

EXTRAORDINARY MEETING OF THE COUNCIL

28 September 2020 at 7.30 pm via MS Teams

The Worshipful the Mayor (Councillor P Sohi) in the chair.

Members of the Council present Councillors M Adams, A Alderson J Broadhead, T Burton, I Chaudhri, B Clarke, D Clarke, D Cotty, M Cressey, S Dennett, R Edis, J Furey, E Gill, L Gillham, J Gracey, T Gracey, M Heath, C Howorth, J Hulley, N King, R King M Kusneraitis, S Lewis, M Maddox, I Mullens, A Neathey, M Nuti, J Olorenshaw, N Prescott, P Snow, J Sohi, P Sohi, S Walsh, D Whyte, S Whyte, M Willingale and J Wilson

Members of the Council absent: Councillors D Anderson-Bassey, M Brierley, M Harnden and S Mackay

210 **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors D Anderson-Bassey and M Harnden.

211 **DECLARATIONS OF INTEREST**

None declared

212 **MOTION BY THE LEADER OF THE COUNCIL - RE-ORGANISATION OF LOCAL GOVERNMENT**

Council considered a Motion from the Leader of the Council regarding reorganisation of local government. which had been prompted by the announcement by Surrey County Council SCC) that It favoured one single unitary authority for the whole County representing nearly 1.2 m people before the White Paper on Devolution, recovery from Covid and Local Government Re-organisation had been published.

SCC had commissioned Price Waterhouse Coopers to develop a business case in support of the single unitary model and It was quite clear now that SCC had been working on this model for some months, without the knowledge of districts and boroughs.

District and Borough Leaders had unanimously agreed that this pre-emptive move was designed to prevent analysis of all of the options that could and should be considered. These included:

- The status quo;
- 'Super districts and boroughs' with more devolved powers;
- One, two or three unitary authorities for Surrey (bearing in mind that the Government's stated preferred option is for unitary authorities serving between 300,000 and 600,000 people).

KPMG had been commissioned by the Boroughs and Districts to examine all of these options and there would be a workshop involving all Leaders and Chief Executives on 5 October to analyse what would work best for Surrey residents taking account of democratic representation and accountability, the characteristics and identity of the various parts of Surrey as well as value for money and efficiency. The Leader was strongly of the view that we must balance producing good

quality services, allowing people access to services and to the elected Members that represent them with the potential savings that could accrue. It was not just an argument about saving money but about building on what worked well.

The workshop would distil all options into a single preferred model upon which a business case could be built. The Leader would report back to all Members by e-mail on the findings from the first workshop within 48 hours of the workshop. Later in October, there would be a second workshop to consider the business case around the single preferred model option.

The Leader commented that since the Summons had been published it was now likely that owing to other priorities the Government might not publish the White Paper until Spring 2021 and might not entertain any further bids for Unitary Status. Notwithstanding this, the Leader considered it was still important for the Motion to be passed as it would enable SCC and the boroughs to look at ways of working together in the future and for Boroughs and Districts to be prepared to submit an alternative proposal should that be the outcome from the workshops and the eventual publication of the White Paper.

The Leader moved the following Motion

- To fully support the work started by Districts and Boroughs to examine a series of options for the future organisation of local government in Surrey;
- To note the timetable and that I will keep Members informed of progress through the workshops organised by KPMG; and
- To support the business case preferred by Districts and Boroughs to be brought back to full Council for debate and approval.

The Leader of the labour Group expressed his support for Unitary Authorities and for the 3 Authority option, but was opposed to the single Unitary Authority model proposed by SCC.

In supporting the Motion, some Members expressed concern over the way in which SCC had acted in formulation of its bid for a single Unitary Authority in advance of publication of the White Paper resulting in unnecessary expense for Surrey Council tax payers and requested that a letter be sent to SCC condemning their actions.

RESOLVED that

- 1. Council fully support the work started by Districts and Boroughs to examine a series of options for the future organisation of local government in Surrey;**
- 2. Council note the timetable and the Leader of the Council keep Members informed of progress through the workshops organised by KPMG;**
- 3. Council support the business case preferred by Districts and Boroughs to be brought back to full Council for debate and approval; and**
- 4. The Chief Executive and Leader of the Council, on behalf of the Council, write to SCC condemning its action in formulation of its bid for one single unitary Authority for Surrey in advance of publication of the White Paper resulting in unnecessary expense for Surrey Council taxpayers.**

The Mayor agreed for the order of business to be amended so that the next item on the Budget would be considered before the item on Runnymede Travel Initiative as it would set the financial context for consideration of the options for the Runnymede Travel initiative

Council was informed that coronavirus had severely impacted on the Council's finances turning a £0.5 million surplus into a £7m deficit in 2020/21 alone. This did not take account of a second local lockdown or a 'circuit break' or restrictions on the hospitality industry in Runnymede. The Council's General Fund balances were now estimated to be under £1million at 31 March 2024, a reduction of £15 million from the figure estimated in February 2020.

