed UK banks' long-term ratings, removed the RWN and assigned a stable outlook. Standard & Poor's also affirmed the UK sovereign AA rating and revised the outlook to stable from negative. The Bank of England announced its latest stress tests results for the main seven UK banking groups. All seven passed on both a common equity Tier 1 (CET1) ratio and a leverage ratio basis. Under the test scenario the banks' aggregate level of CET1 capital would remain twice their level before the 2008 financial crisis.

After remaining flat in January and February and between a range of 30-55bps, Credit Default Swap spreads rose sharply in March as the potential impact of the coronavirus on bank balance sheets gave cause for concern. Spreads declined in late March and through to mid-April but remain above their initial 2020 levels. NatWest Markets Plc (non-ringfenced) remains the highest at 128bps and National Westminster Bank Plc (ringfenced) still the lowest at 56bps. The other main UK banks are between 65bps and 123bps, with the latter being the thinly traded and volatile Santander UK CDS.

While the UK and Non-UK banks on the Arlingclose counterparty list remain in a strong and well-capitalised position, the duration advice on all these banks was cut to 35 days in mid-March.

Fitch downgraded the UK sovereign rating to AA- in March which was followed by a number of actions on UK and Non-UK banks. This included revising the outlook on all banks on the counterparty list to negative, with the exception of Barclays Bank, Rabobank, Handelsbanken and Nordea Bank which were placed on Rating Watch Negative, as well as cutting Close Brothers long-term rating to A-. Having revised their outlooks to negative, Fitch upgraded the long-term ratings on Canadian and German banks but downgraded the long-term ratings for Australian banks. HSBC Bank and HSBC UK Bank, however, had their long-term ratings increased by Fitch to AA-.

5. Local Context

On 31st March 2020, the Authority had net investments of £24.987m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31/3/2019 Actual £m	2019/20 Movement £m	31/3/20 20 Actual £m
General Fund CFR	0	0	0
Less: External borrowing	0	0	0
Less: Usable reserves	27.890	(5.581)	22.309
Less: Working capital	4.313	(1.635)	2.678
Net Investments	32.203	(7.216)	24.987

The Council's strategy has been to diversify investments into pooled funds in order to reduce risk and increase returns. The treasury management position as at 31st March 2020 and the year-on-year change is shown in Table 2 below.

Table 2: Treasury Management Summary

	31/3/2019 Actual £m	2019/20 Movement £m	31/3/2020 Balance £m	31/3/2020 Rate %
Short-term borrowing	0	0	0	-
Total borrowing	0	0	0	-
Long-term investments	14.370	(3.178)	11.192	4.24
Short-term investments	13.190	(5.082)	8.108	0.94
Cash and cash equivalents	4.643	1.044	5.687	0.71
Total investments	32.203	(7.216)	24.987	2.16
Net investments	32.203	(7.216)	24.987	2.16

6. Investment Activity

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2019/20, the Authority's investment balance ranged between £22.034 and £43.114 million due to timing differences between income and expenditure. The year-end investment position and the year-on-year change in show in table 3 below.

Table 3: Investment Position (Treasury Investments)

	31/3/2019 Actual £m	2019/20 Movement £m	31/3/2020 Balance £m	31/3/2020 Rate %
Banks & building societies (unsecured)	8.033	(2.033)	6.000	0.87%
Government (incl. local authorities)	5.010	(3.010)	2.000	1.00%
Money Market Funds/Call	6.712	(1.026)	5.687	0.39%
Pooled Funds	12.370	(1.178)	11.192	4.24%
Cash equivalents	0.78	0.31	0.109	N/A
Total investments	32.203	(7.216)	24.987	2.16%

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

£12.5m of the Authority's investments are held in externally managed strategic pooled (bond, equity, multi-asset, property and cash) funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated a total return of £437,114 (4.24%), however capital reduced by £1.165m for reasons noted below, which are treated as an unrealised capital loss.

In a relatively short period since the onset of the COVID-19 pandemic, the global economic fallout was sharp and large. Market reaction was extreme with large falls in equities, corporate bond markets and, to some extent, real estate echoing lockdown-induced paralysis and the uncharted challenges for governments, businesses and individuals. Volatility measured by the VIX index was almost as high as during the global financial crisis of 2008/9 and evidenced in plummeting equity prices and the widening of corporate bond spreads, very close to rivalling those twelve years ago. Gilt yields fell but credit spreads widened markedly reflecting the sharp deterioration in economic and credit conditions associated with a sudden stagnation in economies, so corporate bonds yields (comprised of the gilt yield plus the credit spread) rose and prices therefore fell.

In furtherance of these objectives, and given the increasing risk and low returns from short-term unsecured bank investments, the Council diversified into higher yielding asset classes during 2019/20. In November 2019 the Council invested £1m into the new Fundamentum Social Housing REIT which purchases property and holds long term leases with Housing Associations who house vulnerable adults. Since the launch of the Fundamentum Social Housing REIT, the Investment Advisor has overseen 7 transactions up to the end of March 2020. Returns of 5% are expected when the full portfolio of properties have been purchased.

Table 4: Pooled Funds Sold

	Initial Investment	Capital Value 31 st March 2019	Capital Value When sold	Dividends paid out in 2018/19	Gain / (Loss) for 2019/20	Gain / (Loss) to Initial Principal
Payden Sterling Reserve Fund	1,000,000	1,013,640	1,007,919	7,538	-	7,919

Table 5: Current Pooled Funds

Fund Manager	Investment	31 st March 2019	31 st March 2020	Dividends Received 2019/20	2019/20 Gain/(Loss)	Gain/(Loss) v Original Investment
	£	£	£	£	£	£
CCLA Property	2,500,000	2,384,385	2,299,101	103,088	(85,284)	(200,899)
Schroders	1,000,000	930,978	621,563	71,005	(309,415)	(378,437)
M&G UK Income	2,000,000	1,932,672	1,561,084	96,605	(371,588)	(438,916)
Investec Div Income	2,000,000	2,027,051	1,837,499	83,378	(189,552)	(162,501)
Threadneedle Bond	2,000,000	2,026,591	1,915,356	50,210	(111,235)	(84,644)
CCLA Div	1,000,000	998,850	909,165	32,828	(89,685)	(90,835)
Federated Cash +	1,000,000	1,056,241	1,068,604	-	12,363	68,604
Fundamentum REIT	1,000,000	0	980,000	-	(20,000)	(20,000)
Total –current funds	12,500,000	11,356,768	11,192,372	437,114	(1,164,396)	(1,307,628)
Including Sold & Current		12,370,408	11,192,372	444,652	(1,164,396)	(1,299,709)

The Pooled Funds' have performed well in producing dividends amounting to £444,652 against a budgeted figure of £404,250 returning 4.24% for the year on the original £12.5m invested. In a relatively short period since the onset of the COVID-19 pandemic, the global economic fallout has been sharp and large. Market reaction has been extreme with the large falls in equities, corporate bond markets and, to some extent, real estate echoing lockdown-induced paralysis and the uncharted challenges for governments, businesses and individuals. The consequences of the fallout saw over £1.164m of the capital value of the existing Funds decrease from the same time as last year. The total capital funds value is now £1.300m less than the initial investments made (£12.5m). The nature of these funds is that values can fluctuate from one year to another. At the time of this report the Funds had gained £405k in capital value just in the first quarter of the current financial year. Their performance and suitability in meeting the Authority's investment objectives are monitored and discussed with Arlingclose on a regular basis. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.

7. Financial Implications

The outturn for investment income received in 2019/20 was £533,568 which equates to a 2.16% return (18/19 – 1.26%) on an average investment portfolio of £33.544 million against a budgeted £533,568 on an average investment portfolio of £32.5 million at an average interest rate of 1.64%.

Net investments made an actual surplus of £106,049 for the 2019/20 financial year.

8. Compliance Report

The Chief Finance Officer is pleased to report that all treasury management activities undertaken during 2019/20 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 6: Debt Limits

	31.3.20 Actual £m	2019/20 Operational Boundary £m	2019/20 Authorised Limit £m	Complied
Borrowing	0	7.8	10.8	✓

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt was never above the operational boundary during 2019/20.

9. Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

9.1. Security

The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by

the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.3.20 Actual	2018/19 Target	Complied
Portfolio average credit	A	A-	✓

9.2. Principal Sums Invested for Periods Longer than 364 days:

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2019/20	2020/21	2021/22
Actual principal invested beyond year end	£11.5m	£11.5m	£11.5m
Limit on principal invested beyond year end	£20m	£20m	£20m
Complied	✓	✓	✓



Council	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 11
Subject	AN INVESTMENT STRATEGY FOR RECOVERY OF COTSWOLD DISTRICT
Wards affected	ALL
Accountable member	Cllr Tony Dale Cabinet Member for Economy and Skills Email: tony.dale@cotswold.gov.uk
Accountable officer	Jenny Poole Chief Finance Officer Tel:01285 623313 Email: jenny.poole@cotswold.gov.uk
Summary/Purpose	To set out an investment strategy framework within which the Council can invest in the infrastructure of the Cotswold District that delivers on the Council priorities whilst also ensuring a return on investment that covers debt financing costs and seeks to deliver a return that helps close the financial gap set out in the Medium Term Financial Strategy
Annexes	Annex A - Draft Recovery Investment Strategy
Recommendation(s)	<i>Recommendations from Cabinet:</i> a) <i>that the Strategy be recommended to Council for adoption;</i> b) <i>delegated authority is given to the Interim Chief Executive to establish appropriate governance structures to support the strategy.</i>
Corporate priorities	Respond to the challenges presented by the Climate Change Emergency Deliver good quality social rented homes Present a Local Plan which is green to the core Ensure that all services delivered by the Council are delivered to the highest standard Help residents, businesses and communities to access the support they need to ensure a high level of health and well-being
Key Decision	YES
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

- 1.1 In September 2019 the Council approved its new priorities for the district for the period 2020-2024. Within this strategy it recognised the financial challenges facing the Council and these were set out more clearly in the budget and financial strategy approved by Council in February 2020.
- 1.2 The recent Covid 19 crisis has drawn these priorities into sharper focus – increasing still further the need to deliver on these priorities and exacerbating the financial challenges facing the Council.
- 1.3 Previously the Council has made some investments in commercial property to help deliver some of the desired financial benefits but in doing so has only delivered on that individual priority rather than trying to meet multiple priorities with that investment.
- 1.4 In addition the landscape around commercial investment by local authorities has begun to shift with a clear ‘steer’ from government and professional bodies that pure commercial investments should be avoided.
- 1.5 The strategy put forward for consideration seeks to balance the delivery of local priorities with principles of affordability and value for money. The strategy forms a framework within which the Council can operate to deliver on the priorities whilst also closing the emerging budget gap without the reliance upon wholesale service cuts.

2. MAIN POINTS

- 2.1 The draft strategy attached at Annex A sets out a framework within which the council can consider investment opportunities that deliver on the agreed corporate priorities. In itself it does not present any specific opportunities but rather a mechanism by which the council can assess how opportunities are developed and how they meet the varied priorities.
- 2.2 The strategy sets out the financial context that the Council finds itself within based upon the known position in February 2020. It needs to be recognised that there were many unknowns in respect of the financial context at that time and with the continuing Covid 19 crisis these have become even less clear.
- 2.3 The financial targets with the strategy do therefore need to be taken as a guide rather than an absolute position. This relates to not only the funding gap the Council faces but also debt financing costs, return yields and therefore the level of capital investment necessary to deliver the revenue returns.
- 2.4 To ensure that the plan retains coherence with the Budget and Medium Term Financial Strategy the tactical delivery plan is set to deliver these returns. In

practical terms actual delivery will be quite different to this and should earlier delivery be achievable then opportunities will be brought forward earlier.

- 2.5 The strategy identifies the key project opportunities that could be considered that meet the priorities and offer a return. The Council will need to take individual decisions on these that come forward with the overall strategy in mind. This will not mean for example sticking slavishly to investment returns on individual schemes as long as, in the round, the investment returns are being achieved.

3. FINANCIAL IMPLICATIONS

- 3.1 The Council is facing a significant challenge to its financial sustainability brought about by significant real term reductions in government funding over the last ten years. This funding has been supplemented through incentivised funding streams such as Business Rates Retention (BRR) and New Homes Bonus (NHB).
- 3.2 Over the last two years New Homes Bonus has started to be phased out and the government seems committed to its eventual withdrawal. If the government continues with the Business Rates Retention scheme reset in April 2021, this will remove all the business growth received since 2013. It is unclear whether the reset will take place in April 2021, with the government having already announced delays to the implementation of the Fairer Funding Review, the change from a 50% to a 75% business rate retention scheme and business rate revaluation all of which were due to come in to effect in April 2021.
- 3.3 It is not yet known how changes to Local Government Finance planned via the Fairer Funding Formula will affect this Council but there are risks that this will alter the balance of funding in favour of Councils who provide Social Service functions.
- 3.4 The Councils Medium Term Financial Strategy, approved in February 2020, identified an overall funding gap of almost £4.6m by March 2024.
- 3.5 The impact of the Covid 19 crisis has exacerbated the scale of the near term problems as the Council is seeing a fall in some income streams, an increase in some costs, and pressure on both Business Rates and Council Tax income for some time. A refresh of the Medium Term Financial Strategy, a revised budget for 2020/21 and the draft budget for 2021/22 are to be considered at this meeting.
- 3.6 The current crisis will also impact on the opportunities available through this strategy to deliver revenue returns and this will bring further challenges to implementing this strategy. The crisis does however also potentially bring some opportunities as debt financing costs have fallen.

4. LEGAL IMPLICATIONS

- 4.1 The focus of this strategy is delivering on the priorities of the Council. It is likely therefore that almost all investments will be within the boundary of the district. The Council will be reliant upon powers to invest that are related to the social,

environmental and economic prosperity of the place to support its actions rather than investment powers more recently highlighted and criticised by the government and others in respect of commercial property.

- 4.2 Any investment brought forward will clearly state the powers being utilised – this is important to ensure that the lower rates for local government borrowing can be achieved.

5. RISK ASSESSMENT

- 5.1 The key risk with regard to adopting this strategy is around deliverability. It is a bold strategy which has significant borrowing and investment targets to meet. The availability of opportunities within the district to meet these targets will be challenging.

- 5.2 Risks around individual investments projects will be set out clearly in each business case that is presented for Council to consider at the time any proposal comes forward.

- 5.3 There remains a risk that the government may alter the borrowing rules to prevent Councils from borrowing for some of the potential opportunities set out in this strategy but with the focus of this strategy on place based investment that is largely mitigated.

- 5.4 The strategy makes a number of assumptions around borrowing rates, rates of return on investment categories, requirements for 'Minimum Revenue Provision'. All of these may change and alter the balance of funding required to deliver the revenue returns.

- 5.5 The review of the Medium Term Financial Strategy may alter the targets set out in this strategy and it therefore also needs to be reviewed in light of any changes and in light of any government funding announcements.

6. CLIMATE CHANGE IMPLICATIONS

- 6.1 Any investment opportunity brought forward will clearly set out the implications in respect of climate change.

- 6.2 Investment opportunities that make a positive change to the carbon footprint of the district are a fundamental part of this strategy and therefore this strategy should be seen as a key tool to help deliver this Council priority.

7. ALTERNATIVE OPTIONS

- 7.1 The Council could choose not to support this strategy and seek to reduce the funding gap it faces through other means such as raising Council Tax or cutting service provision.

8. BACKGROUND PAPERS

8.1 None.

(END)

Cotswold District Council

Recovery Investment Strategy 2020-2024

Foreword

At Cotswold District Council we recognise that we are facing a future funding challenge due to anticipated cuts in government funding and increased service cost pressures. Whilst central government has recently increased funding levels to local government in general this has been clearly focused upon upper tier services such as Adult Social Care and Children’s Services.

Additional resources to finance district level services are likely to be limited in the future at level lower than that historically delivered through incentive based funding such as New Homes Bonus.

Before the coronavirus pandemic we had an ambitious agenda of change to deliver better services for our residents. The impact of the crisis on our council, our residents and our place has made this strategy even more important. To match our delivery ambitions to our revenue streams will require the whole Council to be more creative and commercially minded with all our services – reassessing the delivery of efficiencies, savings and income generation.

This Recovery Strategy sets out the Council’s framework to deliver ‘more for less’ for our residents in respect of all of our services – as such this represents an approach which all Councillors, Officers and Partners should adopt.

Our approach to deliver the much needed capital investment for our Housing, Jobs and Green Infrastructure is to ensure that the Council makes an appropriate return on capital employed to support the cost of capital and an appropriate return to support the revenue budget.

With an estimated funding gap of £4.83m against a net service cost of circa £12m this represents a significant challenge and requires us to be innovative, bold and ambitious in our approach. To meet this challenge we must focus on delivering the Council priorities whilst also at the same time closing the funding gap.

Joe Harris
Leader of the Council

Mike Every
Deputy Leader of the Council and
Cabinet Member for Finance

Tony Dale
Cabinet Member Economy and Skills

Scope

The scope of this Recovery Strategy is to cover the range of tools and activities that help to improve the general approach to matching income and expenditure across the activities of the district council.

It is recognised that it is neither possible nor necessarily desirable for all the activities of the council to be funded from the users of those services alone, but, the approach of this strategy is to propose that ‘user funding’ should be the ‘normal’ position and exceptions to this be specifically approved. This strategy does this by seeking to improve the general awareness amongst councillors and officers of commercialisation as a major tool for raising revenue.

The strategy focuses strongly on how future capital investments should be appraised to ensure that they do not add to the burden on residents via Council Tax unless there is a clear social value reason for this and it is affordable and sustainable for the council to support over the long term.

The strategy starts from a premise that there is a significant funding gap that needs to be closed and capital investment is a major tool available to the council to achieve this as long as it covers the revenue implications of that investment and makes an appropriate return.

Capital investment is also key to delivering the ambitious programme of the Council and the strategy sets out some general principles to support business case decision making.

Council Aim

The Council's aim is to:-

“Rebuild the Council so it can be proactive and responsive to the needs of our residents and businesses in a fast changing environment, building for the future whilst respecting our heritage”.

The objective of the Recovery Investment Strategy is to ensure the Council has the necessary resources to deliver its overall aim and ensure investment decisions are aligned with the overall Council aim and priority themes whilst contributing to the financial viability of the Council.

The Council approved its Priorities in September 2019 as:

Our priorities

Working towards our aim, we have the following key areas of focus:

- Respond to the challenges presented by the climate change emergency
- Deliver good quality social rented homes
- Present a Local Plan which is green to the core
- Ensure that all services delivered by the council are delivered to the highest standard
- Help residents, businesses and communities to access the support they need to ensure a high level of health and well-being

The priorities are underpinned by the following principles:

Our principles

Everything we do will be built on the following principles:

- Rebuilding trust and confidence in the council by promoting a culture of openness and transparency
- Value for money - we will use the council's resources wisely, but will invest in the fabric and future of the district
- Listen, hear, act - we will seek thoughts and ambitions from our residents to inform our decision making

Strategic Aims of the Recovery Investment Strategy

To become a more commercially focused Council we will need to deliver on the following key strategic aims:-

- Develop Commercial Skills across the Council and embed within the organisation;
- Improve our overall financial position by closing the gap between income and expenditure;
- Maximise income generation opportunities whilst not losing sight of social value;
- Leverage the intrinsic strength of our balance sheet to generate returns to support our service priorities for residents;
- Deliver projects that meet our priorities in an environmentally and financially sustainable way;

Priority Delivery Themes

The delivery themes that the Council will focus on in meeting its ambitions are:-

- Affordable Social Housing;
- Green Energy & Carbon Reduction;
- Delivering Infrastructure for Jobs & Economic Growth;
- Reinvigorating Commercial Centres to ensure our economic vibrancy;
- Maximising existing and new income streams from service delivery;
- Developing a commercial culture to our decision making whilst retaining a public service ethos

Required Outcomes

The Councils emerging Medium Term Financial Strategy sets out the following high level budget targets:-

Overall Unfunded Budget Gap to March 2024 is £4.83m.

This gap is envisaged to be filled through the following funding mechanisms:-

Replacement of Incentive Based Funding Schemes by Govt	£1.0m
Income per annum from capital investment	£1.54m
Rural Grant Replacement Scheme	£0.5m
Increasing existing / new revenue streams	£1.077m
Efficiency from existing service provision partners	£0.713m
Total	£4.83m

Tactical Delivery Plan

	Total	2020/21	2021/22	2022/23	2023/24	Total
Cotswold Recovery Investment Strategy Tactical Plan	£	£	£	£	£	£
Core MTFS Savings - with existing delivery plans	394,000	294,000	78,000	22,000	-	394,000
MTFS Additional Target	4,830,000	695,000	639,000	2,208,000	1,288,000	4,830,000
Replacement of incentive based funding schemes by government	1,000,000			600,000	400,000	1,000,000
Local Government Pensions Scheme advance payment April 2020 savings	184,000	184,000				184,000
Income per annum from capital investment	1,356,000	-	381,000	500,000	475,000	1,356,000
Rural Services Grant	500,000			500,000		500,000
Increasing existing revenue streams/new streams	1,077,000	421,000	215,000	308,000	133,000	1,077,000
Efficiency from existing service provision partners	713,000	90,000	43,000	300,000	280,000	713,000
Total	4,830,000	695,000	639,000	2,208,000	1,288,000	4,830,000
Income per annum from capital investment	1,356,000	-	381,000	500,000	475,000	1,356,000
Capital Required to Deliver	54,200,000	-	15,200,000	20,000,000	19,000,000	54,200,000

Resource Requirements

The Council has matched its ambition with a resource allocation of £350,000 to pump prime the work to deliver the development and implementation of the Investment Recovery Strategy, including enhanced support for economic development activity, actions to tackle climate change, and the delivery of social rented housing.

By definition the activity required to deliver this approach will be front loaded in the Recovery Strategy to enable delivery over the full timeframe. It is envisaged at this stage that the following resources will be required:-

	2020/21	2021/22	2022/23	Total
Economic Development Delivery Officer	38,000	50,000	12,000	100,000
Programme Manager – Housing Delivery	38,000	50,000	12,000	100,000
Specialist Advice & Due Diligence	50,000	50,000	50,000	150,000
Total	126,000	150,000	74,000	350,000

Constraints – Powers and Guidance

The landscape around local authority involvement in commercial property has changed significantly over the last twelve to eighteen months with the production of statutory guidance from the Ministry of Housing, Communities and Local Government (MHCLG) and guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) in respect of Prudential Property Investment (Investments financed through Prudential Borrowing).

Statutory and Advisory Guidance

CIPFA Prudential Property Investment Guidance (Nov 2019)

MHCLG 2018 Statutory Guidance on Local Government Investments

MHCLG 2018 Statutory Guidance on Minimum Revenue Provision

“ The Investment Guidance recognises that it cannot prohibit the acquisition of commercial/investment property funded by borrowing but authorities not following the Prudential Code and the Investments Guidance are expected to provide an explanation in their investment strategy”

The effect of this is to require the full Council to endorse the policy (of non-compliance with the code) and make the strategy publicly available.

Governance Framework

The Commercial Recovery Strategy helps to guide all outcomes and deliverables from all other strategies and plans of the Council – programmes and projects need to be aligned with the Strategy in the same way as it needs to be aligned with the Council or Corporate Plan.

As the strategy is a guidance framework it, of itself, does not have any other governance arrangements as these sit within the overall governance framework of the Council. Key controls around investment decisions remain with Cabinet and Council as currently expressed within the Capital Strategy, Investment Strategy and Treasury Management Strategy. This strategy seeks to guide all the council investment decisions to meet the challenges and constraints set out in the Medium Term Financial Strategy.

No new capital expenditure funding bids will be placed before decision making meetings without the express approval of the Leader, Deputy Leader and Cabinet Member for Finance, Cabinet Member for Economy and Skills and the Council Chief Financial Officer.

An open and inclusive approach is recommended to governance with meetings open to all councillors to observe.

It is anticipated that all investment decisions will initially require full Council approval although Council may wish to revisit this based upon experience. A diagrammatic representation of how this strategy fits with other Council Strategies is set out below.



