

Corporate Management Committee

Thursday 28 February 2019 at 7.30pm

**Council Chamber
Runnymede Civic Centre, Addlestone**

Members of the Committee

Councillors N H Prescott (Chairman), Miss M N Heath (Vice-Chairman), A Alderson, Mrs L M Gillham, Mrs J Gracey, Mrs G M Kingerley, Mrs C S S Manduca, D W Parr, Ms C M Simmons, P J Waddell, Mrs G Warner and M L Willingale.

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.

AGENDA

Notes:

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

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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

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a) Exempt Information

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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 the Minutes of the meeting of the Committee held on 24 January 2019 (Appendix 'A').

(To resolve)

Background papers

None

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE24 January 2019 at 7.30 p.m.

Members of the Committee present: Councillors N H Prescott (Chairman), Miss M N Heath (Vice-Chairman) A Alderson, Mrs L M Gillham, Mrs J Gracey, Mrs G M Kingerley, D W Parr, Ms A Shepperdson, P Snow, Mrs G Warner and M L Willingale.

Members of the Committee absent: Councillor Mrs C S S Manduca.

FIRE PRECAUTIONS

The Chairman read out the Fire Precautions.

NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

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

<u>Group</u>	<u>Remove From Membership</u>	<u>Appoint Instead</u>
Conservative	Councillor Ms C Simmons	Councillor Ms Shepperdson
Conservative	Councillor P Waddell	Councillor P Snow

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

MINUTES

The Minutes of the meeting of the Committee held on 17 December 2018 were confirmed and signed as a correct record.

APOLOGIES FOR ABSENCE

Apologies were received from Councillor Mrs Manduca.

CORPORATE FRAUD AND FINANCIAL INVESTIGATIONS

The Committee's endorsement was sought of a recommendation from the Standards and Audit Committee of a proposal to work in partnership with Reigate and Banstead

Borough Council on fraud investigation to enhance resources available for an increasing need to work on fraud investigation.

Members noted that in 2014 the responsibility for the investigation of Housing Benefit fraud transferred to the Department for Works and Pensions (DWP). At that time, recognising the need to investigate fraud in other areas, the Fraud Investigator's post had been retained and funded by the Council. The background to the current proposal was explained; namely an increase in potential fraud across Resources and Housing related matters and that the current post holder had been very successful at identifying potential fraud at an early stage, undertaking the investigation work, through to securing a significant number of positive outcomes for the Council and the County Council, although Officers confirmed that the new arrangements would remain outcome focussed on raising income for the Council.

As well as investigation the work involved fraud prevention, reactive fraud referrals and financial investigations all of which were undertaken using clear frameworks and software systems.

Officers had discussed the potential for partnership working with Reigate and Banstead Borough Council, whose staffing resources were greater and an indication of their success rate was noted. By entering into a more formal relationship, for which a service level agreement would be required, there would be support for the current post holder and estimated additional income of £290k in 2019/20

If approved, Runnymede's investment in the proposed future arrangements would require a new budget for 2019/20 of £43,400. If the Council pursued this new partnership with RBBC, a cautious estimate of the increased income in terms of tax collected and retained by Runnymede for 2019/20 was £290,000 and the costs that would be saved in the HRA and avoided in the General Fund Homelessness budget for 2019/20 was £29,300. Therefore the post would be self-financing.

The proposal was endorsed by the Committee who were pleased to recommend its approval by Full Council

RECOMMEND to Full Council on 12 February 2019 that-

- 1. the Council works in partnership with Reigate and Banstead Borough Council with regard to fraud investigation and provision be made in the Resources Directorate for a budget of £43,400 for 2019/20 to meet the cost of entering into a Service Level Agreement with Reigate and Banstead Borough Council for this purpose; and**
- 2. the estimate of the increased General Fund income and Housing Revenue Account (HRA) savings that would result from the partnership be noted.**

BUDGET AND COUNCIL TAX 2019/20 – SECTION 25 REPORT

The Committee considered the Section 25 report from the Council's Section 151 Officer (the Director of Resources) on the robustness of the estimates included in the Budget and the adequacy of reserves to fund new or unforeseen cost pressures. The Authority had to have regard to this report when making decisions on its budget.

The Director of Resources highlighted the main risks to the Council's finances namely: -

- Impact of Brexit and pressures from the wider world economy on the UK and Surrey economy. In March 2019 the UK were due to leave the EU. The terms of the withdrawal and the impact on the UK economy – employment, interest rates, inflation etc. was uncertain. It was difficult to quantify risk at this stage, but was a reason to maintain General Working Fund Balance higher than the minimum £2.5m;
- Interest rates would almost certainly increase in 2019/20. However, in early December 2018 the Council suspended the Property Investment Strategy, As all the Council's loans were fixed period, fixed interest loans, borrowing costs were fixed and viewed as low risk;
- The next regeneration scheme was in Egham which should start this year. The anticipated capital cost was around £90M. The Council had secured £40M of private sector funding. The loan was again fixed interest and fixed period giving certainty on revenue costs. However, the final scheme cost was unknown and the final viability model had not been seen yet;
- It had been assumed the P.W.L.B would be allowed to make loans to Councils to progress major regeneration schemes. The risk around future funding of the Council's major capital programme and the level of capital receipts remained a cause of concern. The Council's proposed budget detailed the way the Council would continue to fund its sizable capital programme;
- Further reductions in Government funding from the possible removal of New Homes Bonus Grant or reductions in Business rates income retained by the Council following the "Fair Funding review". Runnymede had borne the 19th highest cuts in Government funding across boroughs and districts and had benefitted from New Homes Bonus Grant by increasing its tax base and reducing long term empty dwellings. Business Rates was a significant concern with some Councils assuming they would retain no Business Rates by the middle of the next decade. Whilst the Director of Resources did not consider this likely, he had flat lined Business Rates income in the Budget, but the MTFs did factor in a planned reduction;
- The major risk faced by the Council was the ongoing provision for successful business rate appeals going back to 2010. There were around 220 appeals awaiting decision by the Government's valuation office. In addition, the NHS trusts in England had lodged a case in the High Court to be rated as if they were a registered charity. This would entitle them to 80% mandatory rate relief. In the Council's accounts a provision had been made in the tax collection fund of £17m to March 2018 to mitigate this risk. The case had yet to be heard and £8m of tax income was being held in reserves not being used. In view of the latest information on the strength of the NHS case and timescale for its hearing the Corporate Director of Resources considered it reasonable to release £8m of the £17m. Runnymede's share of the funds would be transferred into a Business Rates Equalisation reserve to smooth

out fluctuations in the transfer from Collection Fund to General Fund in future years.

The Council's Section 151 Officer had conducted a detailed risk assessment of the Council's proposed Budget for 2019/20. The main risks highlighted were for 2020/21 onwards. As a cautious approach, the MTFs modelled further reductions in Government funding from 2020/21 onwards. The Section 151 Officer was of the opinion that the Council's Budget was realistic and robust and that significant risks could be mitigated with earmarked reserves and the General Fund Working Balance. In his view the Council's General Fund Reserve was adequate

RECOMMEND to full Council on 12 February 2019 that:

the Council has regard to the report of the Section 151 Officer in making the decision on the 2019/20 budget.

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

The Committee considered a report on the Treasury Management Strategy, Annual Investment Strategy, Prudential and Treasury Management Indicators, and Minimum Revenue Provision Statement for 2019/20. It was noted that the Overview and Scrutiny Select Committee would be considering the report at its meeting on 6 February.

The Director of Resources reported that there had been no change to the strategic direction Members had set out in 2012 and 2013, and recommended a continuation of existing Policies and Strategies. The emphasis of the Strategy continued to be on risk management.

There had been changes in the reporting requirements set down by Government and the Codes of Practice required to be followed. CIPFA now required all local authorities to produce a Capital Strategy, something which Runnymede had done for many years.

In the Capital Strategy, the CIPFA codes required the Council to be more specific to the electorate and separate out core treasury functions on investments under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The new sections in the Strategy focus on commercial investments including the Council's regeneration plans.

Three years ago Members had approved a budget of £400m to acquire assets and £60m of that sum remained uncommitted. In December 2018 the Chief Executive, Leader, Deputy Leader and Director of Resources agreed to suspend any further acquisitions until after June pending clarity on Brexit and events in the wider world economy. Members commented that whilst they agreed with this course of action it could have been better communicated and this would be addressed for the future. In view of the pause in further acquisitions, there was no refreshed Property Investment Strategy before Members at this stage.

With regard to the Borrowing Strategy, the Council was currently maintaining an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement), 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. This strategy was prudent as investment returns were low and counterparty risk was still an issue that needed to be considered. Overall, this had made a significant saving to the General Fund and was a prudent Strategy.

With regard to the Annual Investment Strategy, there were two changes to the proposed Strategy for next year. The first was the removal of the requirement to limit investments in Building Societies to 50% of total funds invested. This was introduced at a time when the Council used unrated Building Societies, however with only four Building Societies now on the Council's counterparty list, all of which were rated the same way as banks, this requirement was now surplus to requirements.

The second change was to clarify the Council's use of Money Market Funds following the introduction of the European Money Market Fund Reforms. Money Market Funds had now been separated into three fund types:

- Government Constant Net Asset Value (CNAV)
- Low Volatility Net Asset Value (LNAV) - NEW
- Variable Net Asset Value (VNAV)

The current Investment Strategy did not distinguish between these types of funds so clarification was required. The Strategy had been amended to state that the Council would only use Constant and Low Net Asset Value Money Market Funds (CNAV/LVNAV). All of the Council's existing Money Market Funds fell under the new LVNAV category.

The statutory guidance from Government and CIPFA placed much more reliance on risk management. Apart from increased earmarked reserves to cover long term potential variations in commercial income, as regards capital investment, both asset acquisitions and regeneration, risk was managed in many ways, namely

- All financing from loans was at fixed interest, fixed period of around 50 years;
- Income was set aside every year to repay debt, and it was proposed to continue with that policy. Therefore, no change was recommended to the Minimum Revenue Provision and the Committee agreed to recommend the Statement in part (v) of the recommendation below; and
- Business cases were prepared assuming a pool rate of 3% and the Council borrowed all the purchase price, the actual rate was lower and the Council under borrowed so generally there was a surplus of income compared to the budget.

There had been other changes in the operations which had to be reported. UK banks separated out retail from investment banking. There had been no debt restructuring and the Director of Resources considered the Council's approach to risk management was as low risk as possible in its use of banks and money market funds. Triple A ratings were required for the Council's investments.

In accordance with the Treasury Management Code, the key treasury risks were reported and set out in detail in the Council's Treasury Management Practices. The Practices were recommended for approval to Full Council.

As regards Prudential and Treasury Management Indicators, a complete set of all indicators, which were a mix of estimated and actual figures, ratios, and limits, were reported. The operational and authorised limits for debt which Council were being asked to approve were included in the Indicators and the debt levels increased only for the Council's regeneration projects. The Committee recommended to Full Council for approval the Indicators and the limit for external borrowing in 2019/20 of £720,939,000.

RECOMMEND to Full Council on 12 February 2019 that

- i) the proposed 2019/20 Treasury Management Strategy report encompassing the Annual Investment Strategy 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 in 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) 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 schemes require interim financing by loan, pending receipt of an alternative source of finance (for example capital receipts) no MRP charge will be applied.

CAPITAL STRATEGY AND GENERAL FUND CAPITAL PROGRAMME 2019/20 TO 2022/23

The Committee considered a draft Capital Strategy and Capital Programme for 2019/20 to 2022/23.

The updated Capital Strategy set out the Council's rationale on investment in capital assets and projects which would cover an extended period of 10 years. Details of some of the material schemes in the Capital Programme and method of financing the Capital Programme were noted.

The Director of Resources reported that the Capital Strategy was a continuation of that approved by Members some years ago. There had been no significant changes to the Council's strategies since the Council planned significant regeneration projects commencing in Addlestone and Egham (including a new leisure centre with an indoor swimming pool), and the detailed project plans for Marshall Place and Ashdene House. All of these place shaping projects committed considerable capital sums

which would revitalise areas of the Borough, create new leisure facilities including cinemas, employment opportunities, reduce running costs, provide much needed new housing, including affordable units and a long term sustainable income stream. The income from rents supported the Council's expenditure on service delivery.

The Council had invested significant sums in its Housing stock totally funded by rents of £8.7m. Other notable investment plans included the vehicle fleet renewal plan which needed a commitment of £2.2m and a £5m loan to the RPG Trust for improvements to the Runnymede Pleasure Grounds.

The current forecast for capital receipts was noted. The Council relied on capital receipts from major regeneration projects. The projected use of capital receipts to fund short life assets would reduce by 2022/23, and the Budget proposed funding an increasing proportion from revenue each year.

In addition to the standard prudential indicators, new CIPFA guidance advised including indicators that allowed Members to assess the Council's total risk exposure in terms of non-treasury investments. In this regard a list of all loans, and investment properties (some purchased many years ago) and other non-treasury related investments was reported for information.

The Council's Investment Strategy had been considered earlier in the meeting. No further commercial acquisitions would be made until after June. £60m of the uncommitted budget for acquisitions would be held in reserve until the risks to the UK economy were clearer and Members could review the Property Investment Strategy at that time.

Officers believed the Capital Strategy and Programme were deliverable within existing resources, including prudential borrowing for the regeneration programme. The revenue consequences were affordable as shown in the Council's Medium Term Financial Plan. Risks and governance of the strategies were actively monitored by officers and regularly reported to Members.

The Committee recommended Full Council to approve the Capital Strategy and Capital Programme. In line with established practice, individual detailed capital schemes would still require Member approval of Business Cases.

RECOMMEND to Full Council on 12 February 2019 that-

- i) the Capital Strategy and the Capital Programme ,as reported, be approved; and**
- ii) the Corporate Management Committee consider future revisions to the Council's Capital and Treasury Management Strategies to maintain useable capital receipts at a prudent level.**

BUDGET AND COUNCIL TAX 2019/20

The Committee considered a report on the updated MTFS 2019/20 and detailed revenue budget and Council Tax for 2019/20, including the proposed General Fund Budget for 2019/20 and the setting of the Council Tax for 2019/20. The Committee had regard to the Section 25 report from the Council's Chief Financial Officer. The Housing Revenue Account Budget had been recommended to Council by the Housing Committee who had discussed it on 9 January 2019.

The report on the Budget and Council Tax 2019/20 set out the approach taken in establishing the base budget, the planned expenditure for 2019/20, the amount of resources available to fund those activities and the actions required to bridge any potential gap between income and planned spending in order to deliver a balanced budget for the Council in the medium term. The Medium Term Financial Strategy 2018/19 to 2022/23 General Fund Summary and Council Tax 2019/20 report forecasted to 2022/23 the costs of current policies (including estimates of inflation) to ensure the Council's policies were affordable in the medium term.

The Director of Resources in his detailed report and presentation on the Budget, MTFS and General Fund Working Balance summarised the Council's financial strategy and made the following points:

- The Government's review of local government funding would be implemented in April 2020. In 2021 the business rates "baselines" would also be reset. All of these events had the potential to significantly alter the Council's funding. Whilst the potential for negative RSG (Surrey council tax proceeds being re-distributed to other parts of England) had been removed there would still be a distribution of rates income out of the county according to the Government's assessment of need. The fair funding review did carry risk as the Surrey Councils had already borne a large share of the Government funding reductions. The Director of Resources had shown a reduction in income retained from Business rates from £1.9m to £1m over the three years of the next spending review period. The Government review would confirm how much business rates income the Council retained and also the future of the New Homes Bonus Grant;
- The Director of Resources had reviewed the current position regarding the Surrey wide "pilot" as part of Government planning on business rates retention. At the end of October 2018, it appeared the growth in the Surrey wide business rates could benefit Runnymede by at least £500k;
- In view of the latest information on the risks from the NHS Business Rates High Court action, the Director of Resources recommended the release of £8m of the £17 m provision set aside to deal with this which would be shared across Surrey Councils, and Runnymede would benefit in the sum of £2.7m;
- The overall MTFS had not changed significantly over the last year. The Council's priority still included providing a full range of discretionary and statutory services which residents enjoy for one of the lowest tax rates in the UK;
- The resources available from Government had changed radically, and would probably continue to reduce until the end of this decade, which would require the Council to re-visit priorities for investment to replace

Government funding with a long term sustainable income stream. New cost pressures would arise mainly related to refuse collection, recycling, the commercial strategy, welfare benefit reforms and new duties related to the Homelessness Reduction Act amongst others. The Council had made considerable savings from the centralisation of the customer services function, business transformation projects and providing services which generated income streams such as “Safer Runnymede and “Meals at Home”;

- The proposals for changes to the Council’s budget and the summary MTFS were outlined. The changes included a net additional spend of £30k to expand the work of the fraud unit. This would be more than offset by an additional £290k of council tax income from the detection of fraud. The Director of Resources commented that the Council was in a position to fund growth when many other local authorities were cutting budgets and services;
- With regard to the General Fund Working Balance, the budget for 2019/20 showed a surplus of income over expenditure. However the long-term effect of reducing government funding and maintaining services would reduce the General Fund working balance slightly below the minimum recommended level in 2020/21 and 2021/22. The main cause was borrowing around £90m to fund the Egham Gateway project and the loss of rental income from the properties to be demolished during construction;
- A new Income Equalisation Reserve had been established to cushion against any fluctuations in commercial income such as rent free periods on lease extensions;
- An Equipment Repairs and Renewals Fund had been established in the sum of £1m to reflect Members wishes to fund more short- life assets from revenue to protect capital receipts;
- A Property Repairs and Renewals Reserve Fund had also been proposed to fund any works to commercial properties. This Fund would grow each year with a view to protecting General Fund Working balances; and
- The Council had made efficiency savings in each of the last six financial years. While no target was set for Officers, it was not unreasonable to assume this would continue so efficiencies of £300k were shown for next year and £200k every year thereafter.

The Committee commended the 2019/20 budget and MTFS, and growth items to Full Council. Members asked that attention be drawn to the possible future risk to NHB Grant when the MTFS was reported to Full Council. The changes to General Fund Working Balance over the next 3 years were noted.

Regarding Council Tax, Runnymede was allowed to increase its Council Tax by £5 a year in 2019/20 for a Band D tax payer. The Committee agreed to recommend this increase for 2019/20 which would take the Band D Tax from £159.59 in 2018/19 to £164.59 for 2019/20 (£3.16 a week). Runnymede would still have one of the lowest tax rates in the UK.

The Committee also agreed to recommend that a staff pay award be included at 2% from 1 July 2019.

RECOMMEND to full Council on 12 February 2019 that

- i) a contribution to the working balance set out in the report for 2019/20 in the sum of £1,037,000 be approved;**
- ii) the growth and savings proposals ,as reported, be agreed;**
- iii) the Council Tax be increased by £5 (band D equivalent) for 2019/20; and**
- iv) the cost of living contingency pay award to staff be set at 2% in July 2019**

REVIEW AND REPLACEMENT - RUNNYMEDE'S COUNCIL TAX SUPPORT SCHEME

The Committee was informed of the outcome of consultation on a replacement Council Tax Support Scheme and considered approval of a revised Scheme, one for those of working age and one for those of pensionable age.

Five models or options for change to the Council Tax Support scheme were reported to the Corporate Management Committee on 20 September 2018 along with a number of other, more general revisions to the CTS scheme. Of the five, two were supported by Committee as preferred options (Options 3 and 4). The preferred options were seen to be those that balanced the need for savings, so that the financial burden of the scheme would not fall on all residents of the borough, against the desire to continue to provide financial support to as many residents as possible. In addition to having had regard to other local authorities CTS schemes, two additional important considerations had been borne in mind when looking at options for the future, namely composition of current caseload and potential for savings therefrom and potential impact on Council Tax collection rates as a result of any future reduction in Council Tax support.

Following that meeting, consultation on the options was undertaken with our precepting authorities and residents of the borough. The consultation deliberately sought the views of a cross section of residents. The report of the independent market research company, engaged to seek the views of residents was circulated to Members.

Following the consultation, Option 3 had been identified as the preferred option. This was on the basis that it provided savings sufficient to off-set the likely increase in CTS expenditure, over and above the original Government 10% funding cut whilst at the same time not being overly harsh. Option 3 was selected over option 4 as it was the more generous of the two options to residents of Runnymede. The points raised

by residents in response to the consultation had been largely addressed in the proposed replacement scheme.

Preferred Option 3 would ensure:

- Pensioners were fully protected in that they would receive 100% support
- working age vulnerable residents would still be protected, but would need to pay a minimum of 10% of the Council Tax due;
- all other working age recipients would still need to pay a minimum of 20% of the Council Tax;
- the minimum weekly award (below which entitlement is not paid) would be increased from £5.00 to £10.00 for everyone except pensioners and the working age vulnerable;
- the maximum level of CTS would be capped at the Band D charge for all except pensioners;
- the capital limit would be reduced from £16,000 to £10,000 for everyone except pensioners and the working age vulnerable.
- The scheme would be directly funded from Council Tax collected with no Government support.

In addition there were a number of other revisions that Officers recommended that could not be modelled for and details of these were noted and agreed by Committee, namely:

1. set the non-dependent deductions levels so that they equal the rates in the 2019-20 prescribed scheme as detailed in Statutory Instrument 1346/2018
2. remove all CTS support for those working age residents in properties in Bands F, G and H – a total of 27 CTS recipients (Band H = 1, Band G = 8 and Band F = 18) saving potentially £45,760 per year
3. use of a 'minimum income floor' for the self-employed that equates to 35 hours work per week (20 hours for lone parents) at the appropriate national minimum wage and allow for a 'start-up' period of twelve months
4. update the scheme to mirror changes to temporary absence rules made within the national Housing Benefit scheme
5. reduce earned income disregards by £5.00 to mirror the national Housing Benefit scheme
6. clarify the treatment of Universal Credit within the CTS scheme
7. restriction of entitlement to the Family Premium from 1 April 2019 to mirror the national Housing Benefit scheme

Aligning the CTS scheme with Housing Benefit regulations would simplify the administration of CTS. This would, in turn, make it easier for joint claimants to

understand how their financial assistance was calculated. In addition, it would not adversely affect those claimants moving onto Universal Credit. By using a minimum income floor for those who are self-employed, the CTS scheme would mirror similar provisions within Universal credit.

The preferred option and the other suggested revisions maintained a significant level of protection for a high number of vulnerable applicants whilst ensuring that the Council did not overspend against the CTS budget and at the same time provided valuable savings with which to support front line services. The preferred option plus the other revisions were comparable to other Surrey schemes and did not appear to have adversely affected collection rates.

The Scheme would be kept under review in order to respond to developments on Universal Credit and Benefit reform.

An updated EIA for the proposed 2019-20 scheme was circulated.

The Committee recommended Full Council approve the preferred option for Runnymede's Council Tax Support scheme and agree the implementation of the revised scheme from 1 April 2019.

