

## MEETING OF THE COUNCIL

9 February 2021 at 7.30 pm via MS Teams

The Worshipful the Mayor (Councillor E Gill) in the chair.

Members of the Council present      Councillors M Adams, A Alderson, D Anderson-Bassey, 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 Harnden, M Heath, C Howorth, J Hulley, N King, R King, M Kusneraitis, S Lewis, S Mackay, M Maddox, I Mullens, A Neathey, M Nuti, J Olorenshaw N Prescott, P Snow, J Sohi, S Walsh, D Whyte, S Whyte, M Willingale and J Wilson

Members of the Council absent:      Councillors M Brierley and P Sohi

### 430      **MAYOR'S ANNOUNCEMENTS**

Council noted the Mayoral announcements.

The Mayor thanked Paul Turrell, Darren Williams, Sarah Walsh, all Senior Leadership Team and other Officers on their work on the Covid response and flooding, which were echoed by other Members.

The Mayor hoped to hold her Civic Service at St Mary's Church, Thorpe on Sunday 20 June, 2021.

### 431      **MINUTES**

The Minutes of the meeting of Council held on 10 December 2020 were confirmed and signed as a correct record.

### 432      **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor P Sohi.

### 433      **DECLARATIONS OF INTEREST**

Councillor Howorth declared a disclosable pecuniary interest in the item on Community Infrastructure Levy as he is an employee of Royal Holloway University of London who were a major developer of student accommodation. Councillor Howorth withdrew from the debate on this item and returned to the meeting following this item

### 434      **PETITIONS**

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

### 435      **QUESTIONS FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 13**

No Questions were submitted by Members of the Council under Standing Order No 13.

436 **2021/22 TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY, PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS AND MINIMUM REVENUE PROVISION STATEMENT 2021**

Council considered a recommendation from the Corporate Management Committee which had met on 21 January 2021 regarding the 2021/22 Treasury Management Strategy, Annual Investment Strategy, Prudential and Treasury Management Indicators and Minimum Revenue Provision Statement.

The core of the Council's strategy remained unchanged as it focused on the security of the Treasury Management function where security of the Council's investment was paramount, followed by liquidity and lastly yield. The Council's MRP policy remained unchanged.

A new code of practice had been issued relating to Money Market investments and Council were recommended to adopt the code outlined in recommendation ii) to further strengthen our governance arrangements.

Investment income was set to remain low as interest rates for investors remained low.

The main source of borrowing continued to be the Public Works Loans Board (PWLb). The borrowing requirement was purely for regeneration projects and the Council had no plans for further commercial investment.

There were no other changes to the policies approved previously by the Council and they had also been reviewed by the Overview & Scrutiny Committee on 4<sup>th</sup> February.

The Labour and Cooperative group were not supportive of parts i, iii, iv and v of the Motion and requested that they be voted on separately from part ii of the Motion. A requisition that the voting on parts i, iii, iv and v of the Motion be recorded under Standing Order 25.2 was made by Councillor R King, and the voting was recorded as shown below:

*For (34): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, B Clarke, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, Maddox, Mullens, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (3): Councillors Cressey, R King and Neathey*

*Abstentions (2): Councillors Kusneraitis and Mackay*

A requisition that the voting on part ii of the Motion be recorded under Standing Order 25.2 was made by Councillor Kusneraitis, and the voting was recorded as shown below:

*For (38): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, R King, Kusneraitis, Lewis, Mackay, Maddox, Mullens, Neathey, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (0):*

*Abstention (1): Councillor B Clarke.*

All five parts of the Motion were passed and it was-

**RESOLVED that -**

- i) the proposed Treasury Management Strategy as set out in the report encompassing the Annual Investment Strategy as reported, be approved;
- ii) the Council adopts the UK Money Markets Code;
- iii) the Prudential and Treasury Management Indicators for 2021/22, as reported, be approved;
- iv) the authorised limit for external borrowing by the Council in 2021/22, be set at £759,704,000 (this being the statutory limit determined under Section 3(1) of the Local Government Act 2003); and
- v) there be no change to the previously adopted Minimum Revenue Provision (MRP) policy as set out below: -

The Council will use the asset life method as its main method for calculating MRP.

