

Corporate Management Committee

Thursday 15 April 2021 at 7.30pm

This meeting will be held remotely via MS Teams with audio access to the public for the Part I items via registered dial-in only

Members of the Committee

Councillors N Prescott (Chairman), J Gracey (Vice-Chairman), A Alderson, I Chaudhri, D Cotty, L Gillham, M Heath, J Hulley, R King, M Maddox, D Whyte and M Willingale.

In accordance with Standing Order 29.1, any Member of the Council may obtain remote access via MS Teams to the meeting of this Committee, but may speak only with the permission of the Chairman of the Committee, if they are not a member of this Committee.

AGENDA

Notes:

- 1) Any report on the Agenda involving confidential information (as defined by section 100A (3) of the Local Government Act 1972) must be discussed in private. Any report involving exempt information (as defined by section 100I of the Local Government Act 1972), whether it appears in Part 1 or Part 2 below, may be discussed in private but only if the Committee so resolves.
- 2) The relevant 'background papers' are listed after each report in Part 1. Enquiries about any of the Agenda reports and background papers should be directed in the first instance to **Mr J Gurmin, Democratic Services Section, Law and Governance Business Centre, Runnymede Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425624). (Email: john.gurmin@runnymede.gov.uk)**.
- 3) Agendas and Minutes are available on a subscription basis. For details, please ring Mr B A Fleckney on 01932 425620. Agendas and Minutes for all the Council's Committees may also be viewed on www.runnymede.gov.uk.

Continued.....

4) You are only permitted to hear the debate on the items listed in Part I of this Agenda, which contains matters in respect of which reports have been made available for public inspection. You will not be able to hear the debate for the items in Part II of this Agenda, which contains matters involving Exempt or Confidential information in respect of which reports have not been made available for public inspection. If you wish to hear the debate for the Part I items on this Agenda by audio via MS Teams you must register by 10.00 am on the day of the meeting with the Democratic Services Team by emailing your name and contact number to be used to dial-in to democratic.services@runnymede.gov.uk

5) **Audio-Recording of Meeting**

As this meeting will be held remotely via MS Teams, you may only record the audio of this meeting. The Council will not be recording any remote meetings.

LIST OF MATTERS FOR CONSIDERATION

PART I

Matters in respect of which reports have been made available for public inspection

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PART II

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b) Confidential Information

(No reports to be considered under this heading)

1. **NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP**

2. **MINUTES**

To confirm and sign the Minutes of the meeting of the Committee held on 25 March 2021 (attached at Appendix 'A'). As this meeting is being held remotely, the Chairman will ask the Members of the Committee if they approve these Minutes which will then be signed when this is physically possible.

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE

APPENDIX 'A'

25 March 2021 at 7.30 p.m. via MS Teams

Members of the Committee present: Councillors N Prescott (Chairman), J Gracey (Vice-Chairman), A Alderson, I Chaudhri, D Cotty, L Gillham, M Heath, J Hulley, R King, M Maddox and D Whyte.

Members of the Committee absent: Councillor M Willingale.

Councillors D Clarke and J Olorenshaw also attended.

MINUTES

The Minutes of the meeting held on 25 February 2021 were confirmed as a correct record. As the meeting was being held remotely using MS Teams, the Chairman would sign these Minutes when this was physically possible.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor M Willingale.

CORPORATE KEY PERFORMANCE INDICATORS – PROPOSED 2021/22 INDICATORS AND TARGETS

The Committee considered the proposed Corporate Key Performance Indicator (CKPI) set for 2021/22 as recommended by the Service and Digital Transformation Member Working Party. The Committee also noted the latest Quarter 3 report for the 2020/21 CKPIs showing performance against targets which provided them with data to assist their consideration of this item.

The Committee approved the changes to the CKPIs for 2021/22 which had been recommended by the Working Party. For Customer, Digital and Collection Services, CDCS2 on the percentage of lost Customer Service Calls per quarter would be amended from 12% to 7% due to exceptional performance achieved in 2020/21. For Housing, the current description for H3 on the percentage of satisfied customers with the reactive repairs service would be changed to the revised description of H3: satisfaction with the overall reactive repairs service achieved (% of total number of responses return) to clarify what this CKPI measured. The targets for Quarter 1 and Quarter 2 in 2021/22 for H8: percentage of stock with a valid safety certification electrical installation condition report would be reduced from 100% to 80% and 90% which were more realistic figures. The target for H9: number of outstanding high-risk fire assessment actions would be reduced from 140 to 70 in quarter 1 of 2021/22 and to 30 for Quarters 2 to 4 of 2021/22 as ongoing assessments were reducing the number of actions required.

For Environmental Services, the target for ES1: dry mixed recycling rate (paper, cans, glass, plastic) would be increased from 23% to 24% in 2021/22. This was reckoned to be a realistic figure as although the results for 2020/21 had been between 25.57% and 26.49%, it was considered that this might be because more people were working at home and ordering online and therefore producing additional packaging. For ES2: garden waste and food waste recycling rate, the targets would be increased from 23% to 24% in view of the additional green waste customers gained in 2020/21. For ES3: percentage of bins collected, the targets would be increased from 99.87% to 99.9% in view of the consistent exceptional performance achieved in 2020/21.

For Community Services, CS2: number of befriending referrals per quarter, would be a new CKPI for 2021/22, subject to funding being approved for the proposed befriending initiative which had been put forward as loneliness had been identified as an issue during the pandemic. This indicator would be added for monitoring purposes if the initiative was set up, with targets to follow for the following year. Vulnerable people appreciated regular calls which also provided an opportunity to advise them of Council services available with the potential to increase the Council's income for those services where a fee was charged. For Housing, HS2: average number of calendar days to relet a void property (excludes major works voids) would also be a new CKPI for 2021/22 with a target of 25 days each quarter. This indicator was reported to central Government and therefore provided an opportunity for benchmarking. C1: number of individual trips with Community Transport per quarter, would be removed as a CKPI for 2021/22, as due to Covid-19 the speed of recovery of this service was uncertain. However, this indicator would continue to be monitored by the business unit. All of the other CKPIs and targets would remain unchanged for 2021/22.

The Committee was pleased to note the exceptional performance in the third quarter of 2020/21 for ES3: percentage of bins collected. Performance on the CKPIs which related to rent arrears had been only just short of the targets set in the third quarter of 2020/21. Officers were commended for very good results for rent collection and rent arrears particularly in view of the adverse effects of Covid-19.

RESOLVED that –

- i) **the proposed 2021/22 Corporate Key Performance Indicator descriptions, as set out in Appendix 'B' to the agenda, be approved; and;**
- ii) **the proposed 2021/22 quarterly/annual targets, as set out in Appendix 'B' to the agenda, be approved.**

REFERENCE FROM HOUSING COMMITTEE – PROPOSED ADDITIONAL POSTS

The Committee considered a reference from the Housing Committee which, at its meeting on 10 March 2021, had recommended the approval of two additional posts to be located within the Council's Housing Service. The Housing Committee had approved a Housing Revenue Account supplementary revenue estimate for 2021/22 and subsequent years to cover the full year costs of the two new proposed staff which were £84,800.