RECOMMENDATION to Full Council on 12 February 2019 that-

the preferred option (Option 3) for Runnymede's Council Tax Support scheme be approved and the implementation of the revised scheme from 1 April 2019 be agreed.

2019/2020 CORPORATE BUSINESS PLANNING

The Committee considered approval of the 2019/20 Business Centre/Team Plans, the 2019/20 Corporate Action Plan, and the growth requests to be included in the proposed 2019/20 budget for approval at Full Council in February.

The Committee was informed that Officers had accelerated the business planning cycle this year in order to align it with the budget setting process. This ensured that the organisation was strategically aligned operationally as well as financially. One small disadvantage of this approach was that the proposed 2019/20 Corporate Key Performance Indicators and their associated targets in the business plans had been set after knowing only two quarters of results and so might subsequently need to be revised later.

Corporate Support Business Centre/Team Plans were approved by the Committee. Each of the non-corporate front-line service (Housing, Community Development, Community Services, Environmental Services, and Planning) had their business plans presented to their relevant committees and these had been approved.

Due to the need to submit the non-corporate Business Centre Plans to the relevant committees in advance of finalising the proposed budget (in order to complete the full business planning cycle by January), there was subsequently a need to defer some of the work activities proposed in the Community Services and Community Development approved Business Centre Plans. This was because the growth requests which would be necessary for their delivery were not currently affordable. Officers still aspired to deliver these activities in the forthcoming year if funding became available.

All Business Plans would be published on the Council's website and sent to Members. Members were invited to contact Officers if they wished to raise specific points on the content of the Plans. In response to a Member query, Officers would consider clarification of the wording of the 'Outcome' of CD22 (Thorpe Village Hall).

The proposed 2019/20 Corporate Action Plan was approved by Committee. It reflected the proposed work areas for the forthcoming year, excluding business as usual, and excluding any work areas that needed to be added at the end of the year that were outstanding from the 2018/19 Corporate Action Plan. Whilst some work areas had passed the initial Officer vetting process to be recommended to Members for a growth request, due to the pull on revenue balances with the regeneration programme, particularly Egham Gateway, they were not currently affordable. Officers still aspired to deliver these work activities in the forthcoming year should further funding become available.

It was also noted that the deadlines currently proposed for the projects may be subject to amendment following an in-depth review of resource capacity by the Project Management Office.

The Committee received the growth requests (Table 1 below) in the business plans which had had full business cases considered by an Officer vetting process, or the Chief Executive had agreed full business cases were not required because they were de minimis. Copies of the business cases were also considered. Members supported these growth requests for inclusion in the Medium Term Financial Strategy and the Capital Strategy where appropriate, to be formally approved at Full Council in February.

The Committee further received growth requests (Table 2 below) in the Resources Business Plan which were yet to have a full business case considered by Officers due to an ongoing ICT review which would be brought to Members separately. Members supported these requests and their addition to the Medium Term Financial Strategy and Capital Strategy where appropriate in principle, subject to a full business case being presented through the Officer vetting process before being recommended to Members.

The growth requests (Table 3 below) in the Housing Business Centre Plan which were applicable to the HRA were also being recommended to Members for inclusion in the Medium Term Financial Strategy and Capital Strategy where appropriate, to be formally approved at Full Council in February.

Table 1: Growth requests being recommended following an Officer vetting process

Growth description	Amount in 2019/20 (ongoing unless * = one-off)		Business case available?	Key benefit(s) – see business case for fuller information
	Revenue £	Capital £		
Homelessness Prevention Fund	20,000 (20,000)	-	Yes	Potential saving in resources if a household loses their accommodation. <i>(It is expected to be cost-neutral after receiving a grant but approval is still needed as it is additional expenditure)</i>
FUSE Emergency Shelter	5,000 (5,000)	-	Yes	It supports people who are financially and socially excluded and without a home because of this, are supported to access our services and when they do we are able to provide them with housing options. <i>(It is expected to be cost-neutral after receiving a grant but approval is still needed as it is additional expenditure)</i>
Provision of shower facilities at Salvation Army in Addlestone	-	10,000	Yes	Homeless people will be able to access safe washing facilities, with the additional advantages this brings. A 'good news' story for the Council
Securing sites from unauthorised encampments (Community Development)		250,000*	Yes	Reduces the risk of additional expenditure to manage unauthorised encampments
Grounds maintenance retender (Community Development)	260,000 (220,000)	150,000*	Yes	There would be an opportunity to identify some economies of scale in particular with relation to having a more flexible workforce under one service area. Should the costs be brought in-house this would be offset by the saving paying the contractors externally.
Major Projects Delivery and Compliance Team (Planning)	257,000 (207,000)	-	Yes	The dedicated delivery function and major housing project management provided in the Major Projects Team is already identified as a significant reputational enhancement. By combining these with the necessary additional resources to deliver CIL, support housing delivery and work to enhance planning enforcement and application services efficiencies can be achieved to deal with the increased workload being placed on the Planning Service. <i>(It is expected that approximately £210,000 will be received in a grant to offset this. A net growth of £50,000 is therefore requested).</i>
Web forms/server cost (Corporate Office)	5,000	0	Yes	We continue to be able to offer self-serve forms on the website for the benefit of our customers.

Corporate fraud expansion (Resources)	43,400 (13,400)	-	No – see report on this agenda	Provides required capacity to expand as reported to Standards and Audit Committee in December 2018. £14,000 expected to be charged to the HRA with additional Council Tax and Business Rate income to follow in future years
Additional Accountant (Resources)	35,000		Yes	Provides required capacity
Payment to PRS estate agents for admin costs associated with social tenants (Housing)	3,000	-	Yes	The Council requests an electrical certificate from Private Rented Sector properties (which isn't require by law, but is in the interest of our tenants). This pot will therefore ensure Private Rented Sector estate agents/landlords can be adequately compensated so they are not disincentivised to accept a social tenant, and it makes the best use of local housing stock whether social or private. <i>(It is expected to be cost-neutral after receiving a grant but approval is still needed as it is additional expenditure)</i>
New polling booths	2,000 (2,000)	-	No - de minimus	To help deliver a successful election <i>(It is expected to be cost neutral through a grant but approval is still needed as it is additional expenditure)</i>
Net total in 2019/20	163,000	410,000		

Table 2: Growth requests for 2019/20 requiring future approval (business case/report not yet available)			
Growth description	Revenue £	Capital £	Benefits
Corporate restructure	300,000	-	<i>To be confirmed following the review.</i>
New Community Services Manager post	63,000	-	<i>To be confirmed following discussions with SHBC</i>
ICT restructure (Resources)	104,000	-	<i>To be confirmed following the review.</i>
Consultancy for ICT specification writing for Northgate and Civica systems (Resources)	20,000*	-	<i>To be confirmed following the review.</i>
Northgate system review (Resources)	-	150,000	<i>To be confirmed following the review. Expected to be spread over several years with £150,000 required in 2019/20</i>
Member allowances	90,000		<i>Report to follow</i>
Total in 2019/20	577,000	150,000	

Table 3: Growth requests being recommended following an Officer vetting process for the HRA				
Growth description	Amount in 2019/20 (ongoing unless * = one-off)		Business case available?	Key benefit(s) – see business case for fuller information
	Revenue £	Capital £		
Consultancy support to prepare IT tender documentation	25,000*	-	Yes	Fit for purpose software system to support the service
Conversion of 3 bedroom home to 2 x 2 bed property in New Haw	-	150,000	Yes	This will increase the Council's housing stock
Review of Independent Retirement Living staffing	48,000	-	Yes	Higher level of staff presence within the schemes, existing staff to undertake more tenancy management activity through a regrade which will release other staff to deal with Universal Credit.
Additional Caretaking post	28,000 (28,000)	-	Yes	Positive benefits to estates and tenants. <i>(It is expected to be cost neutral through a grant but approval is still needed as it is additional expenditure and it could also potentially result in savings on B&B expenditure.)</i>
Conversion of 18 garages to nine units of temporary accommodation	- (43,200)	900,000*	Yes	This will reduce future expenditure on B&Bs, increase the Temporary Accommodation stock, and generates an income for HRA
Additional Tenancy Management post	47,700	-	Yes	Proactive rent collection, less strain on staff during a very difficult period supporting tenants with the transition to Universal Credit
Internal upgrade of Independent Retirement Living	-	80,000	Yes	Increased income and release of family properties.
Net total in 2019/20	77,500	1,130,000		

The financial implications of the growth requests were noted and the requests had been added to the 2019/20 budget, Medium Term Financial Strategy and Capital Strategy as appropriate.

RESOLVED that:

- i) the corporate support Business Centre/Team Plans (Resources, Law & Governance, Corporate Office, Projects and Procurement and Human Resources) be approved;**
- ii) the subsequent changes made in Community Development's and Community Services' Business Centre/Team Plans which had previously been approved by the Community Services Committee be noted;**
- iii) the 2019/20 Corporate Action Plan be approved.**

RECOMMEND to full Council on 12 February 2019 that-

- iv) the associated growth requests in Table 1 be approved and added to the 2019/20 budget; and**
- v) the remaining associated growth requests shown in Table 2 be approved and added to the 2019/20 budget, subject to each request having a completed business case and being considered by the Officer vetting process.**

MARSHALL PLACE OPEN SPACE, NEW HAW – APPROPRIATION

The Committee considered approval of the appropriation of the former open space on the west side of Marshall Place, New Haw, comprising 0.26 hectares(shown edged red on the plan at Appendix 'P' to the agenda) for planning purposes under the provisions of Section 122(1), (2A) Local Government Act 1972.

Planning permission for the erection of 10 houses on the land, formerly open space, was granted to the Council, who owned the land, on 16 November 2017. The Development was currently in progress of construction and was due to be completed in April 2019. The development would be named 'Edwards Close' after Mr and Mrs Edwards who both served as Councillors for many years

In order to facilitate the proper development for which the planning permission had been granted, it was proposed to use the appropriation powers under section 122(1) Local Government Act 1972 to appropriate the land from open space to planning purposes and to use the power under the provisions of section 203 Housing and Planning Act 2016 to override any third party interests affecting the Land.

All of the statutory requirements for appropriation of the land had been satisfied and the land was no longer required for open space. As required under the Local Government Act 1972, the Council had placed a Notice in the Surrey Advertiser newspaper which was published on 30 November 2018 and 7 December 2018 respectively. No objections had been received by the deadline of 21 December 2018.

The Committee duly supported the appropriation of the land.

RESOLVED that:

- i) The former open space on the west side of Marshall Place, New Haw, now known as Edwards Close and shown edged red on the plan at**

Appendix 'P' to the agenda be appropriated for planning purposes pursuant to Section 122(1), (2A) Local Government Act 1972;

- ii) Section 203 Housing and Planning Act 2016 be engaged to override any easements, restrictions and third party rights affecting the land which would otherwise prevent the Development from proceeding; and**
- iii) A Memorandum of Appropriation be prepared and signed by the Corporate Head of Law and Governance to record the appropriation of the Land for planning purposes and the engagement of S203 of the Housing and Planning Act 2016.**

PRELIMINARY CONSIDERATION OF MAYORAL SELECTION

RECOMMEND to full Council on 7 March 2019 that

- i) Councillor P Sohi be nominated for the office of Mayor for the Municipal Year 2019/20;and**
- ii) Councillor Mrs E Gill be nominated for the office of Deputy Mayor for the Municipal Year 2019 /20**

ASHDENE REGENERATION PROJECT – APPOINTMENT OF CONTRACTOR

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

The agreement of the Committee was sought for the procurement of the main contractor for the Ashdene Regeneration Project using the Hyde Housing Framework .

The design of the Development had been the subject of a consultation exercise with the local community and key stakeholders, and consultation with local Ward Members. The planning application had been submitted mid December 2018,

The professional team had considered the procurement options available for the construction element of the project and after assessing available OJEU compliant Frameworks had concluded that the Hyde Housing Framework for Main Contractor Appointments provided value for money, and offered flexibility to appoint a contractor that had previously successfully delivered similar sized construction projects for the Council, and in doing so, was known to deliver a high standard of work whilst also working to minimise the impact of the project on neighbours and the local community. W.S Stirland Ltd satisfied the requirement for direct contract award using the Framework and the Committee agreed to proceed and appoint W S Stirland Ltd. The proposed Procurement Programme was outlined to Members.

Following an update by the Director of Commercial Services at the meeting, the Committee agreed that all 4 of the double bedroom affordable units in the project be made available for purchase via a Registered Provider who operated in the Runnymede or Spelthorne areas, and for the remaining 22 x one bedroom units to be for open market sale on 125 year leases.

The sale of the properties on the open market would be undertaken by RBC Investments (Surrey) Limited as the Estate Agent for the Council. A revenue estimate in the sum of £50,000 for marketing would be required with that sum eventually being capitalised.

Upon completion of the development it was proposed RBC Services (Addlestone One) Limited be appointed to deliver the service charge for the development, acting on behalf of the Council as the Freeholder.

RESOLVED that:

- i) for the Ashdene regeneration project, the Hyde Housing Association Limited Framework Agreement for Main Contractor Services dated 8 October 2015, Method 1: Direct Selection of a Contractor be used;**
- ii) Subject to i). above, and the Council securing Planning Permission for the Development, that W. S Stirland Ltd be appointed as main contractor for the Ashdene Regeneration Project with a maximum contract value of £5million;**
- iii) Subject to the Council securing Planning Permission for the Development, market test the sale of the four affordable housing apartments to a registered Provider who operates in the Runnymede Borough or Spelthorne Borough areas;**
- iv) Subject to the Council securing Planning Permission for the Development, the 22 private apartments be sold on the open market by RBC Investments (Surrey) Limited as the Estate Agent for the Council;**
- v) A revenue estimate in the sum of £50,000 for marketing be approved with the project budget reduced accordingly. These costs to be capitalised to offset against the future sales of the private apartments as they are disposed of within the existing budget; and**
- vi) Upon completion of the development RBC Services (Addlestone ONE) Limited be appointed to deliver the service charge for the development, acting on behalf of the Council as the Freeholder.**

RUNNYMEDE REGENERATION PROGRAMME – EGHAM GATEWAY WEST: OPTIONS FOR THE CONFIGURATION OF THE PROJECT

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under section 100a(4) of the local government act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 3 of schedule 12a to part 1 of the act.

The Committee was updated on the progress made with the design of the Egham Gateway West Regeneration Project and Members agreement was sought to proceed with the planning application and completion of the land assembly required for the project.

The Committee was pleased with the progress made with the design having regard to the guiding principles that were previously adopted by the Committee and supported the submission of a planning application for the development as proposed.

Some Members commented on parking, the proposed naming of car parks, the number of proposed food outlets, level of contingency for delay in the project and likely yield, and potential for use of local contractors in the construction of the development, wherever possible. The Director of Commercial Services addressed some of the comments, but some would need to be addressed at a later stage. The Director of Commercial Services confirmed that lessons learned from the Addlestone One project had been factored into the Egham Project.

The Committee was informed that commercially, Heads of Terms had been agreed in principle (subject to Members approval) with Everyman Cinemas for the creation of a 4 screen boutique cinema and the Agreement for the Lease was being negotiated. The details of the Agreement and Heads of Terms were noted and agreed by the Committee. The Director of Commercial Services would confirm to Members the position on the proposed Break clause for the Cinema.

Finally, the Committee was informed of the remaining land assembly issues associated with the scheme, in particular the terms for vacation by Oxfam of 168 C High Street. The

Committee agreed with the approach undertaken by Officers and approved the terms of the termination agreement.

RESOLVED that:

- i) the current design be noted and the submission of the planning application for the redevelopment of the Egham Gateway West be proceeded with;**
- ii) the Heads of Terms for the Everyman Cinema outlined in Section 2.40 of the Agenda report be agreed;**
- iii) the budgetary requirements for Egham Gateway West be taken from within the existing Egham Regeneration provision held within the Capital Programme; and**
- iv) a termination agreement be reached with Oxfam to vacate 168c, High Street on the terms stated in section 6.1.2 of the Agenda Report and funded from the Egham Gateway West capital project funding.**

(The meeting ended at 10.10pm)

Chairman

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 meetings. 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. **MEMBERS' ALLOWANCES - RECOMMENDATIONS OF THE INDEPENDENT REMUNERATION PANEL (LAW AND GOVERNANCE)**

Synopsis of report:

1. **To report the recommendations of the Independent Remuneration Panel following its review of the scheme of Members' Allowances.**
2. **The Panel recommend that the Basic Allowance be set at £5,000 per annum , the Special Responsibility Allowances be increased based on current formula for calculation of SRAs and the current maximum of 2 SRAs per Councillor be retained but that the current exemption for the Leader from this restriction be discontinued; and**
3. **No other changes to the Scheme of Allowances are recommended by the Panel.**

Recommendations:

- i) **The Committee consider and recommend to Full Council on 7 March 2019 whether it wishes to accept the recommendations from the Independent Remuneration Panel in their entirety or, if not, what changes it would wish to recommend.**
- ii) **Based on full adoption, the Committee recommends to Full Council that a supplementary revenue estimate in the sum of £90,000 be approved to cover the increased costs of the scheme in 2019/20 and that subsequent years increases be added to the Medium Term Financial Strategy.**

1. **Context of report**

- 1.1 The Local Authorities (Members Allowances) (England) Regulations 2003 as amended require all local authorities to appoint an Independent Remuneration Panel to advise on the terms and conditions of their scheme of Members' Allowances. The

Regulations require the Council to have regard to the advice on the Panel when approving a new scheme.

- 1.2 The Council's present scheme of allowances took effect on 1 April 2016 and runs until 31 March 2019. During this period there has been one minor amendment to the scheme on which the former Panel has been consulted prior to their adoption by the Council. This was to make provision for a Special Responsibility Allowance for the post of Chairman and Vice-Chairman of the newly constituted Surrey and Runnymede Joint Committee when those offices are held by a Runnymede elected member in the sum of £3,680 and £1,840 respectively.
- 1.3 A new Panel has been convened to make recommendations on the scheme to be adopted with effect from 1 April 2019, and the Panel met on two occasions. The members of the Panel receive a single allowance of £500 each for the three year duration of the scheme and the Authority meets the reasonable expenses of the Panel and of its members in performing their duties. The Panel consists of Mark Adams (Chairman of Panel and Business sector representative, Rachel Bradley (Education sector representative), Lorna Jamison (Health sector representative), Bob Locker (Residents sector representative) and Suzie Tobin (Voluntary sector representative).

2. Report

- 2.1 In formulating its proposals, the Panel reviewed a range of background information and comparative data and circulated a questionnaire to all Councillors. The questionnaire provided information about the operation of the scheme, Councillors' workloads and Councillors' views about the present arrangements. The Panel also interviewed the Deputy Leader of the Council and the Leader of Runnymede Independent Residents' Group, and the Chief Executive to consider the issues that emerged from the questionnaires in more detail. The Panel's report including recommendations is at Appendix 'B', together with supporting Annexes (1 – 2).
- 2.2 It is open to the Committee to recommend to the Council that the Panel's recommendations be adopted in their entirety, or to recommend to the Council a change or changes to the Panel's recommendations.

3. Resource Implications

- 3.1 The Panel has recommended that the Basic Allowance be increased to £5,000 per annum from 1 April 2019 with any increases in 2021/21 and 2021/22 linked to RPI. The Special Responsibility Allowances would also be increased based on the current formula for calculation of SRAs. The recommended increase to Basic Allowance reflects the increased workload and decision- making responsibilities Councillors now face in the challenging modern local government environment, the varied skills sets required, to address the historical deficit of the Basic Allowance when compared with other Authorities in Surrey and the South East, and remove a potential barrier to a person wishing to become a Councillor or deter existing Councillors from effectively fulfilling their full role.
- 3.2 The Panel did not recommend any other changes to the amounts and types of Special Responsibility Allowances.
- 3.3 If the Council accepts the recommendations of the Panel, the costs for the following three years would be as follows:

	Original Estimate 2018/19 £	Probable 2018/19 £	Estimate 2019/20 £	Estimate 2020/21 £	Estimate 2021/22 £
Members' Allowances					
Basic and Special Responsibility Allowances, incl Mayor and deputy	249,200	249,200	340,000	340,000	340,000
Members' training expenses, travel and subsistence	8,100	5,100	8,100	8,100	8,100

4. Legal Implications

- 4.1 The Council must have regard to the recommendations of the Panel when determining its scheme of Members' Allowances.
- 4.2 The 2003 Regulations place certain duties on local authorities in connection with publicising the recommendations made by the Independent Remuneration Panel, the scheme of allowances adopted and the actual allowances paid to Members in any given year. The Regulations also place the responsibility on the local authority to ensure that copies of the Independent Remuneration Panel's report and recommendations are available for inspection at the Council's principal offices at all reasonable times and publish a notice in at least one newspaper circulating in the area. The subsequent guidance to the Regulations, issued jointly by the Office of the Deputy Prime Minister and the Inland Revenue, urges local authorities to publicise more widely the report from the Independent Remuneration Panel, the scheme of allowances and the sums paid to each Councillor with the suggestion that, where possible, this information be published on the Council's website. Supporting information and explanations are also encouraged.
- 4.3 Similar duties of publicity and inspection apply to the scheme of allowances finally determined by the Council.

5. Summary

- 5.1 It is for the Council to decide whether it wishes to accept the recommendations from the Independent Remuneration Panel in their entirety or, if not, what changes it would wish to approve.

(To recommend)

Background Papers

CHGA Independent Remuneration Panel Minutes.
 Local Authorities' (Members' Allowances) (England) Regulations 2003 Statutory Instruments 2003/1092 and 2003/1692
 ODPM and Inland Revenue "Guidance on Consolidated Regulations for Local Authority Allowances – July 2003"

**Seventh Report of the Independent Remuneration Panel
Appointed to Review the Allowances Paid to Members of
Runnymede Borough Council**

January 2019

**Seventh Report of the Independent Remuneration Panel
Appointed to Review the Allowances Paid to Members of
Runnymede Borough Council**

1. Introduction

1.1 The Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) (the 2003 Regulations) require all local authorities to appoint an Independent Remuneration Panel (the Panel) to advise on the terms and conditions of their scheme of Members' Allowances. The Regulations require the Council to "have regard" to the advice of the Panel when approving a new scheme and in the past the Council have on three occasions adopted the Panel's recommendations in full. On the occasions when the Council have not adopted the Panel's recommendations in full there have been various factors cited as reasons for not adopting the recommendations e.g. the economic climate existing in the country at the time that the recommendations were made. This is the seventh time that the Panel has considered the scheme.

1.2 The Council's present scheme of Allowances took effect on 1 April 2016 following the review in 2015. It requires the scheme to be "reviewed in or around October 2018, with a view to any revised scheme taking effect on 1 April 2019". The Panel has therefore been convened on this occasion to make recommendations on the scheme to be adopted with effect from 1 April 2019.