In normal circumstances, MRP will be set aside from the date of acquisition. However, in relation to capital expenditure on property purchases and/or development, we will start setting aside an MRP provision from the date that the asset becomes operational and/or revenue income is generated. Where schemes require interim financing by loan, pending receipt of an alternative source of finance (for example capital receipts) no MRP charge will be applied.

#### 437 **CAPITAL STRATEGY AND GENERAL FUND CAPITAL PROGRAMME 2021/22 TO 2025/26**

Council considered a recommendation from Corporate Management Committee which had met on 21 January 2020 on a proposed Capital Strategy and General Fund Capital Programme 2021/22 to 2025/26.

The main thrust of the strategy was focused on the completion of the Council's regeneration strategy and the provision of assets to deliver services. The Capital Strategy remained largely unchanged except that the Council was potentially seeking dispensation from the Government to capitalise up to £4 million of Covid losses. Members asked for it to be recorded that this capitalisation would be financed from existing cashflows from the money set aside from various sources, but not from the Minimum Revenue Provision. Part ii of the Motion would be amended to include reference to this.

The only capital receipts that the Council could rely on in the next two financial years were mainly from the Egham development and the remaining apartments in Addlestone One. The current policy of the Council was only to borrow where the asset generated enough income to cover the interest charge and capital repayment. For that reason, it had been recommended that Corporate Management Committee review the capital spending in the summer of 2021 to maintain capital receipts at a prudent level.

The Labour and Cooperative group asked for part i, of the Motion to be voted on separately from parts ii and iii of the Motion. A requisition that the voting on part i, of the Motion be recorded under Standing Order 25.2 was made by Councillor Neathey, and the voting was recorded as shown below:

*For (35): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Kusneraitis, Lewis, Mackay, Maddox, Mullens, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (3): Councillors Cressey, R King and Neathey*

*Abstention (1): Councillors B Clarke*

A requisition that the voting on parts ii and iii of the Motion be recorded under Standing Order 25.2 was also made by Councillor Neathey, and the voting was recorded as shown below

*For (38): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, R King, Kusneraitis, Lewis, Mackay, Maddox, Mullens, Neathey, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (0):*

*Abstention (1): Councillor B Clarke.*

**All three parts of the Motion were passed and it was**

**RESOLVED that –**

- i) the Capital Strategy and the Capital Programme, as reported, be approved;**
- ii) the Council seeks dispensation from the Government to charge up to £4 million of revenue spending to its capital budget with any capitalisation of revenue spending to be approved by the Corporate Management Committee at a single meeting or through its regular meetings to both protect services and avoid revenue balances being depleted to a dangerously low level, but that capitalisation would not be financed from the Minimum Revenue Provision; and**
- iii) Corporate Management Committee considers future revisions to the Council's Capital and Treasury Management Strategies to maintain useable capital receipts at a prudent level.**

**438 HOUSING REVENUE ACCOUNT ESTIMATES FOR 2021/22**

Council considered a recommendation from the Housing Committee which had met on 6 January 2021 on the HRA Estimates 2021/22.

In presenting the Estimates the Chairman of Housing Committee highlighted the ambitious programme to provide more social housing in the borough over the next 5 years for which £25m had been earmarked. In addition there was an ambitious programme of maintenance works which would improve the housing stock and reduce costs for tenants.

The various estimated Housing balances at 31 March 2021 & 2022, did not allow for any major capital expenditure on new schemes not yet approved by this Committee, nor the likely imminent increase in the level of major repairs.

Full Council noted that the Housing Committee had granted permission for Officers to seek written consent from the Secretary of State to top up the DHP allocation by a sum of £30,000, which may only be used to assist in providing DHP to HRA tenants in need; and the proposed changes in rents and charges (including those for Housing General Fund services) for 2021/22.