These two additional posts of Housing Policy Officer and Tenant Engagement Officer (job title to be confirmed) would enable the Housing Service to introduce a Quality Management System (ISO 9001) which was one of the actions contained within the Housing Business Unit Plan. The service would also be able to respond effectively to the requirements of the Social Housing White Paper - Charter for Social Housing Residents. These posts provided sufficient resources to meet the Council's requirements as a social landlord at present based on the detail provided in the White Paper.

UNISON supported additional staff to deliver these actions and was pleased to see resources being put in place to respond to additional work which sent out a positive message to staff. The Corporate Management Committee approved recruitment to these posts which would allow the Council to develop its Housing policies and its engagement with tenants.

RESOLVED that –

the recruitment of two additional staff, a Housing Policy Officer and a Tenant Engagement Officer, to be located within the Council's Housing Service, be approved.

TEMPORARY RESOURCE IN HUMAN RESOURCES: PROPOSAL FOR A 12 MONTHS CONTRACT

The Committee considered a report seeking approval for a supplementary revenue estimate in the sum of £50,000 to fund a one year temporary post in the Human Resources business unit.

The Council's original budget for 2020/21 had included a sum to strengthen the Human Resources (HR) capacity in the Council in view of the substantial additional work that HR was undertaking. This was for 1 professional HR post and one part-time HR Assistant role. This was also in the context that, for the size of authority, Runnymede's HR service had fewer HR staff to deal with the staffing issues in its workforce than both comparable and smaller authorities in Surrey. These proposals had had to be shelved because of the financial impact of the pandemic on the Council's finances.

However, HR work within the Council had not diminished and in fact had grown over the past year. Partly, this had been in response to the Covid crisis, but it was also a result of work which could not be stopped or rescheduled. Capacity had also been affected by an unusually high level of sickness absence and the need for one member of the team to shield. The range of tasks undertaken by HR was noted by the Committee. HR was a small team and the need to strengthen the capacity of the Unit had been recognised and prioritised by the Chief Executive.

As well as the continuing other work in HR, the Council was embarking on a Voluntary Redundancy Strategy. This was necessary to meet financial targets and to make a major contribution to £2m of savings which had to be achieved by the Council over the next two financial years, including potential further staff restructuring. The Voluntary Redundancy Strategy would also enable some re-investment within the Council in areas of priority to Members including a Climate Change Officer, a Bid Writer to access more resources for the Council in a range of different areas and a Joint Enforcement Team. The Committee noted the significant work created for HR by the Voluntary Redundancy Strategy. There was an immediate need for extra resource in HR for 12 months - otherwise it would not be possible to achieve the target date for completion of the Voluntary Redundancy Strategy which was March 2022.

Although this was a growth item, the 12 months post was necessary to ensure that there was sufficient capacity in place to process Voluntary Redundancy applications and to meet legal responsibilities. The cost of a one-year post was £33-35,000 plus on costs and a one-off agency fee, bringing the total cost to £50,000. Before the end of the one-year period, there would be an evaluation of the ongoing needs of the HR Business Unit to ascertain whether some of the savings generated by the Voluntary Redundancy Strategy needed to be re-invested.

It was noted that HR was in the implementation phase for the new Vendor Neutral Contract for the use of agency staff that had been previously agreed by the Committee. Therefore this temporary post would be procured by using the current agency staff arrangements. However, the agency charge being made for this post was lower than for many other agency staff procurements.

A Member expressed the view that the Council should be recruiting permanent staff to cover the workload in HR rather than procuring a short term post through an agency. However, a majority of Members of the Committee supported the one-year temporary post in the HR Business Unit in view of the urgent need for resources in this area and considered that, while the use of agency staff should be avoided where possible, this was required on this occasion to complete the Voluntary Redundancy Strategy and to assist with the HR workload. It was noted that it might be necessary for a report to be submitted to the Committee in the future seeking further resources for the HR Business Unit.

RESOLVED that -

a supplementary revenue estimate in the sum of £50,000 be approved to fund a one-year temporary post in the Human Resources Business Unit.

TELEPHONY REVIEW AND STRATEGY

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A (4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 3 of Schedule 12A to Part 1 of the Act.

On 30 July 2020, the Corporate Management Committee had agreed that the Council's telephony network be reviewed. The Committee noted a report outlining the outcome of this review including the key findings and the recommended next steps for the Council. The Committee noted the various options which had been considered. The review had been discussed at the Service and Digital Transformation Working Party and that Working Party had supported the recommendations in the report. The impact of Covid-19 on the Council and the recovery plan which was required meant that resources needed to be re-evaluated taking into account the organisation's short to medium term financial strategy. In view of the Council's current systems strengths and opportunities which could be maximised with limited expenditure, the Committee agreed that the Council's existing telephony systems be maintained with enhancements and additional licences to meet the Council's medium term strategic aspirations. The Committee agreed that Contract Standing Orders be waived to enable a direct award to be made to the incumbent providers for a three year period without a full tender process.

The enhancements which would be provided would include an increase in call recording monitoring, wallboards displaying real – time call statistics, new management reporting tools, improved integration, rolling out of softphones and additional Contact Centre licences and Contact Centre enhancements. The equality and privacy impact implications of these decisions were noted. It had not been possible within the package to meet the cost of moving hardware onto the Cloud – this proposal would be looked again at when the Council reviewed its telephony requirements before the expiry of the contracts in November 2024. Various measures had been taken to strengthen the Council's internet resilience.

A project budget had been allocated in the Digital Transformation Programme and the Committee noted a breakdown of the capital and revenue costs of the enhancements and additional licences required. Additional revenue costs had already been built into the budget as part of the Digital Transformation Programme. The capital costs could be met from the provision held in the Capital Programme and the Committee approved the release of this money.

RESOLVED that –

- i) the outcome of the Council's Telephony review be noted;**
- ii) having considered the recommendations outlined in the Telephony Strategy the procurement approach be approved to:-**
 - a) make a direct award to the Council's incumbent providers for the supply and implementation of the enhancements recommended in the report;**
 - b) award a 3 year support and maintenance contract of the Council's telephony system from November 2021 to November 2024 with the Council's incumbent providers; and**

- c) **increase the call recording licensing across the Council and co-term the support and maintenance contract from May 2023 to November 2024;**
- iii) **the Corporate Head of Law and Governance be authorised to enter or execute under seal any contractual documentation to fulfil the extensions required; and**
- iv) **a capital estimate be approved in the sum reported drawing down from the pre-approved capital provision held in the Capital Programme for the Digital Transformation Programme.**

REFERENCE FROM COMMUNITY SERVICES COMMITTEE – SOCIAL PRESCRIBING AND CITIZENS ADVICE RUNNYMEDE AND SPELTHORNE

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A (4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 3 of Schedule 12A to Part 1 of the Act.

The Committee considered a reference from the Community Services Committee which, at its meeting on 11 March 2021, had considered proposals for a one year project between the Council's Social Prescribing Project and Citizens Advice Runnymede and Spelthorne (CARS). The Community Services Committee had supported the proposals.