RECOVERY INVESTMENT PROGRAMME DECISION MAKING FRAMEWORK

A U D I T A N D S C R I T I N G	FULL COUNCIL	Approve Strategy Set Budget & Borrowing Approvals Approve Investment decisions (where not delegated)
	CABINET	Approve investment decisions in line with strategy (where delegated authority from Council) Monitor Delivery
	CAPITAL PROGRAMME INVESTMENT BOARD	Consider option appraisals and business cases and recommend to Cabinet Review due diligence Review Performance
	MEMBER/OFFICER WORKING GROUPS	Prepare options appraisals Conduct due diligence Prepare Business Case Determine Financing

Key Actions

Affordable Social Housing

- Develop business case methodology that enables delivery of affordable housing
- Identify existing and potential future sites for development and acquisition
- Consider long term vehicle for holding housing and housing sites

Green Energy & Carbon Reduction

- Develop business case methodology that enables delivery of green energy
- Identify existing and potential future sites for development and acquisition
- Explore partnership delivery options

Delivering infrastructure for high value, highly skilled jobs, green economic growth, and supporting businesses to embrace digital technology

- Develop business case methodology that enables delivery of sites for jobs and growth
- Identify existing and potential future sites for development and acquisition
- Explore partnership delivery options

Reinvigorating Commercial Centres to ensure our economic vibrancy

- Develop business case methodology that enables delivery of sites for commercial development
- Identify existing and potential future sites for development and acquisition
- Explore partnership delivery options

Maximising existing and new income streams from service delivery

- Develop model to ensure all service revenue streams meet full cost recovery principles
- Undertake benchmarking for all existing revenue streams with LG comparators
- Review all fees and charges in light of service cost and market potential
- Review local government comparators to identify new income streams for existing service lines
- Review services to identify any complimentary services that could deliver revenue stream (e.g. Commercial Waste or Recycling)
- Review existing asset footprint to deliver further rental opportunities

Developing a commercial culture to our decision making whilst retaining a public service ethos

- Deliver commercial skills training for staff via a series of masterclasses in “Commercial Councils” for Councillors and staff
- Support our service leaders by providing service diagnostics to understand cost drivers
- Actively seek to move transactional services to self service
- Support our service leaders to move towards the desired operating model
- Review service provision to consider whether Council remains best delivery vehicle
- Review availability of external grant programmes to support Council and partner services

Technical Appendices

Baseline Income Data

Cost of Capital and Target Returns

Funding Cost Baseline Calculations

Business Case Decision Tool Example

Example Investment Opportunities

Base Data – Income Streams

Cotswold 2019/20 Estimated Key Existing Revenue Streams £5.70m

Key income streams that the Council can control and have growth potential:-

	Existing	Target
	19/20	22/23
Car Parks	£2.30m	£2.75m
Green Waste	£0.66m	£1.00m
Planning Pre App	£0.06m	£0.10m
Other Waste	0.05m	£0.10m
Accommodation Letting	£0.09m	£0.10m
Commercial Property	<u>£0.55m</u>	<u>£0.60m</u>
	£3.71m	£4.65m
Other	£2.00m	£2.20m
Total	<u>£5.70m</u>	<u>£6.85m</u>
Uplift Potential		<u>£1.15m</u>

Cost of Capital & Target Returns

To deliver capital investment schemes that meet the ambitions of the Council but do not worsen the ongoing revenue position of the Council requires the Council to at least meet the annual revenue cost of capital. This cost is made up of two elements:-

- Minimum Revenue provision (in effect principal debt repayments)
- Interest Charges

In addition to this the Council has identified a requirement to deliver a return on capital above cost to close the budget gap. This equates to 2.5%.

Minimum Revenue Provision is typically related to the lifespan of an asset with a maximum of 50 years. An asset with a lifespan of 25 years will require a Minimum Revenue Provision twice that of an asset that lasts 50 years.

Example target returns are set out below for different asset classes:-

<u>Target returns :</u>	<u>MRP*</u>	<u>+ Interest</u>	<u>+ Return</u>	<u>= Total Return</u>
Renewable Energy	4	+ 1.7	+ 2.5	= 8.2%
Housing Schemes	2	+ 1.3	+ 2.5	= 5.8%
Commercial Dev Scheme	2	+ 1.3	+ 2.5	= 5.8%

In addition any investment needs to consider risk provisions that may be required and any repair or renewal obligations.

PWLB funding for commercial property investments not aligned to service provision will likely have a higher cost of capital

Constraints - Funding Costs

Borrowing Availability £54m – return required 2.5% =£1.36m

Minimum Revenue Provision: Asset Life Method

Typical Renewable Energy Schemes (25 year) 4%

Typical Housing Schemes (50 year) 2%

Typical Commercial Property (50 year) 2%

Borrowing Rates*

PWLB Certainty rate less 100 basis points 25 year 1.7%

50 year 1.3%

Loans - no MRP required as matched to principal repayments

Statutory and Advisory Guidance

CIPFA Prudential Property Investment Guidance

MHCLG Statutory Guidance

On-lending and Forward Financing rules

* This assumes borrowing costs under PWLB rates from alternate providers such as Municipal Bonds Agency

Business Case Decision Tool

Any business case requiring capital investment will need to complete a business case worksheet to assess whether a proposal will meet the appropriate test of affordability.

A capital investment that delivers a cost reduction will be dealt with in the same way with cost reduction replacing the income line.

An example worksheet is attached – all need to be signed off by the relevant Council Chief Finance Officer and Group Finance Director.

Pass/Fail decisions do not automatically lead to equivalent funding decisions but are advisory to decision makers.

Business Case Worksheet

Capital Scheme:	Housing Scheme A					
Net Yield Required to deliver financial target		3.50%		to deliver financial priority		
Capital Expenditure		1,400,000		to deliver service priority		
Net Income Target to support Council services	3.50%	49,000				
Gross Income	10.00%	140,000				
Expenses						
Voids	5%	7,000				
Maintenance	5%	7,000				
Miscellaneous		-				
Management	4%	5,600				
Irrecoverable VAT	2%	2,520				
Replacement Fund	5%	7,000				
Total deductions	21%	29,120				
Net income before financing	8%	110,880				
Debt Financing	5%	70,000				
Net Income after financing		40,880		Service Business Case Pass /Fail	PASS	
Net Income Yield		2.92%				
(Shortfall) to Target		- 8,120		Council Business Case Pass /Fail	FAIL	

Examples of Investment Opportunities

This list is neither prescriptive nor exhaustive – it gives some typical examples how we might meet our service delivery priorities whilst also delivering on the financial challenge of commercialisation.

- ❑ Delivery of Affordable Housing on Council Owned Land – part financed through market housing sale;
- ❑ Delivery of Solar PV Generation Capacity on owned or leased land/buildings to deliver reduced utility cost or generate a revenue stream;
- ❑ Delivery of Business Park with infrastructure delivered in partnership with Local Enterprise Partnership – ground rent or leased units delivering revenue stream to partners and improving local economy;
- ❑ Regeneration of Town Centre site to deliver long term rental stream from commercial tenants in respect of mixed uses such as offices, leisure and retail;
- ❑ Acquisition of Commercial Property within district to secure revenue stream but also enable better control of Town Centre;
- ❑ Investment in Electric Vehicles to deliver reduced fleet costs;
- ❑ Investment in new technology to reduce cost of existing service provision;
- ❑ Loan to a Housing Association / Council Company.



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 12
Subject	COTSWOLD DISTRICT COUNCIL RESPONSES TO TWO NATIONAL CONSULTATIONS: 1. WHITE PAPER: PLANNING FOR THE FUTURE 2. CHANGES TO THE CURRENT PLANNING SYSTEM
Wards affected	ALL
Accountable member	Cllr. Rachel Coxcoon - Cabinet Member for Planning Policy, Climate Change and Energy Email: Rachel.coxcoon@cotswold.gov.uk
Accountable officer	Matthew Britton (Principal Planning Policy Officer) Tel: 01285 623540 Email: matthew.britton@cotswold.gov.uk
Summary/Purpose	<p>The Government is consulting on two documents which, if implemented as proposed, will radically reform the current planning system. In doing so, the way in which Cotswold District Council plans for new development and determines planning applications will also be changed significantly.</p> <p>This report summarises Cotswold District Council's response to both consultations and considers the implications for the Council if the consultation proposals become law and national planning policy. The full consultation responses are provided in Annexes A and B.</p>
Annexes	Annex A - Cotswold District Council Response to Planning for the Future White Paper Consultation Annex B - Cotswold District Council Response to Changes to the Current Planning System Consultation
Recommendation/s	<i>That Council approves the proposed responses to the Planning for the Future White Paper and Changes to the current planning system consultations.</i>
Corporate priorities	<ul style="list-style-type: none"> • Responding to the challenges presented by the climate change emergency • Delivering good quality social rented homes • Presenting a Local Plan which is green to the core
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Consultation between Cotswold District Council officers, including: <ul style="list-style-type: none"> • Forward Planning

	<ul style="list-style-type: none">● Development Management● Heritage & Design● Housing Strategy / Affordable Housing● Climate Change Manager● Economic Development Lead● Community Partnership Officer● Senior Management Team <p>Further consultation and input from various equivalent officers at Forest of Dean District Council and West Oxfordshire District Council.</p>
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1. BACKGROUND

- 1.1. The Government is consulting on two documents which, if implemented as proposed, will radically reform the current planning system. This would change the way that Cotswold District Council plans for new development and determines planning applications.
- 1.2. The two consultations are:
 - White Paper: Planning for the future (MHCLG, August 2020)¹ - this consultation closes at 11:45pm on 29 October 2020; and
 - Changes to the current planning system (MHCLG, August 2020)² - this consultation closes at 11:45pm on 1 October 2020.
- 1.3. The Planning for the future White Paper consultation aims to reform, streamline and modernise the planning process, bring a new focus to design and sustainability, improve the system of developer contributions to infrastructure, and ensure more land is available for development where it is needed.
- 1.4. The Changes to the current planning system consultation aims to improve the effectiveness of the current planning system. Its four main proposals are:
 - changes to the standard method for assessing local housing need;
 - securing of First Homes through developer contributions in the short term pending the transition to a new system;
 - supporting small and medium-sized builders by temporarily lifting the small sites threshold below which developers do not need to contribute to affordable housing;
 - extending the current Permission in Principle to major development.
- 1.5. This report summarises Cotswold District Council's response to the two consultations and considers the implications for the Council and its priorities. The full responses to the specific questions raised in the two consultations are provided in Annexes A and B.
- 1.6. There are significant issues discussed within both consultations where consultation questions are not asked. For example, Proposals 15, 16, 17 and 18 cover changes to national policies on how the planning system can most effectively play a role in mitigating and adapting to climate change and maximising environmental benefits; the assessment of environmental impacts and the enhancement opportunities for valuable and important habitats; energy efficiency standards for buildings to help deliver our net-zero target by 2050; and conserving and enhancing our historic buildings.
- 1.7. The White Paper consultation web page enables attachments to be submitted alongside responses. This report will therefore be attached to the Council's consultation response to enable the Council to respond to important issues where specific consultation questions are not asked.

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907647/MHCLG-Planning-Consultation.pdf

2

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf

2. MAIN POINTS

- 2.1. Whilst some proposals within both consultations could potentially have a beneficial impact on the planning system, there are significant concerns about various proposals within both consultations. A summary of the main specific proposals is provided later on, but consideration is first given to the broader issues.
- 2.2. In a general sense, the Government makes plainly clear its dissatisfaction with the current planning system. They want to cut 'red tape' and complexity; speed up the planning process, both Local Plan production and decisions on planning applications; and replace discretion with a more rules based system.
- 2.3. Boris Johnson's Foreword to the White Paper sets out the crux of the Government's proposals:

"Designed and built in 1947 it [the planning system] has, like any building of that age, been patched up here and there over the decades... The whole thing is beginning to crumble and the time has come to do what too many have for too long lacked the courage to do – tear it down and start again".
- 2.4. The principal objective is to "Build, Build, Build" to dramatically increase housing delivery to enable the Government's 300,000 home a year national housing target to be met.
- 2.5. The White Paper aims to "*rediscover the original mission and purpose of those who sought to improve our homes and streets in late Victorian and early twentieth century Britain*". It points to Bath, Belgravia and Bournville as examples of how the system could work.
- 2.6. It is noteworthy, however, to first point out concerns with the very grounding principles of the proposed reform to the planning system. The successes which the Government points to were by no means the norm of their day or a common output of free market economics. They were more typically the achievements of a small handful of philanthropic individuals.
- 2.7. The Government highlights the success of the measures it has already introduced, which have boosted housing delivery from the 187,000 homes a year currently identified in adopted Local Plans to 241,000 last year. Yet the recently introduced deregulated planning policies that have largely achieved this, such as new permitted development rights for office and warehouse conversions to housing, are regarded as creating the very slum-like conditions, health issues, and the lack of social housing which the planning system was set up to resolve³. The inadequacy of the cramped living conditions, lack of access to services, and poor access to green space were all too apparent in these newly built and converted developments during the Covid-19 lockdown.
- 2.8. The consultation proposals level various criticisms at the current planning system, which are countered by the ambitions of the Government's proposals. For example, the Government wants to actively encourage sustainable, beautiful, safe and useful development rather than obstructing it; give people a greater say over what gets built in their community; cut red tape, but not standards; re-establish powerful links between

³ <https://blog.shelter.org.uk/2020/06/permitting-shop-to-housing-conversions-just-more-permitted-slum-building/>

identity and place, between our unmatched architectural heritage and the future, between community and purpose; and to actively address the challenges of climate change.

- 2.9. Drilling down into the detail of the consultation proposals, however, or the lack of detail, all too often finds these ambitions to be unsubstantiated soundbites. There is a general misunderstanding that sustainability is not just about environmental issues; it is also about social and economic issues. The focus is very much on delivering 300,000 homes a year and the lack of awareness of other significant issues is tantamount to focusing only on the visible 10% of an iceberg and being ignorant of the bigger mass that sits beneath the surface.
- 2.10. Instead of being at the forefront of the White Paper and a golden thread that runs throughout all proposals, climate change and ecological improvement issues are relegated down the list to Proposals 15-18. There are no consultation questions on the issues. There are no proposals that identify how creating healthy communities will be achieved, despite Covid-19 demonstrating the importance of active lifestyles, active travel, safe, inclusive and compact settlements, and access to green space. There are many other similar omissions such as this which this report will come on to explain.
- 2.11. The Government's ambition to speed up the planning process is understandable. The country is facing the deepest economic crisis in living memory. Increasing housing delivery would provide a temporary economic stimulus, as the construction industry provides jobs, albeit temporary jobs while the construction takes place, and the sale of homes provides stamp duty.
- 2.12. Whilst the planning process is heavily criticised, no such criticism is levelled at the development industry. The Local Government Association highlights that up to a million more houses have been granted planning permission than have been built over the past decade. While housebuilders require a pipeline of sites with permission to build on, this figure suggests that attempts to resolve housing shortages by making more land available for development is missing the point. In fact, it may distract from other more important factors, including the structure and practices of the housebuilding industry, and the ways land and property markets work.
- 2.13. But the planning process and the time it takes are necessary for good reasons. It checks development to ensure that the environment is protected, so that strong and sustainable communities are formed, and so that economic growth is delivered. Planning maximises opportunities from the precious and limited land resources that we have available. It also helps to deliver quality developments that will stand the test of time.
- 2.14. As with project management exercises, the delivery of developments hinges on three things: speed, quality and cost. The laser-like focus on speed over quality and cost is likely to result in poorer quality of developments, less sustainable communities, increased harm to the environment, possible (and yet to be quantified) additional plan.

- 2.15. Before diving into the specific aspects of the consultation proposals, it is finally important to note the detrimental impact of the Government's proposals on the democratic process. Under the rules based system and to speed up the process, communities would not be consulted at the planning application stage. They would only be consulted in the Local Plan production stage within a defined 6-month period. Furthermore, no explanation is provided as to how complex issues will be dealt with, such as biodiversity surveys that often take longer than 6 months to complete.
- 2.16. The Government's proposals represent a shift from devolved local decision making to something akin to a licensing process based on nationally prescribed rules. This undermines a locally democratic and accountable planning system. "As well as using technologies that engage more people, we need to devise technologies that engage people more meaningfully and create opportunities for citizens to shape proposals. The more involved citizens are, the more likely they are to accept neighborhood change, and the more effective (and efficient) our planning system can be."⁴
- 2.17. It is also noteworthy that despite the proposals attempting to create a black and white rules based system, planning is necessary to bring fair and balanced judgements. Planning is rarely black and white. It is a nuanced activity. It is also not a 'one size fits all cookie cutter style' activity that can be replicated across the country.
- 2.18. Cotswold District Council is willing to work with the Government to help improve the planning system. Indeed, the consultation responses provided in Annexes A and B provide many constructive suggestions. But there are fundamental concerns to various aspects of the consultation proposals, which in the opinion of officers must be totally reconsidered.

Summary of Planning for the future White Paper and Changes to the current planning system consultation proposals, including implications for Cotswold District Council

- There would be a **nationally set target of 300,000 homes per annum** across England. According to the White Paper, adopted Local Plans, where they are in place, currently provide for 187,000 homes per year. Changes to the rules already introduced by the Government elevated delivery to 241,000 homes in 2018-19.

Summary of CDC Response

No evidence has been used to formulate the 300,000 a year national housing target. Consequently, it is not known whether 300,000 homes a year are actually needed.

The only time in the last hundred years when the private sector has achieved the levels of housebuilding the government now wants to see was in the 1930s. Then, sprawling ribbon development created a public backlash that led to the foundation of the conservation movement and the introduction of more comprehensive planning controls.

The foremost reason for the 300,000 home a year target is to increase the affordability of housing. Yet it is estimated that meeting the government's target

⁴ The Wrong Answers To The Wrong Questions (A report by an independent group of planning academics, August 2020)

would reduce prices by as little as 0.8%⁵: considerably less than rates of increase over recent decades and an immaterial decrease in terms of being able to afford a house.

The White Paper does not take action on the true causal reasons of why housing has become so unaffordable, which are discussed later, so will be unlikely to deliver its objective. Furthermore, there is strong evidence to suggest that the 300,000 target will fall a long way short of being delivered.

- **A revised standard method for assessment of housing need**

Summary of CDC Response

Cotswold District's housing requirement is currently an average of 420 homes a year over a 20-year period. The current standard method would increase the requirement to 490 homes a year from 2023 or the point when the updated Local Plan is adopted. The proposed standard method would increase the requirement to 1,209 homes a year (or 12,090 homes for the proposed 10-year plan period).

Once the policy comes into effect, the transitional arrangements and the stage that the Cotswold Local Plan is currently at would mean the District would have to start planning for the increased housing need with immediate effect. The new Local Plan must be adopted within 30 months.

To put this in context, the increased housing need would require a 50% increase to Cotswold District's entire housing stock within 20 years. In terms of scale and by way of providing a visual representation of this figure, this is equivalent to building another Cirencester and its immediate environs or delivering an entire Chesterton strategic site every two years.

There are three main reasons for the increased housing need:

- the household projections only factor in migration patterns from the previous two years. Cotswold District has delivered exceptionally high levels of housing during this period, so the household projections are artificially high.
- the standard method doubles down on affordability as an adjustment factor. Cotswold District has extremely poor affordability of housing, which is reflected in an increased housing need.
- a cap, which previously prevented the housing need from increasing significantly, would be removed.

If the goal is truly to improve the affordability of housing, then other issues need to be addressed, including:

- land banking (i.e. land being used as a financial asset to increase share prices rather than to deliver housing) and developers purposefully 'drip-feeding' new homes into the market to inflate house prices;
- wages not keeping pace with house prices;
- not enough social housing being built;

⁵ [Tackling the UK Housing Crisis: Is Supply the Answer?](https://housingevidence.ac.uk/wp-content/uploads/2019/08/20190820b-CaCHE-Housing-Supply-FINAL.pdf) (Ian Mulheirn, UK Collaborative Centre for Housing Evidence, August 2019) <https://housingevidence.ac.uk/wp-content/uploads/2019/08/20190820b-CaCHE-Housing-Supply-FINAL.pdf>

- government initiatives that artificially inflate house prices⁶;
 - low interest rates and the increased ability of people being able to get a mortgage have both fueled an increase in house prices⁷; and
 - second home ownership and buy to let have removed housing from the market that could otherwise be made available to first home owners, and the resulting increased demand within a reduced pool of housing stock inflates house prices and worsens affordability.
- **A new standard method for setting ‘binding’ housing requirements for local authorities**

The standard method for assessing the minimum housing need is currently used as the starting point for determining housing requirements. Setting a housing requirement differs from the housing need, as further issues are taken into consideration, such as whether the overall housing requirement should increase to deliver more affordable housing or whether constraints mean that a lower housing requirement is necessary. The proposed standard method for housing requirements would replace this process with a data driven formula, removing debate of local circumstances and planning judgement from this process in order to speed up the production of Local Plans.

Summary of CDC Response

While the Council recognises that the process of setting housing requirement figures could be improved, it is vitally important that the process retains the ability to make balanced judgements that take account of both national and locally designated constraints. The constraints in each local authority area are different and require a balanced and nuanced consideration that cannot be undertaken through application of a one size fits all standard formula.

The reform represents a much deeper introduction of ‘computational urbanism’ that reveals a narrow and highly technocratic view of planning. Evidence shows that such an approach ‘strips out the complexities of place’. Fundamentally, the approach divorces spatial decision-making from political accountability, “government *through* technology quickly becomes government *by* technology”.⁸

The standard method for assessing housing need identifies an unconstrained national housing need of 337,000 homes, which the government says has sufficient headroom to deliver the 300,000 national housing target should some sites not come forward. If constraints are factored in, however, it will significantly reduce the ability to deliver the national housing target. We are concerned that delivering over 1,200 homes annually in Cotswold District is unrealistic. As a Council, we simply cannot force housebuilders to build new homes and they will not build more homes than they can sell.

A good case study is that of the 2,350 dwelling Chesterton strategic site in

⁶ How much help is Help to Buy? (Shelter, 2015); Financial Times (June, 2019)
<https://www.ftadviser.com/mortgages/2019/06/14/govt-exposed-to-significant-risk-through-help-to-buy/?page=2>

⁷ How does the housing market affect the economy? (Bank of England, September 2020)
<https://www.bankofengland.co.uk/knowledgebank/how-does-the-housing-market-affect-the-economy>

⁸ The Wrong Answers To The Wrong Questions (A report by an independent group of planning academics, August 2020)

Cirencester. When considering the deliverability of the strategic site, the Inspector of the Cotswold District Local Plan Examination reasoned that:

“although the local housing market is strong, it is of limited size. Whilst the number of completions in recent years has been largely determined by the availability of sites with planning permission, the average annual build rate in Cirencester over the last five years has been under 150 dwellings. So sustaining an average of around 230 per year for 9 years would represent a significant increase (over 50%) in market activity in the town.”⁹

The Inspector considered the build rates of the country’s most highly delivering strategic sites, which averaged at about 160-200 dwellings a year with competing housebuilders delivering around 35-45 homes a year.

The Inspector concluded that 1,800 dwellings could be delivered in the 10 year period between 2021-31 (an average of around 180 dwellings a year), which assumed that four housebuilders would build out the site.

“This would represent an average delivery rate slightly above that achieved on strategic sites elsewhere in the country. This is justified by the strength of the local housing market and the fact that a high quality scheme that includes infrastructure provision and 30% affordable housing has been assessed as viable. It allows for periods when there may be four housebuilders each delivering a total of 50-60 market and affordable homes per year, other times when there would be fewer operators and/or lower outputs, and the possibility of specialist accommodation being provided on parts of the site.”¹⁰

Cirencester is by far Cotswold District’s largest town and has the largest housing market. The Local Plan inspector was concerned about whether Cirencester’s housing market could accommodate 230 homes a year. Even if 230 homes a year could be delivered in the town, this would still leave nearly 1,000 homes a year to deliver elsewhere to meet the revised housing need.

Over 80% of Cotswold District is within the AONB and large parts of the area outside the AONB have further significant constraints. Only a small part of the District is less constrained and would be potentially suitable for growth. This focussed area will have a more limited housing market.