Council approval was sought to commence plans to significantly reduce the Council's expenditure through efficiency savings and to review expenditure on the services provided, which included continuation of a recruitment freeze and freezing of non-essential expenditure.

The majority of Members reluctantly agreed that the Authority had no alternative to reducing the Council's expenditure bearing in mind the current financial situation and uncertainty regarding the future direction of Covid. The Leader of the Council confirmed that any future reduction to services would be undertaken in consultation with Officers and budget briefings would be given to minority groups prior to report to Committee and/or full Council for approval.

Some Members expressed concern over the proposed recruitment freeze and the potential adverse impact on operation of services. The Leader of the Council confirmed that there would be some exceptions in the case of statutory posts and Corporate Head/senior Officer posts, such as the Corporate Head of Housing. For other posts, a special case would have to be made to justify filling vacancies which might arise.

RESOLVED that:

- 1 The Implementation of a service review and efficiency programme which has been instituted by the Chief Executive be noted and supported;**
- 2 The Chief Executive be authorised to continue a recruitment freeze and to freeze non-essential expenditure;**
- 3 The redefinition of the budget and MTFs to produce a reduction in the base budget of £2 million by April 2022 be approved; and**
- 4 Authority be given to Officers to remove uncommitted growth from the existing budget.**

214 RUNNYMEDE TRAVEL INITIATIVE

As requested by Corporate Management Committee in July 2020, Council received a report on the options for future provision of the school transport service known formally as the Runnymede Travel Initiative (Yellow Bus Service) to determine whether the service would be re-provided by purchasing or leasing the vehicles, or whether it would be permanently discontinued.

The report set out two options with regard to the resources required for service re-provision on the basis of a service being provided in house by an integrated Community Transport service against the current financial position of the Council and the impact of Covid-19 on this financial position.

Since the previous consideration of the service by Corporate Management Committee in July, consideration had been given by Officers to the option of leasing vehicles as opposed to purchasing them and the financial impact that this would have on the budgets. The comparative costs /savings associated with the leasing and purchasing options were noted. Both options would save the Council money over the existing service, but both carried risks and these were noted by Members.

Council was informed of the considerations and planning that would have to be made in the event of continuing the service including the impact of Covid .In the event of continuation of the service being approved, Members were advised to consider that the full service commencement date be moved to April 2021, with an interim service for the at risk or high need pupils provided in early 2021, working in partnership with schools to achieve this.

Having considered the market comparison and the need to consider pay harmonisation in relation to the partnership with Surrey Heath Borough Council, and given the need to successfully recruit to the vacancies created by any new school transport service, if approved, the salary grade for Community Transport Drivers was recommended to be increased to Grade 5 and the Community Transport scheduler to be increased to Grade 7.

Officers had also looked at partnership opportunities with Surrey County Council to support any future initiative. Should ongoing discussions with Surrey County Council prove fruitful, additional savings might be forthcoming through the external funding of two of the vehicles. A response was still awaited from SCC and so Council agreed that it was prudent to discount this from its deliberations on future provision of the service.

Some Members fully supported the continuation of the service as it was much valued by local residents and they considered corresponding savings in discretionary services could be identified to fund its continuation. The leasing option was preferred by those Members as this would realise a saving against the current RTI budget and carried less risk than purchasing vehicles.

Other Members acknowledged the benefits of the service which had been put in place at an earlier time when the Council's finances were in better shape and contributions to the service from other sources was greater. However, concern was expressed at the continuation of the service for a reducing number of pupils in light of the increasing budget deficit and impact of Covid. Furthermore, the corresponding savings required to fund the service could potentially impact on many services which could affect far more residents than would be affected by the withdrawal of the bus service and the consequences of these reductions needed to be established before making a decision. Finally, as any scheme would not be operational until April, many parents would have made alternative provision and therefore Members considered that this was an appropriate time to cease the service

Separate from the Runnymede Travel initiative, three vehicles would need to be replaced within the existing Community Transport fleet, for which a further capital estimate of £135,000 would be required, but which was already included within the Council's capital programme and could be funded. Council agreed to release of these funds.

The Corporate Head of Community Services and Corporate Head of Finance were commended for their work on this Initiative

After a full debate, a Motion was moved and seconded that:

1.A capital estimate in the sum of £135,000 be approved for the replacement of existing Community Transport vehicles, budgeted within the Council's capital expenditure programme;

2.The Runnymede Travel Initiative be continued, and approval be given to enter into a lease for seven new vehicles for a period of five years;

3.The commencement date for the new service be April 2021, given the likely impact of Covid on the Council's ability to deliver the service and subject to the fleet and employees required to deliver the service being available, and subject to the ability to provide the service to comply with any relevant Government requirements in respect of the Covid-19 pandemic that may apply at that time.

4. The salaries of Community Transport Drivers be increased from grade 4 to grade 5 and the Community Transport Scheduler salary be increased from grade 6 to grade 7.