The Council had been offering a Social Prescribing service for three years, funded by a combination of the Better Care Fund and two Primary Care Networks. Social Prescribing provided support to residents who had social, wellbeing and other non-medical needs. The impact of Covid-19 had demonstrated a clear need for the Social Prescribing service to continue and to be sufficiently resourced to do so. However, Social Prescribing was only the access point to services. The success of Social Prescribing depended upon other organisations, as well as local community assets, to provide the support required. One such organisation was CARS, who had always been a key support to residents referred to Social Prescribing. Officers reported that since 1 April 2020, a total of 233 referrals had been received by Social Prescribing. 70 of these referrals had been passed on to CARS who played a critical role in supporting residents with specialist advice on housing and accommodation and financial hardship as well as benefits checks, debt advice and legal advice.

The Council's Senior Leadership Team and Corporate Leadership Team had proposed that £40,000 of the Contain Outbreak Management Fund (COMF) funding that the Council had received in order to respond to the Covid -19 pandemic be awarded to CARS in the form of a one-off grant for 12 months. This would allow CARS to recruit a full time adviser to cope with demand. CARS would work in partnership with the Council's Social Prescribing service to provide a timely service to the community. This partnership approach was also intended to provide an opportunity for CARS to gain greater exposure across Health and Social Care, through its link to Social Prescribing, which might provide a platform for potential funding from other sources in the future. It was agreed that officers would discuss with a Member possible performance indicators for the 12 months post to be employed by CARS for the one year partnership between the Council's Social Prescribing service and CARS.

The Committee supported this proposal and recognised the key role played by CARS and how a joint approach would be beneficial for all parties.

RESOLVED that -

the proposals for a one-year project between the Council's Social Prescribing Project and Citizens Advice Runnymede and Spelthorne be approved.

PROPOSED PROCUREMENT OF MICROSOFT LICENCES

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A (4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 3 of Schedule 12A to Part 1 of the Act.

Approval was sought for the award of a three year contract for Runnymede Borough Council's Microsoft Enterprise Licensing. The Council could only procure Microsoft Licences through a partner reseller.

The Council was approaching the end of its current framework contract for Microsoft licensing. Microsoft Software and Cloud Services ultimately underpinned all of the activities that the Council undertook and all of the services that it delivered. The Council was not allowed to extend its existing contract beyond the date for expiry. The Council was required to enter into a new licensing agreement for three years to ensure that it could continue to use Microsoft Software and Cloud Services. The Health Trust Europe Information Communication Technology Solutions Framework provided access to a single lot Framework which covered five areas, one of which was IT software which was appropriate for the Microsoft Enterprise Licensing procurement. The Committee agreed to approve a waiver of the Council's Contract Standing Orders to authorise a direct award from this Framework to the top-ranking partner reseller in this Framework who was also the Council's incumbent supplier, due to the necessity to avoid serious disruption to Council services. The equality and privacy impact implications of this decision were noted.

As part of the new agreement there would be an increase in the unit cost for Microsoft licences. This increase had already been built into the Digital Services budget. The unit cost for Microsoft licences had increased across the whole of the public sector. The Committee was pleased to note that officers had been able to secure a contract discount for the new contract despite an increase in overall contract value.

RESOLVED that -

- i) a waiver of the Council's Contract Standing Orders be approved to authorise a direct award to the Council's incumbent provider from the Health Trust Europe Framework for Microsoft Enterprise Licensing for a contract term of three years, due to the necessity avoid serious disruption to Council services; and**
- ii) the Corporate Head of Law and Governance be authorised to execute under seal the call off contract agreement.**

(The meeting ended at 8.30 p.m.)

Chairman

3. **APOLOGIES FOR ABSENCE**

4. **DECLARATIONS OF INTEREST**

If Members have an interest in an item, please record the interest on the form circulated with this Agenda and e-mail it to the Legal Representative or Democratic Services Officer by 5.00 p.m. on the day of the meeting. **Members are advised to contact the Council's Legal section prior to the meeting if they wish to seek advice on a potential interest.**

Members are reminded that a non-pecuniary interest includes their appointment by the Council as the Council's representative to an outside body and that this should be declared. Membership of an outside body in their private capacity as a director, trustee, committee member or in another position of influence thereon **should be regarded as a disclosable pecuniary interest, as should an appointment to an outside body by the Council as a trustee.**

Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when obtaining remote access to the meeting. Members need take no further action unless the item in which they have an interest becomes the subject of debate, in which event the Member must withdraw from the meeting if the interest is a disclosable pecuniary interest or if the interest could reasonably be regarded as so significant as to prejudice the Member's judgement of the public interest.

5. **CONSTITUTION REVIEW 2021 (LAW AND GOVERNANCE – MARIO LEO/BERNARD FLECKNEY)**

Synopsis of report:

To ask the Committee to consider changes to the Constitution resulting from periodic updating and recommendations from the Constitution Member Working Party (MWP).

Recommendations:

The Committee is asked to recommend to Full Council on 22 April 2021 that:

- i) the changes to the Council's Constitution be approved;**
- ii) the revised Constitution be effective from 19 May 2021; and**
- iii) the Corporate Head of Law and Governance be authorised to settle the final form of the revised Constitution for adoption in accordance with the above decisions, and the Corporate Head of Law and Governance be authorised to incorporate any delegations to officers subsequently authorised by Committee(s) after 22 April 2021 and prior to printing, and make any minor editing changes necessary to correct errors or omissions discussed after 19 May 2021.**

1. **Context of report**

1.1 The Council reviews the Constitution every year. The current Constitution is that approved in July 2020.

1.2 Prior to 2000, local authorities had a variety of constitutional documents, which governed the way in which the authorities operated, but did not have a Constitution. These documents included standing orders, contract standing orders, schemes of delegation, various codes of conduct and a scheme for Members' Allowances. Section 37 of the Local Government Act 2000 requires authorities to adopt and keep

up to date Constitutions containing their standing orders, code of conduct for Members, any other information they consider appropriate and 'such information as the Secretary of State may direct'. In order to comply with these requirements, the Council undertakes an annual review of its Constitution

2. **Report**

- 2.1 Every review of the Constitution throws up a number of changes that are needed to reflect new legislation, the need for clarity or emphasis etc.
- 2.2 As it is a large item, the full draft Constitution document is not reproduced with this Agenda, but a copy showing changes in red is available for inspection from the Democratic Services Manager. A copy is also available in the Members' Room from 7 April. Some of the changes made are to incorporate changes which have already been previously authorised during the current Municipal Year by respective Full Council/ Committees and these are also specified in the summary below for completeness.
- 2.3 Most of the changes proposed have been recommended by the Constitution Member Working Party which has met regularly and again made a valuable contribution to this review of the Constitution. The Member Working Party (MWP) will continue to meet in the next Municipal Year and will focus on key areas for review which will be identified in due course.

3. **Summary of changes to Constitution for 2021**

- 3.1 The changes are as follows. The page numbers shown which are not in brackets indicate where the relevant matter appears in the current Constitution which is on the Council's website and the page numbers in brackets indicate where it appears in the proposed new Constitution, a copy of which is available in the Members' Room. Formatting and some indices of the proposed Constitution will be tidied up prior to final printing.

