

Runnymede Borough CouncilOVERVIEW AND SCRUTINY SELECT COMMITTEE6 February 2020 at 7.30.p.m.

Members of the Committee present: Councillors J Furey (Chairman), T Gracey (Vice-Chairman), A Alderson, J Broadhead, R Edis, L Gillham, C Howorth and S Mackay.

Members of the Committee absent: Councillor M Brierley.

480 FIRE PRECAUTIONS

The Chairman read out the Fire Precautions.

481 MINUTES

The Minutes of the meeting of the Committee held on 18 November 2019 were confirmed and signed as a correct record.

482 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor M Brierley.

483 2020/21 TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY, PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS AND MINIMUM REVENUE PROVISION STATEMENT

The Committee considered a report on the 2020/21 Treasury Management Strategy, Annual Investment Strategy, Prudential and Treasury Management Indicators and Minimum Revenue Provision Statement.

The Committee noted the Council's treasury portfolio position at 31 December 2019. The probable investment earnings rate for the Council for 2020/21 was 0.75%. The Committee noted the 2020/21 estimate for investment income and debt interest split between the General Fund and Housing Revenue Account.

In general, the Council would borrow for one of two purposes – to finance cash flow in the short term or to fund capital investment over the longer term. The Council was maintaining an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement or CFR) had not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow had been used as a temporary measure.

There were no changes proposed to the Council's Annual Investment Strategy for 2020/21. However, as a consequence of having to set aside Minimum Revenue Provision (MRP), cash balances would increase over time as that money was set aside awaiting repayment of the loan. This meant there was more money to invest until the principal sums matured and the Council would need to increase its counterparty limits and/or seek additional investment vehicles for its money. A close eye would be kept on the limits for each counterparty to ensure that the increasing balances held as a result of setting aside MRP could be adequately catered for and any required amendments would be brought back to Members for approval.

It was noted that treasury management training for Members was planned to take place towards the end of the next financial year.

The Committee agreed to recommend to Council approval of the Prudential and Treasury Management Indicators for 2020/21. One of the key purposes of these indicators was to ensure that the capital investment plans of local authorities were affordable, prudent and sustainable. Included within the Indicators was a total authorised limit for external borrowing by the Council in 2020/21 of £880,998,000. There was a large increase in this total authorised limit when compared to the 2019/20 total authorised limit of £721,329. The Committee noted a chart combining the total authorised limit, the operational boundary (the limit which external debt was not normally expected to exceed), the CFR and actual debt to show the predicted movement over the next few years. It was noted that it was always anticipated that the 2020/21 limit would increase to £768,588,000 due to the Egham Gateway Scheme. A large part of the additional increase in the authorised limit for 2020/21 was to enable investment in commercial assets of £100M in order to ensure that the Egham redevelopment project and other investment schemes continued. The remainder of the additional increase in the total authorised limit for 2020/21 was a provision for temporary borrowing. It was agreed that a Member would be provided with a one page summary not including any confidential information setting out how the Egham redevelopment would be funded, for them to give to a local resident.

The Council was required to pay off an element of the accumulated General Fund capital spend each year (the Capital Financing Requirement – CFR) through Minimum Revenue Provision (MRP) which was a charge to revenue in order to have sufficient monies set aside to meet the future repayment of principal on any borrowing undertaken. The Council was required to approve an MRP statement in advance of each year. The Committee was advised that there was no need to amend the Council's current statement and agreed to recommend the Council's MRP statement for 2020/21 as set out in recommendation iv) below. The Committee noted that the purpose of the MRP statement was to set out the way in which MRP would be structured. One of the functions of MRP was to ensure that the Council did not have to refinance its long term borrowing.

**RECOMMEND TO FULL COUNCIL ON 11 FEBRUARY 2020 that -**

- i) the proposed Treasury Management Strategy as set out in the report encompassing the Annual Investment Strategy as reported, be approved;**
- ii) the Prudential and Treasury Management Indicators for 2020/21, as reported, be approved;**
- iii) the authorised limit for external borrowing by the Council in 2020/21, be set at £880,998,000 (this being the statutory limit determined under Section 3(1) of the Local Government Act 2003); and**
- iv) that 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.***

484 REVIEW OF THE PLANNING SERVICE

The Committee considered a report on the review of the Council's Planning Service. Appendix 'E' to the agenda contained recommendations from the Member Advisory Panel that it had set up to undertake tasks to progress the scrutiny review of the Council's Planning Service. It was noted that it was proposed that these recommendations and any comments that the Committee might have on these recommendations be submitted to the Planning Committee for its consideration and adoption (if so decided).

The Committee noted that Mr P Taylor (Chairman) (an elected Member at the time), Councillor Dennett, Councillor Gillham and Councillor T Gracey had served on the Panel from 2018 until the end of that Municipal Year (May 2019). The Committee noted that since May 2019, Councillor Furey (Chairman), Councillor Gillham and Councillor T Gracey had served on the Panel. The Committee expressed its thanks to the current and former Panel Members and to the Deputy Corporate Head of Law and Governance for their time and effort in driving the review forward.