2. The Independent Remuneration Panel

2.1 The membership of the Panel is Mr Mark Adams (Business sector and Chairman of the Panel), Rachel Bradley (Education sector), Lorna Jamison (Health sector), Bob Locker (Residents sector) and Suzie Tobin (Voluntary sector).

2.2 The Panel held two meetings and three interviews to review the scheme.

3. Sources of Information

3.1 The Panel's review has had regard to the requirements of the 2003 Regulations and we also referred to the guidance issued by the Department of Communities and Local Government in 2001.

3.2 We looked at the Allowances paid by the other District/Borough Councils in Surrey and took into account the South East Employers' Members' Allowances Survey, published in 2018. This is the most up to date regional data which is currently available .

- 3.3 We were keen to find out what Runnymede Councillors thought about the scheme. Comments were invited from all Members and a confidential questionnaire was circulated to all 42 Members and we received 17 responses by the deadline. Whilst less than 50% of the Council replied, the information obtained was very helpful to the Panel. We also took account of the various individual comments made by Councillors as part of their questionnaire responses.
- 3.4 We met separately with Councillor Marisa Heath, the Deputy Leader of the Council and Deputy Leader of the Conservative Group, and Councillor Alan Alderson, the Leader of the Runnymede Independent Residents' Group, to discuss the scheme with them, the workload and responsibilities of Councillors and to ascertain if they had any suggestions to improve the existing scheme. The Panel also met Paul Turrell, Chief Executive, who gave his views on the current roles and responsibilities of Councillors and on the scheme of allowances.
- 3.5 We looked at the methodology adopted by some Surrey Local Authorities for calculation of the Basic Allowance and level of Public Service Discount (i.e. that part of a councillor's time which is treated as voluntary and unremunerated).
- 3.6 We sought information on the median pay for three separate groups of staff namely all salaried RBC staff, Corporate Leadership Team and Middle Managers. We also established the number of Councillors currently in receipt of an SRA, number of Corporate Management Committee members who were not in receipt of an SRA for sitting on that Committee, and the percentage of the overall revenue spend of the Council which is represented by Members Allowances

4. Current Scheme

- 4.1 The present scheme retains the core features that the Council adopted in 2001 following the first report of the Panel. This attempted to strike a balance between the voluntary public service work of a Councillor and a fair reimbursement for the time and expenses incurred by Councillors in the exercise of their duties. The view of the Panel in 2001 was that two thirds of Councillors' time should be treated as voluntary public service work and one third as paid work. At the review in 2012, the Panel recommended that 40% of time spent be remunerated instead of 33% as this represented a fairer recompense and might make the role of councillor more viable for people of working age. The Council accepted this recommendation and this has remained at 40% since that date.

- 4.2 Using this approach, the Basic Allowance was set at a level that equated to the average hourly rate for staff at Runnymede multiplied by the average time spent by Runnymede Councillors on Council business. The current Basic Allowance paid to each Councillor is £3,680 per annum.
- 4.3 According to the questionnaires returned by Councillors, the amount of time devoted to Council business by Runnymede Councillors is estimated at 44 hours each month, which was slightly higher than at the last review in 2016.
- 4.4 Another feature of the present scheme is that Special Responsibility Allowances are paid at rates that are multiples of the Basic Allowance. The formulae for calculating each Special Responsibility Allowance is shown in the Table below.

Formulae used for calculation of each Special Responsibility Allowance

<i>Special Responsibility Allowance</i>	<i>Formula</i>
Chairmen of Policy Committees	100% of Basic
Vice-Chairmen of Policy Committees	50% of Chairman's rate
Chairman of Overview & Scrutiny Select Committee	100% of Basic
Vice-Chairman of Overview & Scrutiny Select Committee	50% of Chairman's rate
Chairman of Planning Committee	175% of Basic
Vice-Chairman of Planning Committee	2/3rds of Chairman's rate
Chairman of Standards & Audit Committee	33% of Basic
Vice-Chairman of Standards & Audit Committee	12.5% of Basic
Chairman of Englefield Green Committee	25% of Basic
Chairman of Licensing Committee	100% of Basic
Vice-Chairman of Licensing Committee	50% of Chairman's rate
Chairman of Regulatory Committee	50% of Basic
Vice-Chairman of Regulatory Committee	50% of Chairman's rate
Members of Planning Committee	50% of Vice-Chairman's rate
Members of Corporate Management Committee not otherwise entitled to a SRA	50% of Vice-Chairman's rate
Leader of the Council	200% of Basic
Deputy Leader of the Council	25% of Leader's rate
Leaders of Minority Groups	75% of Basic

Mayor	100% of Basic
Deputy Mayor	25% of Mayor's rate
Chairman of Joint Committee	100% of Basic
Vice Chairman of Joint Committee	50% of Chairman's rate

4.5 The budget for Basic and Special Responsibility Allowances in 2018/19 is £243,200.

4.6 In addition to these Allowances, Councillors are entitled to claim for the reimbursement of travel and subsistence incurred on approved Council business. Car mileage is reimbursed at the maximum rate that can be paid without incurring tax (currently 45 pence per mile) but other costs are reimbursed at the rates claimable by staff.

4.7 The scheme also provides for the reimbursement of the costs of arranging for the care of children or dependents while on Council business. This was introduced in 2001.

4.8 The current scheme is reproduced in full at **Annex 1** and the overall budget for Members' costs in the 2018/19 financial year is summarised below:

	£
Members' Allowances	243,200
Member Training, travelling and subsistence	8,100
IT facilities and training	<u>21,905</u>
	<u>273,205</u>

4.9 The total payment for Members Allowances of £243,200 represented 0.476% of the Council's General Fund Gross Revenue Expenditure of £51,091,908

5. Our Review and Deliberations

Findings

From our review and interviews we have found the following :

- Role and responsibilities of Councillors have changed in recent years to reflect a changing local government 'landscape'. This is characterised by increased workload and increased responsibilities which will only continue;
- A more commercialised approach is expected of Councillors in running the Council in order to address the loss of Government Support Grant and implications of potential future budget cuts in services delivered by Surrey County Council. This increasingly requires Councillors to possess commercial acumen, financial skills sets and greater knowledge than hitherto.

- Councillors are increasingly being required to take responsibility for key strategic decisions on a range of matters e.g. financial management, place shaping, redevelopment/regeneration initiatives (Addlestone One town centre/ new Egham Leisure Centre/Egham Gateway regeneration) and management of the significant commercial property portfolio of £600m which secures an income stream to fund the gap caused by loss of Government grant and funds the Council's regeneration strategy. This income is vital as it enables the Council to maintain and develop its services without having to make cuts as a result of loss of Government grant. Increasingly, decisions are difficult, stressful and time consuming in a very challenging financial environment where the Council is expected to do more with less resources;

- Councillors who serve on Planning Committee and Corporate Management Committee carry a significant workload and responsibilities and will get busier and they need the skills sets and time to undertake the work. The implementation of the Local Plan, when adopted, will involve significant work in dealing with complicated detailed major planning applications and associated major infrastructure projects such as A320 highway scheme. These are major issues for residents and will require major input from Councillors who serve on Planning Committee. Likewise, Councillors who serve on Corporate Management Committee are and will continue to be involved in making important decisions on financial and property matters which require the assessment of risks and ability to challenge certain propositions. A higher obligation to undertake training is also required from those Councillors who sit on these Committees;
 - Planning enforcement, environmental standards, increasing responsibilities for management of the Council's social housing stock and community services were other key areas which would require attention of Councillors who sat on the Committees responsible for those areas;

- Basic Allowance is comparatively low and causes some concern among Councillors as they are aware of allowances paid in neighbouring boroughs. Whilst the receipt of the Members Allowance is not the main reason for becoming a councillor, with the primary motivation being to help improve lives of communities in the borough and to make a difference, both Group Leaders considered a Basic Allowance of £5k would be a reasonable sum to reflect time commitment and responsibilities associated with being an

elected representative, to retain current Councillors, and incentivise younger persons and other high calibre individuals to stand for Council;

- The percentage of Councillor time which is remunerated varied across Councils. At Runnymede only 40% of time was remunerated and this could be an appropriate time to review this assumption in order to reflect the role and responsibilities of a 'modern day' Councillor;
- The Leader and Deputy Leader of the Council roles faced increasing pressure and responsibilities associated with those offices. It was noted that the SRA for the Leader is the sixth lowest among the Councils in the South-East and third lowest in Surrey;
- The time commitment expected of a councillor can be a disincentive to persons to stand for Council, especially younger persons who are in full time employment and so a more realistic level of allowance could assist in this regard
- The current restriction on number of special responsibility allowances is 2 (except for Leader of Council). The Panel was asked to consider if this is appropriate, particularly for Deputy Leader role. The Deputy Leader was often expected to represent the Leader and the Authority at high profile internal and external meetings;
- The Panel noted that the Groups were supportive of Paul Turrell, Chief Executive of Runnymede, proposed Member Working Group structure. The proposal would ensure a more comprehensive coverage of the Council's services. The aim was to improve both understanding of Council priorities and communications with Councillors to set current and future priorities. The Groups would operate at a more strategic level and would provide Officers with an immediate point of reference for opinions of Councillors on particular issues before they reach Committees. The aim would be to encourage each Councillor to sit on 2 Groups to spread workload and secure greater engagement. Councillors on Working Groups would be briefed on matters prior to their report to Committees to ensure they were more informed when those matters came before Committee;
- As a Special Responsibility Allowance could not be paid for membership of a Member Working Group under the current legislation and therefore could not form part of the Members' Allowances Scheme, the Chief Executive proposed to establish a 'Mayoral Fund' from which payments could be made to councillors based on their contribution/involvement/attendance at the

proposed Working Groups over a year. The proposed 'Mayoral Fund' would be established initially with approximately £20k (potentially £500 payment per Councillor dependent upon performance). The level of payments to each Councillor from this Fund would be determined by a panel consisting of Chief Executive, Mayor and possibly two members of the IRP. Councillors make varying contributions to the work of the Council and this can cause resentment between Councillors and so the proposed additional payment will go some way towards recompensing those Councillors who do extra work and should encourage Councillors to become more engaged at all levels below the Committee level and more involved in place- shaping initiatives.

Recommendations of the Panel

Basic Allowance

We are aware of the current financial circumstances and budgetary pressures Runnymede Council faces now and over the next few years, and the wider economic climate. However, we did not feel these should influence our deliberations, but were factors Corporate Management Committee and full Council would rightfully take account of in considering our following recommendations:-

- 5.1 The Basic Allowance aims to recognise the time commitment of all Councillors including such inevitable calls on their time as meeting with Officers and constituents, and attendance at formal and informal meetings. It is also intended to cover incidental costs such as use of their homes.
- 5.2 From the 17 Questionnaire responses, 16 thought that the current overall level of Members Allowances is unsatisfactory and 7 considered themselves financially disadvantaged as a result of their role as Councillor. 25 Councillors had not responded to the questionnaire and it could be assumed that this suggested that they did not feel strongly on the subject.
- 5.3 Several Councillors commented on their questionnaire that Runnymede's allowances are low compared with allowances paid in Surrey and South East. We thought it was useful to compare the Basic Allowance with other Councils. The Basic Allowance paid in Runnymede is the second lowest in Surrey and the fourth lowest in the South East (of the 64 Councils who responded to the South East Employers survey). The range in Surrey Authorities is £3,631 (lowest – Epsom and Ewell) to £7,200 (Woking – where fewer Special Responsibility Allowances are paid). Six Surrey Authorities

paid above £5,000. The majority of the Surrey Authorities had executive arrangements, while Runnymede has retained a more traditional Committee structure.

5.4 As confirmed by our interviews and feedback from the questionnaires, the landscape of local government has changed in recent years and the Basic Allowance now needs to reflect this. The Panel felt that the emphasis of the role had changed more to that akin to 'Skills- based Volunteers'. We consider that the Basic Allowance should be increased to reflect: increased responsibilities and workload in relation to financial and property management, the skills sets now required of a Councillor in a more commercially driven local authority environment, the requirement to engage in policy development and direction, the need to challenge proposals and assess risks, the pressures associated with communication with constituents in a digital environment, and finally to acknowledge the overall time commitment. As mentioned above, the Basic Allowance was low in comparison with other local authorities in the region. Some of the increases recommended by previous Panels had not been implemented for financial reasons and this has contributed to the historic low level of the Basic Allowance. We strongly consider that steps should now be taken to address this historic deficit, otherwise the Basic Allowance will always lag behind and the deficit will become increasingly difficult to address. Therefore, on the basis of information reviewed and taking account of the recommended revised Public Service Discount in para 5.6 below, the Panel recommend that the Basic Allowance be increased from £3,680 to £ 5,000 per annum which would be more in line with the allowance paid by other Surrey Authorities. The Panel consider this would assist in retention and recruitment of individuals with the required skills sets, particularly in a year when all -out elections would be held and go some way to addressing concerns of those Members who felt their time commitment was not sufficiently acknowledged . We feel this represented a fairer compensation for the time devoted to duties and might make the role of Councillor more viable for people of working age. The Basic Allowance increase recommended would still represent only 0.40% of the Council's General Fund Gross Revenue Expenditure and this, along with the increased responsibilities, workload and time commitment, should be emphasised in any public communications on the matter.

5.5 We also reviewed the various methodologies used by other Authorities in calculation of their Basic Allowance. We noted that there is no consistent formula used. Some compare with allowances paid in other Authorities, some link it to RPI, others link it to staff hourly pay scales/pay awards. Since

2013, Runnymede has based its Basic Allowance on the average hourly rate of pay for RBC staff, multiplied by the average time spent by Runnymede Councillors on Runnymede business. The Panel did not support continuation of linkage to staff pay and recommend the Basic Allowance be as set out in para 5.4 with subsequent annual increases linked to RPI. The Panel felt that the linkage to average hourly rate of pay for staff was not a valid device as the measure would be distorted by grades of staff and differing responsibilities. It has to be accepted that Councillors undertake high level decision making functions and representative roles which need to be reflected in the level of allowance.

5.6 Runnymede's Public Service Discount, which is the element of time that is viewed as voluntary time devoted by a Councillor, is currently 60%, meaning that only 40% of time spent on Council business is compensated. Again, we have reviewed the Public Service Discount adopted in some Authorities and the level does vary. Whilst, community service is a strong motivator for standing for election to the Council and is to the credit of Runnymede Councillors, again the Panel considered that this Discount should be changed to reflect the increased time commitment, work/life balance, increased responsibility for financial and strategic decision-making, increased time serving constituents and requirement to attend more meetings. The Panel considered that a discount of 50% is more appropriate to be applied. The recommended Basic Allowance in para 5.4 has had the 50% discount applied to it.

5.7 Although not part of the Members' Allowances Scheme, the Panel strongly supported the adoption of the proposed new Member Working Group arrangements and proposed remuneration arrangements for service thereon put forward by Paul Turrell. The Panel considered that this new arrangement would assist in compensating those Councillors who made a larger commitment to the work of the Council. The Member Working Group structure should incentivise Councillors as key objectives will be set and measured and performance rewarded. Hopefully it will also bring some consistency to the hours Councillors put in. Current membership includes a group of younger keen councillors whose time is limited and it is important to incentivise them; The Panel asked that these arrangements be reviewed prior to the next triennial review and strongly encouraged that, subject to the outcome of that review, consideration be given to possibly increasing the budget for remuneration for service on these Groups at that time.

PANEL RECOMMENDATION:

- i) the Basic Allowance be set at £5,000 per annum and time remunerated be increased from 40% to 50%;**
- ii) annual increases linked to RPI be applied to the Basic Allowance in the financial years 2020/21 and 2021/22; and**
- iii) whilst not part of the Members Allowances Scheme, the Panel strongly support adoption of the proposed Member Working Group arrangements and remuneration for service thereon, and the operation of these arrangements be reviewed prior to the next triennial review.**

6. Special Responsibility Allowance (SRA)

- 6.1 Special Responsibility Allowance recognises the level of responsibility, complexity, and extent of commitment of a limited number of Councillors who are expected to undertake roles on behalf of the Council that involve significant additional time and responsibility.
- 6.2 If the Panel's recommendations for increasing the Basic Allowance are accepted, the Panel recommends the current SRA increase in accordance with the established formulae for their calculation. This would reflect the increased workload and responsibilities associated with these roles, and hopefully assist succession planning.
- 6.3 We did assess the SRA paid to Leader and Deputy Leader of the Council and whether this sufficiently reflected the increasing workload and responsibility associated with those offices. The SRA for Leader and Deputy Leader were low in comparison with other Authorities in the South East. Based on the existing formulae for calculation of SRAs if the Panel's recommendations were accepted for increasing Basic Allowance, the SRA for Leader and Deputy Leader would also increase and this was considered an appropriate increase which hopefully would reflect the workload and responsibilities associated with these high profile roles, and again assist succession planning to those offices.
- 6.4 Currently a Councillor can only receive a SRA for being a member of Corporate Management Committee if he or she is not entitled to any other special allowance. The Corporate Management Committee currently has 12 Members. At the current time, only 1 councillor is eligible for the Special Allowance for serving on that Committee and the remaining 11 Councillors do not get a special allowance as they receive special allowances for holding other offices. The Panel acknowledged the workload and responsibilities involved and considered whether the restriction should be removed. As most Members who served on Corporate Management Committee would receive an increase to their SRA for holding other offices it was not considered the

restriction should be lifted. Furthermore, the Panel felt that, wherever possible, consideration should be given to encouraging other Members who were not Chairmen to sit on that Committee to take a more proactive role and to facilitate sharing out of leadership roles on major projects

6.5 Some Members, through their questionnaire, had suggested that membership of Working Groups should warrant a Special Responsibility Allowance. Under the Members' Allowances Regulations this would not be legally permissible, but as mentioned in para 5.7 above, the Panel is fully supportive of the proposed arrangements for Member Working Groups and their remuneration for membership thereof put forward by the Chief Executive, which would sit and be funded separately from the Members' Allowances scheme.

6.6 The relevant Regulations do not limit the number of Special Responsibility Allowances which may be paid, nor do they prohibit the payment of more than one Special Responsibility Allowance to any one Councillor. Currently, at Runnymede no councillor except the Leader is entitled to more than 2 SRAs. The Panel considered that there should continue to be a limit of a maximum of 2 Special Responsibility Allowances on the basis that there is a limit to the amount of time one Councillor can devote to their role, to preserve their work/life balance, to encourage a spread of workload and engage and develop an increased number of Councillors in positions of responsibility. Succession planning would become increasingly important to the future operation of the Council creating a sustainable working group of Members. Furthermore, for the reasons mentioned above, the Panel considered that this restriction should also be extended to apply to the Leader of the Council.

PANEL RECOMMENDATION:

- i) Other than the SRAs being increased in line with the current criteria, no other changes be made to the amounts and types of Special Responsibility Allowances; and**
- ii) retain the current maximum number of two Special Responsibility Allowances which any Member may claim, and the current exemption for the Leader of the Council from this restriction be discontinued.**

7. Travel and Subsistence Allowances

- 7.1 We think that the rates paid under the present scheme are fair so we are recommending no changes.

PANEL RECOMMENDATION:

No change be made to Travel and Subsistence Allowances.

8. Dependant Carer's Allowance

- 8.1 We strongly support the continuation of the payment of a Dependant's Carers' Allowance where it assists a Councillor in the proper discharge of his or her duties. The payment of such an Allowance might assist in increasing the diversity of the Council membership and political groups should highlight more widely the availability of this Allowance in their recruitment of potential Councillors.

- 8.2 The Panel considered that reimbursement should continue to be on the basis of 'fair and reasonable costs'.

PANEL RECOMMENDATION:

No change be made to the Dependant Carers' Allowance, but wider publicity be given to its availability by political groups at time of recruitment of potential Councillors.

9. Members' Allowances Scheme 2019/20

PANEL RECOMMENDATION:

The Members Allowances Scheme set out at Annex '2' and based on the recommendations in this report be adopted with effect from 1 April 2019

10. Conclusions

- 10.1 The Panel is appreciative of those Councillors who completed their questionnaires and to the Group Leader of the Runnymede Independent Residents' Group, Deputy Leader of the Council and Conservative group, and the Chief Executive of the Council who attended for interview.

- 10.2 The Panel recognises the valuable work undertaken by Runnymede Councillors on behalf of their residents. The Council is fortunate to have high quality committed Councillors who work together in partnership with Officers

to progress service delivery. The Panel acknowledges the increased workload and responsibilities Councillors face and the increasingly difficult decisions required to be made on a range of issues.

10.3 The scheme we recommend we consider to be fair, simple, justifiable and logical.

10.4 We recognise that the scheme should fairly recompense those Councillors who devote a considerable amount of time to Council business. We feel that the recommended increase to the Basic Allowance reflects the increased workload and decision-making responsibilities Councillors now face in the challenging modern local government environment, the varied skills sets required, address the historical deficit and concerns of some Councillors, and removes a potential barrier to anyone wishing to become a Councillor or deters existing Councillors from effectively fulfilling their full role.

10.5 Finally, the Panel strongly recommends that the Council adopts its recommendations as a failure to do so will, in its opinion, exacerbate the historical deficit of the Council's Allowances when compared with other Local Authorities in Surrey and the South East. Furthermore, the Panel considers it acknowledges the increased workload and responsibilities Councillors now face and will face over the coming years, and the difficult decisions and risk management which are increasingly required to be made.



Dated: January 2019

RUNNYMEDE BOROUGH COUNCIL

SCHEME OF ALLOWANCES FOR MEMBERS AND CO-OPTED MEMBERS

The Local Authority (Members' Allowances) (England) Regulations 2003 as amended

This Scheme has effect from midnight on 31 March 2019. It shall be reviewed in or around October 2021 with a view to any revised scheme taking effect on 1 April 2022. The Council may revoke or amend it before that time if it so chooses.

In this Scheme "year" has the same meaning as in the above regulations ("the Regulations"), i.e. any period of twelve months ending on 31 March in any year after 2004.

With the exception of co-optees' allowance, these allowances are payable only to Members of the Council.

<u>Basic Allowance</u>	<u>£ for year</u>
For each elected Councillor (42)	3,680

Where the term of office of a Member does not begin or end at the beginning or end of a year, he or she shall be entitled to the same proportion of the allowance as the number of days of his or her period of office bears to the number of days in that year.