General

- Minor updates, corrections and clarification of wording – dates, spellings, post titles, formatting, changes to reflect current practices, etc. throughout document.

Part 3 – Responsibility for Functions

- **Page 58 (59)-Scheme of Delegation-Officers General powers and Duties-** addition to authorise Officers to sign any Notices, Agreements (e.g. tenancy or management agreements), Consents, Permissions and Licences which relate to their specific service areas.

Page 64 (page 66)- Matters reserved to Planning Committee

The primary recommended change, which was fully supported by the Constitution MWP, is in the number of representations required for an application to be reported to the Planning Committee. The current trigger for an application to go to Committee is when more than two objections have been received from more than two different households.

It is proposed to increase this number to ten. Compared to other local authorities directly adjacent to Runnymede or in close proximity to the borough, Runnymede's threshold is very low and this has led to a significant and disproportionate number

of small applications being brought to Planning Committee. These are usually uncontroversial, with only interest from directly adjacent neighbours, and are nearly always approved in line with the officer recommendation because they accord with adopted planning policy. These applications do, however, take up a significant amount of the Committee's time, significantly extend meetings and reduce the time and focus on larger applications and policy matters. This problem was identified by both the PAS report and residents' panel.

Dealing with very small less contentious items at Planning Committee is not considered a good use of Member, officer or resident time, and a number of recent Planning meetings have extended beyond four hours. It is considered that the Planning Committee's time should be primarily focused on items that are more complex or contentious as well as items that have been called-in by elected Members because of the particular planning circumstances of the case.

Removal of less contentious items from agendas would help deliver both the PAS, Overview and Scrutiny Select Committee and residents' panel recommendation on the Planning Service. Any items that are particularly controversial would be caught by the proposed ten letter threshold, the Member call-in provision or the CHDMBC's power to list applications for consideration by the Committee.

A number of other revisions are proposed to the schedule of matters reserved to the Planning Committee and again these were fully supported by the Constitution MWP. The main revisions are:

- In relation to the Council's own developments recommended for approval to go to Committee, the threshold is raised from 1 to 3 objections. This will help to prevent delays to Council schemes where there is a solitary objector.
- S73/S73A amendment applications & reserved matters would only be reported to Committee if they had 10 or more objections, were called-in by a Councillor or listed by the CHDMBC. It is considered prudent not to have the uncontroversial ones go to Committee, these applications relate to developments that would already have been approved either as full applications or in principle by the Committee. If an application of such type proved controversial then it could be caught by the other three provisions mentioned in this paragraph and subsequently considered by the Committee.
- Current provision 23.9 has gone into the broader new provision 23.4.
- Current provision 23.5 has become new provision 23.6. This has been refined to focus on the primary statutory consultees in the Borough. As the list of statutory consultees has become rather broad and can be updated by the Government without notice it is considered prudent to define this list to avoid unforeseen consequences that could expose the Council to risk.
- Clarification of the position on applications submitted by Officers or their spouse/civil partners or persons who they are living with as spouses/civil partners.
- A note clarifies that the CHDMBC has the authority to amend or add conditions or obligations where it is in the interests of proper planning and does not conflict with the requirements of the Planning Committee. This is considered necessary and appropriate to protect the Council from potential legal challenges and allow correct and proper consideration of updated or improved information.
- A number of other minor refinements are made to the text.

A revised schedule showing the above changes and refinements is attached for ease of reference at Appendix 'B'. The Constitution MWP fully supported these changes.

Functions delegated to specific Officers

- **Page 72 (77) Mobile Homes (Requirement for manager of site to be Fit and Proper Person)(England)Regulations 2020-** authorisation of Corporate Head of Environmental Services to i) grant, grant with conditions, or reject applications for inclusion of persons on the relevant register of fit and proper persons ii) remove a person from the register or vary or remove a condition imposed on a person on the register iii) to appoint a person to manage a site if the local authority is satisfied that the person is a fit and proper person.
- **Page 72 (77) – Licensing –** addition to authorise CHLG and Deputy CHLG to sign decisions of Licensing Committee/Sub Committee.
- **Page 73 (79) – Housing –** addition to authorise Corporate Head of Housing in consultation with Corporate Head of Assets and Regeneration to determine applications for the release of restrictive covenants which were imposed on the disposal of Right to Buy properties.

Standing Orders for Council and Committee meetings

- **Page 177 (187)-Standing Order 51-Procedure for Hearings and Consideration of Complaints against Councillors** -revisions in order to address situations when the Monitoring Officer is unable to deal with a complaint about a Councillor owing to a conflict of interest including examples of potential conflicts of interest.
- **Page 180 (190)-Arrangements for Dealing with Code of Conduct Complaints-**section 8-add para 8.3 to state that dormant complaints against Councillors will be closed after 4 weeks has elapsed following one chaser email to the complainant.

Standing Orders for Contracts

- **Page 204-230 (215-243) –** replace references to OJEU and PCR2015 as per Government guidance.
- **Page 228 (241)-Standing Order 20** -replacement wording to tighten and rectify a misalignment with the PCR Regulations regarding 'Additional Work Not Contracted For'.

Pages 278-285 (298-314) Code of Conduct for Members

- Replace current Code with the Model Code produced by the Local Government Association. The Model Code also addressed many of the Ethical Standards Best Practice recommendations from the LGA. Provisions relating to dispensations would be transferred from the existing Code to the new Code as the model Code had not made reference to these matters. The Standards and Audit Committee had recommended its adoption and this was supported by the Constitution MWP.
- **Page 287 (316) Gifts and Hospitality for Members**-update on guidance on gifts and hospitality to state that declarations of such must be made to Monitoring Officer in accordance with new Code of Conduct and that details thereof are published on the website.

Part 6 – Scheme of Members’ Allowances

- **Page 405 (435)** – The new scheme of Members’ Allowances was approved at Full Council on 4 March 2021 and will replace the existing scheme contained in the Constitution.

Part 7 – Management Structure

- **Page 410 (444)** - updated structure diagram will be included to reflect changes made since the Constitution was last adopted.

4. Implementation

- 4.1 The Committee’s recommendation will be reported to Full Council on 22 April 2021. The changes to the Constitution will come into effect on 19 May 2021, the start of the new Municipal Year.

5 Biodiversity/environmental/sustainability implications

- 5.1 Due to the bulk of the document, large numbers of printed copies will not be produced in order to reduce use of paper. As previously and in accordance with Article 15.03 (a) of the Constitution, it is proposed that a hard copy be provided for the Mayor, the Leaders of the political groups on the Council, each Committee Chairman, each Chief Officer and for Legal and Democratic Services Officers, with a few spares to meet the occasional request from members of the public. Otherwise this document will be freely available in downloadable form from the Council’s website and a hard copy will be available for public inspection at the Civic Centre reception.

(To recommend to Full Council on 22 April 2021)

Background papers

Notes of Constitution Member Working Group Meetings
Internal emails relating to updates / changes to the Constitution held by Democratic Services Manager.

Proposed new arrangements for matters reserved to the Planning Committee

23. Planning

23.1 All applications required to be referred to the Secretary of State under the Town and Country Planning (Consultation) (England) Direction 2009.