The Committee noted that more time and resource (both officer time and money) had been required to complete the review than had been expected initially. A number of factors including local and national elections, and changes in the membership of the Overview and Scrutiny Select Committee and in the Planning Service had delayed the conclusion of the review. The Panel wished to extend its appreciation of the good work and dedication of the officers in the Planning Service who continued to deliver an effective and valued service in a demanding setting.

The Committee considered 23 recommendations from the Planning Advisory Service (PAS) made following PAS's Peer Challenge Review in which a PAS Panel spent three days at the Council's offices from 12 to 14 September 2018. In February 2019 the Council had received PAS' report which was positive about the Planning Service and its officers. The 23 PAS recommendations were set out in the column entitled "PAS Recommendations" in Appendix 'E' to the agenda.

The Committee also considered 9 recommendations drafted following written and verbal representations made by local residents in respect of the Planning Service's interaction and communication with Members and customers at the Panel meeting held on 12 March 2019. These 9 recommendations were set out in the column entitled "Local Resident Recommendations" in Appendix 'E' to the agenda.

The Committee noted that the Panel had sought comments from the Planning Service regarding both the recommendations of PAS and those that flowed from its 12 March 2019 meeting with residents. Having duly reviewed those comments, the Panel had recently finalised its recommendations. The Panel's recommendations were set out in the column entitled "Panel Recommendation" in Appendix 'E' to the agenda.

For each of its recommendations, the Panel had provided an indicative deadline for completion of the action. These deadlines were set out in the column entitled "Deadline For Compliance" in Appendix 'E' to the agenda.

The Committee agreed to recommend to the Planning Committee that at its meeting on 1 October 2020 the Overview and Scrutiny Select Committee should receive a report from the Planning Committee providing an update on progress on any action agreed by the Planning Committee arising from the Panel recommendations. It was agreed that the July 2020 meeting of the Overview and Scrutiny Select Committee would be too early a date to receive this update as the main priority of Council officers had to be given to the finalisation of the Runnymede Local Plan.

The Committee adopted all of the Panel recommendations set out in Appendix 'E' to the agenda. It recommended that the Planning Committee accepted and adopted all of these Panel recommendations. However, the Overview and Scrutiny Select Committee noted that some of the recommendations had already been implemented, some required additional resources that were not within the current budget or within the gift of the Planning Service and that the Planning Committee might decide that not all of the recommendations were still relevant. For some of the Panel recommendations, Committee Members made comments as set out below and the Overview and Scrutiny Select Committee agreed that these comments be submitted to the Planning Committee for consideration.

#### **PAS Recommendation 2** –

This PAS recommendation related to allocating a strong Councillor champion for the Local Plan and the delivery agenda to work within the Council, with external partners and across the region. The Panel had not made any recommendations, further to assurances by officers of the role of the Chairman of the Planning Committee and the External Relations and Infrastructure Member Working Group.

2 Members of the Committee considered that the Councillor champion should be the Chairman of the Planning Committee.

#### **PAS Recommendation 4** –

The Panel had made a number of recommendations in response to PAS' recommendation on engagement of Councillors, to enable Councillors to give a consistent Council message and to help the public to engage in the planning process.

The Committee considered that the third Panel recommendation on ensuring intranet access to training notes for all Members was the most important of the Panel recommendations made in response to PAS Recommendation 4.

#### **PAS Recommendation 5** –

The Panel had recommended that the Corporate Head of Planning Policy and Economic Development provide an update to the Planning Committee in response to PAS' recommendation that the Council's corporate priorities be considered and that the Council's role in external projects and partnerships be defined.

The Committee noted that all Members would receive this update report electronically.

#### **PAS Recommendation 8** –

This PAS recommendation related to trying to work proactively with established key residents' groups and others going forward and aiding their development through offers of training to keep them informed. In response, the Panel had made four recommendations.

2 Members of the Committee considered that particular priority should be given to these four Panel recommendations which all related to the improvement of the Community Planning Panel (CPP). In particular, the fourth Panel recommendation on the Local Plan Member Working Group making recommendations to the Planning Committee as early as possible in the new Municipal Year on improving the CPP was considered especially important by a Member as they anticipated that number of planning applications would increase once the Local Plan was finalised.

#### **PAS Recommendation 9** –

In response to PAS' recommendation on working with developers to engage with communities at early and ongoing stages, the Panel had recommended that noting good

work with Design South East, ways be sought of working with Design South East (or adopting Design South East's positive approach to engage with both developers and communities) moving forward via the CPP.

The Committee discussed the role of Design South East in engaging with communities on development proposals. Although the Committee agreed to adopt the Panel's recommendation, it was suggested that this recommendation might not be workable, and it was agreed that the workability of the recommendation might be discussed further by the Planning Committee.