To put this in context, the whole of Cotswold District delivered an average of 578 homes a year between 2011-2019. The Local Plan was adopted in 2018 with 13 years remaining of the plan period, and a supply of sites comprising 2,870 dwellings worth of deliverable planning permissions; 1,800 dwellings at the Chesterton strategic site; 577 dwellings of other land allocations; and a windfall supply of 1,191 dwellings for the remainder of the plan period (6,438 dwellings in total). This is a not an inconsiderable amount of available land and there has been nothing to stop these sites from coming forward immediately. There are no planning policies that require phased or delayed developments. Yet housing completions in the District dropped to 312 in 2019/20. Land availability and planning policies have clearly not resulted in the drop in housing completions. There are much broader issues within the development industry, such as the delivery of infrastructure, the

⁹ Para 176 of the Report on the Examination of the Cotswold District Local Plan 2011-2031 (PINS, 5 June 2018, File Ref: PINS/F1610/429/2)

¹⁰ Para 178 of the Report on the Examination of the Cotswold District Local Plan 2011-2031 (PINS, 5 June 2018, File Ref: PINS/F1610/429/2)

dominance of national developers, land being used as a finance asset and the availability of finance. However, the White Paper does little to address these concerns.

Despite this, the implications of the White Paper are that the District would need to triple its housing requirement, more than double its annual delivery rate, and do so in a more focussed area with a smaller local housing market.

There are other issues, such as the availability of skills, labour, materials, the effects of Brexit and Covid-19, to name but a few, which could add further uncertainty. Whatever these may be, the reality is that the delivery of 1,209 homes a year in Cotswold District is vastly unrealistic.

A similar situation will almost certainly exist in other local authority areas, both urban and rural. For example Lichfield's, referenced by the Government as a key contributor to its proposals for the revised housing need figures, say that the 300,000 home a year target is unlikely to be deliverable¹¹ - they highlight the 93,532 annual housing need for London as looking unrealistic, given long term delivery rates in the capital have been only 30-40,000 per annum.

- **A new zonal planning system with interactive map-based Local Plans for a minimum 10-year period.** There would be three types of zone:
 - **Growth areas:** suitable for substantial development, and where outline approval for development would be automatically secured for forms and types of development specified in the Plan.
 - **Renewal areas:** suitable for some development, such as gentle densification.
 - **Protected areas:** where development is restricted.

Summary of CDC Response

Granting outline permission is not a simple process, particularly when providing for over 12,000 homes for a 10-year period in an authority as constrained as Cotswold District.

To agree that a development is acceptable in principle a wide range of material planning considerations must be taken into account and satisfactorily resolved. These may include drainage, access, highway safety, viability, affordable housing provision, infrastructure provision (not just highways infrastructure), the contribution of a development towards climate change and ecological improvements, to name a few.

Much of this would normally be assimilated and paid for by applicants and assessed at the planning application stage. The White Paper proposes to shift this burden onto local authorities, which would have associated time and resource implications.

The Government wishes to provide "lite" local plans that are significantly shorter in length and detail. It is unclear how the detail or evidence will be provided to allow "permission in principle" that can adequately mitigate the impacts of growth, which is a risk. The proposal that plans should be prepared within a statutory 30-month timescale will further exacerbate the level of risk.

¹¹ How many homes? The new Standard Method (Lichfields, August 2020)
<https://lichfields.uk/grow-renew-protect-planning-for-the-future/how-many-homes-the-new-standard-method/>

The consultation proposals also make no mention of the importance of nature within Growth and Renewal areas. Zonal planning also doesn't conform to nature's boundaries. Nature goes where it wants to go.

AONBs are cited as one of the few named examples of constrained land that would form part of 'Protected' areas, although there is no detail about other types of land constraint that would be included. It is therefore difficult to comment on the robustness of this initiative. The White Paper makes clear, however, that Protected areas would not stop development altogether in these areas. They would instead have 'more stringent controls on development'. These controls might be similar to the current planning controls in areas such as AONBs, although further detail is needed to confirm this.

- **Local Plans to be produced within a statutory 30-month timeframe with sanctions for those who fail** to do so. They would be significantly shorter in length, and limited to no more than setting out site- or area-specific parameters and opportunities. Although not specified within the White Paper, it is assumed that design codes / guides would also need to be produced within the same timescale, as they would need to accompany the Local Plan in order to set out how sites should be designed and delivered.

Summary of CDC Response

It is the officers' opinion that speeding up Local Plan production to under 30 months will cause reduced quality plans, poorer quality developments, missed opportunities, and harm to the environment. Furthermore, the White Paper's zoning proposals, which effectively grant outline planning permission in Growth areas, would require significantly more evidence at the Local Plan production stage to justify the allocation of developments than is currently required. This would transfer significant costs normally paid for by the development industry onto local government. This comes at the end of a period when planning has been underfunded for over a decade.

No detail is provided on what the sanctions will be for authorities that fail to deliver Local Plans within 30 months.

The government's reason for placing emphasis on time appears largely to be based on the misconception that the plan preparation process is slowing down the delivery of housing. There is no recognition in the White Paper that the costs of the proposed statutory timescale for local plan preparation may be significant if it involves the telescoping and intensification of work, and that LPAs may need financial support to discharge this new duty.

In addition, there may be good reasons why it takes longer than 30 months for a site to be brought forward in a Local Plan. For example, if a proposed land allocation is objected to by Natural England on the basis of the site potentially being an important habitat, it may be that the species in question can only be accurately monitored at a certain time of the year.

Equally important, extensive engagement would also be required at the plan making stage to ensure communities are able to voice their concerns and share local information with the Council. It is very unlikely that credible, meaningful and iterative consultations could be achieved within 30 months.

- **Increased small sites threshold for affordable housing exemption**

To assist small and medium sized developers through the pandemic, for an initial 18-month period the threshold at which affordable housing would be sought would be increased to 40 or 50 new homes.

Summary of CDC Response

This policy is not needed. Existing affordable housing thresholds do not prevent sites from coming forward. Sites where viability is an issue can already progress with a lower affordable housing threshold.

The proposed policy measure is also counterintuitive. The delivery of affordable housing is critical to improving affordability within the housing market. Substituting the delivery of affordable housing with market housing will have the net effect of making the housing market less affordable.

This initiative will redirect the money that is needed to deliver affordable housing into the pockets of shareholders.

A blanket increase of the affordable housing threshold to 40 or 50 units would significantly reduce affordable housing delivery across the country and for a much longer period than 18 months. Owners of sites with planning permission that have an affordable housing contribution would likely reapply for planning permission to attain the affordable housing exemption. Sites that are expected to provide affordable housing in, for example, the next 5 to 10 years would be incentivised to be brought forward sooner in order to capitalise on the reduced financial burden of not having to provide affordable housing, thus impacting on the delivery of affordable housing long after the proposed 18-month period.

Sites of between 10 and 40/50 dwellings deliver significant amounts of affordable housing. Last year 43% of the affordable housing delivered in Cotswold District was on sites of 50 units or less. The proposed change jeopardises the Council's strategy for meeting affordable housing needs in Cotswold District through its Local Plan.

As a rural district of which 80% is situated in the Cotswolds Area of Outstanding Natural Beauty, sites of less than 50 units are the backbone of sustainable delivery, and consequently affordable housing delivery. The proposed change will make it extremely difficult for the Council to achieve both its own objectives as well as the underlying ethos and objectives of the NPPF of creating mixed and balanced communities, supporting a prosperous rural economy and ensuring that local communities remain sustainable.

- **First Homes to become a new type of affordable housing** (minimum 30% of market price) to support first time buyers with **at least 25% of affordable homes being secured as first homes**

Initially the first homes would be secured through S106 planning obligations but, as stated in the White Paper, these will be potentially abolished and so they would subsequently be secured through the newly reformed Infrastructure Levy. One option includes First Homes replacing other affordable home ownership products.

Summary of CDC Response

There are concerns that the proposed minimum percentage of First Homes would preclude the Council from being able to deliver other forms of affordable homeownership housing, in particular shared ownership and social rented housing. No consideration appears to have been given to the impact of the First Homes policy on viability and site deliverability. This may require local authorities to reduce their overall affordable housing provision to accommodate the delivery of First Homes.

- **Five year land supply potentially removed**

In the current system the combination of the five-year housing land supply requirement, the Housing Delivery Test and the presumption in favour of sustainable development act as a check to ensure that enough land comes into the system. The proposed approach would aim to ensure that enough land is planned for, and with sufficient certainty about its availability for development, to avoid a continuing requirement to be able to demonstrate a five-year supply of land. However, having enough land supply in the system does not guarantee that it will be delivered, and so the Government proposes to maintain the Housing Delivery Test and the presumption in favour of sustainable development as part of the new system.

An alternative option is provided where the calculation of how much land to include in each category is left to local decision, but with a clear stipulation in policy that this should be sufficient to address the development needs of each area (so far as possible subject to recognised constraints), taking into account market signals indicating the degree to which existing needs are not being met. As now, a standard method could be retained to underpin this approach in relation to housing; and it would be possible to make changes to the current approach that ensure that meeting minimum need is given greater weight to make sure sufficient land comes forward. However, the government does not think that this approach would carry the same benefits of clarity and simplicity as our preferred option, and would also require additional safeguards to ensure that adequate land remains available, especially once the assessment of housing need has been translated into housing requirements. In this option, the Government would, therefore, propose to retain a five-year housing land supply requirement.

Summary of CDC Response

The White Paper specifies that Growth areas would effectively have outline planning permission. Renewal areas would effectively have a presumption in favour of sustainable development. The implications of not having a five year housing land supply or failing the Housing Delivery Test can only mean that land within Protected areas, such as AONBs, would be subject to the presumption in favour of sustainable development. This is a real concern and completely undermines the value of the Protected area designation.

- **Duty to Cooperate removed**

Summary of CDC Response

The Duty to Cooperate, a stop gap that was introduced to fill the strategic planning void left by the abolition of Regional Strategies, would be abolished. The White Paper does not put forward an alternative. There is much uncertainty about how strategic planning issues, such as infrastructure provision and nature conservation, will be managed.

Cotswold District is heavily constrained but would be required to deliver over 12,000 homes in a 10-year period. It may not be possible to accommodate this level of growth and it may be necessary for surrounding areas to assist by taking some of the requirement. If there is no formal strategic-level planning in place it is difficult to see how this will be satisfactorily resolved if the housing requirement is to be delivered.

- **Development management policies would be nationalised** with a faster and more certain emphasis on decisions

Summary of CDC Response

The proposals are a move towards planning effectively becoming more of a licensing activity, rather than a decision making process. However, there is a necessary element of subjective judgement when determining planning applications. Whilst the White Paper aims to reduce this through zoning, issues such as design and impacts on neighbouring properties will continue to be subjective, even when the principle of development has been established. Design codes and pattern books would instead be used and there would be community consultation on creating these documents, but even with those in place, the ability to build with no further checks beyond the original zoning is a huge concern and is an erosion of the democratic process.

Centralising development management policies would no doubt speed up the planning process but at the expense of removing local policies that respond to local issues. This approach also challenges the added value and worth of Neighbourhood Development Plans, which are principally focussed on developing local development management policies.

- **Extension of the current Permission in Principle (PIP) regime to include major development**

This measure is proposed to be introduced as a means of supporting economic recovery and making it easier to secure the principle of development on a site before more costly detailed design is undertaken.

Some restrictions will remain (such as those relating to Environmental Impact Assessment (EIA) and Habitats Regulations Assessment (HRA)). PiP will not be suitable for sites capable of delivering over 150 dwellings or more than 5 hectares. For commercial development, the consultation proposes to remove the 1,000 sq m limit for commercial development floorspace.

Summary of CDC Response

Environmental issues are far more widespread than just the ones that need EIA or HRA. Environmental issues could be such that they prevent a development from coming forward and should not be left until after Permission in Principle has been granted. Far from speeding up the process, some sites could achieve PIP but then be unable to progress further as other environmental issues are not able to be mitigated, thus creating a class of un-implementable sites.

- **Automatic rebate of planning application fees if appeals are successful**

Summary of CDC Response

This would likely hinder the planning authority from refusing schemes, even if they are entirely merited as being unacceptable. It is likely to promote a 'no win no fee' industry, with almost no risk to the applicant to challenge the process. The current system is equitable and costs can be awarded to the applicant or the local planning authority based on a well-established set of rules.

- **Engagement at the plan making stage, rather than in planning applications**

The proposals would limit the public consultation process to two rounds of consultation on local plans and no public consultation on planning applications, to remove 'delay' from the process.

Summary of CDC Response

This represents a significant degradation of the democratic process. People will be less able to have their say about developments in their area. Planning issues are often more relevant and concerning to people when the detail is known about a proposal. Providing feedback on a design guide or a Local Plan is unlikely to generate the same level of feedback as a development that a person can see will affect them.

What the Government calls a 'delay' is actually necessary checking and oversight to ensure that developments are designed and built to the required standards and that the opportunities are maximised.

This proposal should be seen in the wider context of the government's devolution White Paper, expected in the autumn months, which seeks to alter the geography of local planning authorities. It is yet to be understood whether this proposal and the prospect of larger local planning authorities will impact local community engagement in the planning process.

- **A single statutory 'sustainable development' test to replace the existing Local Plan tests of soundness**

Summary of CDC Response

Preparing a local plan is a project. All projects are governed by one of three key drivers: cost, quality and time. The need to ensure that a local plan is sound and legally compliant, and that it has been thoroughly assessed in terms of its sustainability, is part of a process to ensure that the plan meets certain predetermined quality standards. In the case of local plans the project drivers of cost and time are subordinate to that of quality.

The White Paper proposes to reduce the importance of quality, perhaps along with cost, and to promote time as the key driver. In practice, the result will likely be poorer quality across the board: poorer quality plans; poorer quality developments; and a poorer quality environment.

- **A digital-first approach**

The White Paper puts more emphasis on data, not documents; puts forward a rules based system to make decisions, rather than people and judgement; and promotes a more interactive engagement via digital services and tools. Local Plans would be visual and map-based, standardised, based on the latest digital technology, and

Summary of CDC Response

Making better use of digital technology is supported, particularly as some forms of consultation that are currently required are outdated and expensive. Making better use of digital technologies should not, however, prejudice people who do not have the means or skills to access those technologies. Neighbourhood planning groups may also face a skills shortage in this regard when producing plans for their areas.

There are concerns that the increasing use of digital technology and in particular computation logic that seeks to make decision making faster can only realistically be achieved by reducing some of the democratic rights that the current system allows to local communities to object. Algorithmic calculations must be open to the public so that they can be understood and challenged and ensure they do not dismiss other types of solutions and other types of knowledge about a place.

- **Neighbourhood Development Plans (NDP) retained**

Summary of CDC Response

The future role of NDPs is unclear. Development management policies would be nationalised. It is unspecified whether NDPs would be able to designate land for Growth, Renew or Protect, although this would likely be a function of Local Plans. So the role of NDPs could conceivably be reduced to producing a design guide for their area. This would be a significant reduction of the current capabilities of a NDP. The fact that Local Planning Authorities will be required to produce these design guides in any case further brings into question the value of neighbourhood plans.

- **Local design codes and guides to be prepared with community involvement by Local Planning Authorities**

Summary of CDC Response

The Council is generally supportive of the increased use of design codes and guides, which have been a success in Cotswold District. The preparation of design guides and codes is time-consuming and requires considerable well-qualified and experienced staff resource. There are fears that insufficient time will be available to prepare effective design codes and guides within the new 30-month timescales for local plan preparation, particularly if robust community consultation is to be undertaken.

In terms of design, the White Paper is heavily focused on aesthetics. It is not clear whether the Council will be able to incorporate issues, such as infrastructure provision, energy provision, etc., within design codes. So it is uncertain whether Design Codes will allow the Council to control how places function or whether this will be limited to just how places look.

- **A national design body to support the use of design codes and guides**, and exploration of a new role for Homes England in delivering beautiful places.

Summary of CDC Response

There are already a number of national bodies, such as the Design Council, Natural England and Historic England, that play a key role in these issues. There is a risk of duplication.

Some additional general guidance on design guides and codes would be beneficial, particularly for those LPAs that do not have in-house design expertise across the full range of relevant professions.

There is also concern about what the Government means by 'beautiful places'. This phrase is used extensively throughout the White Paper but it is entirely subjective. For example, it could be argued that places derive some of their inherent beauty from how they function, not how they look, but it is unclear what Government means.

- **The introduction of a 'fast track process for beauty' and NPPF changes to require all new streets to be treelined**

Where proposals come forward which comply with pre-established principles of what good design looks like (informed by community preferences), the new system would make it possible to expedite development through the planning process. This would incentivise attractive and popular development, as well as helping to relieve pressure on planning authorities when assessing proposals.

Summary of CDC Response

Throughout the white paper there is an emphasis on buildings and architecture in the context of "beauty". Beauty is in the eye of the beholder and is subjective. The assessment of beauty also requires professional consideration and time. It is not something that can be rushed through the planning system.

Whilst the general idea of increased green infrastructure is supported, especially within urban areas, all new streets being treelined is again a 'one size fits all policy'. There will be genuine reasons why a treelined street would not be appropriate in some circumstances, but this policy would not provide the latitude for flexibility.

- **A chief officer for design and place-making in each local authority**

Summary of CDC Response

Local Authorities already have Chief Planners and part of their responsibility is to preside over the design and place making aspects of planning. This may be an opportunity to invest in more design skills, although it is unclear whether the Government intends to fund this.

- **A new fixed rate Infrastructure Levy to replace S106 and Community Infrastructure Levy (CIL), based on the final value of development.**

Summary of CDC Response

A unified system for financial obligations is generally supported because the current twin track system of S106 and CIL creates uncertainty and confusion. The support is subject to several points of detail that need to be clarified.

Section 106 planning obligations cover more than mere financial contributions. A system needs to remain in place to cover management plans, occupancy conditions, etc.

One of the main benefits of CIL is that it captures small developments which combined add a significant burden on infrastructure but are rarely subject to a S106 agreement. The value based threshold seems to suggest that only larger developments would be subject to the new Infrastructure Levy which would result in a significant loss of infrastructure funds for Councils which currently run CIL. Therefore we disagree with the introduction of a set threshold.

The new charge seems to be solely focussed on housing development while the current CIL regime also allows charging of other developments. The proposals remain silent on this.

There is also concern about how CIL rates will be set - if it's a new national charge then is there a risk that it will be set to accord with locations with lower viability thresholds and developers could benefit from higher profits that could otherwise contribute towards bridging the infrastructure funding gap.

Incurring the Levy at the point of occupation will require intensive monitoring from the charging authority while giving little to no benefit. Viability issues are resolved via payment plans which could be set nationally.

- **Increased flexibility for Local Authorities on how CIL is spent**

Summary of CDC Response

There is already a bigger demand on funds to deliver infrastructure than there is money available. Therefore, money collected should be ring fenced to mitigate the impact of development. Using the levy to reduce Council Tax, which might be politically more attractive, will directly affect the sustainability credentials of future development. In the unlikely event there are funds left after the delivery of core infrastructure, it is suggested that funds be focussed on resolving historic issues and support the delivery of improved school facilities, green spaces, footpaths and cycle paths, etc.

If the Government increases local authority flexibility around spending, it will be necessary to ring-fence a sufficient amount of Levy funding for affordable housing to ensure that there is sufficient delivery to meet the affordable housing need.

- **Extending CIL to capture changes of use through some permitted development rights**

Summary of CDC Response

Any development that creates a new dwelling should be subject to the Infrastructure Levy. A barn or office which is being converted into a dwelling should not be exempt simply because it was in active use as a barn or office. This logic should be extended to self and custom-build development. If such developments are to be promoted a discount might be in order, but they are still creating an additional burden on infrastructure and should therefore contribute their fair share.

- **Local authorities will be able to borrow against the reformed CIL to forward fund infrastructure**

Summary of CDC Response

Borrowing against future receipts when there is no guarantee they will be received would be unwise. Moreover, borrowing to deliver infrastructure that is under the control of a County Council in two-tier areas (highways and education for example) adds another level of risk.

- **Affordable housing can be used to offset the levy**

Summary of CDC Response

The Council welcomes a more simplified version of S106 and CIL, which would bring affordable housing under the same umbrella as other types of developer contribution.

2.19. The White Paper includes a further section on '**Delivering change**'. There are no consultation questions on this, but the section can be summarised as follows:

- A comprehensive resources and skills strategy for the planning sector. The cost of operating the planning system to be principally funded by the beneficiaries of planning gain (landowners and developers) rather than the taxpayer.

This would mean that the cost of Local Plan production, determining planning applications, undertaking enforcement and any other planning activity, would come from the same pot of money that is used to fund infrastructure and provide affordable housing. If there was insufficient money to pay for all these activities, it could mean that less affordable housing is delivered or that the Council would be unable to provide the required planning services.

- A focus on digital planning and freeing up development management resources.
- A new performance framework for Local Planning Authorities, which would seek continual improvement in the planning system. As always, how 'continuing improvement' is measured will be the key, as the framework will likely prioritise speed over quality.
- A regulatory review to identify and eliminate outdated regulations which increase costs for Local Planning Authorities.
- Strengthened planning enforcement powers and sanctions.

3. FINANCIAL IMPLICATIONS

3.1. The consultation proposals have wide-reaching financial implications for the Council:

- The cost of operating the new planning system would be principally funded by the beneficiaries of planning gain – landowners and developers – rather than the national or local taxpayer. If a new approach to development contributions is implemented, a small proportion of the income would be earmarked to local planning authorities to cover their overall planning costs, including the preparation and review of Local Plans and design codes and enforcement activities.
- Planning fees would continue to be set on a national basis and cover at least the full cost of processing the application type based on clear national benchmarking.

- There would be greater regulation of discretionary pre-application charging to ensure it is fair and proportionate.
- The Council would be required to complete a full Local Plan review that is consistent with the new national policy within 30 months, as opposed to the partial Local Plan update that is currently underway. The emphasis on increased speed could involve increased costs.

Consideration is being given to work already being undertaken on the Local Plan partial update to minimise the risk of abortive work, should the Government's consultation proposals come into effect. Similarly, not delaying the Local Plan partial update is also of paramount importance, should the consultation proposals be dropped.

- The proposals indicate that there will be sanctions for local authorities that do not complete a nationally compliant Local Plan within 30 months. It is not yet known what these sanctions will be or whether they would have financial implications, but they may have.
- The Government wants Local Plans to be shorter, use a standard nationally prescribed template, require less evidence to justify policies, and have standardised nationally prescribed development management policies. These measures would reduce the cost of producing local plans. However, 'Growth' zones would effectively pre-provide outline planning permission to developments. The current system for obtaining outline planning permission requires applicants to submit supporting evidence. The proposals would shift this burden onto Local Authorities, which would increase the cost of producing local plans.
- There would be no public consultations on planning applications, which would reduce costs. However, the consultation would be shifted into Local Plans, which would also require intense periods of public engagement and this would come at a cost. This would make council budgets more difficult, requiring a huge spike in investment at each plan preparation period.
- There would be increased use of design codes and guides. The Cotswold Design Code, which is embedded within Appendix D of the adopted Cotswold District Local Plan 2011-2031, would need to be reviewed in light of any updated national policies and guidance.
- The planning reform would require a significant enhancement in digital and geospatial capability and capacity to support high-quality new digital Local Plans, digitally enabled decision-making, and more digitally enabled consultations. This would likely require investment in new IT software and training.
- In creating zones for 'Growth' and 'Renewal', the Government aims to reduce the number of planning applications. These would instead be dealt with through a 'prior approval' process. This would reduce planning application fee income. For example, planning permission for each new dwelling (up to 50 dwellings) typically costs £462, whereas a prior approval for a new dwelling costs either £96 or £206.¹² Despite this, experience of the existing prior approval process finds that

¹² https://ecab.planningportal.co.uk/uploads/english_application_fees.pdf

determining planning applications and prior approval schemes typically requires a similar or the same amount of specialist officer resources.

- Where applications are refused, it is proposed that applicants will be entitled to an automatic rebate of their planning application fee if they are successful at appeal.
- The White Paper aims to reduce the number of appeals. However, Cotswold District Council currently has a low appeals rate, particularly unsuccessful appeals. Automatic rebates to planning application fees if their appeal is successful may actually increase the number of appeals for Cotswold District Council, as refused applicants would be incentivised to appeal. Appeals require staff resources and often incur costs with supporting evidence or specialist advice.
- The revised standard method would increase the housing need in Cotswold District from an average of 420 homes a year to 1,209 homes a year. The White Paper explains that the housing requirement, which is different to the housing need, would likely take account of constraints, such as the Cotswolds Area of Outstanding Natural Beauty. The detail of how this will be undertaken is not provided, so the likely housing requirement is unclear. However, any upwards shift in the housing requirement may create additional funding if the Government is minded to continue with a financially incentivised scheme for housing delivery, such as the continuation of the New Homes Bonus, subject to the government's continued support for the scheme.
- The proposals would remove the requirement for planning permission for changes of use from offices and some other types of employment development to dwellings. Such changes of use are generally very profitable in Cotswold District and are a considerable incentive. If businesses are displaced out of the district, it risks losing business rate income.
- Cotswold District has numerous rural employment estates and premises. Enabling these buildings to be converted into housing would add an increased burden on Cotswold District Council and other authorities in terms of providing services, such as waste collection and health care, to these remote locations.