23.2 New full, hybrid or outline planning applications recommended for approval (with the exception of S73 & S73A applications, unless called in under provision 23.3) that fall into the definition of major development as defined by the Town and Country Planning (Development Management Procedure) (England) Order 2015 (or as superseded) or are for a net increase of 5 or more new dwellinghouses.

23.3 Planning applications where a Councillor of the Authority has requested that the application be called-in to be the subject of a decision by the committee (an application in this case being an application for Full, Outline, Reserved Matters, Hybrid, S73/S73A or Householder Planning Permission or an application for Listed Building Consent. No other case types are the subject of the call-in provision).

The request must be in writing, relate to development in their own ward, state whether it applies if the recommendation is to permit or refuse (not both), give a valid planning reason, and be received within 28 days of the registration of the application.

23.4 Any matter where authority is normally delegated to the CHDMBC, but where the CHDMBC chooses not to exercise their delegated authority and considers the matter to be most appropriately dealt with by the committee.

23.5 Planning applications made on behalf of the Council for its own developments for new buildings or extensions which result in an increase in floor space greater than 250sqm and for which three or more objections have been received.

23.6 Any planning applications which are recommended for approval but on which a planning objection has been received from one of Natural England, the Environment Agency, Historic England, Sport England or the County Highway Authority which have not, in the opinion of the CHDMBC, been subsequently resolved by negotiation or through the imposition of conditions;

23.6 Any planning applications that are not caught by other provisions of this section and are for householder development or minor development and are recommended for approval, that have received objections from more than 10 different parties*.

**For this purpose, objections received from different members of the same household or address shall count as coming from a single party.*

23.7 Any planning applications submitted by, or on behalf of, a Councillor of the Authority (or their spouse/civil partner or a person with whom they are living as spouse/civil partner) where there is one or more objections received within 28 days of registration of the planning application.

23.8 Any planning applications submitted by, or on behalf of, an officer (or their spouse/civil partner or a person with whom they are living as spouse/civil partner)** that has a role or potential involvement in the planning process, where there are one or more objections received within 28 days of registration of the planning application.

***For this purpose, such a member of staff shall be broadly defined as a member of the Development Management and Building Control Service, a Member of the Planning Policy and Economic Development Service, any internal consultees who respond on planning applications or a member of the Senior/Corporate Leadership teams.*

23.9 The making of Directions restricting permitted development under Article 4 of the Town and Country Planning (General Permitted Development) Order 2015 or any Order which revokes and re-enacts that Order.

23.10 The making of Local Development Orders under the Town and Country Planning Act.

23.11 All necessary approvals for the Compulsory Purchase of land under the Town and Country Planning Act and determinations as to whether to appropriate land for planning purposes, or dispose of such land held for planning purposes under section 232 and 233 of the Act.

23.12 The adoption of documents as part of the Development Plan, including any Development Plan Documents and Supplementary Planning Documents.

Note on committee items: For the avoidance of doubt, where it is in the interests of good planning and decision making and where it would not conflict with the instruction of the committee on a particular matter, the CHDMBC has the delegated authority to add, remove or amend conditions, reasons or obligations ahead of a formal notice being issued.

In any case where the CHDMBC is unsure of whether it is appropriate to exercise this authority, permission should be sought from the chair of the committee in writing.

6. **MAGNA SQUARE DEVELOPMENT – COLOUR SCHEME FOR THE RESIDENTIAL BUILDINGS (ASSETS AND REGENERATION – ALEX WILLIAMS)**

Synopsis of report:

To report on the colour branding for the residential buildings in the Magna Square (formerly the Egham Gateway West) development.

Recommendation:

The Committee approves the colour scheme as shown in Appendix ‘C’ (separately circulated).

1. Context of report

- 1.1 At its meeting on 15 October 2020, the Committee considered a report on the naming of the residential buildings for the Magna Square development (formerly known as the Egham Gateway West Development).
- 1.2 At that meeting the Committee agreed that the residential buildings in the development be named as Block A: Corn Merchant House, Block B: Parish Hall, Block C: Gem House and Block D: Holloway View. These were names which had historical associations with Egham.
- 1.3 However, when the names needed to be implemented, Runnymede Engineering Services along with fire and ambulance services did not accept Holloway View as a name. This was because it is too similar to existing street and building names in the locality. For commercial reasons it was imperative that the marketing of the student block (Block D) commenced. Therefore, the name of this block was changed to Parish Hall to give this block an identity with which to market the student units. This resulted in Block B requiring a name. It was felt, after consultation with officers in Environmental Services along with the fire and ambulance services, that Liberty Hall provided a suitably positive and neutral name in keeping with the history of Egham referencing back to the impact of the historic sealing of Magna Carta in 1215.
- 1.4 It was also agreed at the meeting on 15 October 2020 that officers would consult with Ward Councillors and report to a future meeting of the Committee on the colour branding for the residential buildings in the development.

2. Report

- 2.1 Officers are seeking the Committee’s approval of the colour scheme for the residential buildings in the development in accordance with the Committee’s previous decision.
- 2.2 Consultation was undertaken with all Members by way of a Teams meeting prior to the Corporate Management Committee meeting in February 2021 whereby all Members received a power point presentation in respect of the colour schemes for each block. This power point presentation is at Appendix ‘C’ which, in view of the size of the presentation, has not been printed and is circulated separately as an electronic document only.
- 2.3 During the presentation Members expressed support for the proposals and a couple of questions were raised with regard to the colour of Block D (Parish Hall) being

black. It was explained that this block is on the southern side of the scheme and will attract the sun so the colour will not be as harsh as shown on the power point presentation.

- 2.4 The tiles are of a very high quality with texture that will reflect the light which in turn will bring the colour schemes to life. It was also further noted that, if we were not subject to the restrictions resulting from the Covid pandemic, “mood boards” showing texture and colour could have been placed at the Civic Centre for Members to view. However, Members were happy with the colour palets given to each block.

3. **Policy framework implications**

- 3.1 At its meeting on 15 December 2016, this Committee recommended a revised Property Investment Strategy 2016/17 to 2020/21 which was agreed by full Council on 9 February 2017. The Strategy prefers the Council to optimise value through the acquisition and management of commercial property assets.

4. **Resource implications (where applicable)**

- 4.1 There are no resource implications in respect of this report.

5. **Legal implications**

- 5.1 There are no legal implications in respect of this report.

6. **Equality implications**

- 6.1 There are no equality implications in respect of this report.

7. **Environmental/Sustainability/Biodiversity implications**

- 7.1 The student block will meet BREEAM Very Good standards. There will be electric car charging points in the car park and a car club to assist with the mobility of residents but reduce the need to own cars. This is part of a green transport agenda. The buildings all have low energy lighting, are very well insulated and energy efficient heating systems are being installed, utilising passive methods wherever possible.

8. **Conclusion**

- 8.1 The Committee is recommended to approve the colour scheme as shown in Appendix ‘C’ (separately circulated).

