

Overview and Scrutiny Select Committee

Thursday 4 April 2019 at 7.30pm

**Council Chamber
Runnymede Civic Centre, Addlestone**

Members of the Committee

Councillors M J Maddox (Chairman), P J Taylor (Vice-Chairman), S L Dennett, Mrs L M Gillham, T J F E Gracey, N M King, Mrs Y P Lay, S M Mackay and P S Sohi.

In accordance with Standing Order 29.1, any Member of the Council may attend 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.

(N.B. PLEASE NOTE, THIS MEETING WILL COMMENCE UPON THE CONCLUSION OF THE CRIME AND DISORDER COMMITTEE MEETING)

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 Overview and Scrutiny Select 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 Government 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.

'see overleaf'

4) In the unlikely event of an alarm sounding, members of the public should leave the building immediately, either using the staircase leading from the public gallery or following other instructions as appropriate.

5) **Filming, Audio-Recording, Photography, Tweeting and Blogging of Meetings**

Members of the public are permitted to film, audio record, take photographs or make use of social media (tweet/blog) at Council and Committee meetings provided that this does not disturb the business of the meeting. If you wish to film a particular meeting, please liaise with the Council Officer listed on the front of the Agenda prior to the start of the meeting so that the Chairman is aware and those attending the meeting can be made aware of any filming taking place.

Filming should be limited to the formal meeting area and not extend to those in the public seating area.

The Chairman will make the final decision on all matters of dispute in regard to the use of social media audio-recording, photography and filming in the Committee meeting.

LIST OF MATTERS FOR CONSIDERATION

PART I

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

	<u>Page</u>
1. FIRE PRECAUTIONS	4
2. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP	4
3. MINUTES	4
4. APOLOGIES FOR ABSENCE	9
5. DECLARATIONS OF INTEREST	9
6. REVIEW OF THE COUNCIL'S PLANNING SERVICE – UPDATE	9
7. EXCLUSION OF PRESS AND PUBLIC	13

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

a) Exempt Information

(No reports to be considered under this heading)

b) Confidential Information

(No reports to be considered under this heading)

1. **FIRE PRECAUTIONS**

The Chairman will read the Fire Precautions which set out the procedures to be followed in the event of fire or other emergency.

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

3. **MINUTES**

To confirm and sign, as a correct record, the Minutes of the meeting of the Committee held on 6 February 2019 (at Appendix 'A').

Runnymede Borough CouncilOVERVIEW AND SCRUTINY SELECT COMMITTEE6 February 2019 at 8.09 pm.

Members of the Committee present: Councillors M J Maddox (Chairman), P J Taylor (Vice-Chairman)
S L Dennett, Mrs L M Gillham, T J F E Gracey, P S Sohi and Mrs G Warner

Member of the Committee absent: Councillors N M King and S M Mackay

465 FIRE PRECAUTIONS

The Chairman read out the Fire Precautions.

466 NOTIFICATION OF CHANGE TO COMMITTEE MEMBERSHIP

The Group mentioned below had notified the Chief Executive of their wish that the change listed below be made to the membership of the Committee. The change was for a fixed period ending on the day after the meeting and thereafter the Councillor removed would be reappointed.

Group	Remove from Membership	Appoint Instead
Conservative	Councillor Mrs Y P Lay	Councillor Mrs G Warner

The Chief Executive had given effect to this request in accordance with Section 16(2) of the Local Government and Housing Act 1989.

467 MINUTES

The Minutes of the meeting of the Committee held on 4 October 2018 were confirmed and signed as a correct record.

468 APOLOGIES FOR ABSENCE

Apologies were received from Councillor N M King.

469 TREASURY MANAGEMENT MID-YEAR REPORT 2018/19

The Committee noted a report setting out the treasury activity for the first six months of the 2018/19 financial year which had been reported to the Corporate Management Committee in November 2018.

Members were advised that since the report was drafted and reported to Corporate Management Committee in November, the Government had introduced a statutory override for IFRS 9 .

The report set out the regulations which had to be followed, the economic background over the period along with future interest rates, the Council's investments and borrowing activity. The report also set out the Council's Treasury Management Indicators as required by the CIPFA Code. All treasury activity for the period fell within the current limits set by the Council. The report also gave Members a brief explanation of bank ring-fencing and Money Market reforms along with changes which would have had to be implemented had the Government not imposed a statutory override for elements of IFRS9.

