



Corporate Management Committee

Thursday, 21 April 2022 at 7.30 pm

Council Chamber, Runnymede Civic Centre,
Addlestone

Members of the Committee

Councillors: N Prescott (Chairman), T Gracey (Vice-Chairman), A Alderson, D Cotty, M Cressey, L Gillham, J Gracey, M Heath, C Howorth, D Whyte, M Willingale and Vacancy

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

- 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.

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

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

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

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

List of matters for consideration	<u>Page</u>
Part I	
Matters in respect of which reports have been made available for public inspection	
1. Notification of Changes to Committee Membership	
2. Minutes	4 - 12
	To confirm and sign, as a correct record, the Minutes of the meeting of the Committee held on 24 March 2022 (Appendix 'A').
3. Apologies for Absence	
4. Declarations of Interest	
	Members are invited to declare any disclosable pecuniary interests or other registrable and non-registrable interests in items on the agenda.
5. Runnymede Economic Development Strategy 2022 to 2026	13 - 48
6. Climate Change Strategy	To Follow
7. Gender Pay Gap	49 - 53
8. Superannuation - Carers' Policy	To Follow
9. Exclusion of Press and Public	54
Part II	
Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection	
10. Proposed Letting At Addlestone One	55 - 58
11. Proposed Management Agreement For Land	59 - 63
12. Financial Update on the Construction Of Magna Square	64 - 67
13. Loan Agreement for RBC Investments (Surrey) Ltd	To Follow
14. Investment Portfolio - Rent Arrears	To Follow
15. Community Services Structure	To Follow
16. Law & Governance Service Review	To Follow

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEEAPPENDIX 'A'24 March 2022 at 7.30 p.m.

Members of the Committee present: Councillor N Prescott (Chairman) T Gracey (Vice-Chairman), A Alderson, M Cressey, J Gracey, M Heath, C Howorth, D Whyte and M Willingale.

Members of the Committee absent: Councillor D Cotty and Councillor L Gillham.

Fire Precautions

The Chairman read out the Fire Precautions.

Minutes

The Minutes of the meeting held on 24 February 2022 were confirmed and signed as a correct record.

Apologies for Absence

Apologies for absence were received from Councillor D Cotty and Councillor L Gillham.

Declarations Of Interest

None declared.

Constitution Review 2022

The Committee considered proposed changes to the Council's Constitution resulting from periodic updating and recommendations arising from a review of the Constitution by the Constitution Member Working Group (MWG). Section 37 of the local Government Act 2000 required local authorities to adopt and keep up to date constitutions. Many of the changes proposed had emanated from the MWG which had met regularly, had achieved cross party consensus on proposed changes and had made a valuable contribution to the review of the Constitution. An updated Constitution would be produced and be made available on the Council's website from 18 May 2022. A hard copy of the updated Constitution would be published in the summer in order to reflect any necessary further changes made since 18 May 2022.

The Committee noted a summary of proposed changes to the Constitution for 2022. The proposed changes for 2022 included minor updates, corrections and clarifications of wording, changes to dates, spellings, post titles, formatting, revised managerial responsibilities and changes authorised by Committees or the Urgent Action procedure during the Municipal Year. Other changes included alterations to the wording of matters reserved to the Planning Committee and Planning Policy functions delegated to specific officers, authorisation of officers to set fees for deployable (i.e. mobile) CCTV subject to financial thresholds, introducing a provision for Committees to end meetings by resolution and new procedures for appointments to outside bodies, for signing of contracts to expand the range of individuals that could sign them and to contract value thresholds to reflect Government changes to VAT treatment. The 2022 changes would include a new Members Code of Conduct, a new Scheme of Members' Allowances and a revised Council Management Structure diagram.

The Committee noted that under the new procedure for appointments to outside bodies, the persons appointed would be expected to report back to the Council on the activities of the organisation to which they were appointed. This report would not have to be an annual report, although an annual report would be acceptable if the person appointed chose to report annually. It was agreed that when they were appointed, the persons appointed would be advised that they would be expected to report back to an appropriate Committee of the Council.

The Committee agreed to recommend to Full Council that all of the proposed changes to the Council's Constitution be approved.

Recommend to Full Council on 28 April 2022 that –

- i) the changes to the Council's Constitution be approved;**
- ii) the revised Constitution be effective from 18 May 2022; and**
- iii) the Corporate Head of Law and Governance be authorised to settle the final form of the Constitution for adoption in accordance with the above decisions, and the Corporate Head of Law and Governance be authorised to incorporate any delegations to Officers subsequently authorised by Committee(s) after 24 March 2022 and prior to printing, and make any minor editing changes necessary to correct errors or omissions discussed after 18 May 2022.**

Corporate Key Performance Indicators – Proposed Indicators and Targets for 2022/23

The Committee considered a report on the proposed Corporate Key Performance Indicator (CKPI) set for 2022/23. The Committee also noted the latest Quarter 3 (Q3) report for the 2021/22 CKPIs showing performance against targets which provided them with data to assist their consideration of this item.

In 2020/21, the Customer, Digital and Collection Services CKPI CDCS2 target on the percentage of lost Customer Service calls per quarter was 12% and the full year achievement was 8.5%. This result was mainly due to a stable fully resourced Customer Services team over the year. As a result, the decision had been made to reduce the target to 7% for 2021/22. This had proved to be a challenging target during this year due to staff sickness and problems with staff retention and turnover. Some Community Services staff had moved to other positions within Runnymede. The team was still carrying vacancies and staff who had recently joined were still in training. At the end of Q3 in 2021/22 the actual performance across the year to date had been 10.9% against the target of 7%. Officers proposed therefore that the target for CDCS2 for 2022/23 be changed to 10% per quarter on the basis that this should be achievable. The Committee was advised that 10% per quarter presented good performance when compared to industry standards and to other neighbouring local authorities. Some Members of the Committee did not think that the Council should be guided by levels of performance in this area of work by other organisations and other local authorities. They questioned whether by setting a target of 10% the Council would be sending a good message to its customers and suggested that the Council's senior officers should be discussing ways of improving performance on lost customer service calls.

The Committee agreed that the proposal to change the target for CDCS2 to 10% per quarter would be referred to the Service and Digital Transformation Member Working Party (MWP) for consideration. If that MWP agreed that the target for CDCS2 should be changed, officers would prepare an Urgent Action under Standing Order 42 to be signed by the Chairman and Vice-Chairman of the Committee in order to obtain approval of the target recommended by the MWP.

The Committee was pleased to note that the number of street cleansing reports (CKPI ES4) had reduced and it was suggested that it would be appropriate to reduce this target for 2022/23 from 150 a quarter to a lower figure of either 100 or 125 a quarter. It was agreed that officers would liaise with the Corporate Head of Environmental Services on whether the 2022/23 quarterly target for ES4 should be reduced to 100 or 125 and prepare an Urgent Action under Standing Order 42 to be signed by the Chairman and Vice-Chairman of the Committee in order to obtain approval of the reduced target as recommended by the Corporate Head of Environmental Services.

The Regulator of Social Housing (RSH) was introducing national Tenant Satisfaction Measures (TSMs) from April 2023 which would require Social Housing landlords to submit data returns on these measures. Therefore, the Committee agreed that three new CKPIs be introduced from 2022/23 to ensure that data was available as a baseline for the required TSM returns in due course. Two of these three new CKPIs were H1: Percentage of Repairs completed within target timescale and H6: Percentage of homes that do not meet the Decent Homes Standard. The third new CKPI (H10) related to anti-social behaviour. The Committee agreed that the description for this CKPI be changed to read "H10: Number of reported anti-social behaviour cases per 1,000 properties". The Committee considered that it was appropriate to change this description to reflect the fact that only a fraction of the anti-social behaviour that occurred was reported.

As there was a requirement to align relevant corporate indicators for Housing with RSH Tenant Satisfaction Measures, it was agreed that two indicators, (H1 : Percentage of dwellings re-let to deadline per quarter and H6: Percentage of tenants with more than 7 weeks rent arrears at the end of each quarter), would be removed from the set of CKPIs for 2022/23. However, it was noted that these measures would continue to be tracked by the Housing Team.

CKPI C2 on the Number of befriending referrals per quarter had been included in the data set for 2021/22 as a CKPI but as the service was not yet in place, no data was available. The befriending service project was ongoing with currently an estimated end date of July 2022. Therefore, the Committee agreed that this Corporate KPI would only be monitored in 2022/23 and that no targets would be set. This CKPI would be removed from the data set but would be added to the report at the relevant Quarter once the service was commissioned and had data to provide.

The Committee approved all of the other 2022/23 CKPI descriptions and quarterly/annual targets as set out in Appendix 'A' to the agenda report.

Resolved that –

- i) **the 2022/23 Corporate Key Performance Indicator descriptions, as set out in Appendix 'A' to the agenda report, be approved apart from the description for H10 to be changed to read as follows:-**

H10: Number of reported anti-social behaviour cases per 1,000 properties;

- ii) **officers liaise with the Corporate Head of Environmental Services on whether the 2022/23 quarterly target for ES4: Number of street cleansing reports (overflowing litterbins, overflowing dog bins and general litter/detrítés) should be reduced to 100 or 125 and prepare an Urgent Action under Standing Order 42 to be signed by the Chairman and Vice-Chairman of the Committee in order to obtain approval of the target as recommended by the Corporate Head of Environmental Services;**

- iii) **the proposed change set out in the report to the target for CDCS2 : Percentage of lost Customer Service calls per quarter be considered by the Service and Digital Transformation Member Working Party (MWP) and, if that MWP agrees that the target should be changed, officers prepare an Urgent Action under Standing Order 42 to be signed by the Chairman and Vice-Chairman of the Committee in order to obtain approval of the target as recommended by the MWP; and**
- iv) **the remainder of the proposed 2022/23 quarterly/annual targets, as set out in Appendix 'A' to the agenda report, be approved.**

Governance Arrangements for the Magna Carta Trust

The Magna Carta Trust (MCT) contained senior representatives from significant bodies including the judiciary, church, various district/borough councils, the English Speaking Union, The Pilgrims of Great Britain and The Royal Empire Society. Given the significance of the Magna Carta to Runnymede, Runnymede Borough Council had been an active member of the MCT, and had provided its Honorary Treasurer, Honorary Secretary, and administrative support to the MCT's 1-2 meetings per year. The serving Mayor of Runnymede had been a Trustee.