(To resolve)

Background papers

None stated

7. **REFERENCE FROM PLANNING COMMITTEE – PARKING GUIDANCE SPD –
TRANSPORT CONSULTANCY SUPPORT (PLANNING POLICY – RACHEL RAYNAUD)**

Synopsis of report:

To consider a reference from the Planning Committee, which at its meeting on 14 April 2021, will be considering whether to recommend to this Committee that an additional £20,000 is provided to the Planning Policy budget for the 2021/22 financial year.

Recommendations:

An additional £20,000 be provided to the Planning Policy budget for the 2021/22 financial year via a transfer of budget from the Chief Executive’s Community Initiatives Fund in 2021/22 to allow transport consultancy support to be procured to help underpin a locally derived and robustly evidenced parking standard(s) for:

- a) Purpose Built Student Accommodation (PBSA); and/or**
- b) Office accommodation**

(This recommendation is subject to consideration by the Planning Committee at its meeting on 14 April 2021).

At its meeting on 14 April 2021, the Planning Committee will consider whether to recommend to this Committee that budgetary provision is made for Transport Consultancy Support for the Parking Guidance Supplementary Planning Document (SPD). The report to the Planning Committee is at Appendix ‘D’ attached and the confidential Exempt Appendix ‘1’ to the Planning Committee report which contains informal quotes from firms is circulated separately to Members with this agenda.

Since the Planning Committee agenda was finalised, the Chief Executive has confirmed that the £20,000 addition to the Planning Policy budget can be met from his Community Initiatives Fund which is held in the Corporate Management Committee budget. As this transfer will be for over £10,000, under Financial Regulations, the approval of this Committee is required.

The reference is being submitted to this meeting of the Corporate Management Committee so that, subject to the approval of the Planning Committee and this Committee, the consultancy support can be procured to avoid any delay to the production of the Parking Guidance SPD.

(To resolve)

Background Papers

Confidential Exempt Appendix ‘1’ to the Planning Committee report containing high level quotations provided by Transport consultancy firms (exempt under paragraph 3 of Schedule 12A to Part I of the Local Government Act 1972).

AGENDA REPORT TO PLANNING COMMITTEE – 14 APRIL 2021**PARKING GUIDANCE SUPPLEMENTARY PLANNING DOCUMENT (SPD) NEXT STEPS
(PLANNING POLICY & ECONOMIC DEVELOPMENT-GEORGINA PACEY)****Synopsis of report:**

The report outlines the potential next steps available to the Planning Committee to move forward the Parking Supplementary Planning Document (SPD)

Recommendation(s):

The Planning Committee is asked to consider whether it wishes to RECOMMEND to Corporate Management Committee that an additional £20,000 is provided to the Planning Policy budget for the 2021/22 financial year to allow transport consultancy support to be procured to help underpin a locally derived and robustly evidenced parking standard(s) for:

- a) Purpose Built Student Accommodation (PBSA): and/or**
- b) office accommodation**

1. Context of Report

- 1.1 Work on the production of updated parking guidance for the Borough commenced in 2019. The replacement guidance once adopted will replace the Borough Council's extant parking guidance which was adopted in October 2001.
- 1.2 Draft revised proposals for new parking guidance were first considered at the Local Plan Member Working Group in December 2019. At this Group meeting Members raised particular concerns about student car parking issues associated with Royal Holloway University (RHUL) and the proposed approach in the draft proposals to consider this issue on a 'case-by-case assessment basis'. Members requested that officers look at the approach to student car parking taken by Guildford Borough Council. Following on from the Member Working Group meeting and subsequent correspondence with members, a meeting was held with the Chair of Planning Committee and Members from Englefield Green to discuss the issue in further detail, including the approach taken in Guildford. Discussions were also held with RHUL to discuss residents' concerns relating to student housing and the possibility of setting up a controlled parking zone/s in the vicinity of the university.
- 1.3 Following on from the above, some amendments were made to the Parking SPD and the revised document was discussed at the Infrastructure and Economic Development Member Working Party meeting of 5th October 2020, before being reported to the Planning Committee meeting of 4th November 2020.
- 1.4 At the 4th November 2020 Planning Committee meeting, the Committee was asked to approve the draft Parking Guidance SPD for public consultation. However, some Members still expressed strong concern over the proposed parking standard for new student accommodation and considered a specific minimum parking standard should be specified instead of the proposed case by case assessment, in order to address concerns of residents in the Englefield Green area and give greater clarity to developers and residents. These Members wished Officers to give further consideration thereon. Officers were also asked to further consider the proposed parking standard on offices to address concerns raised by some Members. An amendment to this effect was moved and seconded.

1.5 In view of the level of debate and significance of the concerns expressed by Members, the Chairman, with the consent of his seconder, withdrew his motion to approve the SPD for public consultation and instead moved deferral of consideration of the SPD until a future meeting in order to allow Officers to further review, in conjunction with Members, the proposed parking standards relating to student accommodation and office accommodation. Deferral was supported by the Committee.

2. Report

2.1 Following the 4th November 2020 Planning Committee meeting, Officers undertook a benchmarking exercise of student and office accommodation in other Local Authority areas. A paper was then prepared which presented the findings of this benchmarking exercise and provided a series of possible options setting out the pros and cons for each. This paper was discussed with members of the Planning Committee at a special working group meeting held in December 2020. The steer given to Officers at this meeting was that they should prepare a specification for tender to secure transport consultancy support to help gather robust evidence on which a parking standard(s) for purpose-built student accommodation might be based. A provisional item was also requested to be inserted to allow the Council to potentially seek transport consultancy advice on office parking standards. It should be noted that the findings of any independent professional transport consultancy advice sought may not address the concerns raised at the Planning Committee meeting.

2.2 As there is no budgetary provision for consultancy support for the Parking SPD, possible funding sources were suggested at this meeting. These have been investigated but are not suitable for use for this purpose. Officers have also reviewed the Planning Policy budget for this financial year and next. However, due to budgetary constraints and the need to allow for sufficient budget to progress essential updates to the evidence base to underpin the review of the Runnymede 2030 Local Plan, no unallocated budget is currently available. This situation may change over the next financial year as final costs for the Local Plan review become clearer.

2.3 This report therefore requests the Planning Committee to formally decide whether they wish an item to be taken to Corporate Management Committee (CMC) to request that additional budgetary provision is made for the 2021/22 Planning Policy budget to fund transport consultancy work to underpin certain aspects of the Parking SPD as a growth item.

2.4 To assist the Planning Committee in deciding whether they wish to seek additional budgetary provision via CMC, the following information is considered relevant. Three transport consultancy firms were approached to provide high level estimates of what the likely cost would be of compiling the necessary evidence base to underpin a parking standard for purpose-built student accommodation, and potentially office accommodation in the Borough, as well as providing the Council with consultancy advice on the options available in these two specific areas. Two of the firms approached provided informal quotes. The information provided by these firms is summarised in confidential Exempt Appendix '1' which is circulated separately to Members with this Agenda. In summary, based on the high-level estimates received, it is considered that a budget of £20,000 would need to be secured for the transport consultancy support in this case.

