

Runnymede Borough CouncilCorporate Management CommitteeThursday, 11 July 2024 at 7.30 pm

Members of the Committee present: Councillors R King (Chair), L Gillham (Vice-Chair), A Berardi, MD Cressey, T Gracey, C Howorth, J Mavi, R Milstead, S Ringham, P Snow, D Whyte and S Whyte (In place of M Smith).

In attendance: Councillors I Mullens.

### 31 **Notification of Changes to Committee Membership**

Councillor S Whyte substituted for Councillor Smith.

### 32 **Minutes**

The public minutes of the meeting held on 20 June 2024 were confirmed and signed as a correct record.

### 33 **Apologies for Absence**

There were no apologies for absence.

### 34 **Declarations of Interest**

#### Agenda item 9 – Company Governance Report

Councillor Milstead declared that he had a disclosable pecuniary interest and withdrew from the meeting during consideration of the item.

### 35 **Citizens' Panel**

The Committee reviewed the proposals, which sought to ensure that effective, value for money engagement could be undertaken with residents. It was noted that the proposals had been based on the arrangements already in place in other council areas, but adapted to Runnymede's less urbanised locality.

There was discussion about the makeup of the proposed panel, and how best to attract underrepresented groups to submit expressions of interest. Whilst targeted promotion could take place, offering financial incentives was not considered to be the most appropriate approach at this time. Early interest in joining the panel had however proven to be strong.

The Committee requested that it be updated on the makeup of the panel, once the initial round of recruitment had been undertaken.

It was **resolved** that the approach to delivering the Citizens' Panel, and undertaking an initial one-year pilot, focussing on two priority areas, as detailed in the report, be approved.

### 36 **Developer Contributions Advisory Group**

The Committee supported the revisions that had been made to the governance arrangements, in particular incorporating political proportionality and expressly highlighting that ward member would be welcome and involved in meetings discussing the neighbourhood portion of the Community Infrastructure Levy (CIL) monies that covered

their ward area.

Members heard that the role of the advisory group was to ensure early member involvement in infrastructure spending decisions and consider proposals, prior to recommendations being made to the Corporate Management Committee (CMC). It was noted that it would be impractical for the CMC consider all proposals due to the high quantity of work required. The Group would also be able to hold meetings flexibly (online or hybrid), enabling easier member involvement. It was added that when matters came before the CMC, all members would be able to make representations in accordance with the Council's Constitutional provisions.

It was confirmed that all members would be able to review the papers that were made available to the Group for all meetings, and that elected members could attend strategic Group meetings however it would be up to the membership of the group to decide what strategic items would be put forward to CMC. The need to ensure that consideration of uses for the strategic element of CIL funds remained strategic was emphasised.

It was **resolved** that the Council be asked to:

- 1) Endorse the creation of a Developer Contributions Advisory Group, in accordance with the adopted Developer Contributions Governance Arrangements and as set out in the Corporate Management Committee report of January 2023.
- 2) Endorse the terms of reference for the group attached at Appendix 1 of the officer's report.
- 3) Authorise the Corporate Head of Law and Governance to make any necessary amendments to the Council's Constitution to give effect to the Developer Contributions Advisory Group and the terms of reference.

### 37 **Update to Member Allowances**

The Committee noted that this was not an opportunity to debate the previous decision of the Council to appoint four Co-Leaders and there was general agreement over the need to review the special responsibility allowance (SRA) paid to the Co-Leaders, due to the existing Members' Allowances Scheme (MAS) not being able to cater for this arrangement. Consequently, recommendations i), ii), iii) and vi) of the officer's report were accepted.

There was extensive debate about the proposed increased allowances to be paid to the Chair and Vice-Chair of the Corporate Management Committee (CMC), as referenced in recommendations iv) and v) of the officer's report.

It was stated by some councillors that the increased allowances lacked evidence to support the assertion that both postholders were going to experience a commensurate increase in workloads, particularly because many of the workstreams associated with the Non-Statutory Best Value Notice (NSBVN) were happening long before it had been received. This view was challenged, with the counterargument of there being a number of NSBVN formalities now requiring the attention of the Chair and Vice-Chair of the CMC in particular. It was cited that the report of the Independent Remuneration Panel (IRP) in 2021/22 considered the matter of workloads for members with special responsibilities, and that the situation had not changed significantly since then. It was therefore suggested that engagement with the IRP, beyond that of an e-mail, was required.