470 2019/20 TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY, PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS AND MINIMUM REVENUE PROVISION

Members of the Committee received a report on the Treasury Management Strategy, Prudential and Treasury Management Indicators and the Minimum Revenue Provision Statement for 2019/20.

The Head of Financial Services informed the Committee that the Treasury Management Strategy was in place to control what the Council could invest and borrow in to ensure the cash flow requirements of the capital and revenue plans were adequately planned for.

There had been numerous consultations and legislation changes affecting treasury operations at the beginning of 2018 – two new CIPFA codes, IFRS9 requirements, the Government's MRP and Investment Guidance, MIFID and Money Market reforms. Whilst some of these were global financial sector changes, the CIPFA and Government changes were set around a common theme, of addressing the perceived problem of what was termed non-treasury or non-financial investments in local government – namely commercial property purchases and loans to companies.

Both the CIPFA Codes and the MHCLG Guidance recognised that authorities may make investments for policy reasons outside of normal treasury management activity for example; service investments (held in the course of normal operations – including regeneration), or commercial investments taken for financial reasons (i.e. shares and loans in subsidiaries and investment properties).

Members noted that Runnymede had for some time produced a Capital Strategy. However, Members were informed that in order to address a growing concern over the number of service and commercial investments, the revised CIPFA codes had now made the production of a Capital Strategy a requirement for all local authorities along with a set of criteria that must be adopted. The Capital Strategy was reported separately from the Treasury Management Strategy Statement to ensure the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset.

With regard to the Council's MRP Policy, this remained unchanged and was designed to ensure the Council would not need to re-finance its long term borrowings when they fell due.

The Council recognised that there was value in employing external providers of treasury management services. Link Asset Services provided this service to Runnymede. Link Asset Services had in December 2018 provided the Council with a view on the economy and future prospects for interest rates. The bank rate was forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 of 2022.

The Council was currently maintaining an under-borrowed strategy and there were no planned changes to the borrowing strategy for next year.

The MHCLG guidance required local authorities to cover a number of issues in the Annual Investment Strategy and the Council's strategy complied with these regulations. Members were advised that there were two changes to the proposed strategy; the first related to the removal of the requirement to limit investments in Building Societies to 50% of the total funds invested. The second was to clarify the Council's position in regard to its use of Money Market Funds following the introduction of the European Money Market Fund Reforms.

With regard to Treasury Risks the focus of the Council's treasury activities remained to invest prudently with priority given to security and liquidity before yield.

The Prudential Code required all local authorities to look at capital expenditure and investment plans in light of the overall organisational strategy and resources, and make sure that decisions were being made with sufficient regard to the long run financial implications and potential risks to the authority. Prudential indicators were designed to highlight changes in the Council's capital financing and investment position over time and were unique to every authority. The main indicators were the Capital Financing Requirement and the Authorised Limit. The indicators had been amended this year to separate out the Council's non-financial investments to fulfil the new reporting requirements.

The Committee was advised that any borrowing was used for new projects or schemes in the capital programme not for revenue expenses. With regard to the use of Lender's Option Borrowers Option (LOBO) loans Officers confirmed that the Council had not used these loans. Officers were, however asked to include LOBO in the Glossary of Treasury Terms in the Annual Investment Strategy in future.

The Committee fully endorsed the Council's current financial approach.

RESOLVED TO RECOMMEND TO FULL COUNCIL ON 12 FEBRUARY 2019 THAT –

- i) The proposed 2019/20 Treasury Management Strategy set out in this report encompassing the Annual Investment Strategy as reported be approved;**
- ii) The Prudential and Treasury Management Indicators for 2019/20 as reported be approved;**
- iii) The revised Treasury Management Practices as reported be approved;**
- iv) The authorised limit for external borrowing by the Council for 2019/20, be set at £720,939,000 (this being the statutory limit determined under Section 3 (1) of the Local Government Act 2003; and**
- v) That there be no change to the previously adopted 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 the schemes require interim financing by loan, pending receipt of an alternative source of finance (for example capital receipts) no MRP charge will be applied.

471 DEALING WITH ILLEGAL ENCAMPMENTS

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of the following matter under Section 100A (4) of the Local Government Act 1972 on the grounds that the matter in question would be likely to involve disclosure of exempt information of the description specified in paragraph 3 and 7 of Part 1 of Schedule 12A of the Act.