2.5 Should Members decide that they wish a report to be taken to CMC to secure the funding for this growth item, and if the funding is secured, the remainder of the Parking SPD project is anticipated to be capable of following the timetable set out

below (although this would be subject to agreement with the appointed consultant):

- 15th April 2021: item considered at Corporate Management Committee
- 16th April -30th April 2021: production of specification
- 3rd May-14th June 2021: tender process including advertising tender, receiving and reviewing tenders, potential interview, appointment of consultant and agreeing contract.
- 15th June-end of October 2021: first range of engagement with Members, evidence gathering (including any parking surveys (within and outside term time for RHUL), and production of draft findings for discussion.
- November 2021: discussion of draft findings internally, consideration at Member Working Party, issuing of Council comments to consultant and final consultancy advice issued to the Council. SPD redrafted to take into account advice given, and report drafted for Planning Committee approval to allow for public consultation on draft SPD.
- 15th December 2021: Planning Committee considers draft SPD for public consultation.
- 16th December 2021-27th January 2022: public consultation on draft SPD (6 weeks allowed as consultation would occur over Christmas holidays).
- 27th January-2nd March: consideration of representations received on draft SPD, amendments to SPD as necessary, consideration of amended draft report at Member Working Party, drafting of committee report.
- 23rd March 2022: Planning Committee meeting. Planning Committee asked to adopt SPD

2.6 Should the Planning Committee decide that it does not wish to take a report to CMC seeking the additional budget for the transport consultancy support, or should the additional funding not be given by CMC even if it is sought, Officers would recommend that the issue is reconsidered by Members at a future Member Working Party to agree a way forward.

3. Policy framework implications

3.1 Supplementary Planning Documents (SPD) do not form part of the Development Plan for Runnymede but are a material consideration in decision taking.

3.2 When adopted, this SPD will support the Council's Corporate Business Plan (2016-2020) themes of 'Improving our Economy' and 'Enhancing our Environment' particularly the priorities to review and support delivery of county and regional infrastructure strategies and support projects which improve integration of road and rail to reduce congestion.

3.3 Although not part of the Development Plan, the SPD will also support Runnymede 2030 Local Plan objectives and policies in regard to the delivery of high quality, sustainable development.

4. Budget and Resource implications

4.1 The budgetary implications associated with this report are discussed in detail at paragraphs 2.1-2.4 above. In brief, there is no budgetary provision available for transport consultancy to support the production of the Parking SPD. The budget for the 2021/22 financial year (including monies which are to be requested to be carried over from the 2020/21 financial year) have been allocated to essential updates to the Local Plan evidence base to underpin the review of the Runnymede 2030 Local Plan and other committed projects (such as the Englefield Green Conservation Area Appraisal and Blue and Green Infrastructure SPD; both of which are already commissioned and the projects underway). A large chunk of the Local Plan evidence base needs to be updated by the end of the 2021/22 financial year in

order to enable the review and update of the Local Plan to be completed within the 5-year period required by the NPPF.

5. **Legal implications**

- 5.1 SPDs are required to provide 'detailed advice or guidance as to policies within the adopted Local Plan'. They should not conflict with the adopted development plan ((Reg 8(3) of the Town and Country Planning (Local Planning) (England) Regulations 2012). Failure to comply with this requirement would risk an SPD being quashed if a Judicial Review challenge was brought.
- 5.2 With this in mind, the Parking SPD will need to comply with the above advice.

6. **Equality implications**

- 6.1 The Council has a Public Sector Duty under the Equality Act 2010 to have due regard to the need to:

- a) Eliminate unlawful discrimination, harassment or victimisation;
- b) Advance equality of opportunity between persons who share a Protected Characteristic and persons who do not share it;
- c) Foster good relations between those who share a relevant protected characteristic and persons who do not share those characteristics;

in relation to the 9 'Protected Characteristics' stated within the Act.

- 6.2 An Equalities Impact Assessment screening was prepared to support the draft Parking SPD taken to Planning Committee in November 2020. This screening will be updated to support any redrafted SPD brought back before the Planning Committee in due course.

7. **Environmental/Sustainability/Biodiversity implications**

- 7.1 A detailed Sustainability Appraisal (SA) was carried out upon the Runnymede 2030 Local Plan. The draft Parking Guidance SPD is supplementary to the new Local Plan and therefore does not require a separate SA.
- 7.2 The draft Parking SPD brought before Planning Committee in November 2020 was supported by a Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA) screening. This screening will be updated to support any redrafted SPD brought back before the Planning Committee in due course.

8. **Conclusions**

- 8.1 The Planning Committee is asked to confirm whether they wish Officers to take a report to Corporate Management Committee to seek additional budgetary provision for the 2021/22 financial year to enable the Planning Policy team to secure the services of a Transport Consultancy firm to assist with certain aspects of the Parking SPD.

(To resolve)

Background papers

Exempt Appendix '1' – Confidential appendix containing high level quotations provided by Transport consultancy firms (circulated separately to Members with this agenda).

8. **PROPOSED CAPITALISATION OF REVENUE EXPENDITURE – RESPONSE FROM THE MINISTER FOR HOUSING, COMMUNITIES AND LOCAL GOVERNMENT (ASSISTANT CHIEF EXECUTIVE – PETER McKENZIE)**

Synopsis Of Report:

The Council has sought dispensation from the Government to charge up to £4 million of its revenue spending to its capital budget in 2020/21 in accordance with decisions made at Full Council on 9 February 2021. This report advises the Committee of the response received from the Government.

Recommendation:

To note the Minister’s letter of 5 March 2021 (at Appendix ‘E’ attached) and the advice of officers on the implications for the Council’s budget.

1. Context Of Report

- 1.1 At its meeting on 9 February 2021, Full Council agreed that the Council would seek dispensation from the Government to charge up to £4 million of its revenue spending consisting of up to £4 million of Covid-related costs in 2020/21 to its capital budget with any capitalisation of revenue spending to be approved at Corporate Management Committee.
- 1.2 Full Council agreed that this capitalisation would not be financed from the Minimum Revenue Provision.
- 1.3 The £4 million would be funded from cash set aside in previous years to repay debt in 2063 totalling £14 million which was accounting treatment for capital financing and would not increase the Council’s borrowing requirement or the cash balances for the Council.
- 1.4 Full Council agreed that the Corporate Management Committee would be informed of the Government’s decision on a Direction to Capitalise and the conditions attached, if any. It was agreed that this report would be brought to Members on 15 April 2021 to allow Finance officers time to prepare the final statement of Accounts.
- 1.5 This report sets out the Minister’s decision (at Appendix ‘E’ attached) and the advice of officers on the implications for the Council’s budget.

2. Report

- 2.1 As part of preparing the Council’s Medium-Term Financial Strategy (MTFS) and detailed budget for 2021/22, the Council budget monitoring presented to Members showed the budget surplus of £0.5m would be a deficit. As the economy recovered the deficit would reduce, but would put a strain on the General Fund working balance. The table on the next page is a summary of the MTFS as approved by Council in February 2021.