#### **PAS Recommendation 11** –

This PAS recommendation concerned establishing clear service priorities including reviewing the service to scope areas for efficiency (time) savings and possibly deprioritising of other tasks. The Panel had recommended that officers provide an update to the Planning Committee on this subject.

The Committee agreed that, as part of considering efficiency savings, the Planning Committee should consider whether the number of objectors required for a planning application to be submitted to the Planning Committee (rather than being decided by Officer delegation) should be increased. The Committee understood that at present 3 or 4 objectors were needed for a report to be submitted to the Planning Committee. This was a low number compared to, for example, Croydon, where it was understood that 12 objectors would result in an application being considered by that local authority's Planning Committee. A Committee Member considered that particular priority should be given to the question of the number of objectors required for a planning application Committee report.

#### **PAS Recommendation 12** –

The Panel had recommended that officers liaise with Democratic Services and the Chairman and Vice-Chairman of the Planning Committee to consider various proposed changes to arrangements at the Planning Committee, further to PAS' recommendation 12 on changing the layout of the Planning Committee. The Panel had noted that some changes (e.g. particular seats allocated to particular Members) had already been made.

Committee Members commented that the new Planning Committee Member seating arrangements were cramped and that it was difficult to see television screens in the Chamber in certain seats. While subject to the provisions of the Council's Standing Orders, members of the public and applicants for planning permission could speak on particular applications at the Planning Committee, there was no verbal interaction between members of the public or applicants attending Planning Committee meetings and the Planning Committee Members. Therefore Overview and Scrutiny Select Committee Members considered that Planning Committee Members should not be required to face the public and stated that the Chairman of the Planning Committee did announce the names of Members speaking so that the public knew which Member was speaking during the course of a debate. One of the elements of this PAS recommendation was a proposal to introduce webcasting. The Committee agreed that if webcasting was introduced it should apply across all Council Committees, not just the Planning Committee.

#### **PAS Recommendation 13** –

The Panel had recommended that a report be made to the Constitution and Legislation Member Working Group and that the Group's findings be reported to the Planning Committee, further to PAS' recommendation that application delegation requirements be reviewed and that the duration of Planning Committee meetings should not exceed two hours.

A Committee Member reiterated their view that application delegation requirements should be given particular priority (see the Committee's comments in relation to PAS Recommendation 11 above)

### **PAS Recommendations 18 and 19 –**

PAS recommendations 18 and 19 were that the Council should recognise and work effectively with critical partners that were facing resourcing challenges and improve the constructive working relationship with key infrastructure providers. In response, the Panel had recommended that an update report be submitted to the Planning Committee which would then lead to a report for the Corporate Management Committee.

The Committee noted that, as critical partners were facing resourcing challenges, the Council had been receiving delayed responses to statutory consultations from organisations such as the Environment Agency and Highways England.

### **Local Resident Recommendation 5 –**

This local resident recommendation related to ways of informing complainants of progress on enforcement cases and managing expectations. The Panel had made four recommendations in response.

2 Members of the Committee emphasised the need for communication with complainants to be written in clear English.

#### **RECOMMEND TO PLANNING COMMITTEE that-**

- i) to note that the Overview and Scrutiny Select Committee has adopted the Panel recommendations as set out in Appendix 'E' to the agenda, and that the Overview and Scrutiny Select Committee recommends that the Planning Committee also accepts and adopts the Panel recommendations;**
- ii) the comments made by Overview and Scrutiny Select Committee Members on particular Panel recommendations as set out in the preamble to these recommendations be considered; and**
- ii) the Planning Committee submits a report which provides an update on progress in implementing the action agreed by the Planning Committee arising from the Panel recommendations to the 1 October 2020 meeting of the Overview and Scrutiny Select Committee.**

#### **485 NOTICE FROM THE HOUSING REGULATOR - REVIEW**

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 paragraphs 3 and 7 of Schedule 12A to Part 1 of the Act.

A Regulatory Notice had been issued by the Regulator of Social Housing on 30 October 2019 which concluded that the Council had breached (i.e. failed to meet or comply with all of the requirements relating to) the Home Standard which required the registered provider (the Council) to meet all applicable statutory requirements that provided for the health and safety of Council tenants in their homes.

The Housing Regulator was monitoring the Council's progress in addressing areas of non-compliance. The Committee noted that the breach had occurred for a number of reasons.

An agreed plan of activities would be presented to the Housing Committee at future meetings until further notice. A Voluntary Undertaking had been drawn up which had been endorsed and supported by the Chairman of the Housing Committee relating to agreed activities and outputs leading up to the point of compliance with the Regulator's requirements. This Voluntary Undertaking was presently being considered by the Regulator and a response was expected shortly.

Current progress in securing the recruitment of a new Corporate Head of Housing was noted. The Committee was informed of arrangements for inspection of lifts in Surrey Towers and for repair and maintenance testing of that building. The arrangements to manage Housing Revenue Account (HRA) responsibilities for those trees situated on HRA land were also noted by the Committee.

(The meeting ended at 9.10.p.m.)

Chairman