It was stated by other members that the Chair and Vice-Chair had committed to spending significant amounts of time fulfilling their roles: the Chair, as the member finance lead for the Council, and the Vice Chair in her role of engaging with neighbouring authorities and other partners. It was therefore contested that it was fair to recognise the loss of income

for these individuals, and/or the additional cost associated with carrying out these roles and that the IRP had been consulted in full, with their comments noted. Furthermore, it was believed that it was important to have individuals in place, who had the capacity to drive forward important workstreams and support officers during a challenging period for the Council. A counterargument was put forward, suggesting that undertaking the role of a councillor and any associated special responsibilities were duties that had been chosen by the individuals concerned and that it was not appropriate for the Council to finance these choices. It was stated however this was not only not a practical position to take, given the additional time pressures but would also result in those councillors not being able to carry out the duties and responsibilities now expected of them given the NSBVN.

The financial elements of the report were challenged, with regard to the Council's budgetary challenges. It was asserted that the actual expenditure on the MAS would be higher than would have been the case if the SRAs for the Chair and Vice-Chair of the CMC had remained the same. Furthermore, it was mentioned that the proportion of the MAS budget spent on leadership had increased. In response, it was stated that the changes to the MAS were within the allocated budget and that they were affordable, with the actual predicted spend on MAS remaining below that already budgeted for the financial year before May. It was also stated that greater time being spent on decision making, and setting of financial and corporate directions for CMC's consideration by the Chair and Vice-Chair of CMC, would improve outcomes for the Council and its residents.

A commitment to review the allowances paid to the Chair and Vice-Chair of the CMC, when the NSBVN was removed and the financial workload required on the Chair and Vice-Chair of the CMC had eased, was made.

It was **resolved** that the Council be asked to agree the following resolutions:

- 1) That the Runnymede Members' Allowances Scheme be amended to provide that in the event of the appointment of more than one elected member to be Leader of the Council i.e. the appointment of co-leaders, the elected members so appointed shall receive a Special Responsibility Allowance.
- 2) The amount of the Special Responsibility Allowance payable to each elected member appointed as a Co-Leader shall be, for the year 2024/25, £4,249. This sum to be uplifted in line with the formula contained in the Members' Allowance Scheme.
- 3) For the year 2024/25, the sums allocated in the Runnymede Members' Allowances Scheme for the payment of a Special Responsibility Allowance for the position of Leader and Deputy Leader of the Council, shall be used to fund the payment of a Special Responsibility Allowance to elected members appointed as Co-Leaders.
- 4) The Special Responsibility Allowance payable for the post of Chair of the Corporate Management Committee shall be increased to the sum of £11,330 for the year 2024/25. This sum to be uplifted in line with the formula contained in the Members' Allowance Scheme.
- 5) The Special Responsibility Allowance for the post of Vice-Chair of the Corporate Management Committee shall be increased to the sum of £5,665 for the year 2024/25. This sum to be uplifted in line with the formula contained in the Members' Allowance Scheme.
- 6) That the Runnymede Members Allowances Scheme be amended pursuant to the power granted by Regulation 10(6) Local Authorities (Members' Allowances) (England) Regulations 2003 to provide where an amendment is to be made which affects an allowance payable for the year in which the amendment is made, the scheme will provide for the entitlement to such allowance as amended to apply with effect from the

beginning of the year in which the amendment is made.

Resolutions 4 and 5 above were the subject of a named vote, with the voting noted as follows:

In favour (7)

Councillors R King, Gillham, Berardi, Milstead, Ringham, D Whyte and S Whyte.

Against (5)

Councillors MD Cressey, Gracey, Howorth, Mavi and Snow.

Abstentions (0)

### 38 **Local Government Financial Settlement - Productivity Plan**

The Committee noted that the investment property portfolio had performed well, and had delivered a net contribution of 2.1% (over £11m), which was, it was stated, in excess of the target that had been set.

There was discussion about the level of resource and diverse range of expertise required when managing a portfolio of properties. The Chair stated that he was happy to have discussions on this topic with interested members outside the meeting.