<u>Special Responsibility Allowances</u> (to be paid in addition to Basic Allowance)	<u>£ for year</u>
Mayor	3,680
Deputy Mayor	920
Leader of the Council	7,360
Deputy Leader of the Council	1,840
Political Group Leaders other than Leader of the Council	2,760
Chairman of Planning Committee	6,440
Chairman of Corporate Management Committee, Environment & Sustainability Committee, Housing Committee and Community Services Committee	3,680
Chairman of Overview and Scrutiny Select Committee	3,680
Chairman of Licensing Committee	3,680
Chairman of Regulatory Committee	1,840
Chairman of Standards and Audit Committee	1,214
Chairman of Englefield Green Committee	920
Vice-Chairman of Planning Committee	4,293
Vice-Chairman of Corporate Management Committee, Environment and Sustainability Committee, Housing Committee and Community Services Committee	1,840

	<u>£ for year</u>
Vice-Chairman of Standards and Audit Committee	460
Vice-Chairman of Licensing Committee	1,840
Vice-Chairman of Overview and Scrutiny Select Committee	1,840
Vice-Chairman of Regulatory Committee	920
Members of Planning Committee other than Chairman and Vice-Chairman	2,147
Members of Corporate Management Committee who are not entitled to any other special responsibility allowance	920
Chairman of Joint Committee	3,680
Vice –Chairman of Joint Committee	1,840

Note: (1) except for the Leader of the Council, receipt of special responsibility allowance shall be limited to a maximum of two per Councillor.

(2) where Members of the authority are divided into at least two political groups, one of which is a controlling group as defined in the Regulations, a special responsibility allowance must be paid to at least one person who is not a Member of the controlling group and is the Leader or Deputy Leader of another group, or is the spokesman of a political group on one of the Council's Committees or Sub-Committees.

(3) where a Member is entitled to a special responsibility allowance for only part of a year, he or she is entitled to the same proportion of the allowance as the number of days of his or her entitlement bears to the number of days in the whole year.

Dependants' Carers' Allowance

Members are entitled to claim such expenses as arranging for the care of their children or dependants as are fair and reasonable and necessarily incurred in the circumstances set out in Regulation 7 of the Regulations. (These cover attendance at meetings of the Council, its Committees and Sub-Committees, bodies to which the Council has nominated the Member and certain other authorised meetings and duties). In Runnymede these will include:

- meetings in respect of the Council's business which the Member attends at the request of a Chief Officer; and
- a Member of the Planning Committee (including a substitute member) visiting a site that is the subject of a planning application on the Planning Committee's agenda.

Travelling and Subsistence Allowances

Members are entitled to claim travelling and subsistence allowances at the rates (other than car mileage payments) claimable by staff of the Council, where they have incurred such expenses in connection with any of their duties as a Councillor within one or more of the categories listed in Regulation 8 of the Regulations. (These provisions cover the same range of circumstances as Regulation 7 referred to above, and shall be applied to the same authorised meetings and duties).

For Members resident outside the Borough, the allowance on any one occasion shall be that applicable to a starting point twenty miles outside the Borough boundary or the actual distance, whichever is less.

The car mileage payment rate will be at the maximum level at which the Inland Revenue assumes that there is no profit and therefore no taxable element, as defined from time to time (45 pence per mile in April 2018).

Travel allowances for meetings of Council, Committees and Sub-Committees at the Civic Centre may be paid automatically subject to Members confirming that they wish to claim a travel allowance when signing the register at each meeting. Payment of travelling and subsistence allowances in all other circumstances will be made upon receipt of the appropriate form available from the Corporate Director of Resources, completed with details of the duties for which an allowance is claimed.

Co-optees' Allowances

Any other person lawfully appointed to one of the Council's Committees or Sub-Committees who is not a Member of the authority, may claim an allowance of £460 per year in respect of attendance at conferences and meetings.

Where the appointment of such a person does not begin or end at the beginning or end of a year, he or she shall be entitled to the same proportion of the year's allowance as the number of days for which he or she held the appointment bears to the number of days in that year.

Uplift

An annual increase of 7% has been applied to the basic allowance in 2018/19 and the special responsibility allowances and co-optees' allowances have been similarly increased based on the current formulae for calculation of each special responsibility allowance. The Scheme, including future uplifts, will be reviewed in or around October 2018 with a view to any revised scheme taking effect on 1 April 2019.

Pensions

No Members of the authority are to be entitled to pensions on their allowances under Section 7 of the Superannuation Act 1972.

Forgoing of Allowances

Any Member may forgo his or her entitlement to allowances (or any part) by written notice to the Corporate Head of Resources.

Time Limit for Claims etc

A Member who wishes to claim dependants' carers' allowance, travelling and subsistence allowance, or co-optees' allowance must do so before the expiry of twelve months from the end of year in which the entitlement arose. The Council may pay a claim out of time at its discretion.

Basic Allowance and Special Responsibility Allowances will be paid by monthly instalments in a manner determined by the Corporate Director of Resources.

Amendment to Scheme

If this Scheme is amended during a year, the revised entitlement to an allowance shall apply from the date of amendment only and not from the beginning of that year.

Dual Membership

If a Member of the Council is also a Member of another authority, he or she may not receive allowances from more than one authority in respect of the same duties.

The Member may elect from which authority to claim, and must notify the Corporate Director of Resources in writing of his or her dual membership and from which authority he or she has decided to claim allowances for those duties.

Retirement etc

Where the Council has made payment of any allowance for a period during which the Member:

- a) ceases to be a Member of the Council; or
- b) is in any other way not entitled to receive the allowance in respect of that period

The Council may require the Member to repay such part of the allowance as relates to that period.

Termination of previous Scheme

The Scheme of Members' Allowances reproduced in the Council's Constitution of April 2017 is hereby revoked with effect from midnight on 31 March 2018.

APPROVED BY RESOLUTION OF THE COUNCIL
March 2018

RUNNYMEDE BOROUGH COUNCIL

SCHEME OF ALLOWANCES FOR MEMBERS AND CO-OPTED MEMBERS

The Local Authority (Members' Allowances) (England) Regulations 2003 as amended

This Scheme has effect from midnight on 31 March 2019. It shall be reviewed in or around October 2021 with a view to any revised scheme taking effect on 1 April 2022. The Council may revoke or amend it before that time if it so chooses.

In this Scheme "year" has the same meaning as in the above regulations ("the Regulations"), i.e. any period of twelve months ending on 31 March in any year after 2004.

With the exception of co-optees' allowance, these allowances are payable only to Members of the Council.

<u>Basic Allowance</u>	<u>£ for year</u>
For each elected Councillor (42)	5,000

Where the term of office of a Member does not begin or end at the beginning or end of a year, he or she shall be entitled to the same proportion of the allowance as the number of days of his or her period of office bears to the number of days in that year.

<u>Special Responsibility Allowances</u> (to be paid in addition to Basic Allowance)	<u>£ for year</u>
Mayor	5,000
Deputy Mayor	1,250
Leader of the Council	10,000
Deputy Leader of the Council	2,500
Political Group Leaders other than Leader of the Council	3,750
Chairman of Planning Committee	8,750
Chairman of Corporate Management Committee, Environment & Sustainability Committee, Housing Committee and Community Services Committee	5,000
Chairman of Overview and Scrutiny Select Committee	5,000
Chairman of Licensing Committee	5,000
Chairman of Regulatory Committee	2,500
Chairman of Standards and Audit Committee	1,650
Chairman of Englefield Green Committee	1,250
Vice-Chairman of Planning Committee	5,827
Vice-Chairman of Corporate Management Committee, Environment and Sustainability Committee, Housing Committee and Community Services Committee	2,500

	<u>£ for year</u>
Vice-Chairman of Standards and Audit Committee	625
Vice-Chairman of Licensing Committee	2,500
Vice-Chairman of Overview and Scrutiny Select Committee	2,500
Vice-Chairman of Regulatory Committee	1,250
Members of Planning Committee other than Chairman and Vice-Chairman	2,913
Members of Corporate Management Committee who are not entitled to any other special responsibility allowance	1,250
Chairman of Joint Committee	5,000
Vice Chairman of Joint Committee	2,500

Note: (1) receipt of special responsibility allowance shall be limited to a maximum of two per Councillor.

(2) where Members of the authority are divided into at least two political groups, one of which is a controlling group as defined in the Regulations, a special responsibility allowance must be paid to at least one person who is not a Member of the controlling group and is the Leader or Deputy Leader of another group, or is the spokesman of a political group on one of the Council's Committees or Sub-Committees.

(3) where a Member is entitled to a special responsibility allowance for only part of a year, he or she is entitled to the same proportion of the allowance as the number of days of his or her entitlement bears to the number of days in the whole year.

Dependants' Carers' Allowance

Members are entitled to claim such expenses as arranging for the care of their children or dependants as are fair and reasonable and necessarily incurred in the circumstances set out in Regulation 7 of the Regulations. (These cover attendance at meetings of the Council, its Committees and Sub-Committees, bodies to which the Council has nominated the Member and certain other authorised meetings and duties). In Runnymede these will include:

- meetings in respect of the Council's business which the Member attends at the request of a Chief Officer; and
- a Member of the Planning Committee (including a substitute member) visiting a site that is the subject of a planning application on the Planning Committee's agenda.

Travelling and Subsistence Allowances

Members are entitled to claim travelling and subsistence allowances at the rates (other than car mileage payments) claimable by staff of the Council, where they have incurred such expenses in connection with any of their duties as a Councillor within one or more of the categories listed in Regulation 8 of the Regulations. (These provisions cover the same range of circumstances as Regulation 7 referred to above, and shall be applied to the same authorised meetings and duties).

For Members resident outside the Borough, the allowance on any one occasion shall be that applicable to a starting point twenty miles outside the Borough boundary or the actual distance, whichever is less.

The car mileage payment rate will be at the maximum level at which the Inland Revenue assumes that there is no profit and therefore no taxable element, as defined from time to time (45 pence per mile in April 2019).

Travel allowances for meetings of Council, Committees and Sub-Committees at the Civic Centre may be paid automatically subject to Members confirming that they wish to claim a travel allowance when signing the register at each meeting. Payment of travelling and subsistence allowances in all other circumstances will be made upon receipt of the appropriate form available from the Corporate Director of Resources, completed with details of the duties for which an allowance is claimed.

Co-optees' Allowances

Any other person lawfully appointed to one of the Council's Committees or Sub-Committees who is not a Member of the authority, may claim an allowance of £460 per year in respect of attendance at conferences and meetings.

Where the appointment of such a person does not begin or end at the beginning or end of a year, he or she shall be entitled to the same proportion of the year's allowance as the number of days for which he or she held the appointment bears to the number of days in that year.

Uplift

An annual increase linked to RPI will be applied to the Basic Allowance in 2020/21 and 2021/22 and the special responsibility allowances and co-optees' allowances will be similarly increased based on the current formulae for calculation of each special responsibility allowance.

Pensions

No Members of the authority are to be entitled to pensions on their allowances under Section 7 of the Superannuation Act 1972.

Forgoing of Allowances

Any Member may forgo his or her entitlement to allowances (or any part) by written notice to the Corporate Head of Resources.

Time Limit for Claims etc

A Member who wishes to claim dependants' carers' allowance, travelling and subsistence allowance, or co-optees' allowance must do so before the expiry of twelve months from the end of year in which the entitlement arose. The Council may pay a claim out of time at its discretion.

Basic Allowance and Special Responsibility Allowances will be paid by monthly instalments in a manner determined by the Corporate Director of Resources.

Amendment to Scheme

If this Scheme is amended during a year, the revised entitlement to an allowance shall apply from the date of amendment only and not from the beginning of that year.

Dual Membership

If a Member of the Council is also a Member of another authority, he or she may not receive allowances from more than one authority in respect of the same duties.

The Member may elect from which authority to claim, and must notify the Corporate Director of Resources in writing of his or her dual membership and from which authority he or she has decided to claim allowances for those duties.

Retirement etc

Where the Council has made payment of any allowance for a period during which the Member:

- a) ceases to be a Member of the Council; or
- b) is in any other way not entitled to receive the allowance in respect of that period

The Council may require the Member to repay such part of the allowance as relates to that period.

Termination of previous Scheme

The Scheme of Members' Allowances reproduced in the Council's Constitution of April 2018 is hereby revoked with effect from midnight on 31 March 2019.

APPROVED BY RESOLUTION OF THE COUNCIL
March 2019

7. **CORPORATE KEY PERFORMANCE INDICATORS – QUARTER 3 2018/19 RESULTS (CORPORATE SERVICES)**

Synopsis of report:

This report provides Members with a snapshot of performance/activity across key areas of business in order to aid the decision making process.

The Quarter 3 Corporate Key Performance/Activity Indicator results for 2018/19 show that of the 22 indicators, 12 indicators have a green status, 2 indicators have an amber status, 7 have a red status, and one is reported for monitoring purposes.

After reviewing the results, there are a number of follow up actions as described in the report.

Recommendation:

For information.

1. **Context of report**

1.1 The Corporate Key Performance/Activity Indicator set has been established to provide Officers and Members with a regular snapshot of performance/activity across key areas of business in order to act as a general ‘health check’ and aid the decision making process.

2. **Report**

2.1 **Q3 2018/19 results**

2.1.1 Appendix ‘C’ shows the Quarter 3 (Q3) (October – December) 2018/19 Corporate Key Performance/Activity Indicator results.

2.1.2 **Indicators with a green status**

2.1.2.1 As can be seen from the report, 12 out of 22 indicators have a green status and their performance is therefore expected to meet or exceed the annual targets. Associated comments are provided for each indicator.

2.1.3 **Indicators with an amber status**

2.1.3.1 Appendix ‘C’ shows the full trend data, but more specifically following the Q3 results, there is some concern the following indicators will now not meet their annual target.

Indicator	Q3 target	Q3 actual	Comments/actions
H4: Rent arrears of current tenants as a percentage of annual rent debit (cumulative)	1.60%	1.68%	Slightly above target despite staff implementing a Christmas rent campaign.
ES4: Number of street cleansing reports in	150	152	The increased number of street cleansing reports in Q2

that quarter (overflowing litterbins, overflowing dog bins, and general litter/detritus)			was due to reliability issues with two of the three mechanical sweepers. Two new machines are now operational resulting in an improvement in Q3.
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2.1.5 Indicators with a red status

2.1.5.1 Appendix 'C' shows the full trend data, but more specifically following the Q3 results, it is impossible / highly unlikely the annual target of the following indicators will be met:

Indicator	Q3 target	Q3 actual	Comments/actions
R2: Percentage of invoices paid in 30 days	98.0%	97.8%	A good quarter just below the quarterly target, with November achieving 98.82%. The year to date average has increased to 97.00%. Indicator has a red status because the annual target cannot be met due to the first quarter result. Q1 = 2339 invoices processed Q2 = 2270 invoices processed Q3 = 2329 invoices processed
LG1: Percentage of FOI requests processed in statutory deadline	99.0%	98.1%	In Q3 two of the three late responses were due to Officers being on leave and returning input after the deadline. The third required input from several Officers and although some of the information was supplied, due to the request complexity, it missed the deadline. Officers have been reminded that FOI requests have a statutory completion date. Q1 = 208 requests received Q2 = 219 requests received Q3 = 162 requests received
H1: Average number of days to re-let dwellings	30.0	56.0	As advised in Q2, 100% of void properties are now surveyed for asbestos. On average this adds between five and 21 days prior to any works being undertaken. The Corporate Team is working with Housing on process mapping and this in conjunction with the new Voids contract (in place from the end of January 2019) and the new

			<p>Asbestos contract (in place from February 2019) will identify efficiency opportunities and begin to drive improvements.</p> <p>Q1 = 16 void properties re-let Q2 = 9 void properties re-let (asbestos removed from 5). Q3 = 16 properties re-let (asbestos removed from 7).</p>
H5: Percentage of tenants with more than 7 weeks rent arrears at the end of each quarter	2.60%	3.33%	The number of Universal Credit cases are increasing. However, a new rent recovery procedure has been implemented which it is expected will reduce the impact on arrears. The new proposed target for 2019/20, approved by the Housing Committee is 3%.
ES2: Percentage of household waste sent for re-use, recycling and composting in each quarter	47.0%	45.8%	The Q3 target was not met. However, the average amount of residential household waste per household dropped in the quarter, and the percentage of household waste sent for re-use, recycling and composting increased from Q2. Also, the number of green waste service customers continued to grow with an additional 188 new customers.
ES3: Number of missed bin collection complaints in that quarter (includes refuse, recycling and food AS WELL AS trade and green waste)	500	706	Although the number of complaints has decreased by more than 250 from Q2, the Q3 target has not met. This was mainly due to changes to collection dates during the Christmas holiday period, despite residents being advised in advance via social media, postal and bin leaflets that collections dates would be changed.
C2: Number of community meals delivered in that quarter	9700	9570	There has been little change in Q3, with the reduction in numbers consistent with the previous quarters, against the impact the Christmas period has on the service.

2.1.6 Follow up actions

2.1.6.1 Following a business process review for the re-let of void dwellings, Officers will

now monitor the new void works and asbestos contracts and begin to drive the identified process improvements. Where contractor failures are identified, sanctions for non-compliance will be applied (as set out in the void works contract).

- 2.1.6.2 The Corporate Office will work with the business centre leads to review the Corporate KPI indicators and targets for 2019/20 so that they can be presented for approval to the Corporate Management Committee in March 2019.

3. Policy framework implications

- 3.1 The quarterly reporting of Corporate Key Performance Indicators forms part of Runnymede Borough Council's Performance Management Framework.

4. Resource implications

- 4.1 No additional budgets are requested to support the follow up actions.

5. Conclusions

- 5.1 The Quarter 3 Corporate Key Performance Indicator results for 2018/19 show that of the 22 indicators, 12 indicators have a green status, 2 indicators have an amber status, 7 have a red status, and one is reported for monitoring purposes.
- 5.2 There are a couple of follow up actions as shown in paragraph 2.1.6 above.

(For information)

Background papers

None stated

Corporate Performance/Activity Indicators

Quarter 3 2018/19

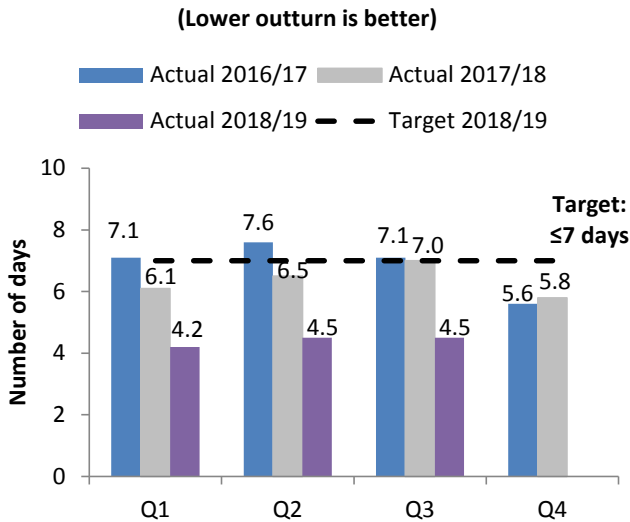
RAG Legend		Chart Legend	
Performance/activity is still on track to meet or exceed the annual target	Green	2016/17	
There is some concern that the annual target will not be met	Amber	2017/18	
It is impossible/highly unlikely the annual target will be met	Red	2018/19	
Data not available	Not available	Target 2018/19	-----

CONTACT OFFICER:
Name: Sarah Walsh

RESOURCES

R1: Average no. of days taken to process new benefit claims or changes - cumulative result
(Scale: Processed 16,467 in 2017/18)

GREEN

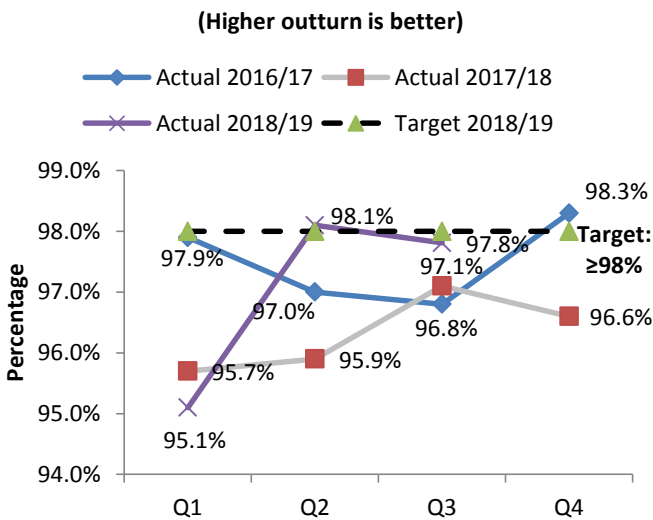


Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	7.1	6.1	7.0	4.2
Q2	7.6	6.5	7.0	4.5
Q3	7.1	7.0	7.0	4.5
Q4	5.6	5.8	7.0	-

Comment: On target
Q1 = 235 new claims and 4463 changes processed.
Q2 = 271 new claims and 2806 changes processed.
Q3 = 219 new claims and 2800 changes processed.