The Committee received a report which outlined the Surrey wide debate on improving performance in tackling illegal encampments. Members were asked to consider and if appropriate, make recommendations regarding support for Surrey wide initiatives.

Last summer had been a particularly difficult one with regard to the numbers and types of illegal encampments. Members received an analysis of unauthorised encampments in 2018. It was noted that the number of encampments, particularly in North Surrey had increased.

There had been a great deal of public concern regarding criminality and anti-social behaviour. This concern had led to criticisms of the police and local authorities for a) a lack of a consistent approach across Surrey and b) failure to tackle the perpetrators of crime and anti-social behaviour. However, it was stressed that not all encampments resulted in ASB and/or criminal behaviour.

The Chief Executive reported that he had been the lead Chief Executive in Surrey on Illegal Encampments this year. Matters had been debated by Surrey Leaders and Chief Executives as well as Surrey MP's. Surrey Leaders in particular were determined that there would be a more effective approach should Surrey experience similar problems this summer.

It was considered that a regional approach would be beneficial and consistent and the Committee was supportive of the joint protocol.

The Chief Executive responded to various questions and concerns raised by Members. It was agreed that a robust number of traveller pitches was needed which would need to be carefully managed. This would not only make better use of both Council Officers and Police time it would reassure the public.

RESOLVED THAT THE FOLLOWING RECOMMENDATION BE MADE TO AND CONSIDERED BY CORPORATE MANAGEMENT COMMITTEE AT A FUTURE MEETING –

- i) The new police protocol for dealing consistently with illegal encampments be supported;**
- ii) The provision of one or more transit sites in Surrey be supported; and**
- iii) A joint unit of all boroughs to act collectively on behalf of all 11 districts and boroughs be supported**

Chairman

(The meeting ended at 9.05pm.)

4. **APOLOGIES FOR ABSENCE**

5. **DECLARATIONS OF INTEREST**

If Members have an interest in an item, please record the interest on the form circulated with this Agenda and hand it to the Legal Representative or Democratic Services Officer at the start of the meeting. A supply of the form will also be available from the Democratic Services Officer at 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 as should their membership of an outside body in their private capacity as a Director, trustee, committee member or in another position of influence thereon.

Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when attending 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 leave the room 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.

6. **REVIEW OF THE COUNCIL'S PLANNING SERVICE – UPDATE (CHIEF EXECUTIVE)**

Synopsis of report:

To receive an update on the progress of the review of the Council's Planning service.

Recommendations:

- 1. That the Planning Service Review Advisory Panel, its membership and its remit continue beyond this municipal year into the municipal year 2019/20;**
- 2. That any necessary powers and functions be delegated to the Planning Service Review Advisory Panel as are incidental to the Advisory Panel's remit; and**
- 3. That the Chief Executive be delegated the authority to co-opt any current members of the Panel onto the Committee for the purpose of maintaining the Panel's membership should they not stand in the forthcoming election or not be returned in May.**

1. **Context of report**

- 1.1 As part of this Committee's Work Programme, Members asked that this Committee conduct a review of the Planning Service. This report updates the Committee on the progress of the review since the Committee last met.