4. LEGAL IMPLICATIONS

- 4.1. At this stage, there are no legal implications.
- 4.2. The White Paper will require primary legislation to take effect. No timescales have been provided for this process, although the Government has said it intends to move quickly.
- 4.3. Working backwards, and based on the assumption of the need to deliver a Local Plan within 30 months and that the Government would want plans to be in place by the next General Election, one possible scenario might be that the Government would aim to make the White Paper law by Autumn 2021.
- 4.4. Compared with the White Paper, the Changes to the current planning system consultation is a far more detailed and practical consultation paper. The changes are also likely to be introduced sooner as they are more focused on encouraging economic recovery. It is anticipated that announcements on the implementation of these

measures could come soon after the consultation period has closed through to early 2021.

- 4.5. Officers will report back on the statutory implications of any changes of both consultations once they have been confirmed.

5. RISK ASSESSMENT

- 5.1. Both consultation documents present significant risks. They have a general lack of detail on specific measures that would be used to address (perceived) issues. Similarly, both consultations set out proposals on various issues but do not provide questions on these subjects. They therefore do not provide an opportunity for the Council to engage with and respond to the full extent of what is proposed in the Planning for the Future White Paper or the Changes to the planning system document.
- 5.2. For this reason, as well as providing responses to the specific questions that the Government has raised, a supplementary letter has been produced so that the Council can provide feedback on the various issues that are not covered in the consultation questions (see Annex C).
- 5.3. A summary of the most significant high level potential risks are provided below:
 - a. Both consultation proposals feature little on tackling climate change or ecological emergency issues. These appear to be secondary issues, rather than a golden thread that runs through all policies. Speed of delivery is promoted above all else, at the expense of delivering truly sustainable developments.
 - b. There would be a temporary 18-month increase in the threshold for which affordable housing is required to schemes of 40 or 50 units. This would severely reduce the delivery of affordable housing in Cotswold District for long after the 18-month period. To put this in context, last year 43% of the affordable housing delivered in Cotswold District was on sites of 50 units or less. Owners of sites with planning permission that have an affordable housing contribution would likely reapply for planning permission to attain the affordable housing exemption. Sites that are expected to provide affordable housing in, for example, the next 5 to 10 years would be incentivised to be brought forward sooner in order to capitalise on the reduced financial burden of not having to provide affordable housing, thus impacting on the delivery of affordable housing long after the proposed 18-month period.
 - c. The proposals would increase the housing requirement of Cotswold District from an average of 420 homes a year to an average of 1,209 homes a year. This presents a whole host of issues, not least whether this number is actually deliverable and what the implications for the Council would be if this number is not delivered, as well as the impact on the environment.
 - d. The proposals seek less public engagement and democratic oversight at the planning application stage and more at the Local Plan production stage. This would be a considerable erosion of the local democratic process.
 - e. If the consultation proposals are brought into effect, the Council would need to undertake a full Local Plan Update within the statutory 30 month period, as opposed to the partial Local Plan Update which is currently in progress.

The biggest risk in this respect, however, is that it is unclear whether the Council should continue to produce a partial update to its Local Plan or whether this will be wasted time and money; or whether the Council should start making preparations for a full update to the Local Plan that is more in line with what the White Paper proposals. The counter-risk is that should the Government not bring the consultation proposals into effect, the Council could find itself well behind in the original time-frame for updating the Local Plan and could find itself in a situation where the Council is no longer able to demonstrate a five year housing land supply.

To mitigate against the risk, the Forward Planning team will prioritise work currently underway in the partial Local Plan update that is unlikely to be abortive work should the consultation proposals become national policy. For example, a masterplan for Cirencester Town Centre.

At this stage it is difficult to update the Council's Local Development Scheme (a document that sets out the programme of work for preparing a local plan) until the government provides greater clarity. Officers propose contacting the Secretary of State for the Ministry of Housing, Communities and Local Government and/or the Planning Inspectorate to seek advice on the most effective way of progressing local plan making in advance of wholesale changes to the extant planning system.

6. EQUALITIES IMPACT

- 6.1. The government proposes a 'digital first' planning system. This would move away from traditional consultation and participation processes and towards a data and map-based planning system that is digitally processed.
- 6.2. Cotswold District has a well-documented digital divide, where some people cannot afford a computer or smartphone and others lack the skills to use this technology. Furthermore, not everyone wants to use digital channels. This is particularly true of social media such as Facebook and Twitter. The new digital first planning system could therefore exclude a section of the District's population from engaging with the planning process.

7. CLIMATE CHANGE AND ECOLOGICAL EMERGENCY IMPLICATIONS

- 7.1. The consultation proposals include reference to the need to mitigate and adapt to climate change. From 2025, the Government expects new homes to produce 75-80% lower CO2 emissions compared to current levels. The Government says that the homes would be 'zero carbon ready', with the ability to become fully zero carbon homes over time as the electricity grid decarbonises, without the need for further retrofitting work.
- 7.2. However, this thinking may be quite optimistic. It takes no account of the fact that by abandoning a fabric first approach, the buildings will have higher overall residual demand and therefore more planning for energy infrastructure will be needed. It also assumes a national programme of grid decarbonisation that, in and of itself, must be delivered via the planning system, through a White Paper that makes only one passing

7.3. The consultation proposals also aim to “*promote the stewardship and improvement of our precious countryside and environment, ensuring important natural assets are preserved, the development potential of brownfield land is maximised, that we support net gains for biodiversity and the wider environment and actively address the challenges of climate change*”. However, there is little detail setting out how this will be done so it is unclear how this aim will be delivered.

7.4. Despite this, the ambitions for climate change targets need to be greater if the country is to deliver on the legal requirements. Furthermore, there is little detail to explain how the issues of climate change or the national decline in ecology will be addressed. Conversely, when consideration is given to the proposals in the round, it is difficult to see how climate change and ecological issues will be addressed by cutting the checks and balances that are currently in place, or should be in place, to ensure that new developments have a positive impact on climate change and the ecological emergency.

8. ALTERNATIVE OPTIONS

8.1. Cotswold District Council could choose not to respond to one or both of the Government consultations. The Council could also choose to amend the consultation responses before they are submitted.

9. BACKGROUND PAPERS

9.1. The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- White Paper: Planning for the Future (Ministry of Housing, Communities and Local Government, August 2020)¹³
- Changes to the current planning system - Consultation on changes to planning policy and regulations (Ministry of Housing, Communities and Local Government, August 2020)¹⁴

9.2. These documents will be available for inspection at the Council Offices at Trinity Road, Cirencester, GL7 1PX during normal office hours or via www.cotswold.gov.uk for a period of up to four years from the date of the meeting. Please contact the author of the report.

13

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/90764/7/MHCLG-Planning-Consultation.pdf

14

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf

ANNEX A - COTSWOLD DISTRICT COUNCIL RESPONSE TO PLANNING FOR THE FUTURE WHITE PAPER CONSULTATION

Q1 What three words do you associate most with the planning system in England?

This is not a serious question for the LPA. The council should not respond other than perhaps to comment that this is the sort of pseudo-survey generated by marketing people who know what they want the outcome to be.

In common with most self-selecting surveys, it is guaranteed to only attract answers from the disgruntled. People who've got their planning consents without any need to appeal etc will not bother to answer. So the responses will be skewed and be of little value as evidence - they are very unlikely to tell anyone what's good about the current planning system.

Q2 Do you get involved with planning decisions in your local area?

Recommend no response.

[Yes / No]

Recommend no response – not a question for the LPA.

2(a). If no, why not?

[Don't know how to / It takes too long / It's too complicated / I don't care / Other – please specify]

Recommend no response – not a question for the LPA

Q3 Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future?

[Social media / Online news / Newspaper / By post / Other – please specify]

A question for the public and not the LPA. The Council will of course be very interested to see the responses.

Q4 What are your top three priorities for planning in your local area?

~~[Building homes for young people / building homes for the homeless / Protection of green spaces / The environment, biodiversity and action on climate change / Increasing the affordability of housing / The design of new homes and places / Supporting the high street / Supporting the local economy / More or better local infrastructure / Protection of existing heritage buildings or areas / Other – please specify]~~

Similar to question 1 in terms of its inherent bias towards those with a specific interest or an axe to grind. A marketing pseudo-survey. Recommend no response other than perhaps to make the point about the flawed nature of it as evidence. The reality is that this is entirely context and/or perspective dependant. All these points and many more besides are priorities for the Council.

Pillar One – Planning for development

Proposal 1: The role of land use plans should be simplified.

Q5 Do you agree that Local Plans should be simplified in line with our proposals?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

There are some good ideas in Proposal 1 that Cotswold District Council supports and there are others that we believe require further consideration.

We agree that growth areas should exclude areas of flood risk (as well as other important constraints), unless any risk can be fully mitigated. We also agree that local authorities should continue to resist inappropriate development of residential gardens in renewal areas.

We agree that more stringent development controls are necessary in protected areas to secure sustainability. Furthermore, we agree that it would be beneficial to have a standardised national policy map identifying all national and local policy designations. Consideration should be given to which designations should and should not be included on this map - for example, it would be extremely difficult for local authorities to map garden land and maintain this dataset.

Regarding the more stringent development controls proposed for areas of Protection, more detail is needed to specify what kind of development would be allowed in these areas. It is unclear whether the proposed controls will be more or less stringent than those currently in force. We support the idea that if there is justification to identify land as being an area for Protection (e.g. within an AONB), then these special areas should have more protection. In particular, these areas should not be subject to the presumption in favour of sustainable development if, for example, the Housing Delivery Test score is not sufficiently high.

We note that identifying land for Growth is similar to the existing situation where sites are identified and allocated in Local Plans. Being granted outline approval provides a similar level of certainty to having a site allocated in a Local Plan. We are concerned, however, that the identification of Growth

areas in development plans will still require much supporting evidence to certify that development in these areas is sustainable (e.g. archaeological assessments, biodiversity assessments, etc.). This would normally be adduced by applicants and assessed at the planning application stage. Proposal 1 would shift this burden onto local authorities, which would have significant associated time and resource implications.

Regarding allowing sub-areas within Growth areas to be created specifically for self- and custom-build homes, and community-led housing developments, powers should be provided to local authorities to make such designations in circumstances where the landowner is seeking a more profitable land use. It is desirable to avoid a situation where the Council is willing to designate sub-areas for custom-build homes and community-led housing developments but is unable to do so due to the unavailability of sites.

Proposal 2: Development management policies established at national scale and an altered role for Local Plans

Q6 Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally?

[~~Yes/No~~ / Not sure. Please provide supporting statement.]

Wherever possible, the Council would welcome reducing layers of policy to add clarity, certainty and simplification of the development management process. The Council is unsure, however, whether sufficient detail could be provided in national policy to address local characteristics and challenge in interpretation.

It seems to make sense for some policies to be the same across the country, for example policies on protected species or listed buildings. But this could lead to a loss of nuance - for example a biodiversity policy that highlights a particular habitat in an area or a particular landscape scale initiative. At Cotswold District, it has been very beneficial to have a specific policy on Conservation Areas since we have so many of them with relatively high levels of development pressure - it provides more detail to that which is given in the NPPF.

With any centralisation of policy, there is always the risk of over-generalisation and lack of local nuance. At present the NPPF is a material consideration and its policies do not override up to date development plan policies. The current proposal would mean that NPPF takes pre-eminence in respect of most planning policy matters. If policies were 'standardised' nationally, there is a risk of giving LPAs less negotiating power to deliver good quality locally-appropriate development. The Government appears to indicate that local

policies will be limited largely to design matters. These matters will need to be clearly defined to reflect a range of issues (other than appearance) involved in ensuring good design. It is unclear how much information local authorities will be able to include in their design codes and guides, especially if NPPF policies set out national guidelines.

This proposal also casts doubt about the development management content of neighbourhood plans. Presumably the nationalisation of development management would impact on NDPs as well – there are over 1000 now in existence.

Proposal 3: Local Plans should be subject to a single statutory “sustainable development” test, replacing the existing tests of soundness

Q7(a) Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of “sustainable development”, which would include consideration of environmental impact?

[Yes / No / Not sure. Please provide supporting statement.]

The Council’s response to this question should be read together with its comments on Proposal 16.

The principal motivation behind these proposals is “fewer requirements for assessments that add disproportionate delay to the plan-making process”. The Council wonders whether it is possible to identify:

- which assessments are deemed to add “disproportionate delay” as that may be largely depend upon the nature and complexity of the issues being assessed;
- what length of time would be classed as a proportionate delay; and
- by what measure would a proportionate or disproportionate delay be identified – who would set the benchmark and how?

Preparing a local plan is a project. All projects are governed by one of three key drivers: cost, quality or time.

The need to ensure that a local plan is sound and legally compliant, and that it has been thoroughly assessed in terms of its sustainability, is part of a process to ensure that the plan meets certain predetermined quality standards. In the case of local plans therefore the project drivers of cost and time are subordinate to that of quality.

What is being proposed here - and quite blatantly - is that quality is now relegated to a subordinate role, perhaps along with cost, and that time is now the key driver.

In practice this will mean in practice that all the qualitative checks and balances that fail to be considered when a plan is formally examined will be watered down and subordinated to the key driver of getting the job done quickly. This will result in poorer quality across the board: poorer quality plans, poorer quality developments and a poorer quality environment.

The term 'sustainable development test' appears to conflate the tests of soundness (legal and procedural) with the environmental assessment part of sustainability appraisal of the Plan. These are very different challenges. Moreover, sustainable development is a function of the interrelationship between three key components: environmental, economic and social. It follows that Sustainability Appraisal takes account of economic and social considerations both alongside and together with those relating to the environment. The government appears either to have overlooked or be ignorant of this basic point.

Q7(b) How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

The government proposes to remove the duty to cooperate and replace it with.....nothing. Given the importance of strategic planning in respect of major development and infrastructure projects, and not least the mitigation of environmental impact and climate change, the Council finds this gravely concerning.

In respect of Cotswold District the absence of a formal strategic cross-boundary dimension to planning that carries material weight in decision-taking is likely to precipitate a serious and acute problem. It is a problem that will emerge hard on the heels of the White Paper becoming the new planning regime. Taking the White Paper on its own terms, more than 80% of Cotswold District is likely to be classed as being within a Protected Area. It is estimated that the housing delivery requirement for the district will be over 12,000 homes for the next 10 year period. It may not be possible to accommodate this level of growth in a district so heavily constrained. It may therefore be necessary for surrounding districts to assist in Cotswold District's housing delivery by taking some of the requirement. If there is no formal strategic-level planning in place it is difficult to see how this will be satisfactorily resolved. What is certain is that none of the surrounding districts are likely to take this on voluntarily.

The most effective way to ensure that cross boundary issues are properly addressed is through formal strategic plan-making. Given the government's negative perception of development plans – insofar as they are perceived to be a brake on the development industry - this is unlikely to happen. Co-

operative working is a nice idea that in practice is ineffective and results in patchy, inconsistent approaches across the country.

The Council suggests that an alternative approach - and certainly not the best approach (which is formal strategic planning) - is to require all local plans to include a section that addresses strategic issues as they affect the local plan area. This section should set out how those issues are being tackled and may include policies that are prepared jointly with neighbouring LPAs (and/or county councils in two tier areas).

It would theoretically be unnecessary for these joint strategic policies/strategies to be examined more than once. Where a local plan for District X is adopted ahead of that for District Y and they have a shared strategic policy(ies), the latter could simply include the joint strategic policy(ies) in its plan and adduce sufficient evidence to satisfy the examining Inspector that it had already been found sound. If all plans are to be prepared within a 30 month timeframe there will be considerably less danger of shared policies becoming out of date between plan examinations.

Proposal 4: A standard method for establishing housing requirement figures which ensures enough land is released in the areas where affordability is worst, to stop land supply being a barrier to enough homes being built. The housing requirement would factor in land constraints and opportunities to more effectively use land, including through densification where appropriate, to ensure that the land is identified in the most appropriate areas and housing targets are met.

Q8(a) Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

While the Council recognises that the process of setting housing requirement figures could be improved it is vitally important that the process retains the ability to make balanced judgements that take account both of national and locally designated constraints. The constraints in each local authority area will be different and will require a balanced and nuanced consideration that cannot be undertaken through application of an overly-simplified standard formula.

The speed and simplicity of the Standard Method for calculating housing need hinges on the fact that it is purely a quantitative assessment and draws from a limited pool of data. The qualitative nature and the variety of constraints means that a simple formula that factors them into a housing requirement is unlikely to provide successful outcomes and is likely to encounter circumstances where it just does not work.

As an alternative, the Council would welcome further specific guidance on how constraints should be factored into the process of setting housing requirements. This would add certainty and remove time-consuming debate.

Furthermore, the Council strongly agrees that the process of setting housing requirements must take into consideration the extent of land constraints to take account of the practical limitations that some areas might face. This is especially important if the current cap on housing needs is to be removed from the Standard Method, as is proposed in the Changes to the Current Planning System consultation.

Neither the Changes to the Current Planning System consultation nor the White Paper specify which constraints will or will not be taken into consideration when setting housing requirements. It is vitally important that nationally significant constraints include Areas of Outstanding Natural Beauty, Scheduled Monuments and similar historic designations, and nationally important wildlife designations. It is equally important that local designations are recognised and taken into account when setting housing requirements. For example, Cotswold District has several locally designated 'Special Landscape Areas', which have significant value and which are accorded weight in the adopted Local Plan. The District also incorporates part of the Cotswold Water Park, which is another significant constraint on housing development, as well as locally designated wildlife areas, important green spaces, Conservation Areas and Listed Buildings.

Other considerations

Housing requirement figures currently take account of various other issues, which are not referred to in Proposal 4. For example: migration patterns; whether an uplift is needed to accommodate jobs growth; whether an uplift should be included to take account of the impact of infrastructure projects or to provide further affordable housing.

Further consideration should be given to such issues, if a Standard Method is going to be introduced for determining housing requirements.

Housing Delivery Test (HDT)

The Council observes that failing the HDT leads at present to policies for the supply of housing becoming out of date and being replaced by a presumption in favour of sustainable development.

The White Paper identifies that Growth areas would effectively have Outline planning permission and that Renew areas would also have a presumption in favour of sustainable development.

Would failing the HDT lead to presumption in favour of sustainable development in Protect areas? If so, this would considerably undermine the value of Protect areas. If not, what would be the consequence of failing the HDT?

Q8(b) Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

Use of affordability indicator to calculate housing need

The Standard Method assumes that low affordability of housing is caused by a lack of available land for housing development and, similarly, that building more homes will improve the affordability of housing (i.e. increasing the supply of homes decreases demand / need, thereby decreasing house prices to enable housing to become more affordable). This is a significant oversimplification of the affordability issue. It is neither entirely correct nor supported by evidence.

Cotswold District is a case in point. The District has maintained between a 6-7 year supply of housing sites for over five years since 2013. The district has also been within the top 10 authorities in the country for its Housing Delivery Test score since this test was introduced. It has sustained a significant over-delivery of its housing requirement for many years running. Yet house prices in Cotswold District have continued to increase and affordability has continued to worsen.

The Council has made more than sufficient land available for housing and has been a leader in the national effort to boost the supply of housing, yet the desirability of owning a home in the Cotswolds is such that simply building more housing has not solved and will now solve the affordability issue here.

There are multiple more nuanced factors that affect the entire country that need to be addressed in order to improve affordability. For example:

- land banking (i.e. land being used as a financial asset to increase share prices rather than to deliver housing) and developers purposefully 'drip-feeding' new homes into the market to inflate house prices;
- wages have not kept pace with house prices;
- not enough social housing has been built;
- both low interest rates and the increased ability of people being able to get a mortgage have fuelled an increase in house prices; and

- second home ownership and buy to let have removed housing from the market that could otherwise be made available to first home owners, and the resulting increased demand within a reduced pool of housing stock inflates house prices and worsens affordability.

The use of affordability is a crude and unsubstantiated method of calculating housing need. It is unlikely in reality to produce a reliable figure for the number of homes that are needed. As such it is an entirely unsound basis upon which to plan for housing growth.

Use of the extent of existing urban areas an indicator to calculate housing need

This indicator would help all areas to take a proportionate share of the national 300,000 homes a year housing target. However, the number of homes that exist within an area is also an oversimplification of how many houses are actually needed / required in an area. It does not, for example, take account of latent demand or “hidden households” where several generations of a family may be living under one roof due to the lack of availability of affordable housing.

A related issue is that the proposed revision to the Standard Method, as set out in the Changes to the Current Planning System consultation, stipulates the figure used to identify the extent of existing urban areas is the most recent dwelling stock count. So if an authority has over-delivered housing, this is written off in the calculation of housing need for subsequent years. Furthermore, the over-delivery of housing in previous years would actually cause an inflation of the housing need over the next 10 years. The Council is concerned that the use of this indicator will be a disincentive for local authorities to boost the supply of housing.

If the extent of existing urban areas is to become an indicator, we suggest it should also factor in how much growth has already occurred in the past 10 years. Significant past over- delivery should not result in a disproportionately higher future housing need. It is the equivalent of penalising an authority for its success.

Proposal 5: Areas identified as Growth areas (suitable for substantial development) would automatically be granted outline planning permission for the principle of development, while automatic approvals would also be available for pre-established development types in other areas suitable for building.

Q9(a) Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent?

[~~Yes/ No / Not sure.~~ Please provide supporting statement.]

This question has to be considered within the context of the new form of development plan being proposed. It is predicated on the assumption that granting outline permission is a simple process. It is not.

How can a plan effectively consider all the relevant issues for granting outline permission on all sites within specified zones and be produced within 30 months? Again, this betrays a level of ignorance about the planning system that is of deep concern.

Having the Local Plan provide as much certainty as possible in all aspects of allocation would be beneficial to avoid the current experience of having to re-visit issues at the Development Management stage. The proposal would, however, essentially be requiring all detailed matters such as drainage, access etc. currently considered at the Outline stage to be addressed at the Local Plan stage. Will access/drainage etc. be dealt with as part of the Local Plan allocation or as part of the permission? In the case of the latter, an applicant could have to spend a lot of money drawing up detailed plans of their scheme only to find that it is refused on inadequate access or poor drainage. If it is the former, Local Plans will essentially have to make DM decisions about matters such as access, highway safety and drainage prior to allocation. Consequently, it is doubtful that this proposal would simplify or speed up the process. And how will affordable housing and financial contributions be secured?

To agree that a development is acceptable in principle a wide range of material planning considerations must be taken into account and satisfactorily resolved including, for example, the capacity of extant infrastructure (and not simply highways infrastructure) to cope with the growth, the impact of development upon the natural environment and the contribution the proposal will make towards climate change mitigation. It is doubtful whether the “lite” local plans proposed by government will be sufficiently detailed or supported by sufficient evidence to allow “permission in principle” that does not run an unacceptable risk that the impact of growth will be inadequately mitigated. The proposal that plans should be prepared within a statutory 30-month timescale will simply exacerbate the level of risk.

General observations on the zoning proposals

In its rush to speed up the planning system the government appears to be unable to see the wood for the trees. In many instances, the value it ascribes to the areas it suggests should have a greater degree of protection from development – the so-called Protected and Renewal areas – only exist in their current form because the planning system in place since 1947 has been very effective in protecting and conserving them. And yet the government sees the

system as outmoded largely because it perceives it to be a brake on quick development.

The point is that, yes, the planning system is indeed a brake on development. And for very good reason. It applies a brake so that areas of value for nature or for local communities remain protected. It applies a brake to make sure that the impact of the proposal on infrastructure, visual amenity, community facilities and many other issues are properly considered. Government appears unable or unwilling to grasp that protecting things of value is not simply about the external appearance of buildings or places. It covers a very wide range of issues relating to the environment, economy and social considerations.

The Secretary of State appears to conceptualise planning as entirely about design or “beauty” (however that is defined). He says in his foreword to the White Paper that “Our reformed system places a higher regard on quality, design and local vernacular than ever before, and draws inspiration from the idea of design codes and pattern books that built Bath, Belgravia and Bournville.” The Secretary of State’s harping on “beauty” is, within the context of the rest of the White Paper, the equivalent of putting lipstick on a pig.

