

Runnymede Borough CouncilCorporate Management CommitteeThursday, 19 January 2023 at 7.30 pm

Members of the Committee present: Councillors M Cressey, V Cunningham (in place of C Howorth), L Gillham, J Gracey, T Gracey (Chairman), M Heath, R King, I Mullens, M Nuti, D Whyte, J Wilson (in place of N King) and M Willingale.

In attendance: Councillor A Balkan.

458 **Minutes**

The minutes of the meeting held on 15 December 2022 were agreed and signed as a correct record.

459 **Apologies for Absence**

There were no apologies for absence.

460 **Declarations of Interest**

There were no declarations of interest.

461 **Recommendation from the Community Services Committee: Parks and Recreational Spaces – consultancy and health and safety works budget**

It was **resolved** that:

- 1) the sum of £20,000 be approved for the use of a consultant to conduct the necessary evaluation of existing play equipment and to complete an enhanced annual health and safety inspection;
- 2) the sum of £195,000 to be used to address immediate health and safety repairs required, as identified in routine site assessments and via the work of the above appointed consultant; and
- 3) any unspent allocation from recommendation ii) as at 31 March 2023 be carried forward to the 2023/24 financial year to progress the works.

462 **Developer Contributions Governance Arrangements**

In drafting the proposed arrangements, consideration had been given to best practice and the arrangements that had been introduced by other authorities. The proposal was seeking to maximise the benefits of developer contributions that would be received and give all stakeholders a meaningful say on how funds would be used in the borough's communities.

Members were supportive of the main governance document which provided appropriate governance arrangements for infrastructure expenditure. However with regards the terms of reference for the Developer Contribution Advisory Group, there was a debate over membership of the group and the level of ward member involvement in reviewing proposals, in particular the neighbourhood portion of the fund. Some members felt that there should be a more formal role for a ward member representative on the advisory group when projects were being discussed (in particular neighbourhood areas), however the majority considered that there was adequate opportunity built in to the process for ward members to make representations to the group. Papers could also be made available in advance. All decisions made by the group and Corporate Management Committee would be with the wider public interest in mind.

Final decisions on infrastructure spend would be reserved for the Corporate Management Committee, where representations could be made. Residents would be consulted for their views early in the process and there was opportunities for neighbourhood plan areas to prepare their own infrastructure priority lists which would be taken in to account by the advisory group and Corporate Management Committee.

An amendment to the arrangements, to permit ward member attendance and input at the advisory group stage of the process, was proposed and seconded.

The amendment was put to the vote and **FELL**. The substantive motion was therefore put to the vote.

A named vote was requested, with the voting noted as follows:

For the motion (8)

Councillors T Gracey, Cressy, Cunningham, J Gracey, Heath, Nuti, Willingale and Wilson.

Against the motion (4)

Councillors Gillham, R King, Mullens and D Whyte.

Abstentions (0)

It was **resolved** that:

- 1) the Runnymede Borough Council Developer Contributions Governance Arrangements set out at appendix 1 be adopted;
- 2) the Developer Contributions Advisory Group as set out in appendix 2 be agreed; and
- 3) any required constitutional changes to facilitate 1) and 2) above be referred to the Constitution Working Group and subsequently Council.

463 **2023/24 Treasury Management Strategy**

The proposed key changes were highlighted to the committee. Many of the proposed changes had become necessary because of the requirements of the new Treasury Management and Prudential Codes, which included two new Prudential Indicators. It was also necessary to increase the investment counterparty limits as increased balances caused by the setting aside of MRP had made finding homes for the Council's investments difficult. It was noted that the reference to the "Monetary Policy Committee" being a government body in appendix A should be amended to state that it was a "Committee of the Bank of England".

A named vote was requested, with the voting noted as follows:

For the motion (10)

Councillors T Gracey, Cressy, Cunningham, Gillham, J Gracey, Heath, Nuti, Willingale, Wilson and D Whyte.

Against the motion (1)

Councillor R King.

Abstentions (1)

Councillor Mullens.

It was **resolved** that the following be recommended for approval by Council on 9 February 2023:

- 1) The proposed 2023/24 Treasury Management Strategy, encompassing the Annual Investment Strategy as set out in the officer's report;
- 2) the Prudential and Treasury Management Indicators for 2023/24, as set out in the report;
- 3) the revised Treasury Management Policy Statement and Treasury Management Practices, as set out in the appendices to the officer's report;
- 4) the authorised limit for external borrowing by the Council in 2023/24 of £700,613,000 (this being the statutory limit determined under Section 3 (1) of the Local Government Act 2003); and
- 5) the Council's MRP statement for 2023/24 remain as follows:
 "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".

464 **Capital and Investment Strategy and Capital Programme 2023/24 to 2026/27**

The challenging financial circumstances under which the Capital and Investment Strategy and Capital Programme 2023/24 to 2026/27 had been prepared were highlighted. The strategy and proposed capital projects would potentially require further consideration in light of the potential of delays in capital receipt generation and any changes resulting from the upcoming levelling up bill. The revenue impact of capital projects also required careful consideration.