R2: Percentage of invoices paid in 30 days
(Scale: Paid 9,615 invoices in 2017/18)

RED



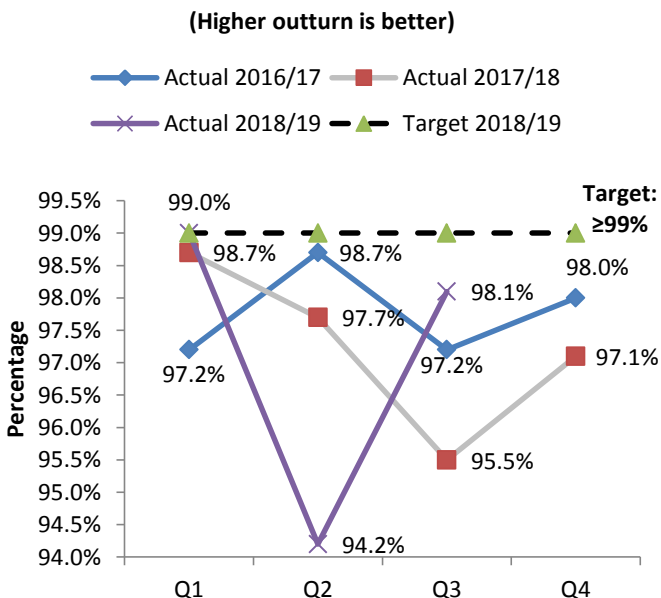
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	97.9%	95.7%	98.0%	95.1%
Q2	97.0%	95.9%	98.0%	98.1%
Q3	96.8%	97.1%	98.0%	97.8%
Q4	98.3%	96.6%	98.0%	-

Comment: A good quarter just below the quarterly target, with November achieving 98.82%. The year to date average has increased to 97.00%. Indicator has a red status because the annual target cannot be met due to the first quarter result.
Q1 = 2339 invoices processed
Q2 = 2270 invoices processed
Q3 = 2329 invoices processed

LAW & GOVERNANCE

LG1: Percentage of FOI requests processed in statutory deadline
(Scale: 702 requests processed in 2017/18)

RED



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	97.2%	98.7%	99.0%	99.0%
Q2	98.7%	97.7%	99.0%	94.2%
Q3	97.2%	95.5%	99.0%	98.1%
Q4	98.0%	97.1%	99.0%	-

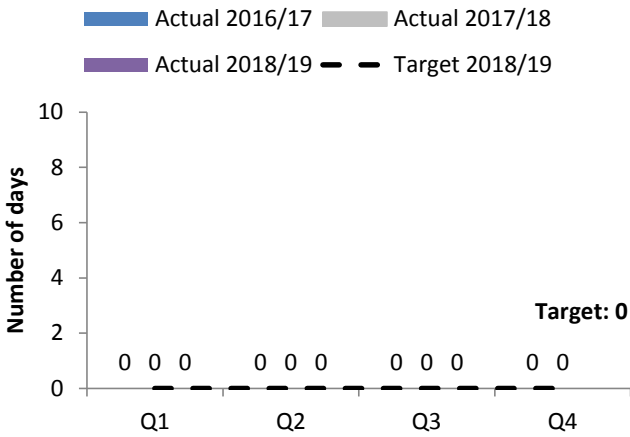
Comment: In Q3 two of the three late responses were due to Officers being on leave and returning input after the deadline. The third required input from several Officers and although some of the information was supplied, due to the request complexity, it missed the deadline. Officers have been reminded that FOI requests have a statutory completion date.
Q1 = 208 requests received.
Q2 = 219 requests received.
Q3 = 162 requests received

LAW & GOVERNANCE

LG2: Number of decisions investigated by the ombudsman requiring a remedy, including minor injustices

GREEN

(Lower outturn is better)



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	0	0	0	0
Q2	0	0	0	0
Q3	0	0	0	0
Q4	0	0	0	0

Comment: On target

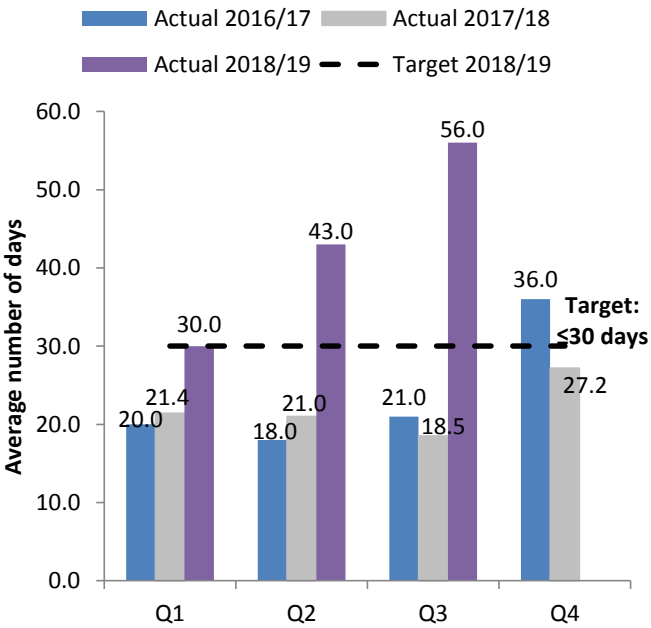
The ombudsman notified us of one complaint that is being considered and requested evidence. This was provided at the end of December. It is not expected this complaint will result in a remedy being required.

HOUSING

H1: Average number of days to re-let dwellings (routine voids) (Scale: 70 dwellings re-let in 2017/18)

RED

(Lower outturn is better)



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	20.0	21.4	30.0	30.0
Q2	18.0	21.0	30.0	43.0
Q3	21.0	18.5	30.0	56.0
Q4	36.0	27.2	30.0	36.0

Comment: As advised in Q2, 100% of void properties are now surveyed for asbestos. On average this adds between five and 21 days prior to any works being undertaken. The Corporate Team is working with Housing on process mapping and this in conjunction with the new Voids contract (in place from the end of January 2019), and the new Asbestos contract (in place from February 2019), will identify efficiency opportunities and begin to drive improvements.

Q1 = 16 void properties re-let

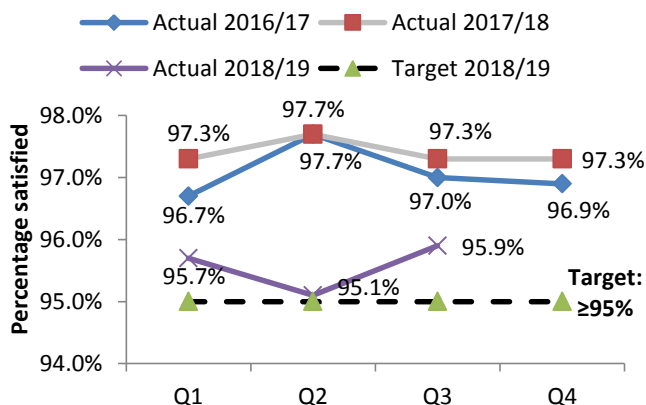
Q2 = 9 void properties re-let (asbestos removed from 5)

Q3 = 16 properties re-let (asbestos removed from 7)

H2: Repairs Satisfaction Survey result. "Were you satisfied with the overall service received?" (Scale: 1,150 surveys completed in in 2017/18)

GREEN

(Higher outturn is better)



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	96.7%	97.3%	95.0%	95.7%
Q2	97.7%	97.7%	95.0%	95.1%
Q3	97.0%	97.3%	95.0%	95.9%
Q4	96.9%	97.3%	95.0%	96.9%

Comment: Above target.

Q1 = 164 surveys received.

Q2 = 185 surveys received.

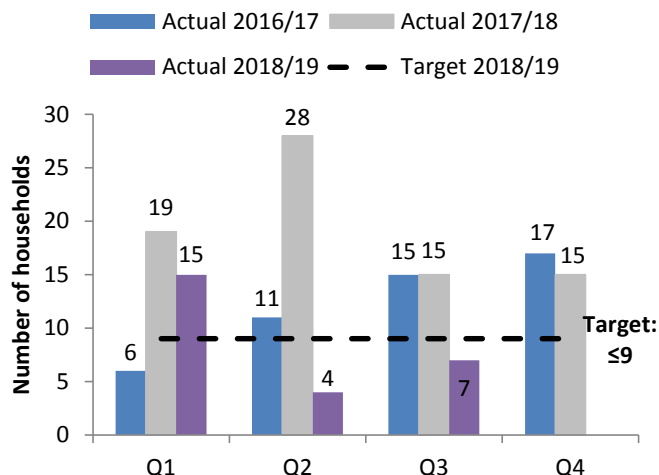
Q3 = 225 surveys received.

HOUSING

H3: Number of households in B&B accommodation for more than 2 weeks

GREEN

(Lower outturn is better)



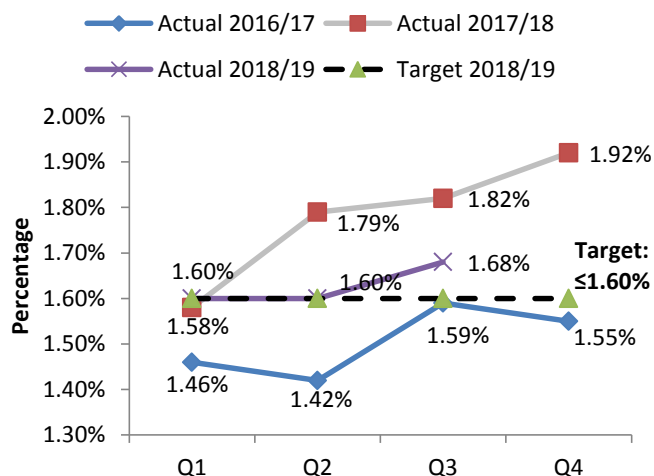
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	6	19	9	15
Q2	11	28	9	4
Q3	15	15	9	7
Q4	17	15	9	

Comment: On target
This result reflects the sustained efforts of staff to find homeless households alternatives to B&B as quickly as possible.

H4: Rent arrears of current tenants as a percentage of annual rent debit (cumulative)

AMBER

(Lower outturn is better)



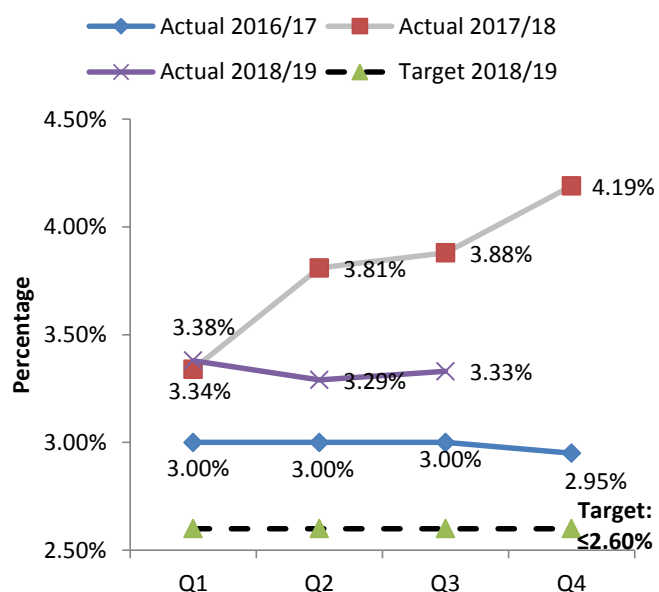
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	1.46%	1.58%	1.60%	1.60%
Q2	1.42%	1.79%	1.60%	1.60%
Q3	1.59%	1.82%	1.60%	1.68%
Q4	1.55%	1.92%	1.60%	

Comment: Slightly above target despite staff implementing a Christmas rent campaign.

H5: Percentage of tenants with more than 7 weeks rent arrears at the end of each quarter

RED

(Lower outturn is better)



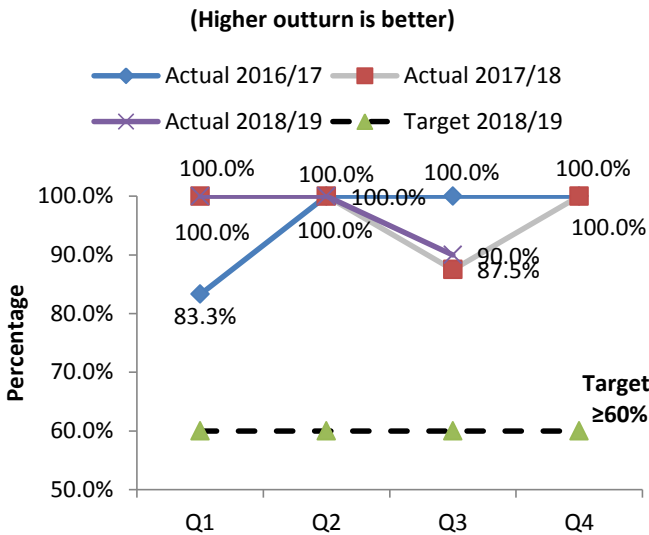
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	3.00%	3.34%	2.60%	3.38%
Q2	3.00%	3.81%	2.60%	3.29%
Q3	3.00%	3.88%	2.60%	3.33%
Q4	2.95%	4.19%	2.60%	

Comment: The number of Universal Credit cases are increasing however a new rent recovery procedure has been implemented which it is expected will reduce the impact on arrears. The new proposed target for 2019/20, approved by the Housing Committee, is 3%.

PLANNING

P1: Percentage of 'Major' planning applications processed to deadline in each quarter
 (Scale: 25 processed in 2017/18)

GREEN

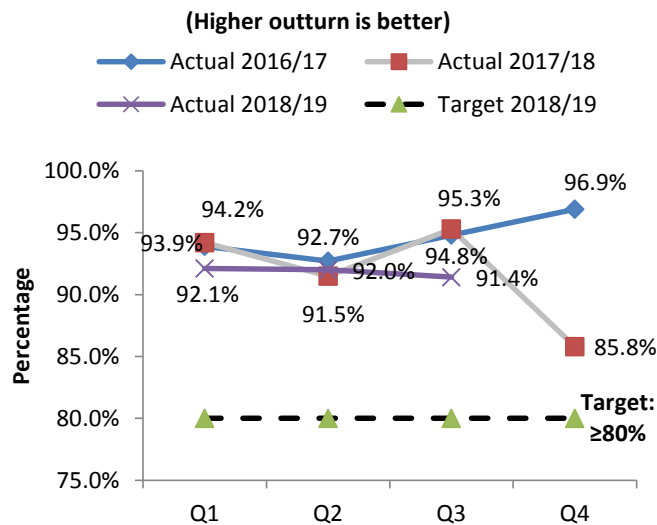


Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	83.3%	100.0%	60.0%	100.0%
Q2	100.0%	100.0%	60.0%	100.0%
Q3	100.0%	87.5%	60.0%	90.0%
Q4	100.0%	100.0%	60.0%	

Comment: Excellent performance
 Q1 = 4 of 4 processed.
 Q2 = 7 of 7 processed.
 Q3 = 9 of 10 processed.

P2: Percentage of 'Non-major' planning applications processed to deadline in each quarter
 [Scale: 961 processed last year (Minor+ Other)]

GREEN

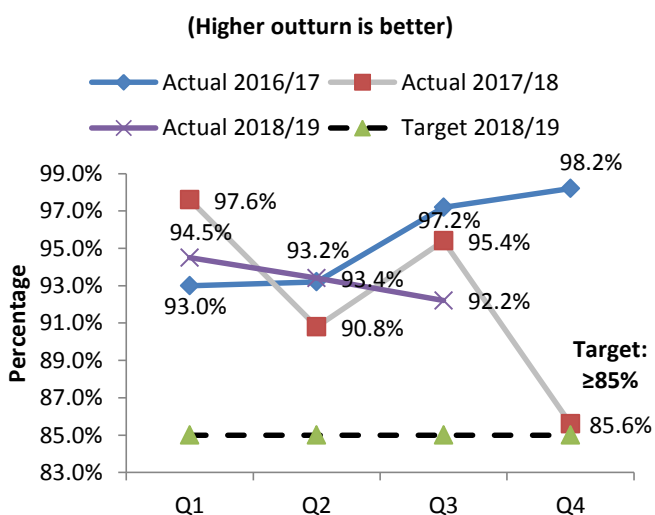


Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	93.9%	94.2%	80.0%	92.1%
Q2	92.7%	91.5%	80.0%	92.0%
Q3	94.8%	95.3%	80.0%	91.4%
Q4	96.9%	85.8%	80.0%	

Comment: Excellent performance.
 Q1 = 210 of 228 processed.
 Q2 = 207 of 225 processed.
 Q3 = 202 of 221 processed.

P3: Percentage of 'Other' planning applications processed to deadline in each quarter
 (Scale: 664 processed in 2017/18)

GREEN



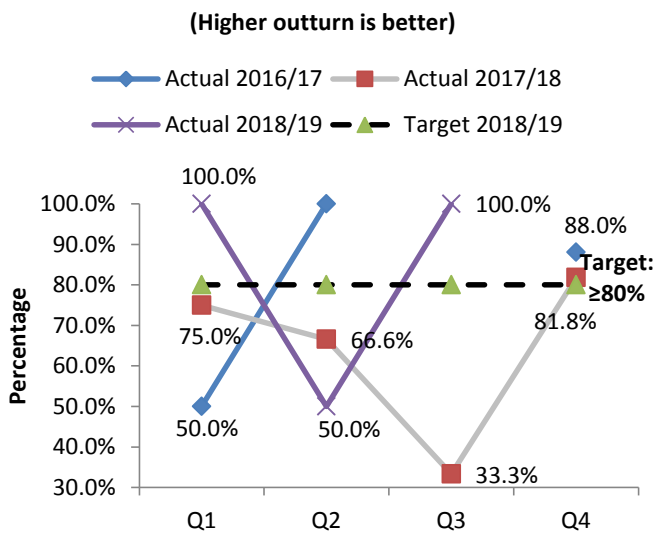
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	93.0%	97.6%	85.0%	94.5%
Q2	93.2%	90.8%	85.0%	93.4%
Q3	97.2%	95.4%	85.0%	92.2%
Q4	98.2%	85.6%	85.0%	

Comment: Excellent performance.
 Q1 = 155 of 164 processed.
 Q2 = 156 of 167 processed.
 Q3 = 143 of 155 processed.

PLANNING

P4: Percentage of appeals determined in accordance with the Council's decision in each quarter

GREEN



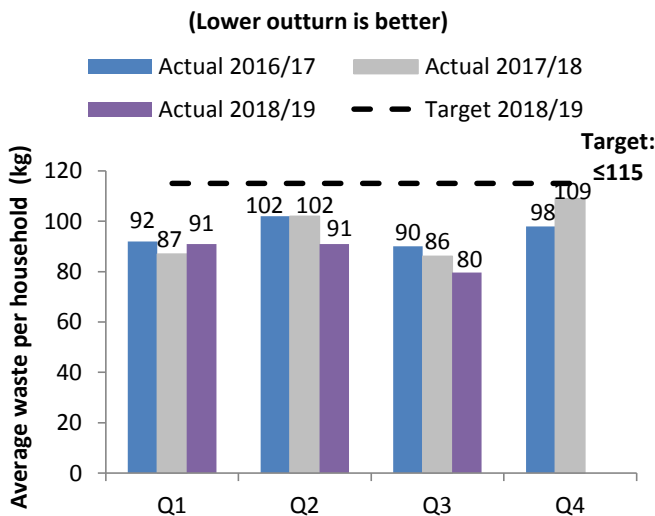
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	50.0%	75.0%	80.0%	100.0%
Q2	100.0%	66.6%	80.0%	50.0%
Q3	NO APPEALS	33.3%	80.0%	100.0%
Q4	88.0%	81.8%	80.0%	81.8%

Comment: Excellent performance.
 Q1 - One appeal in the period
 Q2 - Two appeals in the period, one dismissed, one upheld where Inspector disagreed with the Council's application of Green Belt policies in the NPPF and the adopted Local Plan.
 Q3 - Nine appeals in the period

ENVIRONMENTAL SERVICES

ES1: Average residual household waste per household in that quarter (kg)

GREEN

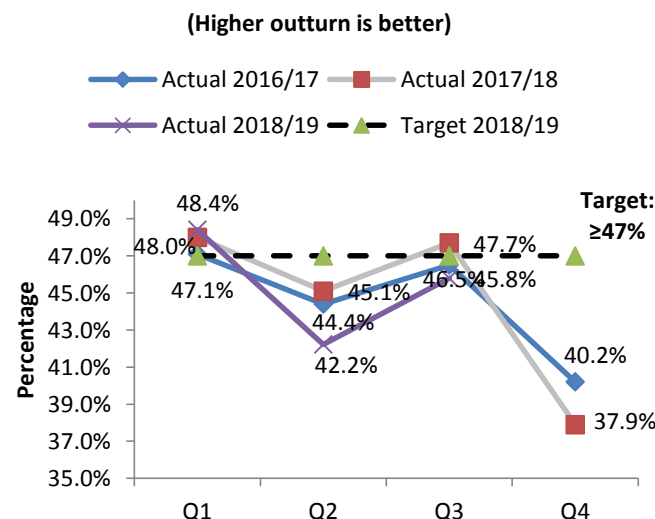


Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	92	87	115	91
Q2	102	102	115	91
Q3	90	86	115	80
Q4	98	109	115	109

Comment: Excellent performance

ES2: Percentage of household waste sent for re-use, recycling and composting in each quarter

RED



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	47.1%	48.0%	47.0%	48.4%
Q2	44.4%	45.1%	47.0%	42.2%
Q3	46.5%	47.7%	47.0%	45.8%
Q4	40.2%	37.9%	47.0%	45.8%

Comment: The Q3 target was not met, however the average amount of residual household waste per household dropped in the quarter, and the percentage of household waste sent for re-use, recycling and composting increased from Q2. Also, the number of garden waste service customers continued to grow with an additional 188 new customers.

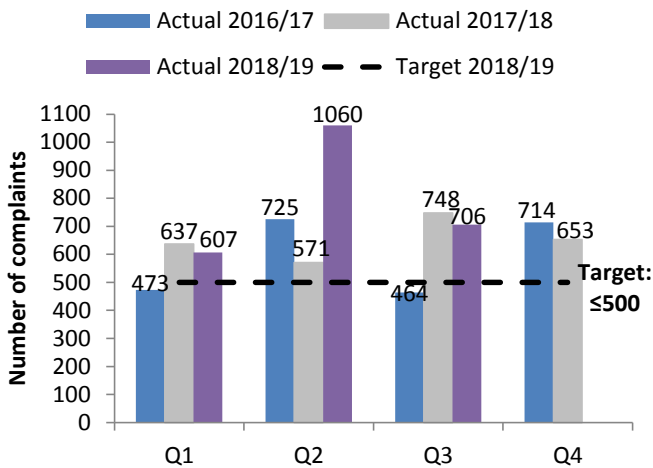
ENVIRONMENTAL SERVICES

ES3: Number of missed bin collection complaints in that quarter (includes refuse, recycling and food AS WELL AS trade and green waste)

RED

(Scale: Approx. no. of bins collected in a year across all waste services: 2.67 million)

(Lower outturn is better)



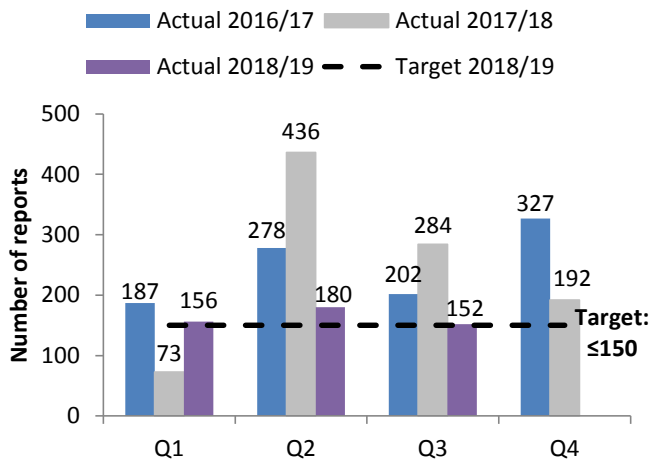
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	473	637	500	607
Q2	725	571	500	1060
Q3	464	748	500	706
Q4	714	653	500	-

Comment: Although the number of complaints has decreased by more than 250 from Q2, the Q3 target has not been met. This was mainly due to changes to collection dates during the Christmas holiday period, despite residents being advised in advance via social media, postal and bin leaflets that collection dates would be changed.

ES4: Number of street cleansing reports in that quarter (overflowing litterbins, overflowing dog bins, and general litter/detritus)

AMBER

(Lower outturn is better)



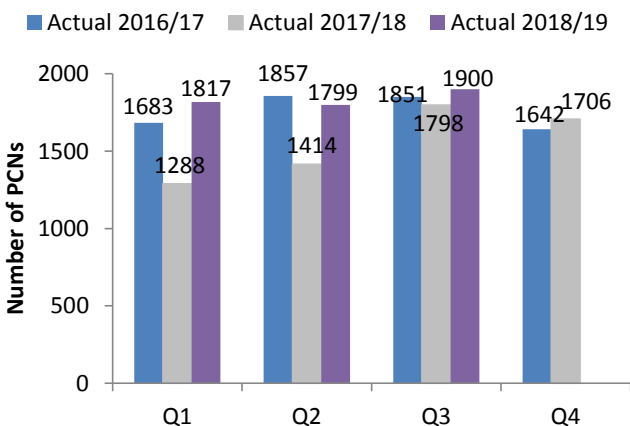
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	187	73	150	156
Q2	278	436	150	180
Q3	202	284	150	152
Q4	327	192	150	-

Comment: The increased number of street cleansing reports in Q2 was due to reliability issues with two of the three mechanical sweepers. Two new machines are now operational resulting in an improvement in Q3.