The return to Georgian or Victorian approaches to planning lauded as an exemplar by government would be accompanied by widespread environmental degradation, urban sprawl, grinding poverty, life-threatening levels of pollution and a host of other problems more usually associated with the third world.

The White Paper is grossly ignorant of the force for good that modern land-use planning can be. It takes time to properly plan for long-lasting sustainable development – that may be unpalatable to the government in its rush to “build build build”, but failing to plan properly will simply result in poor quality, unsustainable development. The “cookie-cutter” zoning proposals – “planning by numbers” - will result in the environmental degradation and ghettoisation of what will become benighted “growth” areas.

Q9(b) Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

The Council’s answer to the previous question is also relevant here. The government’s proposal that outline planning consent should be automatically granted for schemes that are in line with Local Plan proposals is naïve.

Although we ostensibly operate a “plan-led system”, in reality it is a twin-track system. Planning applications can be made for proposals that are on land unallocated in local plans, that overtly conflict with policy or which do not conform with the adopted plan for a host of other reasons. But the system is such that a refusal of consent can be appealed against. Planning Inspectors can, and do, override the Local Plan if in their judgement material planning considerations indicate that that is the correct decision.

So it is perfectly possible for an applicant to propose a scheme that is ostensibly in line with the adopted Local Plan and thereby formally obtain outline consent, and subsequently apply to change the proposal knowing that the appeal route is open to them if consent is refused. There consequently is no guarantee that what has outline permission via the Local Plan allocation will actually happen in reality. So long as that trapdoor remains in place, the government’s proposal is likely to fail.

The only way this proposal could be supported – and that would entail setting aside the reservations expressed elsewhere in these submissions – is on the basis that the land would be “locked down” until the Local Plan is reviewed and neither appeals against subsequent revisions to that outline consent nor any competing applications for full consent on the same land would be allowed. If the system remains plan-led, government should unambiguously back that with clear rules.

Q9(c) Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime?

[~~Yes / No / Not sure.~~ Please provide supporting statement.]

The Council considers that this is an irrelevant question. Again, it betrays the government’s obsession with speed over quality. The particular process or mechanism by which a new settlement would be developed is of little consequence when considered in the context of what sort of place will be created. What is of far greater importance is how the new settlement would contribute to climate change mitigation and minimising environmental impact, how it would achieve sustainable economic growth and thrive, and how it would be a place where people could lead healthy and fulfilled lives.

Proposal 6: Decision-making should be faster and more certain, with firm deadlines, and make greater use of digital technology

Q10. Do you agree with our proposals to make decision-making faster and more certain?

[~~Yes / No / Not sure.~~ Please provide supporting statement.]

The Council has concerns that aspects of Proposal 6 could make decision making slower. In particular, the Council has several concerns about the proposal to automatically rebate planning application fees if appeals are successful:

Proposal 6 states that introducing the automatic rebate of planning application fees on successful appeals is expected to result in fewer appeals being considered by the Planning Inspectorate. An automatic rebate of planning application fees on successful appeals, however, is an incentive for applicants to appeal. It could also encourage 'no win, no fee' style businesses to be set up, further driving up the number of appeals. Whilst the general idea of this measure is to promote proper consideration of applications by planning committees, the measure could actually increase the number of appeals being made. Further consideration needs to be given to this issue.

There is a necessary element of subjective judgement when determining planning applications. Whilst the White Paper aims to reduce this through zoning, issues such as design and impacts on neighbouring properties will continue to be subjective, even when the principle of development has been established.

Automatically rebating planning application fees if appeals are successful would likely hinder the planning authority from refusing a scheme, even if it is entirely merited as being unacceptable, if the planning authority cannot afford to pay costs. This is particularly pertinent in these constrained financial times. This risks an increase in harmful developments being granted permission.

Planning authorities and applicants are both currently at risk of an award of costs if they act unreasonably, which is fair. Automatically rebating planning application fees if appeals are successful only applies to planning authorities and not appellants, which is inequitable.

In a court of law, both sides risk costs. It is unclear why this principle has been disregarded. An equitable alternative would be for appellants to automatically pay costs if their appeal is unsuccessful or a financial penalty if they do not complete the development of a site within the specified time-period they have planning permission for.

Proposal 7: Local Plans should be visual and map-based, standardised, based on the latest digital technology, and supported by a new template.

Q11. Do you agree with our proposals for accessible, web-based Local Plans?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

The Council fully supports these proposals. However, the introduction of standards should be flexible enough to incorporate work that has already been done, as the Council has already taken significant steps towards this. Will funding be made available to reach the required standards?

Proposal 8: Local authorities and the Planning Inspectorate will be required through legislation to meet a statutory timetable for key stages of the process, and we will consider what sanctions there would be for those who fail to do so.

Q12. Do you agree with our proposals for a 30 month statutory timescale for the production of Local Plans?

[Yes / No / Not sure. Please provide supporting statement.]

The Council disagrees. Again, for the purposes of analysing the government's proposals an appreciation of the three basic drivers of a project are key here: quality, cost or time. Given its stipulation of a 30-month statutory timescale together with many other references in the White Paper to speeding up the process, the government plainly sees time as the priority driver for Local Plan production. The government's reason for placing emphasis on time appears largely to be based on the misconception that the plan preparation process is slowing down the delivery of housing. As is stated elsewhere in this response, this misconception at best betrays a failure in understanding of the development process on the part of the government. Moreover, as has been stated elsewhere, the twin track nature of the planning system means that development proposals are not entirely dependent upon local plans.

Regardless of the government's rationale, the objective inference here is that cost and quality are of lesser importance. This is because the statutory timescale will by its nature be inflexible and unresponsive to circumstantial considerations such as the emergence or procurement of evidence*.

A Local Plan sets the context *inter alia* for sustainable development, stewardship of the environment including climate change mitigation, economic prosperity and social well-being. The impact of environmental change is not ephemeral - it lasts for decades or more. Mistakes made as a result of hasty decision-taking cannot be easily rectified. Opportunities cannot be synthesised out of thin air. Technical evidence needs to be carefully assessed and decisions taken having regard to it. To borrow a government phrase, if it is to be sustainable a local plan needs in critical respects to be "led by the science". The quality of a local plan is therefore of paramount importance in ensuring a prosperous, sustainable and healthy context within which local people can live. Whilst it is clearly very important that local plans are up-to-

date and therefore are prepared in a timely manner, the placing of the time component of the project ahead of the quality component is a retrograde step and is not supported.

Whether time or quality are the key drivers it is inescapable that both are potentially costly and for different reasons. The White Paper does not appear to be accompanied by a cost-benefit analysis. Taking the government's proposals at face value, there is no recognition in the White Paper that the costs of the proposed statutory timescale for local plan preparation may be significant if it involves the telescoping and intensification of work, and that LPAs may need financial support to discharge this new duty.

The Council's response to question 9(a) in respect of outline permissions should be cross-referenced regarding this question.

*for example, if a proposed land allocation is objected to by Natural England on the basis of the site potentially being an important habitat, it may be that the species in question can only be accurately monitored at a certain time of the year. Therefore there will clearly be a delay in obtaining the necessary evidence, and that could potentially take 18 months or more. If that process is not started until halfway through the 30 month period it may be impossible to produce the evidence. Proceeding without it could potentially result in legal challenge or even amount to a criminal offence, particularly if the land allocation is deemed to be outline planning consent.

Proposal 9: Neighbourhood Plans should be retained as an important means of community input, and we will support communities to make better use of digital tools

Q13(a). Do you agree that Neighbourhood Plans should be retained in the reformed planning system?

[~~Yes~~ / No / Not sure. Please provide supporting statement.]

The Council would welcome further clarity on the future role of NDPs in the context of a zonal system.

It is unclear how NDPs will function in a zonal system. Zones are about creating certainty before the planning application is proposed, but NDPs are more about individual local communities and policies largely to aid that decision making. Similar to a Local Plan this takes time - in order to produce the document, evidence must be produced and a process followed, to 'make' a Plan.

If a zonal approach requires much more detail and an agreed design code early on, what is 'left' for the NDP to add? Is it still worth the time and commitment of volunteers? How does an individual smaller scale NDP really 'fit' into the certainty of an established District zonal system?

For example, in Cotswold District much of the area and therefore NDP areas are washed over by AONB, a 'protected' zone. Some NDPs make allocations, but how will allocations generally survive in the context of zoning?

If DM policies are to be established by central government, (and there has also been an increase in permitted development rights), what policies will NDPs be able to produce (rather than duplicate)? If they cannot have DM policies what will they include if they do not want to allocate sites? In addition, how will the very local issues be included - for example Somerford Keynes, with their list of locally distinctive species and habitats that they wish to see considered in planning applications?

Many NDPs already include/propose design guidance, the White Paper seems to respond to this, by introducing a concept of stronger community design statements, but this would appear to duplicate the residual role for NDPs (see para 1.23 'Communities will be able to set standards for design up front through local design codes'). The White Paper later mentions, however, 'Local planning authorities and neighbourhoods (through Neighbourhood Plans) would play a crucial role in producing required design guides and codes...' (para 2.14). This may relate to 'made' plans or is it a contradiction? CDC has three 'made' plans to date, and it also seems the proposals may make these quickly out of date and in need of review.

Q13(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

The Council considers that use of digital tools should complement, rather than replace, existing approaches to NDPs. There is likely to be a skills and funding gap in the ability of NDPs to use digital tools. This could generate requests both for further resources (from LPA and volunteers), and likely create work for planning consultants.

Proposal 10: A stronger emphasis on build out through planning

Q14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support?

[Yes /No /Not sure. Please provide supporting statement.]

Different housing types and designs increase customer choice and the Council supports the idea that a variety of housing options can lead to quicker

build out rates. This variety also adds resilience to the housing supply should, for example, a particular type of housing receive lower delivery rates, a particular developer have lower sales rates, etc.

The Council would support further national policy measures that reduce 'land banking' once sites are identified as being areas for Growth or are otherwise identified in the development plan as being a location that is suitable for development.

One such measure could be to render a planning consent void if the development is not substantively commenced within three years. The applicant to be precluded from extending the life of the permission or reapplying for permission on the same land within a period of ten years unless there are mitigating circumstances that meet statutory assessment criteria.

Pillar 2: planning for beautiful and sustainable places

Q15. What do you think about the design of new development that has happened recently in your area?

~~[Not sure or indifferent / Beautiful and/or well-designed / Ugly and/or poorly-designed / There hasn't been any / Other – please specify]~~

The Council considers that on the whole new developments (that is those from the last five years) are well-designed in the Cotswold District. Those designs have been guided by both the previous Cotswold Design Code (2000) and more recently by the new Cotswold Design Code (now part of the adopted Cotswold District Local Plan 2011-2031 - Appendix D). The BBBBC report "Living with Beauty" praises on p.37 "the excellent Cotswold Design Guide, the purpose of which is to encourage sympathetic housing in one of the most aesthetically sensitive areas of the country"

Q16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area?

~~[Less reliance on cars / More green and open spaces / Energy efficiency of new buildings / More trees / Other – please specify]~~

The Council has not taken a one priority approach to sustainability - sustainable development is about balancing environmental, social and economic considerations. Sustainability Appraisal of the Local Plan at key stages in its preparation ensures that the correct balance is struck. The proposal to abolish SA is a retrograde step, making it more difficult for the essentially "holistic" nature of sustainability to be properly and rigorously assessed in the context of a development plan.

The Council's change of administration in 2019 brought with it a clear commitment to making the Local Plan "Green To The Core". The review of the plan currently in the early stages of preparation intends to deliver on that commitment across the board.

Proposal 11: To make design expectations more visual and predictable, we will expect design guidance and codes to be prepared locally with community involvement, and ensure that codes are more binding on decisions about development.

Q17. Do you agree with our proposals for improving the production and use of design guides and codes?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

Design guides (such as the Cotswold Design Code, which forms part of the Cotswold District Local Plan - see response to Q15) provide guidance and direction without being overly prescriptive. Design codes are more prescriptive and there is real potential for them to stifle innovation and creativity and to result in all buildings across an area looking very similar. They are also prepared at one point in time and construction methods and materials (particularly in relation to sustainability) are changing fast and they may not provide the flexibility to respond to these changes. It may be more appropriate for design codes to be used for certain sites and development types but not to be a wholesale approach.

The White Paper promotes design guides and codes not only to achieve higher quality of design but also to speed up the planning process. Unless any guide/code is completely detailed to the last degree there will still be debate as to how they are interpreted effectively. These debates about design quality and detail are important in ensuring that developments deliver for everyone but they can take time. The preparation of reasonably detailed design guides and potentially design codes for particular sites or types of development may help to front-load this process; but it is not until the exact design is put forward that all stakeholders can understand how those guides and codes have been interpreted - design codes and guides should speed up the process but will not remove the need for public participation and knowledgeable decision making.

The preparation of design guides and codes is time-consuming and requires considerable well-qualified and experienced staff resource. There are fears that insufficient time will be available to prepare them properly within the new timescales for local plan preparation, particularly if there is to be robust community consultation.

The BBBBC report emphasises (p.57) the need for design codes to be "living documents" which are constantly up-dated. This will be challenging to achieve if they form part of a local plan, which even if they are produced more regularly will have a fixed life cycle.

The direct inclusion of the manual for streets within the national design guide and/or code should be considered as opposed to presenting it as a separate document. If it is separate there is a risk of inconsistency and difficulties in application, with different specialists referring to different documents - there should be one stream-lined approach.

It is important that design guides and/or codes refer to existing best practice.

Proposal 12: To support the transition to a planning system which is more visual and rooted in local preferences and character, we will set up a body to support the delivery of provably locally-popular design codes, and propose that each authority should have a chief officer for design and place-making.

- Q18.** Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making?

[~~Yes~~/~~No~~/ Not sure. Please provide supporting statement.]

The Council considers that the usefulness of such a body will very much depend on its make-up and staffing. Some additional general guidance on design guides and codes will be beneficial, particularly for those LPAs that do not have in-house design expertise across the full range of relevant professions. It is particularly important, given the need to deliver net environmental gain, that any body that is set up or new training materials etc refer to not only architectural design but also the design of green infrastructure, including biodiversity, recreation etc and take into account wider benefits such as community cohesion, carbon management and so on, not purely aesthetics. There are already a number of national bodies, such as the Design Council, Natural England, Historic England etc that play a key role in these issues and there is a risk of duplication. There is also a shortage of people with the skills to deliver this type of work and it would be unfortunate if the setting up of a new body led to a skills drain from the existing organisations. Perhaps some sort of "temporary" organisation could be considered that seconded in staff from public and private sector organisations, including local planning authorities, on a part-time basis.

Design and place-making are part of the day-to-day function of a planning service. Most LPAs already have a lead Planning Officer. It is likely that

officer will simply adopt the role of Chief Officer for design and place-making, if indeed such a grand title is necessary. It seems reasonable to assume that the origin of this proposal lies in the Secretary of State's preoccupation with "beauty". But in fact it again betrays ignorance at governmental level as to the scope of extant planning services – this is already part of the "day job" of a Chief Planning Officer. This ignorance is a matter for concern. It goes some way to explaining several of the more outlandish and baffling proposals being put forward in this White Paper.

Proposal 13: To further embed national leadership on delivering better places, we will consider how Homes England's strategic objectives can give greater emphasis to delivering beautiful places.

Q19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England?

[Yes/No/ Not sure. Please provide supporting statement.]

The Council has had little involvement with Homes England and so is unable to comment.

Proposal 14: We intend to introduce a fast-track for beauty through changes to national policy and legislation, to incentivise and accelerate high quality development which reflects local character and preferences.

Q20. Do you agree with our proposals for implementing a fast-track for beauty?

[Yes / No / Not sure. Please provide supporting statement.]

Throughout the white paper there is an emphasis on buildings and architecture in the context of "beauty". Beauty is in the eye of the beholder. Emphasis should be given to the natural environment and its importance in health and wellbeing, economic growth, habitat connectivity, water management etc, which can all be seen to be part of this "beauty" agenda. There is a wide range of evidence to support this, such as the recent PHE publication

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904439/Improving_access_to Greenspace_2020_review.pdf. There is also only limited reference to climate change. There are no questions on paras 3.22 to 3.35, which cover the natural environment as well as the historic environment and climate change. This again brings to the fore a worrying degree of ignorance about the scope of land-use planning. Crudely

defining “beauty” as referring only to the superficial appearance of buildings and places is analogous with referring to art only in the context of painting in oils.

The concept that developments that deliver on agreed design guides and codes will move quicker through the planning system is self-evident but there will still be a level of interpretation that may need to be fully considered.

It is unclear from the consultation whether there will be a formal change to how an application is processed if the applicant states that their design meets the relevant codes and guides or whether there will simply be a presumption that this should be looked on positively.

The second element laid out in para 3.18 needs additional clarification. The Council suggests that a stepped approach would be appropriate. At the point of "allocation" any site that is proposed for development as a "growth area" should be allocated with a co-ordinating code (similar to a very short and visual site brief and as described in <https://matthew-carmona.com/2017/01/27/coordinating-codes-the-right-tool-for-the-job/>). This will give some certainty to the local community as to what is proposed and to the developer on the level and value of any potential development. This would be in addition to any general design guides or codes (which might be area or development type specific). Once the principle of the growth area is accepted, a much more detailed site specific masterplan and design code should be prepared, based on the original co-ordinating code. This could potentially be produced as a partnership of the LPA, the site promoters and the community. This would be resource demanding and clarity is required as to who would pay for this step and co-ordinate the process. However, the final decision on its acceptability should lie with the LPA following full and comprehensive public consultation. The final very detailed development proposals should be in line with the masterplan and detailed code - and provided that they are able to receive full consent (or prior approval) very readily.

The third element is to be subject to testing. There are risks in intensification of development that valuable green space (which in itself can provide water management, pollution control, biodiversity etc) will be lost to the detriment of the urban environment and the quality of life of all residents. Similar mechanisms are already available via NDPs but have not been widely taken up.

Para 3.21 states "we also intend to legislate so that prior approval for exercising such rights takes into account design codes which are in place locally (or, in the absence of these, the National Model Design Code)." It

would be beneficial and more comprehensive if this also referred to local and national design guides.

Proposal 15: We intend to amend the National Planning Policy Framework to ensure that it targets those areas where a reformed planning system can most effectively play a role in mitigating and adapting to climate change and maximising environmental benefits.

NB no questions with proposals 15 - 18

Comments: The Council considers that the overall ambition described in proposal 15 would appear to be admirable and offer some potential regarding environmental enhancements. However, what is not clear is how this will work in reality. In preparing spatially-specific policies a great deal of work will need to be done in the early stages of plan preparation given that some of the issues are likely to be controversial. Stage 1 is allocated six months under the new regime, but experience has demonstrated that negotiations and ambitions relating to the countryside evoke very strong feelings, locally, and inevitably take time to resolve. More time than Stage 1 allows for. Renewable energy is also mentioned in this proposal, but no preferences are listed. Types and the allocation of renewable energy can be very controversial. Therefore, a timeframe of six months to achieve local consensus is not considered to be realistic and presents another opportunity for the new style local plan to fail.

Moreover, just as personal opinion is not uniform, neither is the environment. The approach hinted at in proposal 15 is again one of zoning. A particular place for a particular improvement, action or enhancement. Nature does not recognise zones. The White Paper should be seeking improvements and enhancements to the environment as a whole and not singled out to a few areas or types. A holistic approach is required if any ambition of this nature is to work.

Proposal 16: We intend to design a quicker, simpler framework for assessing environmental impacts and enhancement opportunities, that speeds up the process while protecting and enhancing the most valuable and important habitats and species in England.

The Council notes that there will be future consultation on this topic to ‘*abolish the Sustainability Appraisal system and develop a simplified process for assessing the environmental impact of plans*’ (para 2.19). Notwithstanding the undertaking to further consult on the proposal, the Council consider that it raises serious concerns.

Sustainability Appraisal includes environmental, as well as a social and economic assessment of the plan, which helps to reinforce delivery of

sustainable development. Environmental concerns could dominate the new system if the latter are not included. Environmental aspects of a new framework considered 'early on' may leave little room to either tell 'the story' of how the Plan has developed over time (providing a valuable evidence base), or to address the social or economic considerations of development alongside environmental consequences; and which therefore suggests an approach meant to simply accommodate development.

Speed is central to the White Paper with an emphasis on increasing the supply of land for housing. In terms of a new environmental assessment, the proposals are for '*A simpler test, as well as more streamlined plans, should mean fewer requirements for assessments that add disproportionate delay to the plan-making process*' (para. 2.19) and specifically '*...that speeds up the process...*' (proposal 16). A focus on speed to deliver, rather than as a means to show the plan is the (most) appropriate approach given the alternatives, means SA (environmentally-led or otherwise) is considerably weakened when appraisal is only seen as a 'delay' rather than sound, iterative assessment.

A key question in being able to contribute to sustainable development has often been how is the Plan improving upon a situation that would have existed if there was no Plan? The question now seems to be how simply and quickly can we assess environmental issues and overcome them to build, build, build. Wider objectives of sustainable development such as housing, employment, health, climate change and the environment are not considered together, if at all. And in any case there would probably not be enough time in the new system. As an iterative process sustainable development objectives should be taken into account as a matter of course to shape the Plan over time and not be a quick (environment focused) document that stands in the way of development.

Government rightly says "It is vital that environmental considerations are considered properly as part of the planning and development process". But it needs to work much harder to present a coherent and convincing case that its proposals for speeding up the critically important processes covered by Strategic Environmental Assessment, Sustainability Appraisal, and Environmental Impact Assessment (government omitted Habitats Regulation Assessment from its list) can be achieved without giving rise to unsustainable development or threatening/destroying the country's natural assets.

Again the three basic tenets of project management are a useful analytical tool here. If anything that planning addresses needs to have quality as its top priority it is this area. But, as with many other aspects of the White Paper, government is obsessed with speed. This conflict in priorities is very likely to clash. Without the backstop of EU Directives, it is reasonable to be concerned that the environment will be the loser.

At paragraph 3.27, this sentence is particularly concerning: “Outside of the European Union, it is also important that we take the opportunity to strengthen protections that make the biggest difference to species, habitats and ecosystems of national importance, and that matter the most to local communities.” There are several inferences here. Firstly, is it the case then that protections that do not make “the biggest difference” to species etc are likely to fall prey to the bulldozer? How, amongst the vastly complex interaction of species, habitats, green corridors and other factors, will the less important protections be identified? By whom? Secondly, if a local community decides that it would rather have new housing built on a SSSI, does that make that development a shoo-in?

These assessments are a matter of science and not public opinion. To suggest otherwise is absurd. Government needs to “follow the science” just as it often says it’s doing regarding the Covid-19 pandemic.

Proposal 17: Conserving and enhancing our historic buildings and areas in the 21st century

Comments: The Council notes that this proposal makes sympathetic noises about conservation, importance of historic environment, adaptation to climate change and adaptation to new uses but, again, it comes down to cutting corners and increasing speed of decisions: “Key to this will be ensuring the planning consent framework is sufficiently responsive to sympathetic changes, and timely and informed decisions are made.” (para 3.30)

Perhaps of more concern are the final two sentences of 3.31 “...we want to explore whether there are new and better ways of securing consent for routine works, to enable local planning authorities to concentrate on conserving and enhancing the most important historic buildings. *This includes exploring whether suitably experienced architectural specialists can have earned autonomy from routine listed building consents*” (CDC’s emphasis).

Akin to the phrase “the biggest difference” noted above regarding proposal 16, here we have the equally value-loaded “the most important”. Which again implies that historic buildings that are not deemed to be “the most important” and may be vulnerable to the bulldozer. Things take a slightly sinister turn with the suggestion that certain specialists can have “earned autonomy” – presumably to undertake works to historic buildings without express consent from the LPA. The inference here is that these people – presumably on some kind of register – can knock buildings about without the need for formal consent because they’re deemed to know what they’re doing. It’s a short step from that to allowing developers to build wherever they like because they too know what they’re doing....and with prescriptive design codes and cookie-

cutter development zones, who needs planners and planning committees any more?

Proposal 18: To complement our planning reforms, we will facilitate ambitious improvements in the energy efficiency standards for buildings to help deliver our world-leading commitment to net-zero by 2050.

Comments:

The Council observes that the UK government's legal commitment to net zero by 2050 is indeed world leading insofar as the UK was one of the first to enshrine an emissions reduction target in law. However the commitment falls a long way short of the ambition necessary to deliver the Paris commitments (for example <https://climateactiontracker.org/countries/uk/>) and the UK's progress to meeting its own goals is off-track (see 2020 CCC report to Parliament).