Discussions about the MCT converting to a Charitable Incorporated Organisation (CIO) had been ongoing since soon after the Magna Carta's 800th anniversary in 2015, and after a lengthy application process the Charity Commission had approved the application to CIO status in December 2021. At the MCT's most recent meeting in February 2022, the Trustees had resolved to both formally disestablish the Magna Carta Trust in favour of the Magna Carta Trust CIO, and transfer its assets to the new CIO. The new MCT ICO had asked the Council to decide whether it would wish to put forward an individual as a trustee to serve on the MCT ICO. The MCT ICO would then decide whether or not that individual would become a Trustee of the MCT ICO. The direction of the Committee was sought to establish whether Runnymede should seek to identify, in principle, a person who would wish to become a trustee, or whether to fulfil a more informal role within the Trust, such as an associate organisation or ambassador.

Historically Runnymede's trustee on the MCT had been the incumbent Mayor which meant that they were a trustee only for the year of their Mayoralty. This was by virtue of the fact that in order to be a trustee a person had to hold what was termed a qualifying office. However, a significant change to the set up of the CIO would mean that trustees would be appointed on their own merits on a three or four year term rather than because of the qualifying office they held.

Given the significance of the Magna Carta to the whole borough, if the Committee decided to identify a person who could be approached to be a trustee it could be any Councillor, or a resident of Runnymede or someone from the local community who had a strong interest in Magna Carta. Should Runnymede decide to identify a person to approach to be a trustee, that individual's responsibilities would be exclusively to serve the interests of the MCT. They would not be the Council's spokesperson or representative but would use their judgement in the best interest of the MCT. The Council could not instruct them to take a particular stance on a matter. A trustee of the new MCT ICO would be a person who was interested in the work of the charity and committed to its work. The Committee asked about the personal liability of a Trustee of the new MCT ICO. It was noted that it was envisaged that the ICO would take out insurance exempting their trustees from personal liability for the actions of those trustees except in the case where those actions were criminal.

Clarification was being sought from the preliminary trustees of the MCT CIO to establish what the costs of various types of membership would be and the extent of involvement of Runnymede officers in the new MCT ICO.

The Committee indicated that it would like to be able to put forward an individual to serve as a Trustee and also to become an associate or ambassadorial member of the Trust. This was because the Trustee would be serving the interests of the MCT whereas it was understood that the associate or ambassadorial member position would be serving the interests of the Council. However, the Committee was advised that the MCT CIO had given the Council the option of either putting forward a person to become a Trustee or taking up an ambassadorial or associate position.

The Committee agreed to defer a decision on this item and agreed that a further report would be submitted to the Committee with further information about the ambassadorial member and associate member roles.

River Thames Scheme – Service Level Agreements

The Committee considered the arrangements for signing off two Service Level Agreements (SLA)s associated with the River Thames Scheme (RTS). These SLAs needed to be signed off at the earliest opportunity so that work could progress on the Development Consent Order (DCO) to meet the planned timetables and permit the recruitment of staff to the coordination role to be carried out by Runnymede Borough Council. The Committee's agreement was sought to delegating the signature of both SLAs to the Chief Executive Officer on behalf of Runnymede Borough Council in consultation with the Chairman and Vice-Chairman of the Corporate Management Committee.

The RTS was being delivered by the Environment Agency (EA) and Surrey County Council (SCC) (both the EA and SCC were jointly referred to as "the Applicant") in partnership with Runnymede Borough Council and various other organisations which were noted by the Committee. The SLAs between the Applicant and the Local Planning Authority (the Applicant SLA) and between the 4 key local planning authorities (the Inter Authority SLA) in respect of the River Thames Scheme (RTS) were almost finalised. The SLAs would define the contractual relationship between the parties, the structure which the pre-application consultation would follow, the support which the Applicant would provide to the Consulting Local Authorities and the role of Runnymede Borough Council (RBC) as the Coordinating Authority for Surrey County Council (SCC), Spelthorne (SBC), Elmbridge (EBC) and Runnymede Borough Council (RBC) in their capacity as statutory consultees.

The River Thames between Egham and Teddington was one of the largest areas of undefended developed floodplain in England. There was a history of flooding in the area over the past 100 years with major floods occurring in 1947, 1968, 2003 and 2014. UK climate change projections forecasted that the problem of flooding would worsen over time. The estimated impact of a major flood in this area was currently estimated at £1 billion. Due to the impact of climate change this could be doubled by 2055. More than 11,000 homes and 1,600 businesses would benefit from reduced flood risk and rail, power and water networks would be more resilient. The River Thames Scheme (RTS) flood relief scheme would consist of two new flood channels through the Boroughs of Runnymede and Spelthorne in Surrey. There would also be increased capacity at the weirs in Sunbury, Molesey and Teddington and the Desborough Cut. The RTS would ensure that there was no increased flood risk to any community in the area and was also projected to contribute to a vibrant local economy, to enhance the social and environmental value of the river and to create new green spaces and recreation opportunities.

The direct planning implications of the RTS were confined to 4 key Planning Authorities: RBC, SBC, EBC and SCC. Approval of the outline business case had been given by HM Treasury in Spring 2021. Final business case approval would follow when the Scheme received DCO consent. The DCO was a particular process which could be used for obtaining permission for a development categorised as a Nationally Significant Infrastructure Project (NSIP). The Government had directed that the RTS be treated as a NSIP in December 2020 and the current estimate for completion of the Project was 2030. The DCO automatically removed the need to obtain several separate consents, including

planning permission and was designed to be a much quicker process than applying for these separately.

The RTS was unusual in regard to the DCO Application as the project Applicant (EA and SCC) and the 4 key planning authorities were all partners in the RTS and contributors to the capital costs. In addition, all parties were statutory consultees under the DCO process. This complexity created the requirement to establish an internal 'glass wall' within the Project Applicant side and within the key local authority partners contributing to the capital cost of the RTS in order to maintain the independence and integrity of the key Planning Authorities. It had been agreed that the complexity of the consultation and the importance of maintaining the integrity of the interparty relationships required the creation of a Secretariat to manage this operation. RBC had been chosen to host this function as the Borough was the Coordinating Authority, was the location of the largest channel section and was expected to experience the majority of the impacts of the Scheme.

There were two SLAs currently being finalised. The Applicant SLA related to the proposed RTS and was between the Applicant and the 4 key Planning authorities. This SLA addressed the funding mechanism for the independent consultant supporting the 4 key planning authorities, as well as the internal delineations to ensure that the planning advice provided was demonstrably independent from the Applicant. This SLA also identified RBC as the Co-ordinating Authority for the DCO process and the host for the Secretariat. The costs of the Secretariat would be met by the Applicant. The draft Applicant SLA at Appendix 'D' to the report was noted by the Committee.

The other SLA was the Inter Authority SLA between the 4 key planning authorities (RBC, EBC, SBC and SCC). This addressed RBC's role as the Coordinating Authority on behalf of EBC, SBC and SCC for the management of the independent consultant in assessing the DCO information in detail on behalf of the collective planning authorities, facilitating and managing the transfer of information from the Applicant's consultant and returning the responses from the 4 key local planning authorities. The Inter Authority SLA would also cover those aspects of the DCO process which the Applicant had not agreed to pay for, but which would be required by the local planning authorities in fulfilment of their statutory duties and would consist mainly of Legal Counsel costs. In large part the Inter Authority SLA would mirror the Applicant SLA.

The Committee noted that the Council had a statutory duty to make a Planning response to the RTS proposals and that it had the Planning resource to make this response. The staffing requirements for the Secretariat would be clarified when the SLAs were finalised and the Council would seek further resources from the EA for the work of the Secretariat if further resources were required. The Committee would receive regular reports about the progress of the RTS.

The RTS was an opportunity to provide greater protection to residents and businesses in the Borough against major flooding. The Committee noted that it was vital that RBC maintained its commitment to the RTS in order to maximise the primary and secondary benefits which would be delivered by its construction. The Committee approved the arrangements for the execution of the SLAs as set out in the resolution below. The SLAs provided security of funding for the RBC Planning Authority to be fully involved within the DCO process and enabled it to submit detailed responses to ensure that the RTS was fit for purpose. The SLAs also defined and confirmed the role of RBC as the Coordinating Authority and host to the Secretariat and secured the funding for this function.

Resolved that –

the RTS Applicant SLA be approved in principle and authority be delegated to the Chief Executive Officer to sign the Applicant SLA and the Inter Authority SLA in consultation with the Chairman and Vice-Chairman of the Corporate Management Committee.

Shared Management Arrangements for Building Control

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

The Committee considered a report on proposed shared management arrangements for Building Control. The forthcoming Building Safety Act would result in a greater volume of work. A number of Runnymede Building Control Staff had retired or were due to retire in the near future. The Building Control market was highly competitive and it was a challenging time to be seeking new staff. The Council needed to plan appropriately for the correct structure and personnel to ensure the resilience of the service.

It was proposed that Runnymede would share a Building Control Manager with Surrey Heath Borough Council (SHBC) so that strategic Building Control Management would be in place for both Councils with shared costs. The Council had a number of successful partnership working arrangements with SHBC for other areas. The structure under the shared management team was noted by the Committee. This structure would build resilience in both Councils and would result in increased efficiency and economies of scale. The Committee agreed that the Building Control budget would be restored to 2021/22 levels and approved a supplementary revenue estimate in the sum reported to restore resources to enable the shared management arrangements to proceed.