The Labour Group commented on the number of persons on the housing waiting list and expressed concerns over a failure to build sufficient social housing and lack of progress on previously approved social housing schemes. The Group also expressed concern over use of housing finances. The Labour Group could not support the Motion.

A requisition that the voting on the Motion be recorded under Standing Order 25.2 was made by Councillor Neathey, and the voting was recorded as shown below:

*For (37): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, B Clarke, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Kusneraitis, Lewis, Mackay, Maddox, Mullens, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (2): Councillors R King and Neathey*

*Abstention (0):*

#### **RESOLVED that –**

**Budgetary provision for the draft HRA revenue estimates for 2021/22 be approved.**

### **439 BUDGET AND COUNCIL TAX 2021/22**

Council considered a recommendation from the Corporate Management Committee which had met on 21 January 2021 regarding the Budget and Council Tax for 2021/22.

Council also received additional information concerning the precepts to be levied by Surrey County Council and the Police and Crime Commissioner for Surrey, which had not been available when the Corporate Management Committee had met.

The Leader of the Council summarised the key points in the Budget and the MTFS and commended them to the Council. This was duly seconded.

The Budget was less strategic than in previous years. It was a more tactical budget to recover from 2020/21 and the ongoing implications over the next two years during recovery from the pandemic.

The sources of the Council's income were noted. While income from taxation was important, the services the Council sold, which were mainly demand led, and its rent from commercial assets were the main source of funds.

The MTFS detailed the risks faced by the Council over the next two financial years, namely:

- The ongoing impact of Covid on the economy. Income would recover between April 2021 and March 2023, but income losses were anticipated of around £11 over the three years. The recommendation was to capitalise £4m of this and make revenue contributions to capital of £4 m as the economy recovered;
- The "Fair funding review" and the rates retention scheme review had been delayed, probably until 2023 and in the past Council had assumed the review would benefit those Councils which provided adult social care services;
- As a low tax rate Council, an increase of £5 a year or less than 3% would never cover basic inflation;
- Capital receipts were reducing with limited scope for replenishing them; and
- Council tax and Business rates collection rates were estimated, but not as certain as in previous years.

Government support to the Runnymede business community and the Council itself from grants had been unprecedented, but there was no guarantee that this would be continued beyond June 2021

Reductions would be made in the cash held for investment as short term government investment rates were now negative. The Council had consistently under borrowed by around £20m for each of the last three financial years. This made a saving to the General Fund as borrowing rates were higher than investment rates. Officers viewed using the strength in the balance sheet as the lowest risk option to:

- Resolve the short-term problems caused by Covid
- Provide Members with the space needed to re-define their capital and revenue spending priorities as the planned £1.3m growth planned for the current year could not be progressed. The previously approved £100m would never be invested in commercial assets.

Members noted that if the risk assumptions made in the budget strategy were reasonable, and if £4m of Covid costs were capitalised, then savings had to be identified and implemented in 2021 to save £500k this year and £1m in a full year 2022/23. With a further £1m to be identified and implemented by April 2023.

Saving £2m from the Council's base budget might be difficult. If the income losses identified above were too optimistic, that target of £2m might increase. Even with those measures, capitalisation of £4m and saving of £2m, the working balance could be close to the minimum set by March 2024 at just under £4m.

The S 151 officer believed the risks for which earmarked reserves had been held were now more likely to crystallise.

Corporate Management Committee would be informed of the Government's decision on a Direction to Capitalise, and conditions attached, if any. That report would be brought to Members on 15 April to allow finance officers time to prepare the final Statement of Accounts.