ES5: Number of parking Penalty Charge Notices issued in each quarter

N/A

(Reported for monitoring purposes - no target set)



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	1683	1288	-	1817
Q2	1857	1414	-	1799
Q3	1851	1798	-	1900
Q4	1642	1706	-	-

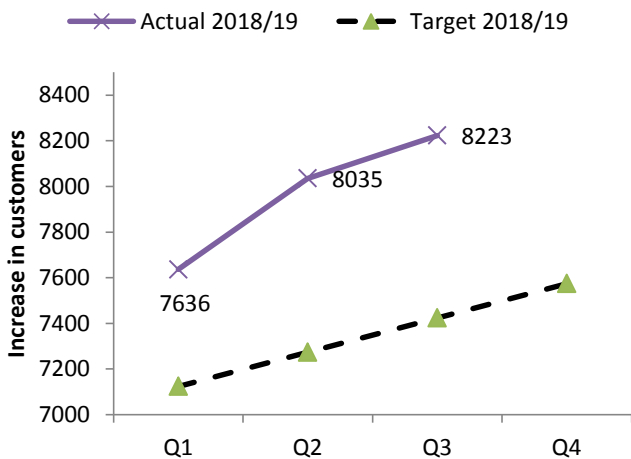
Comment: Reported for monitoring purposes only.

ENVIRONMENTAL SERVICES

ES6: Increase in the number of green waste customers from the Q4 17/18 baseline
(Scale: Total no. of green waste customers in Q4 2017/18 was 6974)

GREEN

(Higher outturn is better)



Quarter	New indicator in 2018/19	Target 2018/19	Actual 2018/19
Q1	6974+150 =	7124	7636
Q2	6974+300 =	7274	8035
Q3	6974+450 =	7424	8223
Q4	6974+600 =	7574	

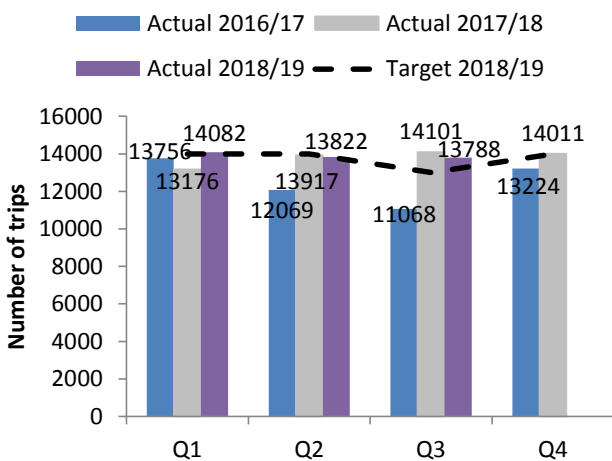
Comment: Excellent performance.
At Q3 more than twice the 2018/19 target increase for new green waste customers has been achieved.

COMMUNITY SERVICES

C1: Number of individual trips with Community Transport Service for that quarter

GREEN

(Higher outturn is better)



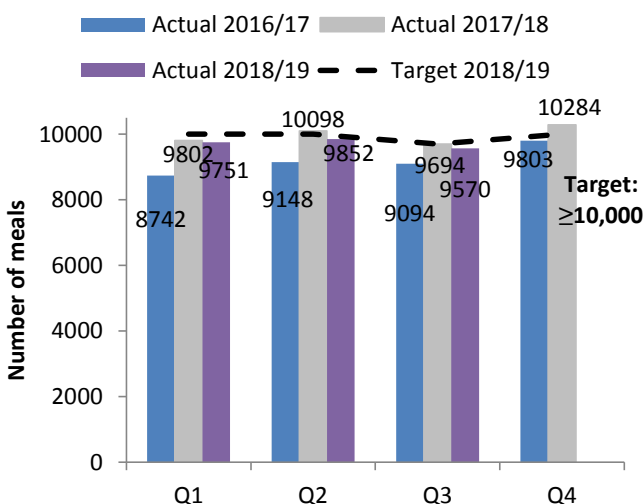
Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	13756	13176	14000	14082
Q2	12069	13917	14000	13822
Q3	11068	14101	13000	13788
Q4	13224	14011	14000	

Comment: Stronger than expected performance in Q3, after considering contracts not operational over Christmas period, and service closures within the voluntary sector, which impact demand for transport services. The service has continued to deliver the Addlestone Connect bus service in Q3 which accepted 3052 onto the service during the period. The service also continued to deliver the Longcross Link service in Q3.

C2: Number of community meals delivered in that quarter

RED

(Higher outturn is better)



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	8742	9802	10000	9751
Q2	9148	10098	10000	9852
Q3	9094	9694	9700	9570
Q4	9803	10284	10000	

Comment: There has been little change in Q3, with the reduction in numbers consistent with previous quarters, against the impact the Christmas period has on the service.

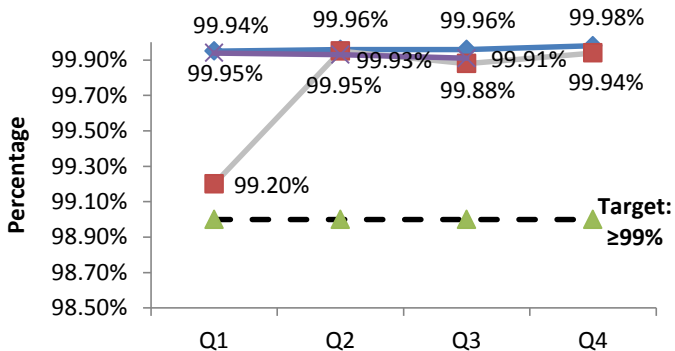
COMMUNITY DEVELOPMENT

C3: Percentage of Careline calls answered within 60 seconds
 (Scale: 37,328 calls answered in 2017/18)

GREEN

(Higher outturn is better)

Actual 2016/17 Actual 2017/18
 Actual 2018/19 Target 2018/19



Quarter	Actual 2016/17	Actual 2017/18	Target 2018/19	Actual 2018/19
Q1	99.95%	99.20%	99.00%	99.94%
Q2	99.96%	99.95%	99.00%	99.93%
Q3	99.96%	99.88%	99.00%	99.91%
Q4	99.98%	99.94%	99.00%	99.94%

Comment: Excellent performance

Q1 = 9,766 calls accepted

Q2 = 9,447 calls accepted

Q3 = 10,377 calls accepted

8. QUARTER 3 CORPORATE ACTION PLAN 2018/19 UPDATE (CORPORATE SERVICES)

Synopsis of report:

This report provides Members with an update on the Council's performance against the Corporate Action Plan 2018/19 for all work areas (excluding projects which are due to be reported to Members separately after Q1 2019/20).

Of the 33 work areas reported for this period, 14 have a green status, 14 have an amber status, and four have a red status. One has a N/A status as the action opportunity is no longer available. There are five where the status is impacted by a delay that is outside the Council's control.

Recommendations:

1. Members note the progress made with the green indicators.
2. Members approve the proposed revised deadline dates for indicators which have missed their original deadline for the reasons provided.

1. Context of report

- 1.1 In July 2016, Corporate Management Committee approved the Council's Corporate Business Plan 2016-2020. The Plan outlined our position in 2016, where we want to be, and how we plan to get there through four new themes: Supporting Local People, Enhancing Our Environment, Improving Our Economy, and Organisational Development. Each theme has a number of Corporate Priorities which the Council will aim to achieve over the period of the Plan. A Corporate Action Plan is then produced each year which has a number of work areas that aid progress towards the achievement of the Corporate Priorities.
- 1.2 The purpose of this report is to provide Members with an update on the Council's performance against the Corporate Action Plan 2018/19 for all work areas excluding projects (which are reported to members separately). This report covers the work areas which were outstanding from a previous quarter, due to be completed by the end of this quarter, or are ongoing. Progress against all the other work areas will be reported at the end of the quarter that its deadline matches.

2. Report

2.1 Q3 2018/19 update

- 2.1.1 Appendix 'D' shows the full monitoring table for all work areas with a deadline in this quarter, outstanding from a previous quarter, or are ongoing. In total, of the 33 work areas relevant to this reporting period, 14 have a green status which means they have either been completed in full or have been completed to the level expected (if ongoing), 14 have an amber status which means they have made some progress but less than expected, or have had a slight drop in performance (if ongoing), and four have a red status which means they are still outstanding, or have a significant drop in performance (if ongoing). One has a N/A status as the action opportunity is no longer available. There are five where the status is impacted by a delay that is outside the Council's control.

2.1.2 Work areas with an amber status

2.1.2.1 Appendix 'D' shows the following work areas have made some progress but less than expected, or have had a slight drop in performance (if ongoing) and therefore have been classified as having an amber status.

Ref.	Work area/objective	Lead officer's comment/actions
10	Independent Retirement Living Business Model Review	AH: Following the decision to transfer the Independent Retirement Living service to Housing, the scope of this review has widened. The review now incorporates staffing arrangements as well as the condition of individual scheme assets. A final report is expected by July 2019.
12	Planning Service Review	IM: Work to be informed by a PAS (Planning Advisory Service) Peer Review completed in September. Final report from PAS and consequent recommendations from Overview and Scrutiny are awaited. Outcomes from the review in respect of customer service will be delivered throughout 2019/20. Delay out of our control.
14	Halls Marketing and Booking Review	SB: Review completion date revised following a delay in the appointment of a project manager. A wide-ranging review of business process improvements, external benchmarking, and the development of a resident's consultation has nearly been completed. Findings and recommendations are due to be presented to the Community Services Committee in the near future.
18	To produce a Temporary Accommodation Strategy.	AH: The review of temporary accommodation is now complete. The results of this review are being utilised in the development of the Temporary Accommodation Strategy. The strategy document will be presented to the Housing Committee in June 2019.
19	To have a revised Allocations Scheme.	AH: Due to key personnel leaving, and the implementation of the Homelessness Reduction Act 2018, the publication of a new 5 year Homeless Strategy has been delayed. The Homeless Strategy is now out for consultation and, following Housing Committee approval, in conjunction with analysis of projected housing need, will be used to revise the Allocations Scheme.
41	To further develop the Longcross & Addlestone Connect transport services in partnership with Surrey CC.	DW: Officers are awaiting details from SCC of a new service they are planning to introduce. Both existing services have been extended in their current form until the end of March 2019, with RBC still providing the service. Delay out of our control.

75	Parking Services Review	MR: Parking Services are looking to sustain general continuous improvements. Participation in joint Borough working is currently in abeyance following the rejection of the action plan at the Joint Committee. Clarity on next steps is being sought with Councillor Furey.
80	To transfer the land adjacent to Thorpe Cemetery.	PW: Progress towards transfer of land to the Council is outside the control of council officers as it relies on the CEMEX legal team producing the transfer document. Officers continue to push for this to be completed as quickly as possible. Delay out of our control.
132	Print and Hybrid Mail Review	SH: A 12 month pilot of hybrid mail is being implemented for bulk letter production in Revenues and Benefits. This is going live in April 2019 and will run for 12 months. Initial appraisal of the solution will be done by December 2019 to assess opportunity to implement across the organisation subject to a tender exercise. A specialist print procurement exercise is being prepared for annual billing, Elections and Democratic Services.
133	IT Structure Review	PM: ICT structure is ready for staff consultation subject to formal Member approval. Budget required to be approved by Council 12 February 2019 with implementation Q1 2019/20.
138	To modernise staff performance management framework	FS: A Leadership and Staff competency Framework was approved at CMC in November. A Learning and Development programme has been prepared but requires funding which is not at present available. The business cases which cannot be funded at present will be reviewed again in summer 2019.
141	To review the recruitment strategy, policy and processes.	FS: A presentation on the strategy went to the HR Member Working Group in October. The final document is being prepared. Some recruitment documentation has been updated and further improvement to processes is underway. Delay due to team providing support for all of the main service reviews.
143	To update the Corporate Style Guide.	SW: It has been agreed with the Communications Member Working Group that this document should be updated by the new Communications & Marketing Manager who is due to start at the end of February 2019.
149	To have embedded the new corporate approach to risk assessments.	SW: Meetings with relevant Officers have now taken place to agree a standardised risk assessment form. The new form will be reviewed after 6 months to see if it is consistently used and to consider whether there are any improvements recommended.

2.1.3 Work areas with a red status

2.1.3.1 Appendix 'D' shows the following work areas are still outstanding, or have a significant drop in performance (if ongoing) and therefore have been classified as having a red status.

Ref.	Objective	Lead officer's comment/actions
13	Community Transport Structure Review.	DW: Work on the review has not commenced as we are still waiting for the outcome of the associated DFT consultation. A review is included in the 2019/20 Community Services Business Centre Plan and will be timed to take place when outcomes from DFT are confirmed. If these are not forthcoming within current timescales, the review will consider the potential worst case scenario of any DFT outcomes. Delay out of our control.
76	Barrsbrook Farm Review	CH: Funding for a formal project appraisal using external consultants has not been agreed due to the current financial position and therefore there has been no significant progress.
113	To create a new welcome pack for businesses.	RR: Delayed due to postponement of recruitment of replacement Business Liaison Officer.
140	To update Employment Stability Policy	FS: This policy cannot be updated until the Exit Payment regulations are published. Delay out of our control.

3. Policy framework implications

3.1 The Corporate Action Plan identifies the work areas for the current year which will help achieve the Corporate Priorities in the Council's Corporate Business Plan 2016-2020.

4. Resource implications

4.1 No additional resources are required to support progress at this time.

5. Conclusions

5.1 Of the 33 work areas reported for this period, 14 have a green status, 14 have an amber status, and four have a red status. One has a N/A status as the action opportunity is no longer available. There are five where the status is impacted by a delay that is outside the Council's control.





5.2 Work areas with an amber or red status will continue to be monitored for further progress and will be reported back to Members.

(To resolve)





Background Papers




None stated





Q3 2018/19 Corporate Action Plan monitoring (excluding projects – to be reported separately)



Key:  Feasibility/Review  One-Off Activity*  New Business As Usual  Business As Usual



*N.B. One-Off Activity refers to an activity that is needed as a one-off but is not a project or a review e.g. writing a new policy/strategy or undertaking recruitment.

Supporting Local People					
Ref.	Work area/objective	Associated Corporate Priority	Deadline / ongoing	Status	Lead Officer comment
				<p> = Completed in full or on track to the level expected (if ongoing)</p> <p> = Some progress but less than expected, or slight drop in performance (if ongoing)</p> <p> = Still outstanding or a significant drop in performance (if ongoing)</p>	
10	Independent Retirement Living Business Model Review	To continue managing and developing the Council's housing stock effectively in light of government policy and legislative reform.	Approved deadline: December 2018 Proposed revised deadline: July 2019		Angela Horsey: Following the decision to transfer the Independent Retirement Living service to Housing, the scope of this review has widened. The review now incorporates staffing arrangements as well as the condition of individual scheme assets. A final report is expected by July 2019.


12	Planning Service Review	To continue developing our customer service across the Council.	Approved deadline: November 2018 Proposed revised deadline: April 2020	 (delay out of our control)	Ian Maguire: Work to be informed by a PAS (Planning Advisory Service) Peer Review completed in September. Final report from PAS and consequent recommendations from Overview and Scrutiny are awaited. Outcomes from the review in respect of customer service will be delivered throughout 2019/20.
13	Community Transport Structure Review	To continue developing our customer service across the Council.	Approved deadline: October 2018 Proposed revised deadline: October 2019	 (delay out of our control)	Darren Williams: Work on the review has not commenced as we are still waiting for the outcome of the associated DFT consultation. A review is included in the 2019/20 Community Services Business Centre Plan and will be timed to take place when outcomes from DFT are confirmed. If these are not forthcoming within current timescales, the review will consider the potential worst case scenario of any DFT outcomes.
14	Halls Marketing and Booking Review	To continue developing our customer service across the Council.	Approved deadline: September 2018 Proposed revised deadline: March 2019	 (delay out of our control)	Stephen Bowen: Review completion date revised following a delay in the appointment of a project manager. A wide-ranging review of business process improvements, external benchmarking, and the development of a resident's consultation has nearly been completed. Findings and recommendations are due to be presented to the Community Services Committee in the near future.





18	To produce a Temporary Accommodation Strategy.	To continue managing and developing the Council's housing stock effectively in light of government policy and legislative reform.	Approved deadline: November 2018 Proposed revised deadline: June 2019		Angela Horsey: The review of temporary accommodation is now complete. The results of this review are being utilised in the development of the Temporary Accommodation Strategy. The strategy document will be presented to the Housing Committee in June 2019.
19	To have a revised Allocations Scheme.	To continue managing and developing the Council's housing stock effectively in light of government policy and legislative reform.	Approved deadline: November 2018 Proposed revised deadline: September 2019		Angela Horsey: Due to key personnel leaving, and the implementation of the Homelessness Reduction Act 2018, the publication of a new 5 year Homeless Strategy has been delayed. The Homeless Strategy is now out for consultation and, following Housing Committee approval, in conjunction with analysis of projected housing need, will be used to revise the Allocations Scheme.
25	To have re-let the gas servicing contract.	To continue maintaining our assets	Approved deadline: September 2018	 (some delay against original deadline but complete at time of reporting)	Angela Horsey: Tendering exercise complete. Gas servicing contract has now been let with a start date of January 2019.
30	World War One Commemoration event	To continue to support the improvement of exciting local leisure activities.	Approved deadline: November 2018		Chris Hunt: There have been a significant number of commemorative events including a WWI exhibition at Chertsey Museum, the installation of silent soldiers around the Borough, the completion of the Virginia Water War Memorial, a commemorative event at Victory park, and a poppy display in the Civic Centre Reception.

32	To produce a Respect the Water Policy in partnership with Surrey Fire and Rescue (water safety).	To take opportunities for improving the safety of our residents and visitors.	Approved deadline: August 2018	 (some delay against original deadline but complete at time of reporting)	Chris Hunt: Plan completed and presented to the Community Safety Partnership in December 2018 and the Community Services Committee in January 2019.
38	To work in partnership with Central Surrey Health, CCG and Adult Social Care in supporting NW Surrey Locality Hubs.	To expand our care/prevention services in order to help relieve pressures on the NHS as well as create additional income streams for the Council e.g. Community Transport, Carecall, Telecare, GPS, and Community Meals services.	Approved deadline: June 2018 Proposed revised deadline: Ongoing work of Community Services		Darren Williams: RBC has become an integral member of the Integrated Care Partnership as planned, and plays a prominent role within various work strands. These include the Model of Care on which a representative of RBC is one of four appointed leads. As a result opportunities to expand services and support integrated health and social care locally are being pursued. The Integrated Care Partnership consists of a range of health partners, social care, and borough councils.
39	To amend the non-emergency patient transport lease agreement which provides more space for additional income.	To expand our care/prevention services in order to help relieve pressures on the NHS as well as create additional income streams for the Council e.g. Community Transport, Carecall, Telecare, GPS, and Community Meals services.	Approved deadline: December 2018	N/A	Darren Williams: Officers have been advised that additional space is not currently required by SCAS (South Coast Ambulance Service) and therefore no further action is required at this time. Potential to lease additional space will remain available to SCAS as a future option.

41	To further develop the Longcross & Addlestone Connect transport services in partnership with Surrey CC.	To take opportunities to make the local environment more sustainable.	Approved deadline: October 2018 Proposed revised deadline: April 2019	 (delay out of our control)	Darren Williams: Officers are awaiting details from SCC of a new service they are planning to introduce. Both existing services have been extended in their current form until the end of March 2019, with RBC still providing the service.
52	To respond to Heathrow expansion consultations.	To continue lobbying for Runnymede's economic interests, particularly in negotiating the best deal for retaining Business Rates, New Homes Bonuses, infrastructure improvements, skills support, and the outcome regarding a possible additional runway at Heathrow.	Ongoing - adhoc		Sarah Walsh: There are two live Heathrow-related consultations at the moment: Airspace and Future Operations (Heathrow Airports Limited) and the Aviation Strategy (Department for Transport). Officers have arranged a meeting with the Heathrow Expansion Member Working Group in early February 2019 to review the proposed responses and to also receive a presentation from the Heathrow Airspace Team.



Enhancing Our Environment

Ref.	Work area/objective	Associated Corporate Priority	Deadline / ongoing	Status	Lead Officer comment
75	Parking Services Review	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: December 2018 Proposed revised deadline: April 2019		Mervyn Robins: Parking Services are looking to sustain general continuous improvements. Participation in joint Borough working is currently in abeyance following the rejection of the action plan at the Joint Committee. Clarity on next steps is being sought with Cllr. Furey.




76	Barrsbrook Farm Review	To continue to support the improvement of exciting local leisure activities.	Approved deadline: November 2018 Proposed revised deadline: March 2021		Chris Hunt: Funding for a formal project appraisal using external consultants has not been agreed due to the current financial position and therefore there has been no significant progress.
77	To retender the on-street environmental enforcement service.	To review and enhance our enforcement work, and manage fly tipping and other environmental crimes robustly and proactively.	Approved deadline: December 2018		Peter Burke: Tendering exercise complete and new contract now let beginning 1 January 2019.
80	To transfer the land adjacent to Thorpe Cemetery.	To continue maintaining our assets.	Approved deadline: October 2018 Proposed revised deadline: December 2019	 (delay out of our control)	Peter Winfield: Progress towards transfer of land to the Council is outside the control of council officers as it relies on the CEMEX legal team producing the transfer document. Officers continue to push for this to be completed as quickly as possible.
81	To secure a Countryside Stewardship Scheme for Chertsey Meads.	To continue maintaining our assets.	Approved deadline: October 2018	 (some delay against original deadline but complete at time of reporting)	Peter Winfield: New Countryside Stewardship agreement completed December 2018.




83	To have completed the tender exercise for grave digging service.	To continue maintaining our assets.	Approved deadline: December 2018		Peter Winfield: Tendering exercise complete and new contract now let beginning November 2018.
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Improving Our Economy


Ref.	Work area/objective	Associated Corporate Priority	Deadline / ongoing	Status	Lead Officer comment
112	Business Support for Start-ups Review	To facilitate additional business support for local businesses.	Approved deadline: November 2018		Rachel Raynaud: The new BusinessRunnymede.com website launched earlier in the month, includes business support opportunities, as well as details on upcoming business seminars, the Chamber of Commerce, and commercial property available for sale or rent. The Economic Development Team is also working with EM3 Growth Hub in launching one-hour business clinics for companies in ICT and digital media, aerospace and defence, professional and business services, and pharmaceuticals, starting 12 March 2019.
113	To create a new welcome pack for businesses.	To facilitate additional business support for local businesses.	Approved deadline: December 2018 Proposed revised deadline: July 2019		Rachel Raynaud: Delayed due to postponement of recruitment of replacement Business Liaison Officer.