The Committee noted that while the new structure would not yield significant short term savings it would provide potential benefits in increasing market share and income and would assist in recruiting and retaining staff. The new structure would be an interim arrangement for up to 12 months which would be regulated by a Service Level Agreement. Once the joint management arrangements were in place, there would be discussion regarding potential setting up of a full partnership. If a full shared partnership were to be recommended in the future, the details would be reported to the Committee for consideration. It was noted that SHBC had approved the interim arrangement.

Resolved that –

- i) the Chief Executive be authorised to implement the proposed new Building Control shared arrangements and structure contained in the report with Surrey Heath Borough Council and to restore the Building Control budget to 2021/2022 levels in order to achieve this;**
- ii) the Chief Executive be authorised to progress work with a view to implementing a full shared service arrangement with Surrey Heath Borough Council before 31 March 2023; and**
- iii) a supplementary revenue estimate be approved in the sum reported to restore resources to enable the shared management arrangements to proceed.**

Proposed Letting Of Commercial Property

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 considered a report on proposals for the letting of a part of a commercial property and noted the proposed terms of the letting as set out in the report.

The gross revenue income from the letting was noted. The letting would also save the Council void costs. The letting would require capital funding for works to be undertaken which could be taken from the Provision for Asset Management held within the Capital Programme. The Committee approved the letting, noting that the rent was at a level in line with the post Covid market. The Committee noted the current Tenancy Schedule for lettings at this property.

Resolved that -

- i) the letting to the company reported of part of the property reported be approved on the terms set out in the report including the Landlord's Works and the Landlord's Contribution; and**
- ii) a supplementary capital estimate be approved in the sum reported for the associated work, to be taken from the Provision for Asset Management in the Capital Programme.**

Financial Services Restructure

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

The Committee considered a report on a proposed restructure of the Financial Services section to ensure that it remained fit for the current Council transformation programme and potential future additional partnership working arrangements whilst at the same time providing extra resilience to parts of the team.

The additional work taken on by the section during the last few years was noted and a number of members of the section had been granted Voluntary Redundancy which resulted in the loss of experience in the team. The restructuring proposals were designed to increase the resilience of the Accountancy team, to increase the number of applications received for Finance posts in Runnymede by broadening career grades, to provide a broader outlook in decision making and service provision and to make various changes to staff reporting arrangements, job responsibilities and to the grading of particular posts. One of the key objectives of the changes was to develop the team's business partner role. While the changes would required the approval of a supplementary revenue estimate it was noted that this should be viewed in the context of savings which had already been made in the section.

The Committee approved the changes set out in resolutions i) to iv) below and the supplementary revenue estimate required to take account of these changes. The Committee noted the revised structure for the section that would result from the changes as set out in Exempt Appendix '2' to the report.

It was noted that the various partnership working arrangements entered into by the Council in recent years for the provision of various services had had an effect on the capacity and working practices of the Financial Services section. It was suggested that officers should consider whether there was scope for the outsourcing or insourcing of any of the functions provided by the Financial Services section.

Resolved that –

- i) the post as reported be disestablished and replaced with a new post as reported on the grade reported; and**
- ii) the regrading of the posts as reported to the grades reported be approved and a new post be created as reported;**
- iii) the post as reported be regraded to the grade reported to reflect additional responsibilities;**
- iv) the post as reported be deleted;**
- v) the post as reported be created at the grade reported; and**
- vi) a supplementary revenue estimate be approved as set out in the report in the sum reported to take account of the above changes.**

(The meeting ended at 9.25.p.m.)

Chairman

Runnymede Economic Development Strategy 2022 to 2026
(Corporate Head of Planning Policy and Economic Development - Rachel Raynaud)

Synopsis of report: The Runnymede Economic Development Strategy for 2022 to 2026 sets out an analysis of the local economy and identifies the council's priorities and deliverables for supporting economic growth over the next four years.

Recommend to the Full Council meeting which considers the Corporate Plan:
The approval of the Runnymede Economic Development Strategy for 2022 to 2026. In particular to:

- **note the assessment of the local economy and SWOT analysis**
- **approve the six priorities set out in paragraph 2.5 of this report and the deliverables identified in Appendix 1 of the Strategy.**

1. Context

- 1.1 'Improving our economy' is one of four key themes in the council's Corporate Business Plan for 2016 to 2020. To support the Corporate Business Plan the Council approved an Economic Development Strategy for 2016 to 2019 which set out how the Council would support economic growth. During this time the Council provided a range of support for economic development in line with what was recommended in this strategy. This included bringing businesses together and connecting them to support through Business Runnymede, supporting Town Centres through the development of town teams and support for the high streets, investing in town centres and business premises to provide high quality accommodation for businesses, encouraging inward investment and helping young people into employment and training through the Youth Hub.
- 1.2 This document is now out of date and a new economic development strategy is needed to set the strategic direction for economic development for the next four years
- 1.3 The Government's approach to supporting economic recovery and growth post-pandemic is set out in the paper 'Build Back Better: Our Plan for Growth March 2021'. In this paper the Government recognises that borough and district councils will continue to play a leading role in supporting economic recovery and growth. The Levelling Up White Paper published in February 2022 lays out the Government's long-term economic and social plan to make opportunity more equal across the UK. The Shared Prosperity Fund will help resource the plan for levelling up and Runnymede Borough Council will be allocated funding through this fund from 2022 to 2025.
- 1.4 The Economic Development Strategy for 2022 to 2026 (at Appendix 'A' attached) sets out an analysis of the local economy. It identifies six strategic priorities and a number of deliverables for the Council to support economic growth.
- 1.5 The strategy will support local economic growth by:

- articulating a clear economic narrative for the borough based on a review of economic performance and business and stakeholder priorities.
- ensuring the support and continued endorsement of business and stakeholders.
- setting the strategic direction for economic development for the next four years, with a focus on sustainable business and economic growth.
- making clear links with internal and external strategies including those of the Enterprise M3 LEP, Surrey County Council and neighbouring authorities; and
- setting out key priorities and clear deliverables, which define how economic development will be delivered

2. The Economic Development Strategy for 2022 to 2026

- 2.1 The Council undertook an assessment of the local economy in 2021 (at Appendix 'B' which is separately circulated electronically) which underlined that Runnymede has a highly competitive economy and is a dynamic location for business.
- 2.2 Runnymede is ranked as the most competitive borough in the UK outside of London (UK Competitive Index 2021). It is the largest economy in the Enterprise M3 Local Enterprise Partnership (5.8bn GVA) and is home to a significant number of national and international companies.
- 2.3 However, the economy faces a number of challenges. The economic shock of 2020/21 resulting from Covid, and of leaving the European Union is still yet to be fully felt by businesses. Companies face growing skills shortages and high costs. At the same time lack of investment in infrastructure may hold back future growth.
- 2.4 The strategy's vision is that the Borough will continue to be a leading economy in Surrey and the wider sub-region. Runnymede will be a place where businesses succeed, and residents prosper and will be an attractive place for investors and visitors.
- 2.5 The following six priorities have been identified:
- **Priority 1: Business relocation, expansion, and investment in the Borough**
Ensure continued growth in the Borough's business base and economic activity by promoting the Borough as a premier business location for companies and individuals.
 - **Priority 2: Maintaining competitive advantage through business engagement, strengthening business networking.**
Deliver a business engagement and support approach that enables firms to achieve their growth ambitions. The approach includes a focus on supporting collaboration and innovation to accelerate growth in tech clusters.

- **Priority 3: Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy**

Supporting Runnymede's town centres which are important for the local economy and for providing goods and services to residents. It will support the development of the tourism and leisure sector, which has the potential to grow and to benefit the wider leisure and retail offers in the town centres.

- **Priority 4: A dynamic workforce for a high-tech, creative economy**

Maintain the Borough's position as a UK tech jobs cluster by helping ensure (a) local employers have access to the skills required to grow their businesses, (b) residents have the appropriate qualifications and skills to access local employment opportunities.

- **Priority 5: Better infrastructure for sustainable growth**

Improve the Borough's competitive performance through provision of improved infrastructure to support mobility, communications, health and well-being.

- **Priority 6: Developing a low carbon economy**

Support and encourage businesses to be more sustainable. This means helping businesses to become more energy efficient or to develop more sustainable business practices within their own operations and those of their supply chains. The Council will share good practice in sustainability and will encourage and support businesses to develop green products and services.

2.6 A number of objectives and deliverables are identified in Appendix 1 of the strategy. This includes supporting inward investment, developing business awards to celebrate and raise awareness of business success, developing support for tech clusters, extending business engagement through Business Runnymede and the Town Teams, developing the tourism and visitor economy and strengthening pathways for residents to jobs in tech and helping business to be more sustainable.

3. **Policy framework implications**

3.1 The Government's commitment to economic recovery (set out in [Build Back Better: our plan for growth](#)), to levelling up and devolution is set to change the opportunities for local government to work with businesses and public sector partners to support economic development.

3.2 A review of the national and regional policy to support economic development is provided in Chapter 5 of the Economic Development Strategy.

3.3 This strategy together with the Council's Empowering Communities Strategy, Climate Change Strategy and Health and Wellbeing Strategy together

underpin the Council’s Corporate Plan and set out the authority’s priorities over the next four years.

4. Resource implications

4.1 The Council funds a Senior Economic Development Officer and Town Centre Manager who report to the Corporate Head of Planning, Policy and Economic Development. These officers will lead on the delivery of activity relating to the strategy, by working with officers from across the Council, and with external partners in particular, Surrey County Council, the Enterprise M3 LEP and Royal Holloway University of London.