Council agreed to recommend a £5 Band D equivalent increase in the Council Tax for 2021/2022. The total bill for a Runnymede tax payer in a Band D property would be £2,009.24 taking into account the increased precepts from Surrey County Council and Police Commissioner. Of the total bill only £174.59 related to the Runnymede element. The Council Tax would still be the lowest in Surrey. **The Motion to increase the Council Tax was passed**

Some Members from the minority groups expressed concern over the proposed savings and their potential detrimental impact on services and residents. Some Members were also concerned at lack of progress on recruitment of a Climate Change Officer which they considered should be a priority.

The Labour and Cooperative group was opposed to the second round of savings and emphasised the importance of creating new income streams. Concern was expressed over the proposed lower level of staff pay increase for 2022. The Group had hoped to submit an alternative Budget but owing to other work pressures on officers associated with Covid the necessary officer support had not been available. However, it was noted that Briefings on the Budget had been offered to all minority groups by the S151 Officer.

A Member mentioned the potential revenue benefits from future increased investment in car parks and the Leader of the Council would respond to the Member after the meeting.

In accordance with Standing Order 25.2, Councillor Neathey requested that a named vote be taken on each of the nine individual parts of the Motion and the voting was recorded as shown below after each part.

**RESOLVED that –**

- i) the Council capitalises up to £4 million of Covid-19 related costs in 2020/21, subject to Secretary of State approval;**

*For (38): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, B Clarke, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, R King, Lewis, Mackay, Maddox, Mullens, Neathey, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (0):*

*Abstention (1): Councillor Kusneraitis (owing to technical fault)*

- ii) the £4 million be funded from cash set aside in previous years to repay debt in 2063 totalling £14 million which is accounting treatment of capital financing and will not increase the Council's borrowing requirement or the cash balances of the Council;**

*For (38): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Burton, Chaudhri, B Clarke, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, R King, Lewis, Mackay, Maddox, Mullens, Neathey, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, D Whyte, S Whyte, Willingale and Wilson*

*Against (0):*

*Abstention (1): Councillor Kusneraitis (owing to technical fault)*

**iii) the Medium Term Financial Strategy as reported be approved;**

*For (29): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, B Clarke, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, Maddox, Nuti, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (3): Councillors Cressey, R King and Neathey*

*Abstentions (7): Councillors Burton, Kusneraitis (owing to technical fault), Mackay, Mullens, Olorenshaw, D Whyte and S Whyte*

**iv) the Band D Council Tax rate be increased by £5 a year in line with the Government's referendum limits;**

*For (31): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, B Clarke, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, Maddox, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (3): Councillors, R King, Mackay and Neathey*

*Abstentions (5): Councillors Burton, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte.*

**v) proposals be produced for the Council to consider which produce £1 million of efficiency savings to be implemented in 2021/22; and**

*For (33): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, R King, Lewis, Mackay, Maddox, Neathey, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (0)*

*Abstentions (6): Councillors Burton, B Clarke, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte.*

**vi) plans be produced to reduce the base budget in 2022/23 by a further £1 million.**

*For (30): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, Mackay,*



*Maddox, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (3): Councillors Cressey, R King, and Neathey*

*Abstentions (6): Councillors Burton, B Clarke, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte*

**vii) the Budget for 2021/22 be approved**

*For (30): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, MacKay, Maddox, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (2): Councillors R King and Neathey*

*Abstentions (7): Councillors Burton, B Clarke, Cressey, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte*

**viii) the Runnymede Borough Council Tax be increased by £5 (band D equivalent) for 2021/22**

*For (31): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, D Clarke, Cotty, Cressey, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, MacKay, Maddox, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (2): Councillors, R King and Neathey*

*Abstentions (6): Councillors Burton, B Clarke, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte*

**ix) Proposed Council Tax for 2021-22 be as set out below:**

- 1. The Council Tax Base 2021/22 for the whole Council as 33,404.0 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 for the whole Council area be agreed**
- 2. To approve a 2.95% increase in the Runnymede Borough Council element of the Council Tax for 2021/22**
- 3. That the following amounts be calculated for the year 2021/22 in accordance with Sections 31 to 36 of the Act:**
  - A £67,116,652.96 being the aggregate of the amount which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by major preceptors and parish councils.**