Requiring by 2025 new homes to produce 75-80% lower CO2 emissions than currently is broadly a move in the right direction. However, setting policy must take account of the depth and gravity of the climate crisis, and how far the UK has to move to conform with its commitments under the Paris Agreement. Therefore stopping at this level of ambition, and leaving those homes to become net-zero through the eventual decarbonisation of the grid, is wholly insufficient. The technology and techniques exist now for homes to be true net zero carbon, even within the limits of the current grid carbon intensity. It is essential that the level of ambition is raised dramatically. All experience, across many sectors of the economy, shows us that the cost of delivering a demanding target falls steeply with economies of scale and learning curve effects, and the same will be true of net zero carbon house building.

The Council finds it difficult to comment on para 3.33 because the 'shortest possible timeline' could mean anything. As words, this is fine, and nothing to complain about. However the timeline is weak – it would be completely possible to nail down energy efficiency standards to be in force no later than, say, 2023 or 2024.

The proposal at 3.34 is promising, but government needs to address the current ambiguity surrounding the ability of LPAs to set ambitious energy and carbon standards for new homes. When this has been attempted in the past it has been met with resistance from the development industry at Local Plan EiP on the grounds that the Council should not be setting standards that exceed those that currently apply nationally and which are more properly a matter for building control than planning.

The proposal at 3.35 is also promising, given that current enforcement of building regulations is woeful for lots of well known reasons. However, for this to have teeth there should be a clear requirement for POE (post occupancy evaluation) and associated data gathering which forms the backbone of LA enforcement activity, as well as inspection during the works taking place.

Pillar 3: planning for infrastructure and connected places

Q21. When new development happens in your area, what is your priority for what comes with it?

[More affordable housing / More or better infrastructure (such as transport, schools, health provision) / Design of new buildings / More shops and/or employment space / Green space / Don't know / Other – please specify]

No comment recommended – this is a question for the public. The same reservations regarding questions 1 regarding marketing pseudo-surveys apply here.

Proposal 19: The Community Infrastructure Levy should be reformed to be charged as a fixed proportion of the development value above a threshold, with a mandatory nationally-set rate or rates and the current system of planning obligations abolished.

Q22(a). Should the government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold?

[Yes / ~~No~~ / ~~Not sure~~. Please provide supporting statement.]

The Council supports a unified system for financial obligations because the current twin track system of S106 and CIL creates uncertainty and confusion. However, we would qualify that support as follows:

1. Section 106 planning obligations cover more than mere financial contributions. A system needs to remain in place to cover management plans, occupancy conditions etc.
2. One of the main benefits of CIL is that it captures small developments which combined add a significant burden on infrastructure but are rarely subject to a S106 agreement. The value based threshold seems to suggest that only larger developments would be subject to the new Infrastructure Levy which would result in a significant loss of infrastructure funds for Councils which currently run CIL. Therefore we disagree with the introduction of a set threshold.

3. The new charge seems to be solely focussed on housing development while the current CIL regime also allows charging of other developments. The proposals are silent on this.
4. Incurring the Levy at the point of occupation will require intensive monitoring from the charging authority while giving little or no benefits. Viability issues are resolved via payment plans which could be set nationally.

Q22(b). Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally?

[Nationally at a single rate / Nationally at an area-specific rate / Locally]

A 'Nationally set area-specific rate' or 'Locally set rate' would be required to take into account local factors/viability

Q22(c). Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities?

[~~Same amount overall~~ / More value / ~~Less value~~ / ~~Not sure~~. Please provide supporting statement.]

There currently are not enough funds available for the infrastructure needed to support development while at the same time house building remains very profitable. More value is therefore required.

Q22(d). Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

Borrowing against future receipts when there is no guarantee they will be received would be unwise. Moreover, borrowing to deliver infrastructure that is under the control of a County Council in two-tier areas (highways and education for example) adds another level of risk.

Proposal 20: The scope of the Infrastructure Levy could be extended to capture changes of use through permitted development rights

Q23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights?

[Yes / No / ~~Not sure~~. Please provide supporting statement.]

Any development that creates a new dwelling should be subject to the Infrastructure Levy. A barn or office which is being converted into a dwelling should not be exempt simply because it was in active use as a barn or office. This logic should be extended to self and custom-build development. If such developments are to be promoted a discount might be in order, but they are still creating an additional burden on infrastructure and should therefore contribute.

Proposal 21: The reformed Infrastructure Levy should deliver affordable housing provision

Q24(a). Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present?

[~~Yes / No / Not sure~~. Please provide supporting statement.]

Over the past 4 years, over 95% of affordable housing in Cotswold District has been delivered through on-site developer contributions. In high value areas, where land is at a premium and Councils and Registered Providers are unable to compete for land on the open market, financial contributions for off-site affordable housing do not deliver equivalent numbers of affordable housing. The Council considers it vital that any reforms continue to deliver on-site affordable housing at least at present levels.

There should to be some form of requirement for on-site delivery as developers are already pushing for off-site contributions which will impact severely on delivery in Cotswold as we are unable to acquire alternative land on which to build the affordable houses.

S106 agreements also secure occupancy and management conditions as well as mortgagee conditions. It is unclear from the proposals how will these be dealt with.

Q24(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities?

[~~Yes / No / Not sure~~. Please provide supporting statement.]

The Council would welcome a mandatory requirement for in-kind delivery on-site where an authority wishes to do so. As well as specifying the forms and tenure of on-site provision, Local Authorities should also have means to ensure standards of management, occupancy/local connection requirements

and early appointment of Registered Provider as currently provided for in S106 agreements.

Local authorities should be given the means to set discount levels for affordable housing based on local circumstances ensuring smaller high quality local Registered Providers (RPs) are not outbid by larger national RPs with greater financial resources but no local management presence .

The NPPF requires local planning authorities to prepare a Local Housing Needs Assessment to assess their full housing needs, identifying the mix of housing and the range of tenures that the local population is likely to need over the plan period.

Having identified the relevant need the NPPF requires local planning authorities to use their evidence base to develop policies in their Local Plan that cater for the identified housing demand and the scale of housing supply necessary to meet this demand.

Under the 'right to purchase', with the top-down regulatory imposing of a nationally set percentage and developer discretion over which units were sold in this way, it is unclear how Local Authorities can ensure that the affordable housing delivered adequately addresses locally identified need. Housing provided by the market in Cotswold District is predominantly 3, 4 and 5 bedroom homes, however the Council's Local Housing Needs Assessment identifies the majority of households in need of affordable housing require 1 and 2 bedroom homes.

As the availability of land for development is constrained with the AONB, the Council is heavily reliant on negotiated on-site delivery of affordable housing to meet its identified housing need. The cost of acquiring suitable alternative land for volume delivery of affordable housing is prohibitively expensive in such a competitive market and would require additional levels of funding to facilitate delivery or result in a reduction in the number of units. The competitiveness of the market in Cotswold District is likely to be exacerbated by the zoning proposals set out in the White Paper with consequential effects on the cost of acquiring land for delivery of affordable housing. The Council considers the alternative approach would not deliver the required type and volume of affordable homes consistent with present levels.

Q24(c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk?

[~~Yes/No~~ / Not sure. Please provide supporting statement.]

The Council awaits details of the policy design, however any increased burden on staff resources should be examined thoroughly so as not to simply replace the time-consuming administrative burden of negotiating S106

agreements with an alternative complex and lengthy valuation and negotiation process.

Under the current system, in the event of a market fall, affordable housing units continue to be delivered as a secure income stream for the Developer and RPs are often able to acquire unsold market units 'off the shelf', increasing the level of affordable housing provision. Under the above proposals, if a proportion of units are 'flipped' back to market, the level of affordable units will be reduced in the event of a market fall.

If the developers' risk is mitigated, this should be reflected in levels of profit and risk allowed within viability assessments.

Q24(d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality?

[~~Yes/No~~ / Not sure. Please provide supporting statement.]

Mechanisms need to be in place or Local authorities should be allowed to set local standards to ensure the developer was incentivised to deliver high build and design quality for their in-kind affordable homes. Currently, quality standards for affordable housing can be negotiated in Section 106, ensuring affordable units are of sufficient quality for RPs to want to acquire.

Cotswold District Council adopted the Nationally Described Space Standards through its Local Plan, to counter the diminishing size of units delivered by major housebuilders across its administrative area. Whilst the Council previously had minimum space standards for affordable housing, provided for in S106 agreements, major housebuilders regularly built their units for sale 10% smaller. The option to revert back to cash contributions could incentivise developers to delivery lower standard homes to avoid having affordable homes on-site. Government must ensure any approach taken maintains the quality of affordable housing provision as well as overarching volumes, and incentivises early engagement between providers of affordable housing and developers.

The Council welcomes the opportunity to accept Infrastructure Levy payments in the form of land within or adjacent to a site, where appropriate and at the local authority's discretion.

In areas of high landscape value such as the Cotswold AONB, however, where land for development is constrained, the provision of land for affordable housing within or adjacent to a site is unlikely to lead to an increase in number of units or pace of delivery beyond that of the current route of delivery. Mechanisms should be put in place to avoid segregation of affordable housing on major developments where tenure-blind, on-site delivery should be the default position.

Proposal 22: More freedom could be given to local authorities over how they spend the Infrastructure Levy

Q25. Should local authorities have fewer restrictions over how they spend the Infrastructure Levy?

[~~Yes / No / Not sure~~. Please provide supporting statement.]

There is already a bigger demand on funds to deliver infrastructure than there is money available. Money collected to deliver infrastructure should not be used for reducing Council Tax, which might be politically more attractive. If there are funds left after the delivery of core infrastructure, they should be used to deliver more and better quality schools, green spaces, footpaths and cycle paths.

Q25(a). If yes, should an affordable housing 'ring-fence' be developed?

[~~Yes / No / Not sure~~. Please provide supporting statement.]

If the Government increases local authority flexibility around spending, it will be necessary to ring-fence a sufficient amount of Levy funding for affordable housing to ensure that affordable housing continues to be delivered on-site at current levels (or higher).

The NPPF currently requires local planning authorities' to prepare a Local Housing Needs Assessment to assess their full housing needs, identifying the mix of housing and the range of tenures that the local population is likely to need over the plan period. Ensuring sufficient delivery to meet this need is already challenging without adding further pressure to negotiate away affordable housing in favour of more locally popular issues.

ANNEX B: COTSWOLD DISTRICT COUNCIL RESPONSE TO [CHANGES TO THE CURRENT PLANNING SYSTEM CONSULTATION](#)

The Standard Method for Assessing Housing Numbers in Strategic Plans

Q1: Do you agree that planning practice guidance should be amended to specify that the appropriate baseline for the standard method is *whichever is the higher of the level of 0.5% of housing stock in each local authority area OR the latest household projections averaged over a 10-year period?*

Paragraph 13 of this consultation document identifies that household projections cannot in isolation forecast housing need, as they project past trends forward. This is namely because low historic housing delivery rates would otherwise result in an artificially low future housing need figure. For the same reason, a high historic delivery rate results in an artificially high future housing need.

For technical reasons, the way in which population is measured in the 2018 household projections means that the entire twenty-five year projection is based on two years of migration trends. A location that has experienced an extremely high migration rate in the preceding two years would therefore have a skewed and artificially high baseline position on which to base the future housing need.

The use of 0.5% of the housing stock as a baseline position has a similar issue. The dwelling stock count is taken from a single point in time, which is the most recent dwelling stock figure. However, this figure does not take consideration of the amount of housing delivered in the years up to the point when the dwelling stock count is taken. So a local authority that has delivered an extremely large number of houses in recent years will again experience an artificially high housing need.

To overcome the issue of a skewed and artificially high baseline position, Cotswold District Council recommends that a further adjustment factor is included when setting the baseline, which takes consideration of housing delivery over the previous 10 years or possibly longer over an economic cycle. This will iron out any anomalous peaks in delivery in the preceding years.

Q2: In the stock element of the baseline, do you agree that 0.5% of existing stock for the standard method is appropriate? If not, please explain why.

As with Q1, Cotswold District Council recommends that a further factor needs to be taken into account.

The dwelling stock count is taken from a single point in time, which is the most recent dwelling stock figure. However, this figure does not take consideration of the amount of housing delivered in the years up to the point when the dwelling stock count is taken. So a local authority that has delivered a high number of houses in recent years will experience an artificially high housing need.

To overcome the issue of a skewed and artificially high baseline position, Cotswold District Council recommends that a further adjustment factor is included when setting

the baseline, which takes consideration of housing delivery over the previous 10 years or possibly longer over an economic cycle. This will help take consideration of both historic under-delivery and over-delivery.

Q3: Do you agree that using the workplace-based median house price to median earnings ratio from the most recent year for which data is available to adjust the standard method's baseline is appropriate? If not, please explain why.

No

Weak correlation between affordability of housing and need for more housing

The housing affordability ratio has a reasonably weak correlation with the actual need for additional housing. There is little evidence to suggest that building more houses decreases house prices significantly to enable housing to become affordable for those who need it. Only using the affordability indicator as an adjustment factor is a significant over-simplification of the affordability issue.

The situation in Cotswold District illustrates this issue well. The District has maintained between a 6-7 year supply of housing sites for over five years now, and over 5 years since 2013. The district has also been within the top 10 authorities in the country for its Housing Delivery Test score since this test was introduced. Indeed, the District has sustained a significant over-delivery of its housing requirement since 2011. Yet house prices in Cotswold District have continued to increase and affordability has continued to worsen.

The Council has made significant areas of land available for housing and has been a leader in the national effort to boost the supply of housing, yet the desirability of owning a home in the Cotswolds is such that simply building more housing has not solved the affordability issue here.

There are multiple nuanced factors that need to be addressed to improve the affordability of housing. For example:

- land banking (i.e. land being used as a financial asset to increase share prices rather than to deliver housing) and developers purposefully 'drip-feeding' new homes into the market to inflate house prices;
- wages have not kept pace with house prices;
- not enough social housing has been built;
- government initiatives have indirectly kept house prices artificially higher;
- low interest rates and the increased ability of people being able to get a mortgage have both fueled an increase in house prices; and
- second home ownership and buy to let have removed housing from the market that could otherwise be made available to first home owners, and the resulting increased demand within a reduced pool of housing stock inflates house prices and worsens affordability.

This list is not exhaustive.

Using the workplace-based median house price to median earnings ratio is unlikely

to produce a figure for the number of homes that is actually needed in reality, nor will it address the housing affordability issue.

Unrealistic and Undeliverable Housing Need Figure

The unrealisticness of the housing need figure that is produced using the proposed Standard Method is also a significant issue. The situation in Cotswold District again illustrates this well.

The proposed Standard Method for calculating housing need would provide an unconstrained national housing need of 337,000 homes. Paragraph 40 of this document explains that this is the starting point for planning and not the final housing requirement. It also explains that not all homes that are planned for are built and that the new standard method total is designed to provide enough land to account for the drop-off rate between permissions and completions.

The Council notes that the Planning for the Future White Paper proposes that the extent of land constraints in an area would be taken into consideration when setting housing requirements.

Cotswold District is 80% Area of Outstanding Natural Beauty and has various other significant constraints in the remaining 20% of the District. It is unclear how much reduced the housing requirement would be compared to the District's housing need calculated by the Standard Method. However, Cotswold District's housing need is currently an average of 420 homes a year over a 20-year period. This compares to the proposed Standard Method housing need of 1,209 homes a year (or 12,090 homes over a 10-year period). To put this in context, this would require a 50% increase of the District's entire housing stock within 20 years.

Given that Cotswold District is amongst the most constrained locations in the county, the proposed Standard Method calculation of housing need seems to be vastly unrealistic.

Cotswold District has delivered an average of 413 homes a year over the last 20 years and 543 homes a year over the previous 10 years. The District had one exceptional year where 910 homes were delivered, although this has nowhere near been matched in other years or sustained over a period of time.

Cotswold District Council foresees that even a significant reduction to the 1,209 homes a year that is currently proposed by the Standard Method would still be undeliverable.

It is highly unlikely that Cotswold District is the only authority that faces this situation. Indeed, Lichfields, who the White Paper acknowledges have been helpful in shaping the Standard Method, identify that *"the new method still continues to concentrate growth in London. Its figure of 93,532 looks unrealistic, given long term delivery rates in the capital of 30-40,000 per annum. Without a duty to cooperate, the excess need (50-60,000 homes) will fall between the cracks, meaning 300,000 may still be beyond reach."*¹

¹ [Lichfields, How Many Homes? The New Standard Method](#)

Q4: Do you agree that incorporating an adjustment for the change of affordability over 10 years is a positive way to look at whether affordability has improved? If not, please explain why.

No.

The measure of affordability that is referred to relates specifically to changes to the affordability ratio over the last 10 years. The affordability ratio is based on two datasets: workplace-based median house prices; and median earnings.

This is a significant over-simplification of the affordability issue and ignores other important factors that must be taken into account when calculating housing needs. Furthermore, the housing affordability ratio has a reasonably weak correlation with the actual need for additional housing. There is little evidence to suggest that building more houses decreases house prices significantly or makes housing more truly affordable.

The situation in Cotswold District illustrates this issue well. The District has maintained between a 6-7 year supply of housing sites for over five years now, and over 5 years since 2013. The district has also been within the top 10 authorities in the country for its Housing Delivery Test score since this test was introduced. Indeed, the District has sustained a significant over-delivery of its housing requirement for many years running. Yet house prices in Cotswold District have continued to increase and affordability has continued to worsen.

The Council has made significant areas of land available for housing and has been a leader in the national effort to boost the supply of housing, yet the desirability of owning a home in the Cotswolds is such that simply building more housing has not solved the affordability issue here.

There are multiple more nuanced factors that need to be addressed to improve the affordability of housing. For example:

- land banking (i.e. land being used as a financial asset to increase share prices rather than to deliver housing) and developers purposefully 'drip-feeding' new homes into the market to inflate house prices;
- not enough social housing has been built;
- wages have not kept pace with house prices;
- not enough social housing has been built;
- government initiatives have indirectly kept house prices artificially higher;
- low interest rates and the increased ability of people being able to get a mortgage have both fueled an increase in house prices; and
- second home ownership and buy to let have removed housing from the market that could otherwise be made available to first home owners, and the resulting increased demand within a reduced pool of housing stock inflates house prices and worsens affordability.

This list is not exhaustive.

Q5: Do you agree that affordability is given an appropriate weighting within the standard method? If not, please explain why.

No.

The standard method gives significantly more weight to affordability than it ought to. The need for additional housing must take in other factors than just housing affordability.

Do you agree that authorities should be planning having regard to their revised standard method need figure, from the publication date of the revised guidance, with the exception of:

Q6: Authorities which are already at the second stage of the strategic plan consultation process (Regulation 19), which should be given 6 months to submit their plan to the Planning Inspectorate for examination?

Cotswold District Council neither objects or supports this proposal.

Clarity is needed on the status of housing requirements in adopted Local Plans in the interim period until new Local Plans are adopted, particularly if the housing need / housing requirement, as identified by the proposed standard method, is significantly different to that identified in the adopted Local Plan.

Q7: Authorities close to publishing their second stage consultation (Regulation 19), which should be given 3 months from the publication date of the revised guidance to publish their Regulation 19 plan, and a further 6 months to submit their plan to the Planning Inspectorate?

If not, please explain why. Are there particular circumstances which need to be catered for?

Cotswold District Council neither objects or supports this proposal.

Clarity is needed on the status of housing requirements in adopted Local Plans in the interim period until new Local Plans are adopted, particularly if the housing need / housing requirement, as identified by the proposed standard method, is significantly different to that identified in the adopted Local Plan.

Delivering First Homes

Q8: The Government is proposing policy compliant planning applications will deliver a minimum of 25% of onsite affordable housing as First Homes, and a minimum of 25% of offsite contributions towards First Homes where appropriate. Which do you think is the most appropriate option for the remaining 75% of affordable housing secured through developer contributions? Please provide reasons and / or evidence for your views (if possible):

- i) Prioritising the replacement of affordable home ownership tenures, and delivering rental tenures in the ratio set out in the local plan policy.**

- ii) Negotiation between a local authority and developer.**

- iii) Other (please specify)**

ii. Negotiation between a local authority and developer

The NPPF currently requires local planning authorities' to prepare a Local Housing Needs Assessment to assess their full housing needs, identifying the mix of housing and the range of tenures that the local population is likely to need over the plan period.

Having identified the relevant need (including First Homes) the NPPF requires local planning authorities to use their evidence base to develop policies in their Local Plan that caters for the identified housing demand and the scale of housing supply necessary to meet this demand. With the top-down regulatory imposition of a nationally set percentage and the effects that it could have on the subsequent remaining affordable housing provision, it is better for the local authority to secure the most appropriate option through negotiations for the remaining 75%, to address their housing need.

The Council is also concerned that the proposed minimum percentage of First Homes would mean that local authorities may not be able to deliver any other forms of affordable homeownership housing, in particular shared ownership and social rented housing. Local Housing Needs Assessments undertaken to date in Cotswold District have identified an overwhelming need for rented affordable housing compared to affordable homeownership products, and policies are drafted to meet this demand. Analysis of planning permissions for the past three years indicate that the remaining number of shared ownership properties that could be delivered would

be low. The Council questions whether it will be practical for Registered Providers to continue seeking to deliver shared ownership housing for such a low number of units.

The consultation only refers to a policy compliant provision and does not comment upon the effects that First Homes may have upon the deliverability of new developments (particularly where viability is an issue) and the deliverability of the First Homes.

It recognises that many Registered Providers currently pay 65% upwards of Open Market Value for the provision of shared ownership accommodation, whilst First homes will be 70%, although this will be more risk based with income sales occurring further down the line. Currently many viability appraisals assess affordable housing provision based on a 6% profit return; however for First Homes it is envisaged that developers will argue the profit return should be 20% as for market housing, causing the First Homes to become less financially viable for provision than shared ownership and in some cases close to affordable rent values. These will mean that local authorities may see their overall affordable housing provision reduced to accommodate the delivery of First Homes, particularly if a percentage requirement is set.

First Homes will not offer the benefits that other affordable tenures can, such as providing an upfront capital income at the beginning of development and controlling absorption rates, all of which can assist in de-risking developments. Therefore, focusing on delivering a viable range of tenures is the most effective way of increasing housing supply. Where policy compliant provision is not possible and viability indicates that alternative forms of affordable housing improves the level of affordable provision, then local authorities should be able to negotiate the type of affordable housing to be delivered to maximise overall delivery rather than having to provide the set 25% requirement.

Whilst the provision of First Homes is supported, in that it represents an additional affordable housing option available to some people, this should not be at the expense of all other types of affordable housing, particularly if the level of local demand for starter homes does not exist or exceeds local affordability. Should the above scenario occur, where more First Homes are provided than needed, the consultation does not highlight or consider how developers and local authorities will deal with these empty properties, and the potential impact this may have on stalling other developments in coming forward.

Local authorities should be able to set the minimum percentage requirement based on their housing need identified through the Local Housing Needs Assessment, balanced against the need for the provision of other forms of affordable housing.

With regards to current exemptions from delivery of affordable home ownership products:

Q9: Should the existing exemptions from the requirement for affordable home ownership products (e.g. for build to rent) also apply to apply to this First Homes requirement?

Yes

The Council agrees that existing exemptions should also apply to the First Homes requirement.

Q10: Are any existing exemptions not required? If not, please set out which exemptions and why.

The Council considers that all existing exemptions are required.

Q11: Are any other exemptions needed? If so, please provide reasons and /or evidence for your views.

The Council does not consider any additional exemptions are required.

Q12: Do you agree with the proposed approach to transitional arrangements set out above?

The Council agrees with the proposed approach to transitional arrangements

Q13: Do you agree with the proposed approach to different levels of discount?

Paragraph 59 highlights that the minimum discount for First Homes should be 30% from market price which will be set by an independent registered valuer. The Council would welcome guidance as to how this will be monitored and enforced.

The Council welcomes the proposal for local discretion to increase the discount to 40% or 50%, evidenced through the local plan making process, in high value areas if First Homes are to be genuinely accessible to median income earners. However, where this adversely affects viability and reduces the overall level of affordable housing that can be sought, local authorities should be able to set a lower than 25% requirement for First Homes to maintain delivery of affordable housing at current levels.

Q14: Do you agree with the approach of allowing a small proportion of market housing on First Homes exception sites, in order to ensure site viability?