2. **Report**

- 2.1 At its meeting on 5 July 2018, in view of the demands upon the time of Members, the Committee agreed to appoint a Planning Service Review Advisory Panel whose remit would be to conduct the core work involved in the Review which would include meeting with residents and stakeholders for the scrutiny review following the PAS Peer Challenge Review, meeting with PAS to settle the scope of their instructions, meeting with key Officers within the Council's Planning service and seeking to identify the effectiveness of the Council's Planning service in accordance with particular criteria. The Committee agreed to delegate any necessary powers and functions to the Planning Service Review Advisory Panel as were incidental to the Advisory Panel's remit. The Committee agreed that the membership of the Advisory Panel would be Councillor Taylor (Chairman), Councillor Dennett, Councillor Mrs Gillham and Councillor T Gracey.
- 2.2 A Planning Advisory Service (PAS) Peer Challenge Review took place between 12-14 September 2018. At its meeting on 4 October 2018, this Committee was advised of PAS' findings and noted that a final and detailed report would be provided by PAS to the Council in due course. PAS' final report dated 8 February 2019 is on the Council's website under the heading of "Planning Service Review – update".
- 2.3 The PAS review gave both the public and elected Members an independent view of how the Council's Planning Service is helping to deliver the Council's objectives.
- 2.4 The next stage of the Planning Service review was to gather evidence on the work of the Planning service and its interaction and communication with Members and customers. The Advisory Panel received written and verbal representations from local residents in respect of the service's interaction and communication with Members and customers at its meeting held on the evening of 12 March 2019. A note of this meeting is at Appendix 'B'.
- 2.5 The Panel intend to seek evidence from the Planning Committee and from the Planning Service, both of whom will be invited to provide their comments prior to the Panel finalising its recommendations by way of a report to the Overview and Scrutiny Select Committee. The evidence the Panel will seek will be based upon the PAS report and the evidence collated further to the meeting on 12 March.
- 2.6 The decision of both the Chairman of the Overview and Scrutiny Select Committee and the Chairman of the Advisory Panel (in consultation with the Leader of the Council and the Chief Executive) is that the comments referred to at paragraph 2.5 above will be sought in the new municipal year (i.e. after the May elections and once a new Planning Committee has been constituted). In reaching this decision, the Members concerned were mindful of the work ahead and the currently listed Committee meetings.
- 2.7 In view of the above, it is likely that the final report of the Panel on the Planning service review will be submitted to the Overview and Scrutiny Select Committee in the summer of 2019. To ensure that the Panel continues and the current Members of the Advisory Panel remain in place until the report is delivered, the recommendations look to preserve the current position into the new municipal year whatever occurs at the May election.

(To resolve)

Background Papers

PAS report dated 8 February 2019

ADVISORY PANEL MEETING WITH REPRESENTATIVES- 12 MARCH 2019

Present: Councillors Mrs L Gillham, T Gracey and P Taylor (Chairman)

Councillor M Maddox also attended.

Mrs H Lane (Ottershaw Society)

Mr I Patenall (Thorpe Ward Residents Association)

Mr D Whyte (Lyne Residents Association)

Ms C Brunton-Green (West Addlestone Residents Association)

Mr P Ionta (Legal Services Manager) and Bernard Fleckney (Democratic Services Manager)

Apologies for absence were received from Councillor S Dennett.

Arising from this meeting with representatives of the above-mentioned residents associations and written submissions by some of those Groups, the following matters would be given further consideration by the Advisory Panel:

- Ways of Improving residents understanding of the national planning context and role of RBC in implementing planning policy at local level;
 - Such as providing an executive style briefing for residents before the next Local Plan is produced as well as finding better ways to engage with residents so that they understand how the Local Plan process works
- Ways of securing more effective engagement/communication/responsiveness of all Councillors with local residents on planning issues;
- Ways of improving RBC communication on planning matters to residents:
 - particularly using hard copy methods, such as the newly instituted 'Talks' magazine, in addition to web- based methods, and
 - Assisting residents to understand how to set up alerts via the Planning Portal for progress on specific planning applications,
 - Provide a forum for updating residents on key legislative changes to ensure that they understand changes that may affect new developments that may have been previously unlawful, to ensure comprehensive engagement;
- Provision of large Planning related documents in a more accessible user- friendly format and style (e.g. Executive Summaries);
- Ways of informing complainants of progress on enforcement cases and managing expectations (e.g. enforcement progress schedule on website or monthly update reports, such as those provided to local ward Members);
- Review composition of Community Planning Panel to reflect new boundary wards and permit greater attendance than currently permitted

Continued.....

- Review of Delegation arrangements to ensure:
 - proportionate amount of time is allowed for consideration of major planning applications, whilst still allowing time for consideration of some of the smaller developments which generate public interest, and
 - Consider reviewing what would be a reasonable trigger for residents to invite Planning Committee to consider an application rather than officers where there is sufficient public interest;
- Review RBC Policy on publicising names and addresses of objectors to planning applications to encourage community engagement free from fear of being subject to harassment and/or threatening behaviour by applicants;
- Ways of explaining to residents the reasoning/justification for making a planning decision which they disagree with.

7. **EXCLUSION OF PRESS AND PUBLIC**

OFFICERS' RECOMMENDATION that –

the press and public be excluded from the meeting during discussion of the following report (s) under Section 100A(4) of the Local Government Act 1972 on the grounds that the report (s) in question would be likely to involve disclosure of exempt information of the description specified in appropriate paragraphs 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

a) **Exempt Information**

(No reports to be considered under this heading)

b) **Confidential Information**

(No reports to be considered under this heading)