- B** £61,284,648.60 being the aggregate of the amount which the Council estimates for the items set out in Section 31A (3) of the Act.
- C** £5,832,004.36 being the amount by which the aggregate at 3A above exceeds the aggregate at 3B above, calculated by this Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
- D** £174.59 being the amount at 3C above (item R), divided by item T (item 1 above), calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
- E** £0.00 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
- F** £174.59 being the amount at 3D above less the result given by dividing the amount at 3E above, calculated by the Council in accordance with Section 34(2) of the Act as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item (Parish precept) relates.
- G** That the following amounts be calculated for the year 2021/22 in accordance with Sections 31 to 36 of the Act as amended.

Valuation band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Runnymede Borough Council	116.39	135.79	155.19	174.59	213.39	252.19	290.98	349.18

Being the amounts given by multiplying the amount at ix)F above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a valuation band 'D' calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

To note for the year 2021/22 Surrey County Council and the Police and Crime Commissioner for Surrey have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act for each of the categories of dwelling in the Council's area as shown below:

Valuation band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Surrey County Council	1,032.72	1,204.84	1,376.96	1,549.08	1,893.32	2,237.56	2,581.80	3,098.16
Surrey Police	190.38	222.11	253.84	285.57	349.03	412.49	475.95	571.14

That, having calculated the aggregate in each case above the Council, in accordance with Sections 30 to 36 of the Local Government Finance Act 1992 as amended by the

**Localism Act 2011, hereby sets the amounts of Council Tax for the year 2021/22 for each of the categories of dwellings:**

Valuation band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
TOTAL council tax due	1,339.49	1,562.74	1,785.99	2,009.24	2,455.74	2,902.24	3,348.73	4,018.48

**The Council has determined that its relevant basic amount of Council Tax for 2021/22 is not excessive in accordance with the principles approved under Section 52ZB of the Act.**

**As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of council tax for 2021/22 is excessive and therefore the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Act.**

**H The payment dates for the statutory ten monthly instalments scheme be set to run from 1 April 2021 to 1 January 2022 and**

**I The Council Tax (Administration and Enforcement Regulations 1992 allow customers to opt out of the ten monthly instalment scheme and request payment over a 12-month period. Where this is requested the Council authorises that the payment dates are to be on such a day in each month as is most efficient for administrative purposes.**

*For (30): Councillors Adams, Alderson, Anderson-Bassey, Broadhead, Chaudhri, D Clarke, Cotty, Dennett, Edis, Furey, Gill, Gillham, J Gracey, T Gracey, Harnden, Heath, Howorth, Hulley, N King, Lewis, MacKay, Maddox, Nuti, Olorenshaw, Prescott, Snow, J Sohi, Walsh, Willingale and Wilson*

*Against (2): Councillors R King and Neathey*

*Abstentions (7): Councillors Burton, B Clarke, Cressey, Kusneraitis (owing to technical fault), Mullens, D Whyte and S Whyte*

**440 NOTICES OF MOTION FROM MEMBERS OF THE COUNCIL UNDER STANDING ORDER 15**

No Notices of Motion had been submitted by Members of the Council under Standing Order 15.

**441 MINORITY GROUP PRIORITY BUSINESS**

No items of Minority Group Priority Business had been registered under Standing Order 23.

**442 COMMUNITY INFRASTRUCTURE LEVY (CIL) CHARGING SCHEDULE**

Full Council received and considered a report which sought approval to i) adopt the CIL Charging Schedule incorporating the modifications recommended by the CIL Examiner, ii) the CIL Instalments policy, and iii) not to make discretionary relief available.

The Community Infrastructure Levy (CIL) was a charge on development the Council could introduce to help raise funds towards infrastructure across the Borough. The Council could only charge CIL where it had adopted a CIL Charging Schedule. The Charging Schedule sets out the rates in pounds per square metre (£ per sqm) that the Council wished to charge development where it was viable to do so. Rates could be set by development type, by location and by scale of development.