	Balance at March 2020	(use of) or addition	Balance March 2021	(use of) or addition	Balance March 2022	(use of) or addition	Balance March 2023	(use of) or addition	Balance March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund working balance	12,368	(5,635)		(3,572)		(3,465)		(2,240)	
Capitalisation request		4,000							
Net efficient savings				500		1,000		1,000	
Additional savings requirement								1,000	
	12,368	(1,635)	10,733	(3,072)	7,661	(2,465)	5,196	(240)	4,956
GF working balance without capitalisation			6,733		3,661		1,196		956
<u>Earmarked reserves</u>									
Business rates equalisation	2,880	1,000	3,880	(3,880)	0	0	0	0	0
Equipment repair and renewal	1,201	(1,201)	0	0	0	0	0	0	0
Investment Property income equalisation	3,750		3,750	0	3,750	0	3,750	0	3,750
Property repairs and renewals	2,750	(1,250)	1,500	0	1,500	0	1,500	0	1,500
	22,949	(4,721)	26,596	(10,024)	16,572	(4,930)	11,642	(480)	11,162

- 2.2 Even with a Direction to Capitalise of £4m in 2020/21, the Council would still need to make £2m of savings to keep the General Fund working balance above the minimum determined by Council.
- 2.3 The original savings profile was to save at least £500k in this financial year. The full year effect of those savings will be £1m. In addition, the Council needs to have in place by March 2023 savings of a further £1m.
- 2.4 Clearly the letter from the Minister at Appendix 'E' attached means that the balances, without capitalisation and the second £1m savings, will be reduced to £1.196 m if the economy in Runnymede recovers slowly as expected. As this is well below the prudent balance set by Council, this could mean the Council would be issued with a section 114 notice in 2022/23.
- 2.5 For that reason, the Chief Executive has brought plans to save £2m forward to this financial year to give Members options. Relying on a Direction from the Minister to balance the budget is viewed by officers as high risk.
- 2.6 While the table above shows the Council will have two earmarked reserves totaling £5.25 m consisting of an Investment Property income equalisation reserve (£3.75m) and a property repairs and renewals reserve (£1.5m) relating to its asset base, the submissions from the Council highlighted that our commercial tenants do have break clauses in their leases in years 5 and 10. While we expect to maintain long term relationships it is normal that tenants fund a major refurbishment and seek some form of rent free or reduced rent. The Investment Property income equalisation reserve is designed to equalise fluctuations in income to the General Fund. The second reserve is for property repairs. While all of the Council's leases are full repairing leases it is unreasonable to expect no businesses to fail as we recover from the pandemic. The Council may need to fund dilapidations should a tenant go into administration.
- 2.7 Officers provided the Ministry with a significant number of documents in January and February including the
- Annual Governance Statement
 - 2020/21 budget monitoring reports
 - Final accounts
 - Audit reports from the appointed auditor
 - MTFS
 - LGA peer review

2.8 The civil servants also spoke with the Council's Appointed Auditor and commissioned the Local Government Association (LGA) to carry out a review of the documents submitted by the Council. An experienced CIPFA accountant and the Council's Section 151 (S151) officer provided a summary of the Council's request below:

"The request for support is essentially a simple one, Runnymede are asking for Direction to enable them to use £4m of capital resources to fund revenue expenditure for the current financial year, 2020/21. Those resources are held internally within the Council's cash at bank and have been generated through capital receipts from previous asset disposals. The plan of the Council is that the £4m of receipts will be replenished over four years once the benefit of commercial income is restored. This will enable the resource to be held to contribute to the future regeneration of the borough which is what Council Members are committed to. Within the documentation provided there is no evidence to suggest that there are any plans to approach MHCLG with requests for further support in future years, however, that does not mean that there are not challenges going forward."

2.9 During this period the Council's S151 officer had numerous video conference calls with the civil servants which has left options open to the Council including applying for a direction to capitalise later this financial year which may come with penalties and conditions which could include a 1% premium on any new borrowings. As the Council will borrow up to £40m to complete the Egham Regeneration scheme, officers have so far declined the Minister's offer to apply for a direction to capitalise expenditure in 2021/22. The main reasons for so far declining the Minister's offer are as follows: -

- Any deficit for 2021/22 is uncertain at this point
- Any further premium on borrowing is likely to offset the advantages of capitalisation
- The Ministry has given a blanket approval to capitalise redundancy costs relating to transformation. The £2m savings target will involve capitalisation of those costs.

(For information)

Background Papers

None stated



Ministry of Housing,
Communities &
Local Government

Luke Hall MP

Minister for Regional Growth and Local Government

**Ministry of Housing, Communities & Local
Government**

Fry Building
2 Marsham Street
London
SW1P 4DF

Councillor Nick Prescott
Leader, Runnymede Borough Council



By email

www.gov.uk/mhclg

5 March 2021

Dear Councillor Prescott,

FINANCIAL SUPPORT FOR RUNNYMEDE BOROUGH COUNCIL

I am writing in relation to your authority's request for exceptional financial support in respect of 2020/21. I appreciate your continued co-operation with my Department throughout this process, and that of your officers.

The Secretary of State has now fully considered the request and this letter sets out his current position.

With respect to the financial year of 2020/21, the Secretary of State has made the decision not to provide a capitalisation direction of £4 million to the Council as requested. The Council's request has been assessed against the principles of the scheme and this decision reflects the Department's assessment of your overall financial position, including your current levels of reserves, and the degree of uncertainty around the anticipated financial pressures reflected in your request.

However, the Secretary of State understands you believe that the Council may face financial pressures over the medium-term, in particular as a result of your high level of commercial investments. The Secretary of State is therefore willing to consider a request for a capitalisation direction in respect to the financial year 2021/22, subject to conditions, should the Council wish to be considered for one. The Council will need to confirm to the Department if they wished to be considered for support in 2021/22.

In line with the process taken for other local authorities, consideration of a capitalisation direction in 2021/22 would be contingent on the Council undergoing an external assurance review focused on its financial position, to be commissioned by MHCLG, before a decision is taken. The review will be focused on the Council's commercial position and commissioned with the intention of agreeing to a plan to address any recommendations prior to any direction being formally approved. Full details are subject to approval by the Secretary of State.

A meeting has been scheduled with the Department and your officers to discuss the position set out in this letter on 5th March.

I should be grateful if the Council would consider the Department's position and confirm to me in writing by 12 March that you wish to be considered for a capitalisation direction in respect of the year 2021/22.



LUKE HALL MP

9. **EXCLUSION OF PRESS AND PUBLIC**

OFFICERS' RECOMMENDATION that –

the press and public be excluded from the meeting during discussion of the following reports under Section 100A(4) of the Local Government Act 1972 on the grounds that the reports in question would be likely to involve disclosure of exempt information of the description specified in paragraphs 1 and 3 of Part 1 of Schedule 12A of the Act.

(To resolve)

PART II

Matters involving Exempt or Confidential information in respect of which reports have not been made available for public inspection

<u>Exempt Information</u>	<u>Paras</u>
10. REFERENCE FROM HOUSING COMMITTEE – PURCHASE OF LAND	3
11. APPOINTMENT OF TEMPORARY MEMBER OF STAFF TO ELECTORAL SERVICES TEAM	1 and 3
12. ADDLESTONE ONE – LETTINGS (TO FOLLOW)	3
13. URGENT ACTION – STANDING ORDER 42	3

Confidential Information

(No reports to be considered under this heading)