4.2 A total of £57,330 has been approved for the delivery of the Economic Development Strategy in 2022/23. The funding has been allocated against four priorities:

Priority	Budget 2022/23
Priority 1: Business relocation, expansion, and investment in the Borough	5,200
Priority 2: Maintaining competitive advantage through business engagement, strengthening business networking	26,180
Priority 3: Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy	24,950
Priority 4: A dynamic workforce for a high-tech, creative economy	1,000
Total	57,330

4.3 We are awaiting details of the Council’s allocation from the Shared Prosperity Fund. This new fund supports the Government’s levelling up agenda and is aimed at supporting i) communities and place; ii) local businesses; and iii) people and skills and will be utilised to support the priorities set out in the Economic Development Strategy.

4.4 The economic development team will lead on securing external funding to support the recommendations in the strategy. This will include working with partners and the Council’s bid writer to secure public and private sector funding to support economic growth.

5. Legal implications

5.1 None

6. Equality implications

6.1 An Equality Screening and an Equality Impact Assessment will be completed for this Strategy.

7. **Environmental/Sustainability/Biodiversity implications**

7.1 The strategy includes a priority to support the low carbon economy. Economic Development officers will liaise with the Council's Environment Officer to identify opportunities to coordinate and collaborate on work to support and encourage businesses to be more sustainable.

8. **Other implications (where applicable)**

8.1 None

(To recommend)

Background papers

Runnymede Economic Development Strategy 2022 to 2026
Runnymede Economic Assessment

Economic Development Strategy 2022 to 2026

Runnymede Borough Council

March 2022

DRAFT

Table of Contents

Executive Summary	3
Chapter one: Introduction	5
Purpose of the Economic Development Strategy	5
Geographical Context	6
Chapter two: Economic Assessment	7
People and communities	7
Workforce dynamics	8
A competitive business location	9
A connected borough with a vibrant commercial property market	11
Chapter three: Results from the Business Survey	14
Key findings	14
Business growth	14
Locational considerations	15
Skills and recruitment	15
Business support	16
Chapter four: SWOT Analysis	17
Chapter five: The Policy Context	18
Central Government	18
Regional policy	19
Local policy	20
Chapter six: Priorities	21
Appendix 1 Priorities, objectives, and deliverables	22
Appendix 2 Strengths, weaknesses, opportunities and threats	27

Executive Summary

Introduction

Runnymede is ranked as the most economically competitive borough in the UK outside of London ([UK Competitiveness Index 2021](#)). The Runnymede Economic Development Strategy 2022 to 2026 aims to ensure that the Borough continues to be a leading economy in Surrey and the wider sub-region. The Borough's officers and members are keen to ensure that economic growth continues and strengthens, and that the local community can benefit from opportunities wherever possible. **Cllr Nick Prescott Leader, Runnymede Borough Council.**

The strategy comes at a critical time for the economy. The impact of the economic shock of 2020/21, and of leaving the European Union is still yet to be fully felt by businesses and residents. At the same time the Government's commitment to economic recovery (set out in [Build Back Better: our plan for growth](#)), to levelling up and devolution is set to change the opportunities for local government to work with businesses and public sector partners to support economic development. This strategy together with the Council's Empowering Communities Strategy, Climate Change Strategy, Health and Wellbeing Strategy and Organisational Development Strategy, underpin the Council's Corporate Plan and set out the authority's priorities over the next four years. **Paul Turrell, Chief Executive Officer, Runnymede borough Council.**

Runnymede's economic performance

The council undertook an assessment of the local economy in 2021 which underlined that Runnymede has a highly competitive economy and is a dynamic location for business. Chapter 2 outlines the key findings of this assessment and shows that the Borough is:

- Ranked as the most competitive borough in the UK outside of London (UK Competitive Index 2021).
- The largest economy in the Enterprise M3 Local Enterprise Partnership (5.8bn GVA).
- Home to a significant number of national and international companies.
- 20% of all companies in Surrey which employ over 1,000 people are based in Runnymede.
- Out of all 363 UK local authorities Runnymede has the 15th highest share of employment in Information and Communication, the 10th highest in Cyber Security and seventh highest of Arts, Entertainment and Recreation employment.
- Ranked 2nd in the UK in the Grant Thornton Sustainable Growth Index 2019 for 'Dynamism and Opportunity' (behind Cambridge).
- Attracts a significant amount of Foreign Direct Investment (FDI) including Netflix's investment in a major new film production facility at Longcross.

Vision

The vision of the 2022 to 2026 Runnymede Economic Development Strategy is that the Borough continues to be a leading economy in Surrey and the wider sub-region. Runnymede

will be a place where businesses succeed, and residents prosper. An attractive place for investors and visitors.

Objectives

The following six objectives have been identified:

- **Objective 1:** Business relocation, expansion, and investment in the Borough
- **Objective 2:** Maintaining competitive advantage through business engagement, strengthening business networking and local supply chains.
- **Objective 3:** Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy
- **Objective 4:** A dynamic workforce for a high-tech, creative economy
- **Objective 5:** Better infrastructure for sustainable growth
- **Objective 6:** Developing the low carbon circular economy

DRAFT

Chapter one: Introduction

Purpose of the Economic Development Strategy

The aim of the Economic Development Strategy is to build on the Borough's economic strengths to support a resilient, productive, low carbon and high-value economy. The Council wants to ensure that Runnymede continues to be a leading economy, in Surrey, the wider sub-region and the UK. The strategy will do this by:

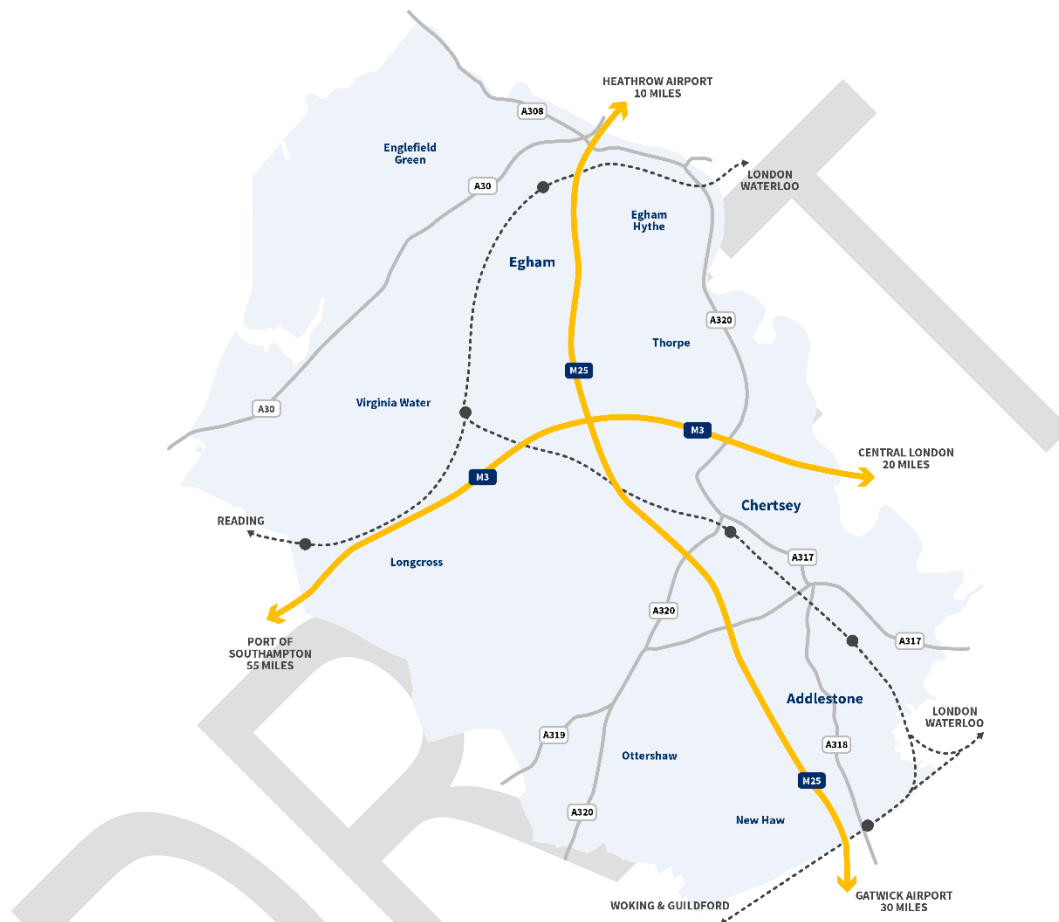
- articulating a clear economic narrative for the Borough based on a review of economic performance and business and stakeholder priorities.
- ensuring the support and continued endorsement of business and stakeholders.
- setting the strategic direction for economic development for the next four years, with a focus on low carbon sustainable business and economic growth.
- making clear links with internal and external strategies including those of the Enterprise M3 LEP, Surrey County Council and neighbouring authorities; and
- setting out key priorities and clear deliverables, which define how economic development will be delivered.

The following steps were undertaken to develop the strategy:



Geographical Context

Runnymede Borough is in north-west Surrey, only 20 miles from central London. The Borough is strategically located at the junction of the M25 and M3 motorways. It has good rail and excellent road connections to the capital and wider Southeast, and excellent road connections to Heathrow and Gatwick. Approximately 79% of its area lies within the metropolitan Green Belt which makes it an attractive area to live, work and visit.



There are three main town centres in the Borough – Addlestone, Chertsey and Egham, and a range of local village centres. These include Englefield Green, Ottershaw, Thorpe, Virginia Water and Woodham and New Haw.

In addition to the town centres, major employment areas in the borough include:

- Weybridge Business Park and Bourne Business Park, to the south of Addlestone.
- Hillswood Business Park, to the south-west of Chertsey.
- Thorpe Industrial Estate, to the north of Thorpe Village.
- Longcross Park, on the western edge of the Borough.
- The Causeway, located on the northern edge of the Borough between Egham and Staines-upon-Thames.

There are also several individual business premises employing significant numbers of workers including: St Peters Hospital, Royal Holloway, University of London (RHUL) campus; the Animal and Plant Health Agency (APHA) laboratories; and headquarters buildings for Samsung, Gartner, and Compass foods.