A CIL Charging Schedule had been subject to public consultation and independent examination during 2020 with proposed charging rates for residential, office and student accommodation across seven different charging zones. The rates proposed ranged from between £90 and £380 per sqm for residential, a single rate of £495 per sqm was proposed for student accommodation and £50 per sqm was proposed for office development. All other development was not considered to be viable for CIL including the allocation sites at Longcross Garden Village and Chertsey Bittams C and were zero rated (£0 per sqm). The Longcross Garden Village allocation would however be expected to contribute toward infrastructure through Section 106 agreement.

The independent Examiner had found that the rates proposed for residential and office development were appropriate and could be adopted by the Council. However, the Examiner did not consider that proposed rates for student accommodation could be supported and recommended deletion of the student accommodation rate (effectively setting a zero rate) through a modification to the Charging Schedule. The Examiner also recommended a minor modification to ensure the description of office development met the Use Classes Order 2020. The Examiner's report and a confidential Counsel's advice note were considered by Members.

In accordance with Section 213 of the Planning Act 2008 (as amended), the Council had two options, namely to adopt the CIL Charging Schedule with the modifications recommended by the Examiner or to not adopt and formally withdraw the Charging Schedule.

Officers had also prepared a CIL Instalments Policy. The Instalments Policy would enable developers to pay their CIL contribution through a series of instalments rather than a single payment, with the number of instalments dependent on the scale of development. The instalment amounts and period for payments reflected the instalment policies of other Surrey authorities with adopted CIL charging schedules.

The CIL Regulations also included a number of discretionary reliefs from the Levy if the Council wished to make these available. Officers considered that the CIL rates contained in the CIL Charging Schedule were sufficiently flexible to remain viable without the need for further discretionary relief.

The Chairman of the Planning Committee informed Members of the importance of adopting the CIL schedule in view of the additional revenue streams it would bring to

the Council, in particular towards infrastructure and Neighbourhood funding. The risks associated with non adoption were also taken into account by Members.

Englefield Green Members expressed disappointment and strong concern over the Examiner's decision to recommend deletion of the proposed rate for student accommodation as this would have a detrimental impact on residents and communities in the Englefield Green and Egham areas, as a result of no CIL contribution being made to mitigate the impact of student development .

The Chairman of the Planning Committee understood Members concerns regarding deletion of the rates for student accommodation and stated that whilst the Council could not adopt rates for student accommodation in this iteration of the CIL charging schedule, in order to address these concerns he moved an additional Motion that an immediate partial review of the charging schedule (once adopted) be undertaken at the earliest opportunity which could allow the Council to adopt rates for student accommodation in the near future. This approach had been supported by the Infrastructure MWP at its meeting in December 2020. In order to do this, consultants with specific experience of student accommodation viability would need to be appointed and costs of this would be reported in due course as the programme for the review progressed and if a supplementary estimate was required a report would be made to Corporate Management Committee. Members were reassured and welcomed the additional Motion moved by the Chairman .

With the reassurance of the above-mentioned immediate partial review, Council was supportive of adoption of the CIL Charging Schedule and the CIL Instalments Policy as reported, and not making available discretionary relief from the Levy.

**RESOLVED that:**

- i) the Community Infrastructure Levy (CIL) Charging Schedule as modified by the CIL Examiner, as reported, be adopted;**
- ii) the Community Infrastructure Levy (CIL) Instalments Policy, as reported, be approved;**
- iii) discretionary relief from the Levy available be not made; and.**
- iv) due to Members having concerns that the CIL Charging Schedule did not incorporate an element in respect of student accommodation, the action supported by the Infrastructure Member Working Party at its meeting in December 2020, to undertake a review of the CIL at the earliest opportunity, be actioned and the outcome reported back to the Planning Committee.**

(The meeting ended at 10.08 pm)

Mayor