It was stated that the administration wished to continue its aspirational capital programmes, but could only do so after careful consideration of each proposal. Consequently, it was felt that some discretionary projects, such as the streaming of committee meetings, had to be postponed until it was affordable to pursue them, or affordable alternatives had been identified by the Communications Working Group.

A named vote was requested, with the voting noted as follows:

For the motion (8)

Councillors T Gracey, Cressy, Cunningham, J Gracey, Heath, Nuti, Willingale and Wilson.

Against the motion (4)

Councillors Gillham, R King, Mullens and D Whyte.

Abstentions (0)

It was **resolved** that the following be recommended for approval at Council on 9 February 2023:

- 1) the Capital Strategy at Appendix 'A' and the Capital Programme at Exempt Appendix 'B'; and
- 2) that useable capital receipts be maintained at a level of £2 million.

465 **2023/24 budget**

The proposed budget had been prepared following consideration of various documents at previous meetings of the committee, such as the Medium Term Financial Strategy. Some of the proposed expenditure, such as various surveys, would dictate the potential need for further expenditure (both revenue and capital) but would also enable project phasing to be undertaken in a managed way.

A significant budget deficit had been forecasted in the medium term. The projected deficit did not include unforeseen expenditure that would be considered as in-year supplementary estimates, nor any growth in future years. Due to the challenging financial circumstances expected in the coming years, an increase to the General Fund working balance (from £3 million to £5 million) was proposed.

The committee noted the comprehensive nature of the statutory Section 151 Officer's statement.

It was felt by some that there were omissions in the budget, in particular for the most deprived residents impacted by the cost of housing in the borough, and those with long term health needs. It was also suggested that more needed to be done to generate income from trade waste.

The outcome of discussions with staff representatives about the annual pay settlement was awaited. There were further discussions about the utilisation of officer expertise and available bandwidth to delivery projects.

Questions were asked about the progress being made on the Council's climate change strategy. A revised action plan, for future review by members, was being developed by officers. Due to the comprehensiveness of the action plan, significant engagement across council departments was required before the review could be completed.

A named vote was requested, with the voting noted as follows:

For the motion (8)

Councillors T Gracey, Cressy, Cunningham, J Gracey, Heath, Nuti, Willingale and Wilson.

Against the motion (4)

Councillors Gillham, R King, Mullens and D Whyte.

Abstentions (0)

It was **resolved** that:

- 1) The following be recommended for approval by Council on 9 February 2023:
 - a) the Revised Budget for 2022/23 and Budget Estimates for 2023/24, including growth items, as set out in the report and at Appendices B, C and E;
 - b) an increase to the Band D Council Tax level of 2.99% (£5.37) from £179.55 to £185.92;
 - c) the revised minimum threshold for the General Fund Working Balance of £5m; and
 - d) transfers to and from Reserves as set out in the report.
- 2) The following be noted:
 - a) The updated Medium-Term Financial Forecast at Appendix A.

b) The statement of the Chief Financial Officer at Appendix F.

466 **Assistant Chief Executive - establishment of appointments panel**

The new post was expected to be advertised in the near future. Due to it being a member-level appointment, a sub-committee had to be convened.

Members agreed that the sub-committee needed to ensure robust scrutiny of any applications, particularly because this approach had resulted in the successful recruitment of a high quality Section 151 officer.

It was **resolved** that:

- a) an Appointments Sub-Committee be established in accordance with the proposed arrangements set out in the report;
- b) the membership of the Appointments Sub-Committee be agreed as Councillors Cressey, Gillham, J Gracey, T Gracey, Howorth, R King and Willingale, in accordance with the proportionality calculations set out in paragraph 2.9; and
- c) the Constitution Member Working Group be asked review proposals for a standing Appointments Sub-Committee for subsequent consideration at Annual Council in May 2023.

467 **Exclusion of Press and Public**

By resolution of the Committee, for the reasons set out in the agenda, 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.

468 **Procurement of Internal Audit Services**

In order to achieve the best value for money possible, both open tender and framework procurement exercises were being considered.

It was **resolved** that:

- 1) the commencement of a procurement exercise for the Council's internal audit provision through an above-threshold open tender process in accordance with the Public Contract Regulations 2015 (PCR 2015) or via a framework further competition, up to the estimated contract value set out in the report up to a period of five years be agreed; and
- 2) the decision on the route to market option (based on the one which is most likely to provide for the required contract terms and be the most economically advantageous) be delegated to the Section 151 Officer, in consultation with the Chair and Vice-Chair of the Corporate Management Committee.

469 **Laser House Property Management**

The addendum to this report was noted. The report was further altered at the meeting to change the recommendation to remove the need to refer the decision to Council due to the proposal being within the limits available to the committee.

The committee requested that when the disposal of a commercial property was proposed in the future that information on the income and expenditure over three years be provided.

It was **resolved** that the property known as Laser House be disposed of.

470 **Prospective Letting in Addlestone One**

The briefing was noted.

471 **Change to remuneration for Democratic Services evening attendance**

It was **resolved** that the preferred option, as set out in the officer's report, be agreed subject to consultation with, and the agreement of, the staff affected.

(The meeting ended at 10.05 pm.)

Chairman