Officers (in particular the Corporate Head of Customer, Digital and Collection Services, her team, and the Head of Business Planning, Projects and Performance) were thanked for their work in delivering key transformational projects over the preceding three years.

It was **resolved** that the Productivity Plan, as set out at Appendix A of the officer's report, be endorsed and submitted to the Ministry of Housing, Communities and Local Government, ahead of the deadline of 19 July 2024.

### 39 **Company Governance Report**

[Councillor Milstead withdrew from the meeting during consideration of this item.]

It was reported that a correction to paragraph 4.1 of Ethical Commercial's review document had been requested, as a number of documents had been shared with them.

There was discussion about the findings of the review, and the processes that had been undertaken in compiling it. Interviews had been held with key officers and former Councillor Coen in his role as the then non-executive director. It was found that the board's reports and minutes required more detail on key considerations and the discussions that took place.

The challenges associated with appointing members as non-executive directors, particularly at times of political change, were acknowledged. This therefore highlighted the need to ensure effective succession planning and handover arrangements, in order to avoid important knowledge being lost. Training for relevant individuals was also important.

A further report would be brought before the Committee in due course.

It was **resolved** that the recommendations of the external company governance report be endorsed.

#### 40 **Provisional Outturn Report 2023/24**

The Committee agreed that it was important to make effective use of the underspend detailed in the officer's report, in particular to demonstrate the Council's willingness to reflect on the receipt of the Non-Statutory Best Value Notice.

There was discussion about the use of capital underspends. Services would no longer be able to retain such underspends for use on other projects. Instead, such proposals would be considered as part of the process for considering budget growth.

It was **resolved** that:

- 1) The provisional financial outturn for 2023/24 be noted.
- 2) The proposed transfers to and from reserves, as set out in the General Fund Summary (Appendix 1 to the officer's report), be agreed.

#### 41 **Project Portfolio Reporting Q1**

The following updates were made to the report, based on information that had been received following its creation:

- Housing development schemes were now reporting 'red' for resources and 'amber' overall due to the Housing Development Manager departing the Council in August.
- Scheduled savings and efficiencies meetings had now been held with corporate heads, and the status had been updated to 'green'

This report was for information only.

#### 42 **Exclusion of Press and Public**

By resolution of the Committee, the press and public were excluded from the remainder of the meeting during the consideration of the remaining matters 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 as set out in Schedule 12A to Part 1 of the Act.

#### 43 **Letting for Pine Trees**

It was confirmed that the prospective tenant fully satisfied the Council's affordability requirements and therefore a bond or deposit was not required.

The Committee welcomed the contribution that this letting would make to the Council's finances. The unit being brought back into use would also discourage ongoing antisocial behaviour in the surrounding area.

There was discussion about balancing ongoing void costs of units against the prospective contribution that a unit could make as and when it was let. It was stated that the Council would aim to maintain income streams wherever possible and that it would be obtaining expert advice on the best use of its assets when appropriate. Where assets could potentially be sold, doing so in favourable market conditions was an important aim. The new government's direction of travel with local authorities in receipt of Best Value Notices would also require consideration, as and when further information became available.

The Committee requested that future reports contained details of the void costs and floorspace of the unit(s) concerned.

It was **resolved** that:

- 1) The letting to the company named in the officer's report be agreed in accordance with the terms set out in the said report.
- 2) Authority be delegated to the Assistant Chief Executive (Section 151), in consultation with the Corporate Head of Assets and Regeneration, and the Chair and Vice Chair of Corporate Management Committee, to make necessary amendments to the proposed terms in order to ensure the matter progressed to satisfactory completion, provided the deal continued to fulfil the Council's statutory obligation of best consideration reasonably obtainable.

44 **Update Report to the Shareholder on RBC Investments (Surrey) Limited, RBC Service (Addlestone One) Limited and RBC Heat Company limited ('the Companies')**

The Committee welcomed the additional information that had been provided as part of this report. Those involved were thanked for their efforts.

Officers would review whether it was possible to differentiate between Thorpe Industrial Estate and Egham Business Park in the documentation.

This report was for information only.

(The meeting ended at 9.42 pm.)

Chair