114	To co-ordinate the Council's responses to strategic infrastructure consultations.	To review and support the delivery of infrastructure strategies.	Ongoing	●	<p>Rachel Raynaud: SLP (Southampton-London Pipeline): Meeting held with SLP representatives to discuss next stage of the project. Consultation commenced 21 January 2019 on design refinements. Responses are required by 19 February 2019.</p> <p>HSPG (Heathrow Strategic Planning Group): Ongoing dialogue between HSPG and Heathrow Airports Limited HAL (Heathrow Airports Limited) on expansion proposals. RBC has responded to numerous HSPG work requests. RBC due to respond to two separate consultations by HAL and CAA (Civil Aviation Authority) on future airspace by 4 March 2019 and 11 April 2019 respectively (also see reference 52).</p>
115	To support the county and regional infrastructure strategies development.	To review and support the delivery of infrastructure strategies.	Ongoing	●	<p>Rachel Raynaud: Meeting held to discuss a potential draft Surrey 2050 Place Ambition with a view to Surrey continuing to play a full part in the economic success of the country over the next 30 years. A North Surrey sub-area workshop was held 23 January 2019 with RR participating in the group.</p>

Organisational Development					
Ref.	Work area/objective	Associated Corporate Priority	Deadline / ongoing	Status	Lead Officer comment
129	Ward Boundaries Review	<i>Mandatory activity</i>	Approved deadline: December 2018		Mario Leo: Council actions completed. The Statutory Instrument making the changes is in place and will be effective for the May 2019 elections.
132	Print and Hybrid Mail Review	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: October 2018 Proposed revised deadline: December 2019		Sarah Hall: A 12 month pilot of hybrid mail is being implemented for bulk letter production in Revenues and Benefits. This is going live in April 2019 and will run for 12 months. Initial appraisal of the solution will be done by December 2019 to assess opportunity to implement across the organisation subject to a tender exercise. A specialist print procurement exercise is being prepared for annual billing, Elections and Democratic Services.
133	IT Structure Review	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: December 2018.		Peter McKenzie: ICT structure is ready for staff consultation subject to formal Member approval. Budget required to be approved by Council 12 February 2019 with implementation Q1 2019/20.

135	To consider the implications of the Fair Funding Review which includes business rates retention.	To continue lobbying for Runnymede's economic interests.	Approved deadline: November 2018 (but timescale dependent on Central Gov)		Peter McKenzie: Known implications factored into MTFS and agreed by Council. Government consultation will continue in 2019/20. Government timetable is to implement Fair Funding in April 2020.
138	To modernise staff performance management framework	To create and deliver a new Learning and Development Programme with associated competencies framework which supports a more agile workforce with commercial skills and maximises digital self-serve opportunities.	Approved deadline: April 2018 Proposed revised deadline: December 2019		Fiona Skene: A Leadership and Staff competency Framework was approved at CMC in November. A Learning and Development programme has been prepared but requires funding which is not at present available. The business cases which cannot be funded at present will be reviewed again in summer 2019.
140	To update Employment Stability Policy.	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: April 2018 Proposed revised deadline: Unknown – dependent on Government	 (delay out of our control)	Fiona Skene: This policy cannot be updated until the Exit Payment regulations are published.

141	To review the recruitment strategy, policy and processes.	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: April 2018 Proposed revised deadline: June 2019		Fiona Skene: A presentation on the strategy went to the HR Member Working Group in October. The final document is being prepared. Some recruitment documentation has been updated and further improvement to processes is underway. Delay due to team providing support for all of the main service reviews.
143	To update the Corporate Style Guide.	To continue seeking increased efficiency and effectiveness opportunities.	Approved deadline: December 2018 Proposed revised deadline: June 2019		Sarah Walsh: It has been agreed with the Communications Member Working Group that this document should be updated by the new Communications & Marketing Manager who is due to start at the end of February 2019.
149	To have embedded the new corporate approach to risk assessments.	To continue seeking efficiency and increased effectiveness opportunities.	Approved deadline: January 2019 Proposed revised deadlines: August 2019		Sarah Walsh: Meetings with relevant Officers have now taken place to agree a standardised risk assessment form. The new form will be reviewed after 6 months to see if it is consistently used and to consider whether there are any improvements recommended.

163	To deliver Prevent training to staff and community groups throughout 2018	To create and deliver a new Learning and Development Programme with associated competencies framework, which supports a more agile workforce with commercial skills and maximises digital self-serve opportunities.	Approved deadline: November 2018		<p>Shazia Malik: Home Office (e-learning) prevent and channel awareness training options circulated to staff. Counter Terrorism Policing – South East e-learning tool aimed at people working in crowded place sent to faith representatives and town centre manager. Ongoing work to establish ‘trust’ with community groups leading to prevent awareness training. To assist with this a joint Spelthorne and Runnymede multi faith forum is being established. RBC Prevent policy (including training) to be reviewed and updated in accordance with the new Home Office’s local authority prevent assessment toolkit. Updated policy to be presented at the Community Services Committee in March 2019.</p>
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9. PROPOSED PENSIONS DISCRETIONS (HUMAN RESOURCES)

Synopsis of report:

This report proposes a new set of pensions discretions for Runnymede Borough Council.

Recommendation:

that the proposed pensions discretions at Appendix 'E' be adopted.

1. Context of report

- 1.1. All Surrey District Councils were approached recently by the Local Government Pension Scheme at Surrey County Council about updating the pensions discretions available to them under the Local Government Pension Scheme. The Council has a legal duty to prepare and publish a written statement of its policy explaining how it wishes to exercise these discretionary powers. The last time these discretions were updated was 2014. There are a broader range of discretions to determine a view upon than was the case in 2014.
- 1.2. The Head of HR has prepared the draft at Appendix 'E' in consultation with the Head of Finance and Corporate Head of Law and Governance. This draft has been considered and approved in principle by the Corporate Leadership Team prior to submission to Corporate Management Committee for consideration.

2. Report

Key Considerations

- 2.1. The exercise of these discretions needs to be lawful. In order to be lawful the Council needs to not 'fetter its discretion' and therefore the language used needs to reflect this. Hence the language used in the updated discretions is based on LGPS and internal legal advice to ensure we allow ourselves the right to exercise discretion where we wish to, even if we may only wish to do so in exceptional circumstances, for example.
- 2.2. The Council also needs to be mindful of the Equalities Act 2010 which requires all staff to be treated equally regardless of age unless divergence can be objectively justified. It is always wise to record the decision making process particularly where it is a contentious case to resist challenges from disappointed active, deferred or pensioner members who may wish to identify a comparator whose case has been approved. Consequently the decision-makers need to set out the reasons for making an exception to published policy. The key to doing this properly is to:-
 - Act in good faith and for a proper purpose
 - Comply with legislative procedures
 - Consider only relevant considerations and ignore irrelevant ones.

In most cases, discretion is exercised by the Chief Executive, sometimes in liaison with other Officers, or where cost is involved by Corporate Management Committee.

2.3. What are the main discretions used?

Many of the discretions available to the authority are only used occasionally. The most commonly used discretions are:-

- Discretion 14 – Regulation 5 of the Compensation Regulations 2005 allowed Councils to base redundancy pay on actual pay or the minimum weekly pay under the Statutory Redundancy scheme. RBC bases redundancy pay on actual pay and applies a multiplier of 1.5 to the statutory redundancy payment
- Requests for early payment of pension on compassionate grounds from former employees, either with or without actuarial reduction
- Flexible Retirement – The Council has its own scheme based on this discretion

(To resolve)

Background Papers

None stated

Runnymede Borough Council

LOCAL GOVERNMENT PENSION SCHEME

PAYMENT OF DISCRETIONARY COMPENSATION TO EMPLOYEES

POLICY ON EXERCISE OF EMPLOYER DISCRETIONS

Runnymede Borough Council as an employer is under a legal duty to prepare and publish a written statement of its policy relating to certain discretionary powers under the Regulations which apply to the Local Government Pension Scheme ("the LGPS").

Runnymede Borough Council is also under a duty to formulate, publish and keep under review the policy that **it** applies in exercising discretionary powers under Regulations relating to the payment of compensation to employees whose employment is terminated as a result of redundancy or certain other reasons.

This document is intended to comply with these duties and, in the following table, sets out the discretionary powers concerned, identifies the relevant Regulation that gives **Runnymede Borough Council** the discretion and describes how the discretion will be exercised.

The policy set out in this document will not be departed from except as provided for in the policy or following a variation to the policy approved by **Runnymede Borough Council**.

This statement is not a definitive statement of the law and is subject to the provisions of the relevant Regulations.

The Regulations that apply to the LGPS are:

- The Local Government Pension Scheme Regulations 2013 (these are referred to as the "Pensions Regulations");
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (referred to as the "Transitional Regulations");
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applied to the LGPS before 1 April 2014, are preserved in part on a transitional basis by the Transitional Regulations and are referred to as the "Benefits Regulations"

The Regulations which apply to the payment of compensation to employees whose employment is terminated as a result of redundancy, other specified reasons or injury are:

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (referred to as the "Compensation Regulations").

- The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 (referred to as the "Injury Regulations").

In the table below:

- (1) "The Scheme" or "the Pension Scheme" means the LGPS and "the Fund" or "the Pension Fund" means the fund maintained under the LGPS;
- (2) "Member" means a member of the LGPS;
- (3) "Active member" means a member in employment and paying, or treated as paying, contributions to the LGPS, or absent from employment for a reason mentioned in Regulation 11 of the Pensions Regulations.
- (4) References to a member with transitional protection are those who can count membership accrued before 1 October 2006 and who have statutory transitional protection under the Transitional Regulations, wholly or partly, from changes that would otherwise be made to their pension entitlements and/or from actuarial reductions that would otherwise be applied to their pension benefits as a result of the coming into force of the Pensions Regulations on 1 April 2014.
- (5) References to a member meeting "the 85 year rule" are those members whose age in whole years when added to the member's total membership in whole years is 85 years or more.
- (6) "CEX" means Chief Executive.
- (7) "CMC" means Corporate Management Committee.
- (8) "RBC" means Runnymede Borough Council.

The power to exercise and to take any decision in relation to the each of the discretions is delegated to **either the Corporate Management Committee, the Chief Executive or in some cases, Heads of Service**. The body or officer/s concerned is specified in the case of each discretion in the attached Pension Policy Statement Table.

This statement was approved by **Corporate Management Committee** and is intended to comply with **Runnymede Borough Council's** duties under Regulation 60 of the Pensions Regulations, Regulation 7 of the Compensation Regulations and Regulation 14 of the Injury Regulations.

No.	Area	Regulation	Discretion	Policy Summary	Explanation
1	Whether to vary an employee's contribution band	Regulations 9 and 10 Pensions Regulations	Members must pay pension contributions at the appropriate rate set on 1 st April or the first day of active membership, if later. The employer may vary the contribution rate if there is a change in employment or a material change that affects the member's pensionable pay.	RBC may vary the employee's contribution rate if there is a material change (e.g. if the employee moves to a higher or lower paid role)	Contribution bands are set on 1 st April but the employer may change them if a member changes jobs or has a material pay increase / decrease.
2	Whether to increase assumed pensionable pay in certain specific circumstances	Regulation 21(5), 21(5A) and 21(5B) Pension Regulations	If a member is absent as a result of illness, child related leave or reserve forces leave their pension benefits may be based on assumed pensionable pay (APP). If, in the employer's opinion, the member's APP is materially lower than their pay in the twelve months preceding the absence they can either include (1) a "regular" lump sum received during that period or (2) substitute a higher pensionable pay having regard for their earnings in that period.	RBC may increase assumed pensionable pay. Each case will be considered on its merits by the relevant Head of Service in conjunction with the Head of Human Resources.	If a member's APP is lower than their regular pensionable pay the employer can either substitute a higher rate of pay, based on the pay they received in the year before the absence began, or, include regular lump sums received during that period.
3	Funding of Additional Pension Contributions	Regulations 16(2)(e) and 16(4)(d)	Whether to fund, in whole or in part, a shared cost additional pension contributions (SCAPC) on behalf of an active member	RBC will not offer shared cost additional pension contributions.	The employing authority can choose to pay additional pension

		Pensions Regulations,	By regular contributions (Regulation 16(2)(e)) or by lump sum (Regulation 16(4)(d)). Note: The amount of additional pension that may be credited to an active member's pension accounts may not exceed the overall additional pension limit of £6,822 (April 2018 and uplifted annually).	Employees who are members of the LGPS may fully fund their own additional pension contributions	contributions on behalf of active employees.
4 Shared Cost Additional Voluntary Contributions (SCAVCs)		Regulation 17(1) and Schedule 1 (definition of SCAVC) Pension Regulations.	Whether to contribute towards a Shared Cost Additional Contribution arrangement. Pre-2014 SCAVCs also fall under Regulation 17 by virtue of Regulation 15(2A) Transitional Regulations.	RBC does not intend to establish a Shared Cost Additional Voluntary Contributions Arrangement so will not contribute towards one.	An employer can choose to contribute towards a SCAVC.

	<p>5 Whether to grant early payment of pension on compassionate grounds (pre-1st April 1998 leavers)</p>	<p>Regulation D11(2)(c) of 1995 Regulations</p>	<p>Whether to agree to early payment of pension benefits from age 50 on compassionate grounds. The employer should note that pension benefits paid before age 55 may attract an unauthorised payments surcharge and they may have to pay a strain cost because the pension benefits cannot be reduced.</p>	<p>RBC will only agree to early payment of pension in exceptional circumstances. Normally RBC would not consider early payment of pension before age 55 onwards. Where cost is involved the case will be determined by CMC.</p>	<p>The employer may agree to payment from age 50, but they may incur an unauthorised payments surcharge and/or a capital cost.</p> <p>In cases where no cost is involved, the Chief Executive will exercise the discretion.</p>
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	<p>6 Flexible Retirement</p>	<p>Regulation 30(6), Pensions Regulations</p> <p>Regulations 11(2) and (3) of Transitional Regulations</p>	<p>Whether to agree to an employee aged 55 or over reducing their hours of work or their grade so that they may receive all or some of their retirement pension while still employed.</p> <p>Whether, in addition to any pre-1st April 2008 pension benefits which the member must draw, to permit the member to draw; (a) all, part or none of benefits accrued between 1st April 2008 and 31st March 2014 and (b) all, part or none of the pension benefits built up after 31st March 2014</p>	<p>RBC may award flexible retirement but each case will be considered on its merits on the basis that the pension is actuarially reduced. The Chief Executive will determine each case involving no net cost to the authority. Where cost is involved CMC to determine.</p>	<p>The employing authority can agree to an employee aged 55 or over drawing all or some of their pension and continuing to work in the same employment on reduced hours, pay or grade.</p> <p>The employer should note that granting consent would trigger the 85-year rule and may require a capital payment.</p>
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	<p>7 Switching-on the 85-year rule</p>	<p>Schedule 2 of Transitional Regulations</p>	<p>Whether to switch on the 85-year rule under paragraph 1(2) and 1(3) of Schedule 2 of the Transitional Regulations.</p>	<p>RBC will only switch on the 85-year rule protection to pre-1.4.2014 benefits in exceptional circumstances(eg on compassionate grounds or where it is in RBC's business interests) and where no cost falls to the employer. The CEX in consultation with the Head of Service will determine each case which arises.</p>	<p>The employer can agree to switch on the 85-year rule, which may mitigate reductions that would, otherwise, apply but the employer may have to make a capital payment.</p> <p>Employees may retire from age 55 onwards with reduced retirement benefits with 85 year rule protection not applying.</p>
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<p>8 Waiving of Actuarial Reduction to Pensions</p>	<p>Regulation 30(8), Pensions Regulations</p> <p>Schedule 2 of Transitional Regulations</p>	<p>(Post 2014) Whether to agree to waive, in whole or in part, any actuarial reduction that would otherwise apply to the pension paid to a former employee aged 55 or over under 30(5) or 30(6) [flexible retirement] using regulation 30(8) of the Pension Regulations.</p> <p>(Pre-2014) Whether to waive actuarial reductions entirely under 30(5) or 30A(5) [deferred pensioner members] of the Benefits Regulations and paragraph 2(1), of Schedule 2 of the Transitional Regulations.</p>	<p>RBC will only waive actuarial reductions in exceptional circumstances.</p>	<p>The employing authority can agree to waive reductions to the pension of a member aged 55 or over who has left employment or been granted flexible retirement.</p> <p>The employer may be required to make a capital payment if they do so.</p>
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<p>9 Award of Additional Pension</p>	<p>Regulation 31, Pensions Regulations</p>	<p>To award additional pension at full cost to the employer:</p> <p>(1) an active member; or</p> <p>(2) a former active member who was dismissed by reason of redundancy, business efficiency or mutual consent on grounds of business efficiency.</p> <p>Note: Any additional pension awarded (including any additional pension purchased by the employer or the member under Regulation 16 of the Pension Regulations) may not exceed the overall additional pension limit of £6,822 (April 2018 and uplifted annually).</p> <p>Additionally, in the case of a member falling within (2) above, the resolution to award additional pension must be made within 6 months from the date on which the employment ended.</p>	<p>RBC will only award additional pension in exceptional circumstances. Any determination will be made by CMC.</p>	<p>This means the employing authority has the power to award additional pension to an active member.</p> <p>The employer can also award additional pension to members who leave on the grounds of redundancy, business efficiency or mutual consent on the grounds of business efficiency – up to six months after termination.</p> <p>The employer would be required to make a capital payment (in addition to the cost of purchase) if the member retired early on any grounds apart from permanent ill-health.</p>
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<p>10</p>	<p>Aggregation of Benefits: Concurrent Employments</p>	<p>Regulation 22 (7)(b), Pensions Regulations</p>	<p>Whether to allow an active member with concurrent employments, who ceases an employment with an entitlement to a deferred pension, more than 12 months to elect not to have their deferred pension aggregated with their active member's pension account.</p>	<p>RBC will only extend the deadline in exceptional circumstances.</p>	<p>The employing authority can allow a member who leaves one of two (or more) employments - held at the same time - longer than 12 months to elect not to combine the deferred pension with the ongoing active pension.</p>
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<p>11</p>	<p>Aggregation of Benefits: Deferred Member becoming Active Member</p>	<p>Regulation 22 (8)(b), Pensions Regulations</p>	<p>Whether to allow a deferred member who becomes an active member longer than 12 months in which to elect not to have their deferred benefits aggregated with the benefits in their active member's pension account.</p>	<p>RBC will only extend the deadline in exceptional circumstances.</p>	<p>The benefits are usually aggregated (joined-up), unless the member elects to keep them separate.</p> <p>The employing authority can agree to a former member having longer than 12 months to choose not to combine their pensions.</p>
<p>12</p>	<p>Aggregation of Benefits: Deferred Member becoming Active Member (pre-2014 membership)</p>	<p>Regulation 10(6)(b) Transitional Regulations</p>	<p>Whether to allow a deferred member who becomes an active member longer than 12 months in which to elect for their pre- 2014 deferred benefits to be aggregated with their active member's pension account (but, technically, they would lose the final salary link if they have not made an election under 5(5) Transitional Regulations within twelve months of becoming an active member of 2013 scheme).</p>	<p>RBC will only extend the deadline in exceptional circumstances.</p>	<p>The pre-2014 preserved benefits will be kept separate unless the member makes a positive election to aggregate them.</p> <p>The employing authority can agree to a former member having longer than 12 months to choose to combine their pensions.</p>

<p>13</p>	<p>Inward Transfer of Pension Rights</p>	<p>Regulation 100, Pensions Regulations</p>	<p>Whether to allow an employee who has been an active member in their current employment for more than 12 months to ask for the transfer of certain accrued pension rights to be considered.</p> <p>Note: Regulation 100(6) of the Pensions Regulations requires that a request must be made within 12 months beginning with the date on which the member first became an active member in an employment or such longer period as the employer and the Administering Authority may allow. The discretion is, therefore, only exercisable if both the Employing Authority and the Administering Authority agree.</p>	<p>RBC will only extend the deadline in exceptional circumstances.</p>	<p>Members who have been in the pension scheme for more than twelve months can ask for a transfer-in to be considered - but it will only be considered if both the employing authority and the administering authority agreed.</p>
<p>14</p>	<p>Redundancy Payments</p>	<p>Regulation 5, Compensation Regulations 2006</p>	<p>Whether to base redundancy pay on actual pay where actual pay exceeds the statutory maximum under the Employment Rights Act 1996 (£508.00 from April 2018).</p>	<p>RBC will normally pay enhanced redundancy payments in accordance with RBC's Redundancy Payments policy.</p>	<p>The employer can base the calculation of a week's pay for redundancy on actual pay if it is higher than the statutory limit (currently £508 in April 2018).</p>

<p>15 Compensation for loss of Employment</p>	<p>Regulation 6, Compensation Regulations 2006</p>	<p>Whether to pay compensation to a person whose employment ceases</p> <ul style="list-style-type: none"> - by reason of redundancy; - in the interests of the efficient exercise of the employing authority's functions; or <p>in the case of a joint appointment, because the other holder of the appointment leaves</p> <p>Note: Compensation may not be paid under this Regulation if:</p> <ul style="list-style-type: none"> - a person's period of membership of the Pension Scheme has been increased under Regulation 12 of the Benefits Regulations 2007; or - a person has been awarded an additional pension under Regulation 13 of the Benefits Regulations 2007 see above). <p>In all cases the amount of compensation paid under this Regulation may not exceed 104</p>	<p>RBC will pay compensation in cases of redundancy in accordance with its Redundancy Payments policy. In the case of a joint appointment if the remaining employee cannot be redeployed, any redundancy payment will be made in accordance with the Redundancy Payments policy. In cases of 'interests of efficiency' situations, RBC will only award compensation in exceptional circumstances. In these cases, the CEX will determine any compensation payable.</p>	<p>The employing authority can make an award of up to 104 week's pay (less any redundancy payment payable).</p>
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			<p>weeks' pay less any redundancy payment payable.</p> <p>In all cases the decision to pay compensation under this Regulation must be made no later than 6 months after the date of termination of the person's employment.</p>		
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	16 Injury Allowances	14(1) of the Compensation Regulations 2011	<p>Scheme employers (LGPS employers), apart from admission bodies, must formulate, publish and keep under review a policy on:</p> <ol style="list-style-type: none"> 3. whether to make an injury award to those who sustain an injury or contract a disease as a result of anything they were required to do in performing the duties of their job and in consequence of which they: <ul style="list-style-type: none"> o - suffer a reduction in remuneration, or 	<p>RBC will only award injury allowances in exceptional circumstances. Where appropriate, it is anticipated that the Council's Insurance Scheme will cover most situations.</p>	<p>An employing authority may award an injury allowance to employees who contract an injury or illness related to their employment.</p>
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			<ul style="list-style-type: none">○ - cease to be employed as a result of an incapacity which is likely to be permanent and which was caused by the injury or disease, or○ - die leaving a surviving spouse , civil partner or dependent, and <p>4. If the Scheme employer has a policy to make such payments, how it will determine the amount of injury allowance to be paid?</p>		
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10. **ANNUAL PAY POLICY STATEMENT – 2019/20 (HUMAN RESOURCES)**

Synopsis of report:

This report explains the Council’s approach to pay. The Annual Pay Policy Statement is required under the Localism Act (2011) and is designed to provide transparency for the public on how the Council approaches pay. After consideration by the Corporate Management Committee, the Pay Policy Statement needs to be considered by Full Council on 7th March 2019 before being placed on the Council’s external website.