Chapter two: Economic Assessment

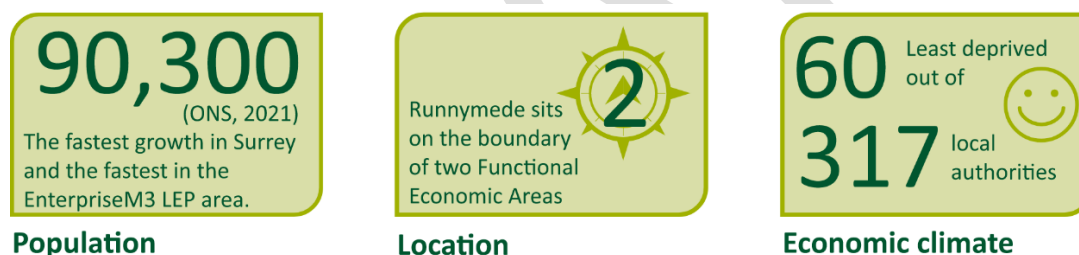
An Economic Assessment was undertaken in 2021 to inform the development of this strategy and should be read in conjunction with it. The assessment details the sources for the data used in this chapter. Overall, the assessment found that:

Runnymede is home to many national and international companies and is an important centre for business within the Southeast of England. The Borough's locational advantages and excellent connectivity combined with its skills base and high-quality environment, make it an attractive location for business. The economy was growing prior to the pandemic, and it is encouraging that those parts of the economy which were growing the fastest were in the knowledge economy, particularly the IT Communication sector and Arts, Entertainment and Recreation sectors where 'the jobs of the future' are being created.

A summary of the key findings of the assessment are set out below.

People and communities of Runnymede

Key facts



Key findings

- Runnymede has a relatively small population of 90,300, the 4th smallest in the county.
- Between 2011 and 2018, the population grew by 9.3% - the fastest growth in Surrey and the fastest in the Enterprise M3 LEP.
- The population is expected to reach 94,236 in 2028, an increase of 4.5% from 2021.
- Runnymede ranks the 60th least deprived out of 317 local authorities but has fallen 19 places in the English rankings since 2015.
- There are small pockets of relative deprivation where residents struggle to access housing and services.
- Runnymede is a relatively healthy borough. Life expectancy at birth for both men and women is higher than the average for the rest of England.

Implications for the Strategy

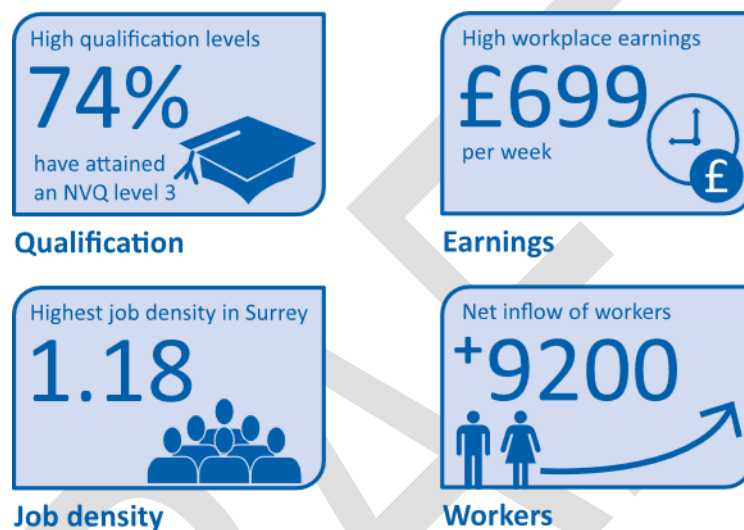
The projected growth in population will require comprehensive planning to ensure adequate infrastructure, jobs and training, and public services are provided to meet the needs of a growing and ageing population. Issues of relative deprivation in particular the lack of

affordable housing and poor access to public services for some communities must be addressed to ensure improved life chances for these residents.

An increasing population will also strain the road network, leading to an increase in congestion and pressure on the capacity of public transportation systems, as well as health and other facilities.

Workforce dynamics

Key facts



Key findings

- In 2020 the working age population (16-64 years) was 59,200 (65.6%) higher than Surrey (61.1%), Southeast (61.1%) and England (62.4%).
- Qualification levels amongst the resident population are high. Nearly three out of every four adults (74%) have achieved NVQ level 3 (equivalent to 2 A levels) an increase from 60% in 2015 and a higher percentage compared with Surrey (67%), the Southeast (64%) and England (61%). 57% of residents have achieved an NVQ4 compared with Surrey (53%), the Southeast (45%) and England (43%).
- In 2020, there were 4,200 people in Runnymede with no skills. 7.2% of 16–64-year-olds, higher than the rate for Surrey (4.3%) and for the United Kingdom (6.6%).
- Runnymede records high earnings in the workplace with the median gross weekly pay recorded as approximately £700 per week for full-time employees, compared to £608 in the Southeast and £586 in the United Kingdom.
- Workplace earnings are higher than resident earnings. This suggests that more of the most well-paid jobs in the borough are held by in-commuters rather than the resident workforce.
- In 2020, there were 67,000 workforce jobs in Runnymede. The borough has the highest job density in Surrey. There are 114 jobs for every 100 residents in the Borough. This is 20% higher than the Surrey average and the second highest job density in the EM3 LEP area.

The impact of the Covid 19 pandemic

Although unemployment increased significantly in 2020 because of the pandemic the situation has recovered and in December 2021 only 1,570 residents were claiming unemployment benefit (2.6%) slightly lower compared with Surrey (3%), and significantly lower than the Southeast (4.2%) and England ((5.3%) (Source Nomis 2021)).

The number of jobs furloughed in Runnymede peaked in March 2021 at 15,500 (14% of all jobs) slightly below Surrey and England (15%). This fell to 2,500 (7%) in August 2021 towards the end of the Job Retention Scheme, slightly above the rate for Surrey and England (6%).

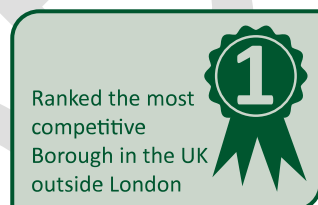
Implications for the Strategy

Runnymede has a relatively skilled workforce with high levels of participation. To develop the economy sustainably for the future, access to quality employment for young people should be improved, including access to affordable accommodation. Employers should be encouraged to increase their investment in skills. Schools, colleges, and training providers should focus on providing the skills needed by employers and continue to raise the number of people with qualifications at NVQ 3 and 4, to cement Runnymede's position as a highly skilled economy.

There should be targeted intervention on improving skill levels for those with no, or very few qualifications. Digital skills are vital for the modern economy, especially given the growth in homeworking during the COVID-19 pandemic.

A competitive Business Location

Key facts



Rank



Economy



Employment



Arts sector

Key findings

- Ranked as the most competitive borough in the UK outside of London (UK Competitive Index 2021).

- The largest economy in the M3 LEP (5.8bn GVA¹).
- Home to a high number of large companies including national and international companies who have their headquarters in the borough.
- 20% of all companies in Surrey which employ over 1,000 people are based in Runnymede.
- 15 companies employ over 1,000 people and 40 businesses employ more than 250 people.
- Businesses in Runnymede are more likely to survive after 3 years (64%) compared with Surrey and the Southeast (63%) and England (61%).
- Out of 363 local authorities Runnymede has the 15th highest share of employment in Information and Communication and the seventh highest share of Arts, Entertainment and Recreation employment. And a particularly high number of jobs in Cyber Security.
- Ranked 2nd in the UK in the [Grant Thornton Sustainable Growth Index 2019](#) for 'Dynamism and Opportunity' (behind Cambridge). The borough benefits from being a centre of research and innovation being the home of Royal Holloway, University of London and research establishments such as the Animal and Plant Health Agency headquarters in New Haw, CABI and a large base of international, leading-edge technology-based businesses.
- The borough attracts a significant amount of foreign direct investment (FDI) including Netflix's investment in a major new film production facility at Longcross.

Implications for the Strategy

Runnymede has a resilient economy and will be in a good position to recover from the effects of the Covid 19 pandemic. However, the longer-term impact on businesses and residents of the economic shock of 2020/21, including changing working practices, remains uncertain.

Runnymede's strategic location, supply of high-quality offices and highly skilled workforce make it a highly attractive location for foreign companies wanting to set up UK and EMEA headquarters. Knowing and understanding the issues, barriers and opportunities for the growth and retention of large companies is a priority. The Council will need to work closely with DIT, Surrey Council and the Enterprise M3 LEP to support inward investment.

Runnymede has some strong sector concentrations including employment in Information and Communications and in Arts, Entertainment and Recreation. The addition of Netflix in Longcross a large global brand and pioneer in digital entertainment provides significant opportunities to accelerate growth in createch – one of the fastest growing parts of the UK economy where creativity interacts with emerging technologies such as immersive techs and artificial intelligence.

Runnymede has a very high share of employment in cyber security, with 7,000 people working in the sector - the 10th highest density of employment in the sector in the UK and is home to Royal Holloway University of London a U.K Academic Centre of Excellence in Cyber Security Research as well as one of the largest and best-established security groups in the world - the ICT4D group.

The Council will work with Royal Holloway University of London, Neighbouring boroughs, the County Council and Enterprise M3 LEP to establish createch and Cyber Security as key sectors and drivers for economic growth for the region and lobby for support to maximise the benefits for Runnymede and wider region.

¹ The GVA figure is based on ONS data from 2017.