A requisition that the voting on parts 1 and 2 of the above-mentioned Motion be recorded under Standing Order 25.2 was made by Councillor R King, and the voting was recorded as shown below:

RESOLVED that

- 1. A capital estimate in the sum of £135,000 be approved for the replacement of existing Community Transport vehicles, budgeted within the Council's capital expenditure programme;**

For (28): Councillors Adams, Alderson, Burton, Chaudhri, Cotty, Dennett, Edis, Furey, Gillham, T Gracey, Heath, Howorth, Hulley, N King, R King, Lewis, Maddox, Mullens, Neathey, Nuti, Prescott, Snow, J Sohi, P Sohi, D Whyte, S Whyte, Willingale and Wilson

Against (4): Councillors Broadhead, Gill, Cressey and J Gracey

Abstentions (5): Councillors B Clarke, D Clarke (owing to technical difficulty), Kusneraitis, Olorenshaw and Walsh

- 2. The Runnymede Travel Initiative be continued and approval be given to enter into a lease for seven new vehicles for a period of five years;**

For (21): Councillors Adams, Burton, Chaudhri, Cotty, Dennett, Edis, Heath, Howorth, Hulley, N King, R King, Lewis, Maddox, Mullens, Neathey, Olorenshaw, Prescott, J Sohi, D Whyte, S Whyte and Wilson

Against (15): Councillors Alderson, Broadhead, B Clarke, D Clarke, Cressey, Furey, Gill, Gillham, J Gracey, T Gracey, Kusneraitis, Nuti, Snow, Walsh and Willingale

Abstention (1): Councillor P Sohi

- 3. The commencement date for the new service be April 2021, given the likely impact of Covid on the Council's ability to deliver the service and subject to the fleet and employees required to deliver the service being available, and subject to the ability to provide the service to comply with any relevant Government requirements in respect of the Covid-19 pandemic that may apply at that time; and**

- 4. The salaries of Community Transport Drivers be increased from grade 4 to grade 5 and the Community Transport Scheduler salary be increased from grade 6 to grade 7.**

215 PETITIONS

No petitions were submitted by Members of the Council under Standing Order No 19.

216 QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 13

No questions had been received from Members of the Council under Standing Order 13.

217 NOTICES OF MOTION FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 15

No Notices of Motion had been received from Members of the Council under Standing Order 15

218 **MINORITY GROUP PRIORITY BUSINESS UNDER STANDING ORDER 23- COMMUNITY SCHOOL BUS SERVICE**

The above -mentioned Minority Group Priority Business presented by Cllrs Kusneraitis and Mackay from the Runnymede Residents and Community Group (RRCG) had been included on the Summons under Standing Order 23. However, in light of the decision made by Council earlier in the meeting to continue the Runnymede Travel Initiative, Councillor Kusneraitis requested that the item be withdrawn, but its contents noted. The item was withdrawn and no debate took place thereon.

219 **ACHIEVE LIFESTYLE GRANT FACILITY**

By resolution of Council, 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 Mayor had agreed to this item being considered as a matter of urgency in order to ensure vital financial assistance was given to Achieve Lifestyle.

Council was informed that due to the coronavirus enforced lockdown, Achieve Lifestyle had not been able to open for four months which had adversely affected their income at short notice and as a result, consideration was given to providing a grant facility to Achieve Lifestyle to ensure they could continue in business and keep the centre running.

Council noted a comparison of pre and post Covid income which showed the adverse effect that the crisis had had on the Trust's income. In light of this, finance officers had been working with Achieve Lifestyle to establish the exact extent the enforced closure had on their operations to ensure that the Egham Orbit facility remained available to the public for the foreseeable future. Cash flow projections and estimates for the remainder of the financial year were also noted

The Chief Executive reassured Members that this was a preventative measure to avoid much larger costs in the longer term. A grant facility would be set up from which grants would be drawn. This would enable budget provision to be made and assist budget planning. After the release of the initial £150,000 to tide Achieve Lifestyle over the next 3 months, monthly financial and operation reports and cashflow predictions would be reported to both the new Partnership Board and RBC officers in order to facilitate the release of any further tranches up to the sum reported.

Given the Trust's current predicament, the unknown level of future lockdowns and the unknown timescale for customers returning back to normal routines, Members were agreeable to the proposed grant facility subject to release of any further tranches also being subject to approval by Corporate Management Committee to ensure Members were given the opportunity to scrutinise the expenditure and ensure that appropriate controls were in place.

The proposed financial support was in accordance with the Government and LGA advice on support measures to leisure providers to mitigate the impact of Covid. The Government's ideas for helping sports facilities had not yet been published. Should the Council be given a grant for this purpose, it would reduce the net effect on the Council's balances.

In response to a request from a Member, the Chief Executive would attempt to establish the social value Achieve Lifestyle provided, but it was acknowledged that it was more difficult to assess social value than financial value.

RESOLVED that:

- i) **a grant facility up to the sum reported to Achieve Lifestyle to see them through the coronavirus pandemic, be agreed;**
- ii) **£150,000 of the grant be released immediately with the remainder to be paid in tranches as and when the need arises following agreement by the Partnership Board; and**
- iii) **Any additional release of grant beyond the initial £150,000 be also approved by Corporate Management Committee.**

(The meeting ended at 10.16pm)

Mayor