No

In rural areas, we need to balance housing need with overall sustainability and the proposal is for exception sites. Homes sold at up to 70% of open market value should be sufficient to deliver a viable scheme. There is a concern that the possibility of allowing market housing will just encourage landowners to seek the provision of market homes to inflate land values. The Council's preference would be to, where necessary, allow other forms of affordable housing on entry-level exception sites particularly affordable rented housing. This could allow grants to be accessed which can assist in de-risking development.

Q15: Do you agree with the removal of the site size threshold set out in the National Planning Policy Framework?

No

The proposal that First Homes exception sites should be proportionate in size to the existing settlement is too general a control and would be open to much interpretation. The above scenario could lead to large sites coming forward, where more starter homes are provided than there is local demand for, given the very high house price to local incomes ratio. Neither this consultation nor previous consultations have highlighted or considered how developers and local authorities in such scenarios will deal with potentially unsold properties, and the impact this may have in stalling other developments coming forward.

Q16: Do you agree that the First Homes exception sites policy should not apply in designated rural areas?

Yes

It is essential to retain the existing rural exception sites policy in designated rural areas, and not First Homes. This will allow the Council to continue to provide the right type and tenure of affordable housing for the needs of those rural settlements. Genuinely affordable housing, particularly social rented, is very much needed to retain low paid local workers in sectors such as agriculture, tourism and healthcare that are vital to rural areas.

Supporting small and medium-sized developers

Q17: Do you agree with the proposed approach to raise the small sites threshold for a time-limited period?

(see question 18 for comments on level of threshold)

No

The proposed changes would reduce the amount of affordable housing that could be sought via housing policies in Local Plans, and would have a detrimental impact on the supply of affordable housing for a much longer period than 18 months. Owners of sites with planning permission that have an affordable housing contribution could potentially reapply for planning permission to attain the affordable housing exemption. Furthermore, sites that would otherwise have been expected to provide affordable housing in, for example, the next 5 to 10 years would be incentivised to be brought forward sooner in order to capitalise on the reduced financial burden of not having to provide affordable housing, thus impacting on the delivery of affordable housing long after the proposed 18-month period.

Local Authorities have an important role in the delivery of affordable housing that pro-actively responds to local housing needs. Sites of between 10 and 40/50 dwellings have delivered significant amounts of affordable housing. Last year 43% of the affordable housing delivered in Cotswold District was on sites of 50 units or less in total. This year it is set to increase to over 60% of delivery.

The proposed change jeopardises the Council's strategy for meeting affordable housing needs in the district through its Local Plan. The District has continued to deliver market and affordable housing at an accelerated rate for a number of years due to the viability of the housing market in the area. As a rural district of which 80% is situated in the Cotswold AONB, sites of less than 50 units are the backbone of sustainable delivery, and consequently affordable housing delivery. The proposed change will make it extremely difficult for the Council to achieve both its own objectives as well as the underlying ethos and objectives of the NPPF of creating mixed and balanced communities and supporting a prosperous rural economy. The delivery of affordable housing in rural areas plays a significant role in ensuring that local communities remain sustainable. The provision of half a dozen affordable homes can ensure that local people can remain in the communities they grew up in, maintaining the community and viability of local facilities and services. The provision of affordable housing ensures that employers have access to a workforce and therefore helps to support the growth of the local economy.

While the government's concerns regarding the viability of small scale housing sites are noted, the Local Planning Authority's housing policies which seek to secure affordable housing contributions, are based on whole Plan and individual site viability assessments. At present, schemes where developers consider it unviable to proceed can, subject to viability testing, have contributions adjusted or waived completely if necessary.

Where developers cite viability as a concern, viability testing currently allows a reasonable profit margin to be achieved. The proposed changes will likely inflate developers profit beyond a typical profit on GDV of 15% - 20%, rather than accelerate delivery.

The Council considers that its Local Plan policies in relation to affordable housing are not preventing the delivery of small scale housing sites, and that the proposed threshold change would result in a significant reduction in the provision of much needed affordable housing for this rural District as well as detrimentally affecting the long term sustainability of its communities.

Q18: What is the appropriate level of small sites threshold?

- i) Up to 40 homes**
- ii) Up to 50 homes**
- iii) Other (please specify)**

Whilst the government's concerns regarding the viability of small scale housing sites are noted, the Local Planning Authority's housing policies which seek to secure affordable housing contributions, are based on evidence demonstrating that such policy requirements are viable.

The Council considers that existing thresholds should be retained, particularly in rural districts, where large scale development and therefore opportunities for delivery of affordable housing are limited.

Q19: Do you agree with the proposed approach to the site size threshold?

No

The Council believes it will be detrimental to the delivery of affordable housing in the District for the anticipated timescale and at a time where more genuinely affordable housing is required to support local economy workers rather than less.

Q20: Do you agree with linking the time-limited period to economic recovery and raising the threshold for an initial period of 18 months?

The Council does not consider that the threshold should be raised.

The proposal would have a detrimental impact on the supply of affordable housing for

a much longer period than 18 months. Owners of sites with planning permission that have an affordable housing contribution could potentially reapply for planning permission to attain the affordable housing exemption. Furthermore, sites that would otherwise have been expected to provide affordable housing in, for example, the next 5 to 10 years would be incentivised to be brought forward sooner in order to capitalise on the reduced financial burden of not having to provide affordable housing, thus impacting on the delivery of affordable housing long after the proposed 18-month period.

The consultation highlights that proposals will be implemented for a time-limited period and lifted as the economy recovers from the impact of Covid-19, with government monitoring prior reviewing the approach. The Council is concerned how the effects will be monitored. Current market reports highlight an increase in sales values, particularly for Cotswold District, and as much demand as ever from buyers as restrictions have eased.

If the Government is minded to implement the proposals then the Council considers additional measures should be introduced to ensure land values and developer profits are not inflated in the short term and that, once planning permissions are obtained, that sites are not land banked for 3 years before commencing development.

Q21: Do you agree with the proposed approach to minimising threshold effects?

The Council is concerned that the proposed raising of the threshold will encourage developers to artificially split larger sites into phases. Whilst the consultation states the intention to introduce measures to minimise the impact of this potential threshold effect, no detail has been provided yet on how this will be achieved. The Council is concerned that suggested measures may be difficult to apply in practice when determining individual planning applications.

Q22: Do you agree with the Government's proposed approach to setting thresholds in rural areas?

Yes

The Council agrees that in designated rural areas the current threshold should be maintained.

The Council also proposes that the definition for designated rural areas should follow the designation for the purposes of section 17 of the Housing Act 1996 (the right to acquire) and section 1AA(3)(a) of the Leasehold Reform Act 1967 (additional right to enfranchise). The above definition would safeguard wider rural parishes, not included in the Cotswolds Area of Outstanding Natural Beauty, but where the size and number

of developments are still constrained and the loss of the already limited opportunities for new affordable housing provision would be detrimental to the sustainability and economy of those communities.

Q23: Are there any other ways in which the Government can support SME builders to deliver new homes during the economic recovery period?

The Council has no further comments to make on supporting SMEs.

Extension of the Permission in Principle consent regime

Q24: Do you agree that the new Permission in Principle should remove the restriction on major development?

No - environmental issues are far more widespread than just the ones that need EIA or HRA.

Environmental issues could be such that they prevent a development from coming forward and should not be left to after Permission in Principle has been granted.

Q25: Should the new Permission in Principle for major development set any limit on the amount of commercial development (providing housing still occupies the majority of the floorspace of the overall scheme)? Please provide any comments in support of your views.

This question doesn't come up very often in Cotswold District because the demand is for residential development. The biggest difficulty in this context is trying to protect employment land from becoming residential.

Q26: Do you agree with our proposal that information requirements for Permission in Principle by application for major development should broadly remain unchanged? If you disagree, what changes would you suggest and why?

Sufficient information should be submitted to ensure that the LPA can make the right decision on whether the site is appropriate for development - will it have an unacceptable impact on the landscape / biodiversity? Will it make a positive contribution towards tackling climate change, etc.?

The PIP process makes it much less clear to LPAs and applicants as to what information is reasonably necessary to consider them. 'In principle' is rarely an appropriate term in development management in rural areas where matters of detail are often the determining factor.

Q27: Should there be an additional height parameter for Permission in Principle? Please provide comments in support of your views.

This exposes one of the difficulties with the PIP process. In rural areas, the acceptability of the principle of development very often comes down to the matter of detail, such as height. It is important to understand the parameters which local authorities can apply to assessing PIP applications, particularly to make the process faster and more resource friendly.

Account needs to be taken of the effect of the proposed PIP system, as the situation will be different in rural areas than urban areas. This, for example, includes resources, sensitivities and other general planning considerations.

Q28: Do you agree that publicity arrangements for Permission in Principle by application should be extended for large developments? If so, should local planning authorities be:

- i) required to publish a notice in a local newspaper?**
- ii) subject to a general requirement to publicise the application or**
- iii) both?**
- iv) disagree**

If you disagree, please state your reasons.

Disagree

Advertisement should apply the same approach as for planning applications. Why wouldn't it from a community perspective? However, if the outcome of the White Paper resolves to reduce physical adverts, that would be an improvement, so long as this does not have a detrimental impact on people who have limited means or skills to access digital mediums.

Q29: Do you agree with our proposal for a banded fee structure based on a flat fee per hectare, with a maximum fee cap?

Yes and no

Fees would need to reflect the development capacity of the site in that scenario, but

would help to recover fees for lower density schemes that often involve just as much officer resources.

Q30: What level of flat fee do you consider appropriate, and why?

It is difficult for Cotswold District Council to find a flat fee an acceptable or beneficial idea. Areas such as the Cotswolds require significant resources to assess the many small site applications that we receive, which still require professional expertise to understand and assess their impacts in this heavily constrained area. This is opposed to larger sites with lower sensitivities that are more typically found in urban areas (e.g. a large brownfield site in an urban area would have far fewer constraints to be taken into account, which would be expected to be reflected in the fee).

Brownfield Land Registers and Permission in Principle

Q31: Do you agree that any brownfield site that is granted Permission in Principle through the application process should be included in Part 2 of the Brownfield Land Register? If you disagree, please state why.

Cotswold District Council sees that value of bringing forward brownfield sites ahead of greenfield sites wherever possible. However, brownfield sites can very often have considerable value as undeveloped land. For example, they may provide important habitats for species, such as the unimproved grasslands that are often found in former airfields to the unique habitats that former queries provide.

Such issues need to be fully understood before Permission in Principle is granted.

Additional guidance to support implementation

Q32: What guidance would help support applicants and local planning authorities to make decisions about Permission in Principle? Where possible, please set out any areas of guidance you consider are currently lacking and would assist stakeholders.

As much clarity as possible is needed to make decisions and to give both the Council and developers certainty. The more vague the guidance, the more time and resources are needed and the potential there is for appeals. Less guidance means more uncertainty and more debate.

There also needs to be greater communication and understanding with communities

so they can understand their role in the PIP process and so they can have realistic expectations about the outcomes.

Q33: What costs and benefits do you envisage the proposed scheme would cause? Where you have identified drawbacks, how might these be overcome?

It should not be assumed that PIP process produces a significant saving of council resources. There are many subtleties that require detailed officer input with the PIP process, the same as conventional planning applications.

Q34: To what extent do you consider landowners and developers are likely to use the proposed measure? Please provide evidence where possible.

Anything that helps to give certainty and clarity to landowners and developers, which is always what they are after, is a good thing. If a land valuation exercise is quicker and perhaps more cost effective than an outline planning application, then there would be benefits. The quality and robustness of the decision, however, are paramount. This needs to be taken into consideration when setting the statutory timescales for determination.

Public Sector Equality Duty

Q35: In light of the proposals set out in this consultation, are there any direct or indirect impacts in terms of eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations on people who share characteristics protected under the Public Sector Equality Duty?

The digitalisation of the planning application advertisement process and Local Plans should not discriminate against people who cannot afford to access a computer or a smartphone or do not have the skills to use them.

If so, please specify the proposal and explain the impact. If there is an impact –



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM (13)
Subject	CORPORATE PEER CHALLENGE – FEEDBACK REPORT
Wards affected	ALL
Accountable member	Cllr Joe Harris / Leader of the Council Email: joe.harris@cotswold.gov.uk
Accountable officer	Christine Gore – Interim Chief Executive Tel: 01285 623605 Email: christine.gore@cotswold.gov.uk
Summary/Purpose	To consider the Local Government Association’s Feedback Report following the Corporate Peer challenge, and to note the progress made in implementing the recommendations within the report.
Annexes	Annex A – Corporate Peer Challenge – Feedback Report
Recommendation/s	<i>That Council notes the Corporate Peer Challenge Feedback Report and progress made to date in implementing the recommendations.</i>
Corporate priorities	Ensure that all services delivered by the Council are delivered to the highest standard.
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

- 1.1. The Council invited the Local Government Association (LGA) to conduct a Corporate Peer Challenge in late 2019. A Corporate Peer Challenge provides for an external review of how a Council functions and its ability to deliver on its plans, proposals and ambitions. The review is undertaken by a team that is knowledgeable and experienced in local government. The team acts as a 'critical friend' and produces feedback that provides a health check and commentary on areas of strength and potential areas for further consideration.
- 1.2. The Corporate Peer Challenge Team gathers information from a wide range of sources and attends various meetings, whilst also conducting interviews with staff, councillors and the Council's partner organisations. The Council's performance is then reviewed in terms of a core set of assessment areas:
 - Understanding of the local place and priority setting
 - Leadership of place
 - Financial planning and viability
 - Organisational leadership and governance
 - Capacity to deliver

In addition to covering the core assessment areas, the Council requested that the Peer Challenge Team also consider:

- The culture of the organisation and the extent to which this reflects political ambitions and aspirations
- The capacity of the organisation to deliver the emerging Council Plan
- The identity of the council within the Publica context

2. MAIN POINTS

- 2.1. The Council's Corporate Peer Challenge took place between 5 and 8 November 2019. The Feedback Report has been shared with all members and published on the Council's website. The purpose of this report is to set out the main recommendations and the progress made in implementing these.
- 2.2. Recommendation – In order to produce credible delivery plans for the emerging priorities of the new administration, the council should set aside sufficient and distinct organisational thinking time to develop a credible Corporate Plan and to determine the resources required to deliver. Progress – although this has taken longer than anticipated, officers have worked closely with members of the Administration to develop a comprehensive Plan which appears elsewhere on the agenda for this meeting. The revised Budget for 2020/21, which also appears on this agenda, and the Medium Term Financial Strategy (MTFS) approved in February 2020, reflect the ambitions set out in the Plan and allocates resources where the requirements are already known. Future iterations of the budget and MTFS will allocate further resources as action plans are developed and refined.
- 2.3. Recommendation – Ensure the Council has the strategic leadership capacity it requires, within the retained senior officer team, to: shape the identity and unique agenda of Cotswold District Council and to influence key stakeholders; engage in wider partnership working to help deliver new and emerging ambitions; work with

and influence the Publica strategy/policy team; act as intelligent client to commission services from Publica and other partners. Progress – following discussions with West Oxfordshire District Council earlier this year, in April the Council's s151 officer ceased to be shared with them and now works full-time for Cotswold District Council. The former Head of Paid Service retired at the end of June and whilst interim arrangements are currently in place a report recommending a permanent appointment to the new post of Chief Executive appears elsewhere on this agenda. A new Monitoring Officer has also been appointed in recent weeks. This has already created greater strategic leadership capacity than previously existed, and with the inclusion of a Publica Executive Director and Group Manager as members of the local management team, significant progress in these areas is anticipated over the coming months.

- 2.4. Recommendation – Develop a medium-term financial strategy to underpin implementation of the Corporate Plan that identifies opportunities to enhance financial capacity including: income from fees and charges; returns on investment from treasury management; savings and income from Publica; opportunities to generate savings and create additional capacity to deliver through partnership working; a commercial strategy, learning from best practice elsewhere, to create new income streams. Progress – the current iteration of the MTFs, together with the Investment Strategy for the Recovery of Cotswold District which appears elsewhere on this agenda, collectively reflect these recommendations.
- 2.5. Recommendation – Recognise the value and potential of Publica to refocus capacity to deliver on the Council's ambitions and utilise the opportunity of a new Managing Director (MD) to reset the relationship between the Council and Publica and address governance issues. Progress – significant progress has been made in respect of this recommendation with a close working relationship having been established between the Council Leader and the Publica MD. A refocussing of the roles of the Executive Directors, with a locality lead being created for each of the partner Councils has also assisted with this, and a better understanding of respective roles and responsibilities is emerging. Publica is undertaking a review of its Procurement and Commissioning role and function which is expected to resolve the governance issues and provide greater clarity for both staff and Council members.
- 2.6. Recommendation - Undertake the LGA's Communications Health Check to support improved communications and help develop a branding strategy. Progress – the recommended Health Check was undertaken early in 2020 and changes have been made to strengthen Publica's Communications Team and its support for the Council in accordance with the recommendations made at the time. The Interim Head of External Communications will leave his post in the next few weeks and a recruitment process for a permanent replacement is underway. Whilst a branding strategy is yet to be adopted, the issues around the predominance of the Council's brand versus the Publica brand have largely been resolved.
- 2.7. Recommendation – Build the Council's organisational capacity by: putting in place a development programme for officers to harness enthusiasm and positivity of Group and Business Managers which will build organisational capacity; strengthening performance management and reporting including programme and project management; a comprehensive reboot of the current transformation programme in order to develop a new programme plan, with resources and

expertise in place to deliver. Progress – strictly speaking the implementation of these recommendations lies with Publica as the organisation responsible for the vast majority of staff working on the Council’s behalf. The Publica MD has confirmed that a Leadership Development Programme has been procured and, but for Covid-19, would have been underway by now. The revised start date is currently planned as October 2020 and, where necessary, elements of the programme will be delivered virtually to avoid further delay and to support Publica’s agile working strategy. The Council’s retained managers will be included in the programme cohort to build on the ‘one team’ approach and over time there will be opportunities for all staff to benefit from the programme, which aims to deliver ‘leadership at all levels’. Publica is also signing up to the three year Investors In People standard, which will dovetail with the leadership development programme, supporting Publica to transform its business performance through its staff by helping to develop, implement and evaluate the effectiveness of its people strategy. In terms of strengthening performance management and reporting and programme and project management these are key actions in Publica’s own Business Plan and significant progress has been made in relation to both. The transformation programme has also been overhauled and is now more focused around key customer service experience improvements to help deliver the customer promise agreed by the Council. In the last year the Salesforce digital platform has gone live and is integrated with the refreshed website. A live agent facility has been introduced to enable a new customer channel and a bot has been added to provide 24/7 access to information via this channel with a 90% success rate. The new Customer Experience improvement programme is appropriately resourced and additional resources have been approved to enhance the digital enablement of further customer service processes.

- 2.8. Recommendation – Ensure the potential risks associated with any potential equal pay claim are understood and being managed. Progress – this recommendation relates specifically to the new pay and grading scheme within Publica that was being worked on at the time of the Peer Challenge. This scheme was successfully implemented in April this year with no Equal Pay claims to date.

3. FINANCIAL IMPLICATIONS

- 3.1. There are no specific financial implications arising from this report. Any financial implications arising from the actions taken progress the recommendation of the Peer Challenge Team have been and will continue to be addressed as and when necessary.

4. LEGAL IMPLICATIONS

- 4.1. There are no legal implications associated with this report.

5. RISK ASSESSMENT

- 5.1. The principal risk associated with this report is that the recommendations fail to be implemented or that insufficient progress is made against them. The LGA expect to undertake a review of progress within 18 months – 2 years of the original peer Challenge being undertaken and a further report on progress will be submitted to Council after that has been carried out.

6. ALTERNATIVE OPTIONS

- 6.1. The only alternative to what has been reported above would have been for the Council to have ignored the recommendations of the Peer Challenge team, with the associated reputational damage that would have been caused by such a response.

7. BACKGROUND PAPERS

- 7.1. None.

(END)

Corporate Peer Challenge **Cotswold District Council**

5th-8th November 2019

Feedback Report

1. Executive Summary

The council has a strong track record of service delivery and is well respected by its partners. The new administration has a big agenda and an ambition for the council to play a stronger role in place shaping. This means change for the organisation and they will need to prioritise these ambitions in line with available resources and capacity.

The incoming administration is viewed positively, and is seen as taking ownership of Portfolios and the agenda for the future. Staff are enthusiastic about the Council and are optimistic about the future, and partners value the more outward looking focus of the council.

There has become a disconnect between the objectives of the council and Publica, as a result of which Members don't appear to 'own' Publica in their hearts and minds. The appointment of a new MD is seen as an opportunity for Publica to consolidate past successes and for the organisation to review how it operates in order to respond to the changed priorities of the new administration.

There is a genuine desire to reframe and reset the relationship between Publica and the council, and a positive first time would be to address the confusion that remains confusion over the branding and identities of Publica and the Council. Governance, roles and responsibilities continue to need review, development and clarification

The Transformation programme has stalled and needs reinvigorating, whilst the Pay and Grading work linked to the creation of the new Publica organisation has absorbed capacity and energy. Retained staff are working to maximum capacity and will not be able to deliver new and emerging priorities and it is the view of the team that some capacity issues present a real and immediate risk to the council and its ability to operate safely.

There are a number of opportunities to enhance capacity, however these will require strategic planning and development. The commissioning function remains confused with direct lines of accountability blurred and needing more clarity.

Programme and project governance is ad hoc and lacks strategic oversight and direction. With the greater emphasis on place shaping in the new administrations agenda, the Council will need new and different skills and expertise in some areas to the ones it currently holds to ensure successful delivery

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

- In order to produce credible delivery plans for the emerging priorities of the new administration, the council should set aside sufficient and distinct organisational thinking time develop a credible Corporate Plan and to determine the resources required to deliver.
- Ensure the council has the strategic leadership capacity it requires, within the retained senior officer team, to:
 - shape the identity and unique agenda of CDC and to influence key stakeholders
 - engage in wider partnership working to help deliver new and emerging ambitions
 - work with and influence the Publica strategy/policy team

- act as Intelligent client to commission services from Publica and other partners
- Develop a medium-term financial strategy to underpin implementation of the Corporate Plan that identifies opportunities to enhance financial capacity including:
 - income from fees and charges
 - returns on investment from treasury management
 - savings and income from Publica
 - opportunities to generate savings and create additional capacity to deliver through partnership working
 - A commercial strategy, learning from best practice elsewhere, to create new income streams
- Recognise the value and potential of Publica to refocus capacity to deliver on the council's ambitions and utilise the opportunity of a new MD to reset the relationship between the Council and Publica and address governance issues.
- Undertake the LGA's Communications Health Check to support improved communications and help develop a branding strategy
- Build the council's organisational capacity by:
 - Putting in place a development programme for officers to harness enthusiasm and positivity of group and business managers which will build organisational capacity.
 - Strengthening performance management and reporting including programme and project management.
 - A comprehensive reboot of the current transformation programme in order to develop a new programme plan, with the resources and expertise in place to deliver
- Ensure the potential risks associated with any potential equal pay claim are understood and being managed

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed by you. The peers who delivered the peer challenge at Cotswold District Council were:

- Councillor Sarah Butikofer – Leader North Norfolk District Council
- Councillor Chris Millar – Daventry District Council
- Alex Parmley– Chief Executive, South Somerset District Council
- Mary D'Arcy– Director for Communities, Adur and Worthing Councils
- Natalie Anderson – Head of Organisational Development, Elmbridge Borough Council
- Emily McGuinness, Peer Challenge Manager - LGA
- Andrew Field - NGDP

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider:

- The culture of the organisation and the extent to which this reflects political ambitions and aspirations;
- The capacity of the organisation to deliver emerging Council Plan; and
- The identity of the council within the Publica context.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 3 days onsite at Cotswold District Council during which they:

- Spoke to more than 139 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 47 meetings and additional research and reading.
- Collectively spent more than 210 hours to determine their findings – the equivalent of one person spending more than 5 weeks in the council.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (5th-8th November 2019). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

4. Feedback

4.1 Understanding of the local place and priority setting

Officers and members of Cotswold District Council share a strong sense of place, and of the challenges and opportunities presented. In particular, the council is well aware of the pressures associated with attracting high levels of second home ownership and the subsequent impact on the cost and availability of affordable housing for local people. The newly elected political administration has responded by ensuring delivering affordable housing and housing growth in general are given a high priority focus within the emerging Corporate Plan. This shows a strong commitment to respond to local challenges, but it is important that expectations of all stakeholders are managed, given the fact that 80% of the district lies within the Cotswolds Area of Outstanding Natural Beauty and the significant development constraints this brings.