A connected borough with a vibrant commercial property market

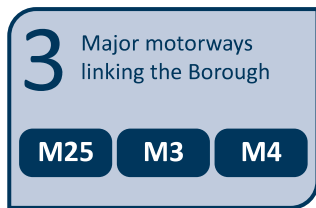
Key facts



Sub-markets



Access



Links



Geographical location

Key findings for commuting

- 24% of working residents in Runnymede commute to work in Greater London.
- The self-containment rate of Runnymede (i.e., the proportion of working age residents working within it) is 39%. This is a similar level to neighbouring boroughs and reflects the influence of London as a place of employment and the importance of the transport network.
- There is an overall net inflow of workers into the Borough (approximately 9,000, with the largest numbers coming from other Surrey districts and boroughs (approximately 3,100).
- The car remains the most popular method of travel to work for those commuting from and into Runnymede (65%).

Key findings for the commercial property market

- Runnymede is an important office location, especially for large corporates due to good accessibility to Heathrow, the strategic road network and rail connections to London, alongside quality-of-life factors and a skilled local workforce.
- There are two distinct submarket areas operating in the Borough. The northern parts of the Borough in and around Egham and The Causeway are generally more popular for larger office occupiers. Grade A rents in this location are like Maidenhead, Uxbridge and Heathrow. Chertsey and Addlestone to the south of the Borough tend to compete with Weybridge and to a lesser but increasing extent Woking.
- Runnymede is not recognised as a particularly significant industrial location, despite its proximity to the M25 and Heathrow, as land costs and environmental constraints mean there are few suitable sites for large scale logistics or major manufacturing businesses in the borough.

- However, the borough's location within the typical 'Heathrow area of search' generates a certain amount of interest from occupiers requiring global connectivity, especially for freight. Runnymede's industrial market witnessed increased rental levels prior to the pandemic which precipitated several investments in new space. Following the pandemic demand slowed but has picked up over the second half of 2021 reducing vacancy rates to a relatively low level. Key findings relating to commercial floorspace
- In 2021 the Valuation Office Agency (VOA) reported 561,000sq.m of rated office and industrial floorspace in Runnymede. The amount of space has declined from 584,000sq.m in 2015/16 as a number of office premises have been converted to residential, especially within the town centres.
- In September 2021 the Council's employment land use database identified 17% of office, manufacturing and logistics floorspace within the Borough's main employment areas as vacant. It should be noted however, that some of the vacant premises are likely to be converted to residential or are awaiting redevelopment/refurbishment for employment use.
- The amount of office floorspace recorded by the VOA peaked in 2017/18 at 304,000sq.m before falling to 267,000sq.m in 2020/21, its lowest level in five years.
- The amount of industrial space declined slightly from 2015 to 2018 before recovering in 2020/21. There is currently 294,000m2 of industrial space compared with 300,000m2 in 2015/16
- Between 2012 and 2018/19 the amount of office space in the borough grew with Runnymede recording the second highest percentage increase in office space in Surrey over this period and the third highest in the EM3 LEP area.
- Between 2012 and 2018/19 there was also a considerable growth in industrial floorspace of 26%, the highest percentage increase in the EM3 LEP area and Surrey.
- The recently adopted Runnymede 2030 Local Plan identifies five strategic employment areas in the Borough at Weybridge/Bourne Business Park, Hillswood Business Park, Thorpe Industrial Estate, Longcross and The Causeway.
- Longcross was designated an Enterprise Zone in 2017. Most of the site which has been used as a temporary film studio was leased last year to Netflix who plan major investment in the site, with the remaining part of the site owned by Ark datacentres who plan to open a large datacentre on the site by 2023.
- Runnymede strong economy has enabled the Borough to attract considerable investment in its commercial property offering over the last decade, resulting in good provision of Grade A spec office premises and modern industrial units with Breeam Very Good and Excellent ratings. The quality and sustainability of commercial stock is likely to have an increasing influence on prospective tenants' decisions to let in the future.

Implications for the Strategy

Runnymede's commercial property market within the south-west M25 quadrant is characterised by its strong links with nearby Heathrow Airport to the east of the M25 and Thames Valley to the west. This 'South-Western Wedge' is a very dynamic economy offering the ingredients – accessibility, quality of life factors and a skilled local workforce - of an attractive business location for high-value, knowledge intensive activities.

It is important the Strategy can ensure the Borough's new and existing businesses are able to thrive, innovate and continue to be productive within the context of the 'South-Western Wedge'. This will require investment in infrastructure, skills, transport, as well as continuing regeneration of the main town centres of Addlestone, Chertsey and Egham, and key suburban office parks and industrial estates.

DRAFT

Chapter three: Results from the Business Survey

An online survey was completed in July 2021 by 56 respondents. The survey focused on two areas. Firstly 'Business Growth and Prospects' covering issues relating to export, research and development, procurement, and turnover patterns. Secondly 'Runnymede as a Business Location'. This section explored what businesses felt about premises, skills and recruitment requirements, and business support.

The survey was completed between 5 and 23 July 2021. This coincided with the final stages of the easing of Covid restrictions by the Government and it should be noted that the survey took place at a period when there was a feeling of optimism amongst businesses who felt that they were able to finally return to doing business as usual.

Key findings:



Business growth

Businesses are generally optimistic about their overall business performance prospects over the next 12 months. Nearly 60% of respondents believed that business would improve. The top priorities for growing businesses were to attract more customers, improve staff skills, recruitment of new staff and improve businesses processes and products. Businesses also referred to the need to improve their use of digital technology.

The main barriers to growth were concerns about Covid and ongoing restrictions placed on businesses due to the pandemic, financial costs, difficulties with recruiting skilled staff and lack of customers in the high streets. Concerns about importing and exporting, parking, and premises were also mentioned as barriers.

It is encouraging that a significant number of businesses are exporting. 37% believe that the volume /sales value of their exports will increase over the next financial year. Over 30% of firms who responded did business outside of the UK. There are several businesses which do

export but are not particularly active overseas. These businesses may require assistance to re-engage in international markets.

A high number of businesses invest in research and development (39%). Indicating that firms are proactively responding to the challenges they face in the current economic climate.

Over 80% of businesses supply or procure goods or business services to people or businesses in Runnymede. The significance of local expenditure and revenue generation should not be overlooked.

The council will ensure businesses seeking assistance have access to appropriate support to achieve their growth ambitions. Businesses seeking support are likely to require referral for assistance in the areas of new market development, including support with importing and exporting skills, recruitment, and support with going online and digital marketing. For town centre businesses indirect support in the form of public investment in the urban realm and development of events to increase footfall are also important. The council will consider how best to promote the benefits of its procurement activities and opportunities to local firms, as well as considering the wider contribution that procurement can make to the local economy and how it can support the achievement of wider social and environmental outcomes.

Locational considerations

The primary reason cited by businesses when asked why they chose to locate in Runnymede is the availability of suitable properties (38%) a reduction on the 58% of businesses in the 2015 Survey. Other important reasons were historical (16%) proximity to London and Heathrow (11%) and proximity to the strategic road network (8%).

Access to a good customer base with spending power was another key advantage for businesses in the area. Some businesses felt access to skills and the university was important.

As was the case in 2015 businesses in 2021 were generally very happy with the condition, location, and size of their premises although it is worth noting that 21% did not think the size of their premises was suitable. Parking remains a key issue of concern for 38% of respondents.

Most businesses intend to remain within the borough. However, 16% of businesses surveyed were considering moving site in the next three years. Most businesses were looking for more space, to expand or merge offices or to downsize.

The main disadvantages of Runnymede as a business location were cost of property, congestion, empty units in the town centres, and poor footfall in the town centres.

The Council will prioritise work with Surrey County Council and the Enterprise M3 LEP to support the retention of businesses in the borough by maintaining relationships with businesses (particularly the larger businesses and those with growth potential) and ensuring that there is a range of good quality commercial premises available to help businesses to grow and stay in the Borough.

Skills and recruitment

Four out of every ten employers said they were experiencing difficulties with recruiting staff (an increase from three in ten in 2015). Most cited difficulties in finding staff with specific

skills and experience. There are shortages of staff in the catering, hospitality, and care sectors. Several mentioned the effects of leaving the EU in creating shortages in these sectors.

It is encouraging that one in four employers would consider taking on an apprentice. The council will work with colleges and skills providers to encourage uptake of apprenticeships with local employers.

Business Support

Nearly one in every two businesses will be seeking external support for their business over the next 12 months. This underlies the fact that businesses are proactively responding to the challenges of the current economic climate brought on by the Covid pandemic and to a lesser extent the impact of leaving the EU. Most businesses wanted support with marketing (73%) and the development of business plans and strategy (63%), help with staffing (53%) and financial support (33%).

The Council will work with the LEP's Growth Hub to ensure that businesses are able to access the support they need to grow, while Business Runnymede will continue to expand its membership and provide additional opportunities for businesses to network.

DRAFT

Chapter four: Runnymede Borough SWOT Analysis

The key strengths, weaknesses, opportunities, and threats for the Runnymede economy are summarised in the SWOT analysis below.

<p>Strengths</p> <ul style="list-style-type: none"> • The most competitive area in the UK outside of London • Location and connectivity • Large tech sector • Good commercial property • A centre for research and development. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • High cost of living • Poor access to affordable housing and services for some communities • A significant number of residents with no qualifications • Congestion and reliance on the car
<p>Opportunities</p> <ul style="list-style-type: none"> • Attract further inward investment • Increase engagement and support for businesses • Growth in innovation, immersive technologies, and cyber security • Growth in tourism and hospitality • Growth in cleantech / low carbon • Equip residents with the skills to access high quality jobs 	<p>Threats</p> <ul style="list-style-type: none"> • Skill shortages • Lack of investment in infrastructure • High costs • Failure to adapt to automation and low carbon • Congestion

Chapter five: Policy context

Central Government policy

The impact of Covid resulted in intervention by the Government in the economy at a scale unseen since the middle of the last century. The Government stepped in to provide financial assistance to protect businesses and jobs during the period of Covid lockdown in 2020 and 2021.

The approach to supporting the economic recovery and growth post-pandemic is set out in the Government's paper '[Build Back Better: our plan for growth](#), March 2021'. The policy is to support growth through significant investment in infrastructure, skills, and innovation. An underlying theme for this strategy is to address regional economic disparities across the UK.