Recommendation:

To recommend to Full Council on 7 March 2019 that the Pay Policy Statement 2019/20 at Appendix ‘F’ be approved.

1. Context of report

- 1.1 The Localism Act (2011) introduced the requirement for all Councils to prepare a Pay Policy Statement for the following financial year setting out how the Council approached the setting of local pay. It was designed to increase accountability, transparency and fairness by publishing this annual statement on each Council’s external website by 31 March of each year to enable the local community to view it.
- 1.2 In addition, Pay Policy Statements are intended to ensure that policies in relation to the pay and reward of the most senior staff are set out clearly in the context of the pay of the wider workforce. This is why the relationship between the most senior executive’s pay and the mean and average salaries of the wider workforce are set out as pay ratios.

2. Report

- 2.1 The Annual Pay Policy Statement for the financial year 2019/20 is at Appendix ‘F’. There are a few particular features to note in this year’s statement. The introduction of the National Living Wage on 1 April 2016 has had the effect of eroding away Scale 1 of the pay structure and has now largely eroded away Scale 2. The National Living Wage for those 25 and over rises from £7.83 per hour to £8.21 per hour w.e.f. 1 April 2019. This means that the minimum annual salary in Grade 2 rises from £15,106 p.a. to £15,839 p.a. for those of 25 years of age and over. The effect of this rise is to increase the base annual salary of 13 manual workers to the new level of the National Living Wage. From 1st April, 2019, there will only be £122 between the minimum of Grade 2 and the minimum of Grade 3. This suggests we will have to re-model the bottom end of the pay structure.
- 2.2 What other national developments can we expect which may impact on pay? There is a piece of Government legislation which was due to be introduced in the financial year 2018/19 but has been further deferred due to Brexit which may impact upon pay. This is the Enterprise Act (2016) which sets a cap on termination payments of £95k. This piece of legislation was due to be enacted in 2017 but was delayed initially as a consequence of the General Election. The £95k cap includes the worth of redundancy payments or settlement agreements, pay in lieu of notice, and actuarial strain relating to pensions as opposed to the actual annual pension received by the employee. (Actuarial strain is the cost to the employer of paying for the employee’s pension over their remaining life span as opposed to the amount received in pension payments by the employee). This is a complex piece of legislation. It is the inclusion of actuarial strain which may cause difficulties as

opposed to the amount the employee actually receives in a redundancy payment or early retirement pension. It has been anticipated that this piece of legislation will lead to a 'brain drain of senior staff' from local authorities ahead of its implementation as an understanding of its provisions becomes more widely understood. This piece of legislation will need to be reflected in the Council's Employment Stability Policy when it is finalised. The cap may potentially be waived by Full Council or by a relevant Minister.

- 2.3 Runnymede has a local pay approach but we compete for staff with authorities. In Surrey there remains a competitive market particularly in areas of skills shortage. This means that we sometimes have to look at market rates for difficult to fill roles. However there are also redundancies in some of the neighbouring councils due to loss of central government funding. We need to observe and analyse what happens next and any impact this may have on our own pay strategy.
- 2.4 The Council's overall policies on pay have not altered since last year's Pay Policy Statement. This Pay Policy is written for the financial year ahead but the pay data is based on the current year. Under the Localism Act 'Chief Officer' and 'Deputy Chief Officer' roles are defined simply by reporting direct to either the Chief Executive or Chief Officers. Consequently more roles feature in this statement as Chief Officer or 'Deputy Chief Officers' who in fact are either Business Centre managers, section heads or in some cases individual post-holders because of the Council's flat structure. However legally we need to set it out this way. It does not mean that all these post-holders fulfil the roles of a Chief or Deputy Chief Officer at Runnymede.
- 2.5 In other aspects the main pay policies have not altered from last year.

3. Policy Framework Implications

- 3.1 The Council will need to update its Employment Stability Policy to include reference to the exit payments cap emanating from the Enterprise Act 2016 when or if it ultimately becomes law.

4. Equality Implications

- 4.1 RBC will be publishing its gender pay gap for the second year in April. The Council may need to consider what new actions it may wish to take to improve its position on gender pay.

(To recommend to Full Council)

Background Papers

None stated

Runnymede Borough Council

Pay Policy Statement – 2019/20

1. Purpose

This Pay Policy statement is the annual statement for the financial year 2019/20 as required by the Localism Act (2011). The purpose of this statement is to provide transparency about how Runnymede Borough Council uses public funds to pay staff.

This statement sets out the remuneration of Chief Officers, the remuneration for the lowest paid employees, and the relationship between the remuneration of Runnymede's Chief Officers and other employees. The information includes headings which have been prescribed by the Localism Act and related guidance.

The Council will need to respond during 2019 to the impact of several pieces of legislation which impact on the Council's approach to pay. Firstly, the Council will need to publish on its external website Gender Pay Gap data in accordance with the Gender Pay Gap regulations. This will be the second year of reporting. Secondly the Council will need to incorporate in relevant employment policies, the requirements of the Enterprise Act and any subsequent related guidance in relation to caps on exit payments and other reforms to termination payments. This latter piece of legislation has been much delayed and was expected last year.

2. Definitions

For the purposes of this Pay Policy Statement, the following definitions will apply:-

2.1. Posts included as Chief Officers

The following Posts are included within the definition of Chief Officers:-

- a) The Head of the Paid Service designated under Section 4(1) of the Local Government and Housing Act (1989)

This is the Chief Executive

- b) The Monitoring Officer designated under Section 5(1) of that Act.

This the Corporate Head of Law and Governance

- c) A statutory Chief Officer mentioned in Section 2(6) of that Act

This is the Corporate Director of Resources

- d) Non-statutory Chief Officers mentioned in Section 2(7) of that Act. Non-statutory Chief Officers are those people for whom the Head of Paid Service is directly responsible (excluding those whose duties are secretarial, clerical or otherwise in the nature of support services).

Relevant posts reporting directly to the Chief Executive:

Corporate Director of Planning and Environmental Services
Corporate Director of Housing and Community Development
Corporate Director of Commercial Services
Head of Strategy
Head of Human Resources
Project Manager

- e) Deputy Chief Officers mentioned in Section 2 (8) of that Act. These are posts reporting directly to any of the statutory or non-statutory Chief Officers listed above (excluding those whose duties are secretarial, clerical or otherwise in the nature of support services).

The definition of Chief Officers and Deputy Chief Officers for the purposes of the Pay Policy Statement is much wider than the definition normally used at Runnymede. The Chief Executive and Corporate Head posts are generally referred to as 'chief officers' at Runnymede and make up Runnymede's Corporate Leadership Team. The usual definition of deputy Chief Officers at Runnymede is those posts required to deputise for the Leadership team posts in their absence which are Business Centre Manager posts. The retirement of the Assistant Chief Executive and the deletion of his post on 31st March, 2016 has the effect of including more posts in the definition of Chief Officers and Deputy Chief Officers in terms of the definitions within the Localism Act because of the fact that they report to the Chief Executive or Chief Officers when in fact most are Business Managers.

- f) Based on the definition within the Localism Act these posts are listed below:-

Reporting to the Corporate Head of Law and Governance

Democratic Services Manager
Electoral Services Manager
Legal Section Manager
Information Governance Officer
Data Protection Officer

Reporting to the Corporate Director of Resources

Head of Financial Services
Head of Customer Services, Revenues and Benefits

(The Head of IT role also reports directly to the Corporate Director of Resources for their work at Runnymede Borough Council. This post was shared with Spelthorne Borough Council and was seconded to Runnymede on a part-time basis. As the post-holder was not employed by Runnymede her remuneration is not covered in Runnymede's Pay Policy Statement. The future of this role will be covered in the proposed ICT re-structure due for consideration by committee soon)

Reporting to the Corporate Director of Housing and Community Development

Head of Housing
Head of Community Development
Head of Community Services

Business Development and Policy Officer

Reporting to the Corporate Director of Planning and Environmental Services

Principal Building Manager
Environmental Health and Licensing Manager
DSO Manager
Technical Administration Manager
Parking Manager
Principal Engineer
Local Plans Manager
Development Manager
Principal Building Control Surveyor
Business Liaison Officer

Reporting to the Corporate Director of Commercial Services

Assistant Head of Commercial Services

2.2. Pay

In addition to salary, remuneration includes fees, allowances, benefits in kind and termination payments.

2.3. Lowest Paid Employees

Refers to those staff employed on the lowest grade on the Council's Pay Scales who are under 25. On 1st April, 2016, the National Living Wage was introduced for staff aged 25 and over. As a consequence of the introduction of the National Living Wage on 1st April, 2016, there was only one post paid below the National Living Wage who was an apprentice aged under 25 and paid the apprentice rate for his role.

The National Living Wage will increase from £7.83 per hour to £8.21 per hour from 1st April, 2019. This increase again means that the minimum salary on Grade 2 needs to increase from £15,106 to £15,839 for staff aged 25 or over. The impact of this increase will be to move 6 permanent and 7 casual employees to this new rate. This leaves only the Sports Turf apprentice on the apprentice rate on less (i.e. £ 7.48 per hour) which will vary according to age and the National Minimum wage.

2.4. Employees who are not a Chief Officer

Refers to all staff who are not covered under the 'Chief Officer' group above including the lowest paid employees.

3.0. Pay Framework

3.1. General Approach

Remuneration at all levels needs to be adequate to recruit, retain and develop a skilled and flexible workforce to deliver services to the community and fulfil the Council's business objectives. Remuneration must be fair and reasonable in the circumstances and

not excessive. Each Council has responsibility for balancing these factors in the light of the unique challenges locally and retaining flexibility to deal with circumstances that might apply. Pay arrangements must comply with UK legislation. Salary payments for individual post-holders are pro-rated where they are employed for less than full time hours. Salary payments are pensionable payments except where specified in the pension regulations.

3.2. Responsibilities for decisions on remuneration

Decisions on pay are made in accordance with Runnymede's Scheme of Delegation and in accordance with employment policies, procedures and arrangements in place and staff terms and conditions of employment.

The Chief Executive and Corporate Directors/Heads can approve changes to grading and establishment within the overall salary budget for their area. Where proposals for changes cannot be contained within budget, committee approval is required. The Chief Executive's approval is required before recruitment to any post. Approval for any change to salary range for Corporate Leadership team posts must be approved by Corporate Management Committee. Runnymede's annual cost of living pay awards (effective from 1st July each year) are approved by Corporate Management Committee.

3.3. Salary Grades, grading framework and progression through the grades

Grades are determined by taking into account of the full scope of the job including the complexity of the work, range of responsibilities and the skills and experience required to undertake them, having regard to the need for equal pay for work of equal value. Each grade consists of a pay range within the Runnymede salary scale, except where a single point salary is appropriate (e.g. where the post is for a temporary period.) Employees progress through the salary grade by incremental progression until the maximum of the grade is reached. An increment can be withheld if the post holder is under formal disciplinary or capability proceedings. Accelerated progression within the grade can be agreed in exceptional circumstances. The top of the salary range is considered to be the rate of pay for a fully experienced, qualified and competent post-holder.

3.4. New Starters joining the Council

The Council's normal policy is to appoint at the bottom of the salary scale, or at an appropriate point, taking into account relevant skills and experience. Staff will normally then progress through the scales to the maximum of the grade over a number of years as experience is gained. New staff may be eligible to claim relocation expenses if they meet the criteria set.

3.5. Allowances and Additional Payments

Additional payments may be approved in the case of a member of staff undertaking additional duties outside the normal responsibilities of their post. Examples of situations where additional payments may be made include covering for the duties of a vacant post at a higher grade; undertaking additional work in relation to a time-limited project; where staff are required to undertake emergency standby duties, or in other circumstances where there are additional duties, responsibilities, complexity or working hours and it is not appropriate to otherwise change the grade of the post.

Car allowances may be payable where staff are required to provide or use their own vehicle for Council business.

3.6. Pay Awards

Cost of Living pay awards are considered annually for staff and, where agreed, apply to all staff including Chief Officers. Runnymede pay awards are agreed by the Corporate Management Committee taking account of rate of inflation, affordability and local factors, including local recruitment market movement. Any pay award is agreed as part of the budget setting process. There is no link to national pay awards.

3.7. Pension Scheme

All Runnymede staff including Chief Officers are eligible to join the Local Government Pension Scheme with employee contributions tiered according to salary band, ranging from 5.5% for the lowest paid staff to 12.5% for pensionable pay above £150k. Runnymede does not have any posts at this top rate.

The Council's pension contribution rate as an employer is 15.6%. Employer contribution rates are reviewed every 3 years following a revaluation of the pension fund and pension liabilities in relation to current and past members.

3.8. Policy on Employing someone who has taken redundancy from another authority

An individual who has been made redundant from another council may apply to work at Runnymede and would be considered against the criteria for the post. Runnymede complies with the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc. (Modifications) orders in this matter. If an individual accepts an offer of employment with Runnymede before the end of their employment with another council to take effect within 4 weeks of leaving then they will not be due a redundancy payment from the previous employer and will retain continuity of service. If the gap is longer than 4 weeks their continuous service is broken, which means that they would have no eligibility for redundancy payments until they have 2 years' further service.

3.9. Policy on Employing someone who is also drawing a pension

In line with the Local Government Pensions Scheme regulations, Runnymede has a flexible retirement policy and will consider requests from staff who wish to draw their pension and continue working in a reduced capacity. Requests will only be agreed where it is in the Council's interests to do so.

An individual who is drawing a pension in relation to a previous employment may apply to work for Runnymede but would be considered against the criteria for the post. If they are appointed, the salary will be in accordance with the grade for the job, with abatement of their pension subject to the rules of the appropriate pension scheme.

3.10. Policy on increase in or enhancement to pension entitlements

Runnymede's current pension's policy was agreed by the Corporate Management Committee on 3rd April 2014 and applies to all staff including Chief Officers. New pension

discretions are being considered by Corporate Management Committee in 2019 for implementation this year.

3.11. Election Fees

These are paid separately for additional duties and responsibilities. All expenditure properly incurred by a Returning Officer in relation to the holding of elections is to be paid by the Council in accordance with the Surrey Fees and Charges Order agreed annually. Any expenses paid must not exceed this scale. Elections payments for local elections are solely the responsibility of the Returning Officer and not the council. The role of the Returning Officer is separate from his/her duties as a local government officer and is directly accountable to the courts as an independent statutory office holder. Fees properly incurred are reimbursed at national elections from central Government. The Chief Executive currently acts as Returning Officer for parliamentary elections for the Runnymede and Weybridge constituency and Returning Officer for local elections.

3.12. Payment Arrangements

Employees, including Chief Officers, are paid through Payroll and are subject to appropriate income tax and national insurance deductions.

4.0. Level and Elements of Remuneration for Chief Officers

Runnymede policy is to pay Chief Officers according to the Runnymede salary grade appropriate for the duties and responsibilities of the job, or a single point salary if appropriate, (e.g. for a temporary appointment). Each grade consists of a salary range, except where the appointment is for a temporary period where a single salary point may be used.

The current full-time salary ranges for Chief Officer and Deputy Chief Officer posts (as defined under the Localism Act) are set out in the table below. Where posts are filled on a part-time basis the post-holders are paid pro-rata to their contractual hours. The top 3 roles listed form the Corporate Leadership team.

Post	Bottom of Salary range	Top of Salary range
Chief Executive	£111,515	£122,663
Corporate Directors/Heads	£71,061	£87,460
Head of Strategy	£63,306	£71,061
Head of HR	£49,884	£57,024
Democratic Services Manager	£43,014	£49,884
Electoral Services Manager	£43,014	£49,884
Legal Services Manager	£43,014	£49,884
Head of Customer Services, Revenues and Benefits (New post w.e.f 6.3.17)	£63,306	£78,060
Head of Financial Services	£63,306	£78,060
Corporate Director of Commercial Services(w.e.f .1.4.17 – 3 year contract until 31.3.2020)	£140,454(N.B. 21% of salary chargeable to RBCI)	N/A
Assistant Head of Commercial	£126,929(N.B. 21%	N/A

Services(w.e.f 1.4.17-3 year contract until 31.3.2020)	chargeable to RBCI)	
Head of Housing	£63,306	£71,061
Head of Community Development	£63,306	£78,060
Head of Community Services	£63,306	£78,060
Business Development and Policy Officer	£49,884	£57,024
Principal Building Manager	£49,884	£57,024
Environmental Health and Licensing Manager	£57,024	£63,306
DSO Manager	£57,024	£63,306
Parking Manager	£31,848	£35,361
Principal Engineer	£43,014	£49,884
Local Plans Manager	£49,884	£57,024
Development Manager	£43,014	£57,024
Principal Building Control Surveyor	£43,014	£49,884
Business Liaison Officer	£28,700	£31,848
Technical Administration Manager(w.e.f. 6.3.17)	£31,848	£35,361

(as at 5.2.19)

4.1. Other Pay Elements

In addition, Runnymede Chief Officers can claim for attendance at Council or other meetings outside of normal working hours and for business mileage.

A car provision allowance is paid as part of the total remuneration package for the Chief Executive and Corporate Director/Heads posts. The car provision amount is £450 for the Chief Executive and £380 per month for Corporate Heads. Car provision allowances are taxable but not pensionable. The HRMC company car mileage rate applies. Professional fees required to perform the duties of the post are paid.

Election fees are paid separately for additional duties and responsibilities performed by Chief Officers at election times. The Chief Executive acts as Returning Officer for the Runnymede and Weybridge constituency and for local elections. Other Chief Officers may receive payments for any additional work during a national or local election as deputy returning officers, presiding officers or poll clerks at polling stations or for working at the election counts.

4.2. Remuneration of Chief Officers on recruitment

Starting salaries are normally at the bottom of the salary scale or at an appropriate point taking into account relevant skills and experience.

New appointments may be eligible for removal expenses and/or payments under the mortgage/rent equalisation policy.

4.3. Increases and additions to remuneration for each Chief Officer

The pay award for 2018/19 for all staff was 2%. Any pay award for 2019/20 will be confirmed as part of the budget setting process and is effective from 1st July.

4.4. Performance Related pay for Chief Officers

There is no performance related pay scheme for Runnymede Chief Officers or any other staff. Incremental progression to the top of the salary scale is subject to satisfactory performance.

In exceptional circumstances only, additional payments may be agreed for additional duties or responsibilities undertaken or for acting up.

4.5. Bonuses for Chief Officers

There are no bonuses available for Chief Officers.

4.6. The approach to the payment of Chief Officers on ceasing to be employed by the authority.

Runnymede's discretionary compensation policy was agreed by the Corporate Management Committee on 3rd March 2011 and sets out the approach for payments in the event of termination on the grounds of redundancy and efficiency of the service. There is a consistent method of calculating redundancy pay which is applied to all redundant employees, including chief officers, with the level of redundancy pay calculated using the statutory matrix with a multiplier of 1.5 and actual weekly earnings. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment elsewhere and applies when a post has been deleted.

In the case of termination on efficiency grounds, payments would depend on the circumstances of the case up to the statutory maximum of 104 weeks. Any proposed terms of compensation with a net cost to the Authority will be determined by the Corporate Management Committee taking into account the relevant circumstances of the case. Any severance payment over £100k will be considered by the full Council.

4.7. Appointments at the most senior level

Runnymede has one permanent post with a salary package over £100k per annum – the Chief Executive. In line with the Council's Standing Orders, appointments at Chief Executive level are made by an Appointments Committee of Council Members appointed by the Corporate Management Committee. The Appointments Committee consider and agree the terms and conditions of the post, including the salary level, prior to advertising the position.

The Full Council must approve the appointment of an Officer designated as the Head of Paid Service (currently the Chief Executive) prior to an appointment being made.

However, in 2017 the Council approved the appointment of two posts on 3 year fixed term contracts to manage the Council's Property Investment Strategy – a Corporate Director of Commercial Services and an Assistant Head of Commercial Services who are

also paid above £100k due to exceptional market factors. They have a key role in bringing in income from Property Investments designed to close the budgetary gap caused by the loss of revenue support grant funding to the authority. These fixed term roles became part of the Council's staffing establishment from 1st April, 2017 and are due to terminate on 31st March 2020.

5.0. The Remuneration of the Lowest paid employees

The lowest paid employees in the Council are on Grade 2 which is currently £15,106 – £15,961. Grade 1 ceased to exist as a consequence of the introduction of the National Living Wage. The increase in the National Living Wage from £7.83 per hour to £8.21 per hour w.e.f. 1st April, 2019 will increase the minimum of Grade 2 from £15,106 p.a. to £15,839 p.a. from 1st April, 2019.

6.0. The Relationship between the lowest and highest paid staff

The ratio between the lowest and the highest paid salary is 1:9.30.

7.0. The relationship between the highest paid employee and employees who are not chief officers

The ratio between the mean average earnings across the organisation and the pay of the highest paid employee currently employed is 1:5.57. The ratio between the median earnings across the organisation and the pay of the highest paid employee is 1: 5.85.

8.0. The publication and access to information relating to remuneration of Chief Officers

The Annual Pay Policy Statement will be published on the Runnymede Borough Council website where it can be easily accessed by tax payers and external organisations.

11. **EXCLUSION OF PRESS AND PUBLIC**

OFFICERS' RECOMMENDATION that –

the press and public be excluded from the meeting during discussion of the following reports under Section 100A(4) of the Local Government Act 1972 on the grounds that the reports in question would be likely to involve disclosure of exempt information of the description specified in paragraphs 1,2,3 & 4 of Part 1 of Schedule 12A of the Act.

(To resolve)

PART II

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

	<u>Exempt Information</u>	<u>Paras</u>
12.	BACK OFFICE SOFTWARE SYSTEMS LICENCE AND MAINTENANCE CONTRACT EXTENSIONS AND FUTURE PROCUREMENT	3
13.	REVIEW OF ICT SERVICES	1 and 3
14.	ADDLESTONE ONE DEVELOPMENT MANAGEMENT UPDATE	3
15.	A COUNCIL FIT FOR THE FUTURE – RESTRUCTURING RUNNYMEDE BOROUGH COUNCIL	1,2,3 & 4
16.	URGENT ACTION – STANDING ORDER 42	3