Similarly, there are positive moves to more actively embrace economic growth within the district, in particular to maximise the potential offered by the development of the cyber park in the neighbouring district of Cheltenham. In engaging more proactively in projects such as this, the council will be better placed to address another recognised local priority, that of providing suitable employment for younger generations thus ensuring the longer term sustainability of the district.

The new administration campaigned on a comprehensive manifesto of over 70 pledges, reflecting all aspects of life in the district. These manifesto pledges have formed the basis of the emerging Corporate Plan and show that the administration, supported by officers, is developing a clear agenda for the future of the district. It is encouraging to note that the administration have taken advantage of support from the LGA in this process, however, and in line with comments already made about managing expectations, further work needs to be done to prioritise the administration's ambitions and to align resources accordingly. Doing so will help all stakeholders to coalesce around a shared set of deliverable objectives and contribute to the stated objective of creating and maintaining a stronger identity for Cotswold District Council – both internally and externally.

The process of developing the new Corporate Plan is an important opportunity to engage, and in some cases re-engage, with all stakeholders and the wider community. Positively, steps have already been taken to seek the views and input from these stakeholders, including Publica partner councils, town and parish councils, business and voluntary sectors. Continuing to build on these foundations can only serve to ensure CDC fulfils its leadership of place potential through ensuring the needs and expectations of all those it serves are reflected in corporate plans and activities.

The council has access to good data about the profile of the district, provided by the Insight Team and the value of this should be harnessed and used to inform future plans and decisions. Whilst there is clarity around the key issues of affordable housing, climate change and economic growth, partner organisations identified that the council would benefit from a more clearly articulated response to the issues of rural poverty and isolation that exist in some parts of the district. Doing so will enable CDC to better meet the needs and expectations of all constituent communities and residents.

CDC has responded to the increasingly high profile climate change agenda. In July 2019 the Council declared a state of climate emergency and has committed to achieving carbon neutrality for the council's own operation and estate as soon as possible. Beyond this, they have also committed to review the Local Plan with an ambition of ensuring it is 'Green to the core'. The council has recently approved funding to secure a senior manager to lead on this work as well as allocating funding to develop a Carbon Neutral Plan and to commission technical work to

support the review of the Local Plan, along with a number of lower level activities. The intent signalled by such actions is commendable, however, more consideration of the implications of commitments will be imperative to ensure that the council is able to deliver on all stated priorities. Care and time will need to be given to plan how the council will deliver all ambitions in harmony – for example balancing climate change objectives with commitments to build new homes, create more economic growth opportunities and perhaps most challenging, the provision of a multi-storey car park. Similarly, reviewing the Local Plan is no small undertaking and the resource requirement to do so, should not be underestimated.

The discussions planned for the coming weeks and months to support the prioritisation of ambitions and the drawing up of delivery action plans will provide an ideal opportunity to consider these points.

There is now a need to redefine the council's future relationship with Publica, reflecting the change of focus, from a vehicle designed principally to achieve service efficiency to one through which the community outcomes of a place shaping agenda can be delivered within CDC. This exercise will need to be undertaken at the earliest opportunity so that the new Council Plan has appropriate delivery structures supporting it. Revisiting the role and function of the Publica partnership and in particular the resetting of the relationships between the council and the partnership will be pivotal in determining future success for CDC.

4.2 Leadership of Place

The administration is clearly committed to developing its role as a strong leader of place as evidenced by the numerous and detailed manifesto pledges which are currently being translated into a Council Plan for the next 4 years. This is a significant change in organisational focus for CDC and, as such, there are some important initial steps that need to be taken to ensure leadership of place ambitions are met, and are seen to be met, by stakeholders and that sufficient time (and clarity) is provided to allow for the reallocation of resources.

CDC is well regarded by partners, many of whom welcome the more outward focus of the council which has developed over the past months. Many key partners including the county council and town and parish councils would welcome further approaches to build and enhance partnership working. Indeed, there is the potential to develop more effective relationships with partners and explore shared project and service delivery options e.g. with town councils. Whilst CDC has always used its resources to meet the needs of residents to the best of its ability, in order to deliver an ambitious and outcome based political agenda for communities, a more collaborative approach to partnership delivery will be important.

There are excellent relationships between the CCG and Housing and Health teams within the council which not only supports the high level of awareness of the issues facing residents in all aspects of their lives that exists within the district, but also provides a framework for enhanced partnership working and engagement going forward. The council's ambition to deliver more affordable housing will require a multi-faceted planning approach – and the partners we spoke with were positive that existing relationships could easily be developed to achieve this.

There is a lack of clarity for some partners around the vision and ambition of CDC in respect of economic growth and the appetite for development. This is inevitable given the emergence of the new Corporate Plan but the importance of providing this clarity at the earliest opportunity should be recognised. We heard of the Leader's desire to maximise the benefits to the district of the Cyber Park being delivered in Cheltenham and given the nature of this, and other development projects, being able to articulate the intent of CDC to public and private partners at

the earliest opportunity is key. Similarly, clarity in this policy area will help support the improving relations which we heard are developing within the LEP and other sub regional bodies, and leverage their support to help deliver Cotswold's economic ambitions. As a minimum, an early indication of CDC's appetite for growth, through well-defined Economic Growth and Development Plans, is essential.

Many opportunities exist to work across a wider footprint with neighbouring authorities and other partners on shared agendas such as climate change, housing and commercialisation. Building on improving levels of partner engagements could realise opportunities to draw in additional resources to support the delivery of your ambitions and thus ensure you deliver more than if you are working on your own. Public Health partners are eager to work more closely with CDC on shared public health priorities. Those we spoke with stated that whilst CDC currently respond well to requests for support, greater opportunities exist around mutual objectives, particularly around housing and promoting active lifestyles. In particular, partners cited shared and similar ambitions around climate change where currently resources and expertise across the partners, including within CDC, are limited.

CDC has made a commitment to refresh the Local Plan against the objective of 'Green to the Core'. We recognise the intent behind this commitment but would urge the council to plan for this work with care. Undertaking such a task will require additional resources and again, managing the expectations of stakeholders will be paramount if this ambition is to be delivered and seen to be delivered.

Further work is needed to develop a clearer strategy on the branding of Publica and CDC to ensure clarity for residents, partners and staff. The council has already committed to undertaking an LGA Communications Health Check as an initial step to creating a stronger CDC brand identity, one that sits alongside, but is distinct from that of the Publica Partnership. Recent changes to how the council is represented on outside bodies, with the Head of Paid Service taking a more visible role and promoting a CDC perspective, are positive. If steps are taken to redefine the role of Publica as a means through which the aims and objectives of CDC are met, and Publica becomes an integral part of delivering improvements for CDC rather than being regarded as operating as a separate organisation, then the council can begin to develop a more recognisable identity both within the district and in sub regional, regional and national arenas.

4.3 Organisational leadership and governance

The new administration has brought a sense of energy and positivity which is welcomed throughout the organisation. Staff hold the new leader and cabinet in high regard and are supportive of the emerging Corporate Plan and the manifesto pledges it seeks to deliver. We found a shared desire to change and move CDC forward in line with the political ambitions around the green agenda and the place shaping role of the council in particular, but clarity and detail about how this change will be delivered is needed to capitalise on this enthusiasm.

Similarly, the appointment of a new Managing Director for Publica is viewed in a positive light. The previous MD is recognised and valued as having delivered on the founding partnership objectives of achieving substantial financial savings whilst maintaining existing service levels. But a change of political administration has resulted in a shift in expectations about how Publica delivers on behalf of CDC. The appointment of the new MD provides the opportunity for discussions around resetting and redefining the relationship between Publica and the partner councils. Early indications are positive that the relationship between the political leaders and the senior managers within Publica is developing well and that channels of communication are open

and honest. It is vital that this continues to be built upon in order to develop a more symbiotic relationship between political and officer leadership.

There is a clear recognition of the need to build trust and confidence in the relationship between members, officers and Publica and to establish an organisational culture that promotes these values if the council is to fulfil its full potential and deliver on its priorities. Improved communication, both internally and externally and a better understanding of the role and function of all within the partnership setting is at the heart of this. The closer engagement of elected members by senior Publica staff, and the new MD in particular has already begun and is welcomed. Establishing effective channels of engagement as part of the process to redefine the relationship between the Council and Publica will be an important step and will help set and manage expectations.

Senior leaders, both within Publica and the council's retained office team, are stretched and are consequently not very visible to staff, which contributes to a perception of lack of openness and transparency. Staff want to see and hear more about their plans for change and progress. Positively, staff recognise the need for change but will require leadership to be present to guide them through the process. In contrast, the Members of the new administration are very visible and engaged with staff. There is a need to define and agree the roles and remits of officer and member leaders and communicate this to staff to ensure clarity and avoid confusion.

There are opportunities to improve communication both internally and externally, which is key to addressing a number of challenges. The council has already committed to undertaking an LGA Comms Health Check and this is a positive, and in the view of the Peer Team, necessary step.

Relationships between officers and political leaders are at a formative stage given the changes both politically and in senior officer leadership in recent months. We saw encouraging signs that senior leaders within Publica recognise that, as a company that is wholly owned by the local authorities it provides services to, it is operating in a political environment and that this needs to be understood both by the company's board and its employees and reflected in the way it operates. There is already an organisational shift towards the council having a more forward facing profile with Publica in a supporting role – this is to be welcomed and developed.

There is a need to develop and clarify the overall governance arrangements, roles and responsibilities of officers and members within the Publica Partnership Framework. The commissioning role of members needs to be strengthened further to allow them to set the direction of the council – taking into consideration professional advice and guidance from officers. To support this, there is a need for more clearly defined arrangements for CDC to hold Publica to account in their delivery of services to and for CDC would be beneficial.

Publica's Executive Leadership Team are well regarded and respected by staff although it is recognised that they are working at, and above, capacity. The role and function of this leadership team would benefit from being redefined so that they are able to fulfil strategic planning roles rather than being drawn into operational delivery, as is currently the case. The Peer Team's view on organisational capacity is reflected later in this report, but lack of capacity at a senior level, both within Publica, and perhaps more crucially, across the retained statutory officers poses a potential risk to the effectiveness of organisational leadership and governance at CDC. Issues around capacity will not only curtail the delivery of new political ambitions, but could also impact on the ability of the council to function effectively and safely in respect of the S151 and Monitoring Officer roles.

There is limited evidence of a culture of organisational learning at CDC. Performance management, project and programme governance needs to be strengthened to support effective learning and delivery. Examples were given to the team of good project management

and projects that were managed less well. Officers identified an opportunity to learn from the good project management that was currently not happening. In addition, many identified that when things did not go to plan, particularly in organisational change, the organisation did not take time to reflect on this, learn the lessons and do things differently. Embedding organisational learning through performance and project management systems will support the organisation in becoming even more effective at delivering change and the priority outcomes of the new administration.

Following the change in political administration in May this year, political management arrangements within the council are still at a formative stage. The incoming administration has been clear about wishing to adopt a collaborative and inclusive approach which is welcomed by partner organisations in particular. There is further work to be done to encourage and support members from all parties to actively engage in the political process. The Audit committee is seen as effective by both members and those officers who directly support it. The external auditor identified the committee as one of the most effective they have encountered!

The Overview and Scrutiny function is less clearly defined and needs to be reviewed – and resourced – to enable it to support the policy development and review roles of non-executive members. Developing more effective scrutiny arrangements has the potential to both unlock capacity in support of the political leadership as well as providing a channel for meaningful engagement for all non-executive members.

4.4 Financial planning and viability

There are financial challenges facing CDC, but the council is well positioned to address these challenges given they are starting from a comparatively good position. Steps taken over the past decade to reduce the cost of service provision such as establishing the Publica service delivery model and reviewing land and property assets to ensure surplus capacity is used to generate income have allowed the council to build revenue reserves to support the budget on an annual basis. However, these reserves may not be being put to best use and a review of the approach and policies around treasury management could lead to increased returns.

It is recognised that previous decisions in relation to Council Tax freezes and even decreases have resulted in a low tax base from which the council now has to build if it is to adequately resource its corporate plan objectives. Currently, CDC has a Band D Council Tax level of £128.93, which is the 11th lowest nationally. A 2% increase would add an extra £2.83 to a Band D property. There is a good awareness of the challenges this represents, both by officers and members but there is a pressing need to agree and implement a plan to address the issue.

Both officers and members at CDC expressed a commitment to examine new approaches to generate income to deliver the Council Plan. The peer team heard mention of an overarching strategy being in development, but we were not able to view one. Establishing a clear set of parameters, both around acceptable levels of risk and the principles for commercial activity are fundamental to a successful approach to commercialism. In addition, developing appropriate governance is necessary to ensure levels of Member engagement and oversight appropriate to the authority balanced against the need to act at pace in a commercial arena. There is substantial learning across the sector that CDC could, and should, take advantage of, allowing them to benefit from the experience of others. Producing and agreeing an overarching policy framework could provide an important opportunity for the council to review the decision to invest £15 million in a multi-story car park. A well-articulated strategy should set out CDC's desired outcomes for all commercial investment decisions including to what extent all such decisions

should support – or at least not contradict – other policy commitments such as delivering affordable housing and addressing climate change.

A well-defined Commercialisation strategy needs to sit alongside and support a new comprehensive Medium Term Financial Strategy. The current Medium Term Financial Plan is built around supporting service efficiency and not focussed on resourcing a more strategic, community outcome and place shaping agenda and programme. In addition, the funding outlook for district councils continues to look challenging over the next few years. In order to continue to protect services and to deliver the new ambitions, a new Financial Strategy should set policy objectives and financial targets for delivering not only ongoing efficiencies, but also additional income from chargeable services, treasury management, commercial services and commercial investments.

There are expectations that the transformation programme will deliver financial benefits. We heard that the programme in its current form has effectively stalled, primarily due to the challenges and the capacity absorbed by the work to bring together staff from the constituent councils into Publica and the ongoing work on pay and grading. If both the organisational and financial benefits are to be realised, the Transformation Programme needs to be reinvigorated with a new delivery plan, appropriate resources and possibly new branding.

Publica has invested significant resources in undertaking a review of pay and grading across all partner councils – this activity has had a direct impact on capacity to deliver wider transformation objectives but more importantly, as a result of this work, we would urge CDC and Publica to seek assurance that organisationally, the risk of potential Equal Pay claims is fully understood and managed.

4.5 Capacity to deliver

The council benefits from a hardworking and committed workforce which is ready to respond to the challenges ahead and to deliver the priorities of the new administration. Staff are dedicated, forward looking and open to change – they represent an asset to the organisation to be nurtured and engaged in taking CDC forward. In addition, the graduate scheme is well regarded for bringing new talent in to the organisation but needs now to be built upon to ensure adequate succession planning. However, staff feel that change has taken too long to deliver. There is a window of opportunity for CDC, alongside Publica, to harness the enthusiasm of staff and provide the clarity and direction that we heard staff desperately want.

Publica, as a service delivery model has many strengths and provides greater scope and capacity than CDC could achieve alone. As well as delivering efficiencies it has enabled more resilient services and a greater breadth of skills than the council could achieve on its own. It should be regarded as part of the answer to meeting the capacity needs of the new ambitions. It is an example of innovation and partnership working that has performed well against the original business case in terms of delivering savings to all partner councils and protecting services. Before moving forward into the next phase of partnership working between CDC and Publica, it is important that time is taken to learn from the experience to date to inform conversations around redefining the partnership approach in line with the requirements and expectations of the new administration.

The council's innovative approach to partnership working within service delivery is demonstrated in a number of ways. In addition to the Publica partnership, CDC plays an active part in a number of other partnerships including the successful Counter Fraud Partnership. This

initiative is an example of maximising resources to secure the greatest advantage for the organisation and opportunities to replicate this across the council should be sought.

It is early days for the new administration and the full implications of new priorities have not yet been worked through. Any discussions around priority setting and the delivery of the emerging Corporate Plan should note that retained staff are working to capacity and are unable to absorb additional work particularly in complex areas such as around housing delivery and commercialisation. Additionally new ambitions will put pressure on current structures and ways of working, exposing gaps in terms of skills, knowledge and experience. These issues are not insurmountable and it's vital that Publica helps provide a solution to capacity issues, for example through more effective commissioning arrangements and knowledge and skill sharing across the partner councils.

The retained staff within CDC need to effectively fulfil the role of intelligent client and in doing so champion the ambitions of the administration and help shape the identity of CDC and deliver its unique agenda. The current retained staffing arrangements require immediate and fundamental review, firstly to provide organisational assurance that statutory responsibilities can be fulfilled and secondly, to ensure that retained officers are able to maximise their impact on policy development, commissioning services from Publica and enhancing the external profile of CDC.

Whilst retained officers are undoubtedly knowledgeable and committed, the current structure lacks the capacity CDC needs and this has the potential to not only negatively impact on the organisation's ability to meet the expectations of the administration, but also poses a risk to the council's ability to operate safely.

The appointment of the new cohort of Business Managers is a positive step towards addressing organisational capacity issues, but both the Council and Publica will achieve more if they engage and empower them. There is a sense of frustration at this level that they could be more actively engaged to lead on service delivery and in doing so help address capacity issues within the Executive Leadership team.

Reinvigorating and repurposing the stalled Transformation Programme will be an excellent opportunity to investigate options for addressing capacity issues. Good progress has been made in implementing the new digital platform and maximising opportunities for organisational effectiveness in terms of process redesign will be a beneficial next step for CDC. However, the organisation needs a credible plan to deliver transformation, it needs to communicate this to staff and engage them effectively in the delivery.

There appears to be some missed opportunities to work in closer alignment with other Publica partner councils when dealing with common issues – for example, other councils within the partnership have, or are looking to employ, Climate Change Officers and the potential to share resources in this and other areas could be further explored. CDC should regard partnerships as holding some of the answers to the capacity needs and challenges of the ambitious new agenda.

There are opportunities to enhance the capacity of CDC and Publica to deliver but this needs to be supported by a better organisational planning articulated through sound Financial and Commercial Strategies and the all important work to redefine the relationship between CDC and Publica.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are: Email andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the council will commission their next Peer Challenge before 2024.



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL - 23 SEPTEMBER 2020
Report Number	AGENDA ITEM 14
Subject	APPOINTMENT OF CHIEF EXECUTIVE
Wards affected	ALL
Accountable member	Cllr Joe Harris / Leader Email: joe.harris@cotswold.gov.uk
Accountable officer	Dr Christine Gore - Interim Chief Executive Email: Christine.gore@cotswold.gov.uk
Summary/Purpose	Following the retirement of the Council's Head of Paid Service at the end of June 2020 Members agreed to launch a process to appoint a new role of Chief Executive. Following assessment and final interviews the Statutory Officer Performance and Appointments Committee were unanimous in their decision that, subject to the approval of Full Council, Robert Weaver should be offered the post of Chief Executive, and should also be designated as the Council's Head of Paid Service, Returning Officer and Electoral Registration Officer.
Annexes	NONE
Recommendation/s	<p>a) <i>That Council approve the appointment of Robert Weaver as Chief Executive (Head of Paid Service) such appointment to be subject to satisfactory pre-employment checks</i></p> <p>b) <i>That Robert Weaver be designated as the Council's Returning Officer and Electoral Registration Officer.</i></p> <p>c) <i>That the salary shall be £100,000 per annum rising to £105,000 after successfully completing 12 months service.</i></p> <p>d) <i>That the Human Resources Manager, in consultation with the Chair of the Statutory Officer Performance and Appointments Committee be granted delegated authority to finalise the arrangements and agree the start date for the Chief Executive</i></p>
Corporate priorities	<ul style="list-style-type: none"> Respond to the challenges presented by the Climate Change Emergency

	<ul style="list-style-type: none"> ● Deliver good quality social rented homes ● Present a Local Plan which is Green to the Core ● Ensure that all services delivered by the Council are delivered to the highest standard ● Help residents, businesses and communities access the support they need to achieve their ambitions
Key Decision	NO
Exempt	NO
Consultees/ Consultation	In accordance with section D9 paragraph 3.2 of the Council's Constitution all members of the Cabinet have been consulted and there have been no objections.

1. BACKGROUND

- 1.1. On 3 June 2020 the Council considered the recruitment process for the appointment to the role of Chief Executive. The Statutory Officer Performance and Appointments Committee, comprising six members together with the Leader of the Council, were given delegated authority to progress the recruitment and appointment, subject to Council approval, to the post of Chief Executive.
- 1.2. The Executive Search Company, Penna, was engaged to undertake the necessary recruitment process and to provide advice to the Statutory Officer Performance and Appointments Committee throughout, including recommending suitable candidates for short-listing, the interview process and advising on final selection for appointment.
- 1.3. The post was advertised externally through relevant media and in addition Penna publicised the vacancy through their networks.
- 1.4. As part of the recruitment and interview process each of the selected candidates undertook a technical assessment interview.
- 1.5. At a meeting on 26 August the Statutory Officer Performance and Appointments Committee considered a report from Penna and heard feedback from the technical assessment interviews. After listening to the feedback and the recommendations made by Penna the Committee agreed unanimously that four candidates be shortlisted to progress to the final interview stage which took place on 8 September 2020.
- 1.6. The final interview stage involved a panel interview by the Statutory Officer Performance and Appointments Committee. Each candidate was also required to give a short presentation on a relevant topic prior to their interview. The Committee was advised by Julie Towers, MD Penna and supported by Julie McCarthy, HR Manager. Following the final interview the Committee was unanimous in its decision that, subject to the approval of Full Council, Robert Weaver should be offered the post of Chief Executive and be designated as the Council's Head of Paid Service, Returning Officer and Electoral Registration Officer.
- 1.7. It was also agreed that the post would be offered on the agreed salary of £100,000 increasing to £105,000 on successfully completing 12 months service.
- 1.8. The Statutory Officer Performance and Appointments Committee concluded that the preferred candidate would work very well and inclusively with Members. He

was able to clearly articulate the challenges and opportunities in Cotswold District Council.

- 1.9. It was also felt he understood what the role of Chief Executive would be in ensuring the Council's objectives would be achieved. He also demonstrated that he would bring strong experience of supporting change and take all the staff on the journey with him. He gave confidence that he would engage with key stakeholders to achieve the desired outcomes.

2. MAIN POINTS

- 2.1. The reasons for the recommendations outlined within this report are as follows:
 - To ensure the Council complies with the requirements of Section 4 of the Local Government and Housing Act 1989 to appoint a Head of Paid Service.
 - To ensure that the appointment of the Chief Executive/Head of Paid Service is made on merit as prescribed in Section 7(2) of the Local Government and Housing Act 1989
 - Under Section 8 of the Representation of the People Act 1983, and section 41 of the Local Government Act 1972, the Council is required to appoint one of its officers to act as Electoral Registration Officer and a Returning Officer for the Council.

3. FINANCIAL IMPLICATIONS

- 3.1. Cabinet considered the Council's draft budget for 2021/22 on 7 September 2020 and approved the budget for consultation. The draft budget includes provision for an increase in the salary of the Chief Executive position. The proposed salary is in line with the increased provision. The Council will formally consider the 2021/22 budget in February 2021. The costs for the current year are included in the revised budget which appears elsewhere on this agenda.

4. LEGAL IMPLICATIONS

- 4.1. The Council has a duty to appoint one of its officers to the statutory role of Head of Paid Service and for an officer to act as Electoral Registration Officer and a Returning Officer. The Statutory Officer Performance and Appointments Committee may make a recommendation but the actual appointment as well as approval of a salary over £100,000 must be approved by full Council.

5. RISK ASSESSMENT

- 5.1. There is a risk that the preferred candidate is not successful in the role. However, he will serve a probationary period of six months, and will have clear objectives set

for him at the earliest possible stage in order that his performance can be measured and managed appropriately.

6. EQUALITIES IMPACT

- 6.1. An equalities impact assessment was not required in relation to this report.

7. ALTERNATIVE OPTIONS

- 7.1. The Council is required to have a Head of Paid Service, Electoral Registration & Returning Officer. The Council could decide not to appoint to the position of Chief Executive but would need to appoint a suitable officer or officers to the role of Head of Paid Service, Electoral Registration Officer and Returning Officer. The Council could also continue with interim arrangements.

8. BACKGROUND PAPERS

- 8.1 None.

(END)