Levelling Up

The Government's [Levelling up white paper](#) February 2022 lays out a long-term economic and social plan to make opportunity more equal across the UK. The Government will redirect a larger share of public resources for transport, housing, and infrastructure to localities outside London and the Southeast.

There will be a renewed commitment to devolution to unitary authorities and counties and other areas which constitute a functional economic area. LEPs will be encouraged to be integrated with proposals for devolution.

The UK Shared Prosperity Fund will support the UK Government's commitment to level up all parts of the UK. The fund will target those places which are economically deprived. The priorities for the funding are to support communities and place; local businesses; and people and skills. The fund will provide £2.6 billion of new funding for local investment by March 2025. It will primarily target poor areas. But a proportion of this funding will be allocated to all areas of the UK via a funding formula rather than a competition. This recognises that even the more affluent parts of the UK such as Runnymede, contain pockets of deprivation and need support.

Skills

Government policy is to invest in skills to support productivity growth and reduce economic disparities. National programmes such as Kick Start and Restart support people who are unemployed with paid work experience and information, advice, and guidance. Further public investment in apprenticeships and work-based academies is aimed at aligning the post 16 technical education system with employer demand. At the same time reforms to the apprenticeship scheme are making it easier for employers to take on and train young people and older workers. The Government is setting up a new Future Skills Unit to identify where skills gaps exist and in what industries and is encouraging life-long learning and reskilling with the new Lifetime Skills Guarantee enabling learners to access free fully funded Level 3 courses.

Innovation

The UK Innovation Strategy: Leading the future by creating it, July 2021 sets out how the Government will increase its investment in research and development (R&D) and will use it to boost R&D strengths across the UK. Its primary objective is to boost private sector investment across the whole of the UK, creating the right conditions for all businesses to innovate and giving them the confidence to do so. Prosperity Partnerships will establish business-led research projects to develop transformational new technologies, with £59 million of industry, university, and Government investment.

Green Industrial Revolution

In 2020 the Government published the Ten Point Plan for a Green Industrial Revolution, setting out how the UK can make the most of the opportunities presented by the shift to net zero.

Runnymede Borough Council has adopted the Net Zero 2030 target for its own operations while working towards the national Net Zero 2050 set by Government. The Climate Strategy identifies the actions which the Council will be taking to achieve this.

Regional Policy

Local Enterprise Partnership

Since their inception in 2010, LEPs have been the main drivers of economic development at the sub-national level, bringing together the public and private sectors to create the conditions for growth in their communities.

Runnymede Borough is part of the Enterprise M3 LEP which stretches 75 miles from the outskirts of London along the wider M3 corridor to the New Forest in the south, including parts of both Surrey and Hampshire.

The [Enterprise M3 LEP's Recovery and Renewal Action Plan](#) drew on the evidence gathered for the Local Industrial Strategy, published earlier in 2020 and on fresh analysis considering the impact of Covid. The action plan calls for a step change in digital connectivity, and a focus on skills to get people into good jobs and long-term employment.

The Levelling Up White Paper makes clear that it is important to retain the key strengths of local business orientated LEPs in supporting private sector partnerships and economic clusters but emphasises that LEPs must be better integrated into the Government's new devolution plans

Surrey County Council

Surrey's Economic Future Looking ahead to 2030' sets out Surrey County Council's priorities to build on the County's economic strengths to support a resilient, productive, and high-value economy. The strategy invites partners in business, higher and further education and the County's Districts and Boroughs to continue to work with the County Council to develop a coordinated and ambitious plan for the future of the economy.

The County's ambition is to develop agreements with Government for investment and flexibilities to deliver its plan for growth.

The strategy identifies four key priorities:

- I. Growing the leading edge: supporting the growth of Surrey's innovation economy
- II. A 'whole place' approach to growing and sustaining quality places
- III. Maximising opportunities within a balanced, inclusive economy
- IV. Capturing the potential of a greener economy

Surrey Futures 2050 Place Ambition identifies the Longcross – Staines – Heathrow corridor as a strategic opportunity area for the county. It recognises that the area has a highly productive economy, with both Egham and Staines having high concentrations of employment in the information and communications sector and a creative cluster which supported by the work of Royal Holloway University of London (RHUL) continues to grow providing significant employment especially amongst creative industry SMEs.

One Surrey Growth Board

The One Surrey Growth Board was set up in 2020 to focus on economic growth with the main aim to respond to key economic challenges and opportunities within the County. It provides a Surrey perspective across the range of interests which underpin growth and includes representation from key stakeholders, including business. The Growth Board will ensure alignment of spatial, economic and infrastructure plans for Surrey to safeguard and maintain Surrey's quality of life and economic prosperity.

The Heathrow Strategic Planning Group

Residents and businesses in Runnymede benefit from employment and business opportunities associated with Heathrow. The council is part of the Heathrow Strategic Planning Group (HSPG), a partnership of many of the local authorities and Local Enterprise Partnerships (LEPS) responsible for planning the land use, transport, environment, economic and sustainable development of the sub-region surrounding Heathrow Airport.

In February 2020 HSPG, produced an Economic Development Vision and Action Plan to maximise economic productivity, skills, jobs, and business development in the sub region.

'Heathrow 2:0 Connecting People and Planet' was published in February 2022. This strategy sets out the airport's plans to achieve net zero carbon emissions; and the steps it will take to work with partners to ensure that Heathrow is a great place to live and work.

Local Policy

Runnymede Borough Council

In 2022 the Council will be publishing an Empowering Communities Strategy, Climate Change Strategy, Health and Wellbeing Strategy and Organisational Development Strategy. These strategies will underpin the Council's Corporate Plan and set out the authority's priorities over the next four years.

Business Runnymede

Established in 1998, Business Runnymede (formerly Runnymede Business Partnership) brings together the local business community, Chambers of Commerce, Surrey Police, schools, colleges, and the Borough Council to tackle issues affecting business across Runnymede. Business Runnymede signposts businesses to support available via its monthly newsletter, organises networking events and operates a business directory.

Chapter six: Priorities

As a result of the findings of the Economic Assessment of the Borough and the business survey, the following six priorities were identified:

Priority 1: Business relocation, expansion, and investment in the Borough

Ensure continued growth in the Borough's business base and economic activity by promoting the Borough as a premier business location for companies and individuals.

Priority 2: Maintaining competitive advantage through business engagement, strengthening business networking.

Deliver a business engagement and support approach that enables firms to achieve their growth ambitions. The approach includes a focus on supporting collaboration and innovation to accelerate growth in tech clusters.

Priority 3: Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy

Supporting Runnymede's town centres which are important for the local economy and for providing goods and services to residents. It will support the development of the tourism and leisure sector, which has the potential to grow and to benefit the wider leisure and retail offers in the town centres.

Priority 4: A dynamic workforce for a high-tech, creative economy

Maintain the Borough's position as a UK tech jobs cluster by helping ensure (a) local employers have access to the skills required to grow their businesses, (b) residents have the appropriate qualifications and skills to access local employment opportunities.

Priority 5: Better infrastructure for sustainable growth

Improve the Borough's competitive performance through provision of improved infrastructure to support mobility, communications, health and well-being.

Priority 6: Developing a low carbon economy

Support and encourage businesses to be more sustainable. This could mean aiding businesses to become more energy efficient or to develop more sustainable business practices within their own operations and those of their supply chains. The council will share good practice in sustainability and will encourage and support businesses to develop green products and services.

Appendix 1 : Priorities, objectives and deliverables

As a result of the findings of the Economic Assessment of the Borough and the business survey, the following six priorities were identified:

- **Priority 1: Business relocation, expansion, and investment in the Borough**
- **Priority 2: Maintaining competitive advantage through business engagement, strengthening business networking and local supply chains.**
- **Priority 3: Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy**
- **Priority 4: A dynamic workforce for a high-tech, creative economy**
- **Priority 5: Better infrastructure for sustainable growth**
- **Priority 6: Developing a low carbon economy**

Priority 1: Business relocation, expansion, and investment in the Borough

Ensure continued growth in the Borough's business base and economic activity by promoting the Borough as a premier business location for companies and individuals. A number of deliverables have been identified to achieve this aim including:

Promoting the economic importance of the 'Upper EM3 area':

The 'Upper EM3 area' comprises the boroughs of Elmbridge, Runnymede and Spelthorne. This area is one of the most competitive parts of the UK economy outside of London. It is well connected, has a large business base and has delivered significant growth for the economy of Surrey, the Enterprise M3 area and wider South East. The Council will work with the other authorities to promote the economic importance of this area to Surrey Futures and the EM3 LEP.

Promoting the Borough as a business location:

The Council will work with commercial agents, Surrey's Economy and Growth team, DIT and the commercial property press to promote the Borough as a business location.

Support will also be provided to promote strategic employment sites and major commercial premises, working with landlords including RBC Investments (Surrey) Limited and RBC Services (Addlestone One) Limited.

Runnymede Business Awards will promote Runnymede as a place where businesses succeed.

Continued support will be provided to the Enterprise Zone to maximise economic benefit to the area.

The Council will account manage the largest businesses in the borough to build relationships and support business retention and engage with new businesses to welcome them to Runnymede.

Ensuring an adequate stock of employment land

To cater for projected need for employment space to 2030, the Local Plan allocates land at Byfleet Road for additional industrial/logistics floorspace. To inform the Local Plan review, a Housing and Employment Needs Assessment and Employment Land Review is being carried out in 2022 to assess the need for any further land to be allocated for employment use for the period to 2040.

Priority 1 Impact Measures

Increase business engagement
Promote strategic employment sites
Establish Runnymede business awards
Establish the need for additional employment land (through the Local Plan review process)

Priority 2: Maintaining competitive advantage through business engagement, strengthening business networking.

Deliver a business engagement and support approach that enables firms to achieve their growth ambitions. The approach includes a focus on supporting collaboration and innovation to accelerate growth in tech clusters. The following deliverables have been identified to achieve this aim:

Develop Business Runnymede

Promote Business Runnymede, grow its membership and programme of networking, seminars, business support and information signposting.

Improve access to business support

Work with Business Growth Advisors to ensure businesses are making the most of business services available through the EM3's Growth Hub, Royal Holloway Enterprise Hub and other business support

Runnymede Business Awards

We will develop Runnymede Business Awards to celebrate and raise awareness of the best of business

Development of clusters in tech

Creatch is one of the fastest growing parts of the UK economy where creativity interacts with emerging technologies such as immersive technologies and artificial intelligence. The council will develop joint work with Surrey County Council, the M3 LEP, Royal Holloway University of London and local employers such as Netflix to support growth in these clusters. The borough has a strong, growing Cyber security cluster and is home to world leading Cyber security companies. The council will develop joint work with Surrey County Council, the EM3 LEP, Royal Holloway University of London and local employers to develop collaboration and innovation to enable growth in this cluster.

Priority 2 Impact Measures

Increase the membership of Business Runnymede
Increase referrals to the Business Growth Hub
Develop a growth framework for Createch

Priority 3: Developing the vitality and vibrancy of our town centres and growing the tourism and leisure economy

Supporting Runnymede's town centres which are important for the local economy and for providing goods and services to local residents. It will support the development of the tourism and leisure sector, which has the potential to grow and to benefit the wider leisure and retail offers in the town centres.

Growing the tourism and leisure sector

Undertake research to understand the tourism and leisure offer as well as barriers and opportunities to grow the sector. Investigate the appetite for establishing a stakeholder group including key business champions for the sector to support coordination and growth.

Development of the town centres

Strengthen engagement by businesses in the town teams in Addlestone, Chertsey and Egham and encourage partnership working with residents' representatives and other key stakeholders to develop and deliver small scale projects and events to enhance the vitality and viability of the town centres.

Priority 3 Impact Measures

Production of an audit and analysis of the tourism and leisure sector and action plan identifying next steps to support its development.
Increase engagement with town centre businesses to support projects and programmes to increase footfall and spend within the town centres.

Priority 4: A dynamic workforce for a high-tech, creative economy

Maintain the Borough's position as a UK tech jobs cluster by helping ensure (a) local employers have access to the skills required to grow their businesses, (b) residents have the appropriate qualifications and skills to access local employment opportunities.

Increase employer investment in skills and employment

Promote apprenticeship and employer-based skills and employment programmes to local employers, focusing on the creative and tech industries.

Ensure education and training provision is preparing young people for future employment

Develop the Elmbridge and Runnymede Youth Hub to support young people into skills and employment

Host an annual careers fair delivered in partnership with neighbouring boroughs, M3 LEP, Surrey County Council, local schools, and colleges.

Provide work experience placements for RHUL students within the Planning Policy and Economic Development Business Unit and encourage service heads to provide work experience for local residents across the council

Priority 4 Impact Measures

Increase business take up of apprenticeships and employer-based skills

Develop the Youth Hub

Establish a Careers Fair

Offer work experience placements within the Business Unit

Priority 5: Better infrastructure for sustainable growth

The fifth priority aims to improve the Borough's competitive performance through:

Improving sustainable transport

The Council will work with national transport bodies, private transport providers, the EM3 LEP, Surrey County Council Highways and Economy Departments, neighbouring boroughs and Business Runnymede to identify, lobby and deliver necessary improvements to the Borough's transport infrastructure. The Council will:

- Work with stakeholders to deliver improvements to active travel planning and infrastructure delivery.
- Lobby bus and rail companies for improved infrastructure and services
- Support the delivery of improvements to the A320

Investment in employment areas and town centres

Several strategic employment areas within the Borough fall under multiple ownership and management. To optimise the attractiveness of these areas for businesses to locate, the Council will engage with landowners, managing agents and stakeholders to encourage environmental improvements to be made and address any problems.

The Council will continue to explore regeneration opportunities within the Borough's town centres to improve facilities for residents and opportunities for businesses. ,

Investing in sustainable infrastructure

The government has approved the business case submitted by the Environment Agency for a major flood alleviation scheme along part of the Thames. The River Thames scheme will reduce flood risk to businesses and residents in the borough through the construction of two new flood relief channels, one of which is within Runnymede, and improvements to various weirs. The project will provide new walking and cycle paths, parks and wildlife habitats.

The Council maintains an active involvement with Heathrow Strategic Planning Group to address issues arising from Heathrow, including a future southern access proposal.

Improved digital connectivity and the roll out of the 5G can improve productivity and growth across the borough. The council will develop opportunities to work with Surrey County Council, the EM3 LEP and commercial partners and stakeholders to improve the borough's digital infrastructure to benefit businesses and residents.

Priority 5 Impact Measures

Support the delivery of improvements to the A320
Explore further opportunities for town centre regeneration
Support delivery of the River Thames Scheme
Work with partners to seek improvements to digital infrastructure

Priority 6: Developing a low carbon economy

Encourage businesses to be more sustainable and develop the low carbon circular economy

The Council has adopted a target of Net Zero by 2030 for those operations which it carries out or controls directly.

Approximately 95% of the Net Zero Carbon 2030 target relies on all of us making an active change to how we live, work and play.

The Council will establish a Citizens Panel to provide a conduit for information and to request input from residents and businesses on the Council's journey toward Net Zero 2030. We will signpost community and business groups to sources of funding to support community Climate Change projects.

As far as possible, the Council will adopt and promote the principles of the Circular Economy (take, make, use, reuse, reuse) and decouple from the Linear Economy (take, make, use, throw) to minimise Carbon Emissions and waste, reduce environmental damage and increase biodiversity and health.

The Council will work with Surrey, the Enterprise M3 LEP and Royal Holloway University of London to increase take up from local businesses of grants, business support and access to knowledge transfer programmes to encourage businesses to be more sustainable.

We will develop a Sustainable Business award to celebrate and raise awareness of good practice.

Priority 6 Impact Measures

The actions which the Council is taking on Climate Change are laid out in the accompanying Climate Change Strategy. The Council will adopt a balanced approach between environmental and financial sustainability.

The preparatory stages of the Climate Change Action Plan will establish the Carbon Baseline for the Council's operations against which Actions will be prioritised.

Appendix 2 Strengths, weaknesses, opportunities, and threats

Borough Strengths

The assessment of the local economy and business survey shows that Runnymede has a large, strong, and growing economy. The Borough is ranked by the UK Competitiveness Index 2021 as the most competitive place in the UK outside of London. Covid has had a significant impact on residents and businesses, but the evidence indicates that the economy is resilient and will recover from the challenges of the Covid pandemic and return to growth within a couple of years. The borough remains a great place to live, work and do business.

Runnymede has the largest economy of the 13 boroughs in the Enterprise 3 LEP, with a GVA of £5.8bn. The Borough has the highest density of jobs in Surrey, with 118 jobs for every 100 people who live in the Borough. The economy is growing. Those sectors which are growing fastest include the knowledge economy, where future jobs will be created. Runnymede has the 15th highest share of Information and Communication employment and the seventh highest share of Arts, Entertainment and Recreation employment nationally. The Borough is home to many medium and large businesses and local businesses are more resilient. 64% of businesses survive after three years compared with 61% for the UK.

The Borough is an attractive place for businesses. It's location provides good access to customers and suppliers in London, and it is well connected via rail and road to the capital and Heathrow. It has a good supply of Grade A offices and a supply of highly skilled labour. Nearly 60% of 16–64-year-olds have NVQ Level 4 compared with 40% for the UK. The Borough is home to the Royal Holloway University of London the birthplace of information security as an academic discipline. The University is a U.K Academic Centre of Excellence in Cyber Security Research and is home to one of the largest and most established security groups in the world – ICT4D group. Runnymede is ranked 2nd highest of all UK boroughs for 'Dynamism and Opportunity' in UK by the Grant Thornton Sustainable Growth Index 2019.

Runnymede is an attractive place to live, with good housing, schools, amenities, and green spaces. It is an affluent borough with a growing population providing a rising demand for goods and services. Runnymede has ecologically and historically important sites including Chertsey Meads and Runnymede Meadows - the location of the sealing of Magna Carta - and the home to several key visitor attractions. There is a good hotel and accommodation offering including a good range of hotels catering for both tourist and business visitors.

Borough Weaknesses

The Covid pandemic has had a significant impact on the local economy. Unemployment rose by 400 per cent in 2020, and 14 percent of the workforce (5800 employees) were on furlough in March 2021. Although the situation has significantly recovered the long-term impact of the economic shock of 2020 and 2021 is not yet known. Businesses have reported concerns with financial costs, difficulties with recruiting staff and a fall in customers. The retail, leisure and hospitality sectors have been particularly hard hit and the vitality and viability of our town centres has suffered as a result, with an increase in shop vacancies. Some town centre businesses remain closed and owners fear that customers may not return at the pre pandemic levels.

Young people have been particularly badly affected by the Pandemic, suffering from a double whammy of unemployment and a disrupted education. The pandemic has impacted more widely on the health and wellbeing of all residents with an increase in poor mental health.

Runnymede is an expensive place to start and run a business. High costs may partly explain why there are fewer businesses starting up in the Borough compared with the remainder of the UK.

There is a lack of affordable housing and pockets of deprivation where residents suffer from lack of access to housing and local services. The predicted rise in population will increase pressure on housing supply and affordability.

Although workplace earning in Runnymede is high, average resident earnings are lower, suggesting that there are many well-paid jobs in Runnymede, but a significant percentage of these are held by in-commuters rather than the resident workforce.

The number of unqualified residents has remained at around 8% of the working population for the past decade. Many of these residents lack basic skills, literacy, numeracy, and digital skills and are at risk of being excluded from accessing employment, local services and participating fully in civil society.

Several large corporates have relocated out of the borough such as Unither, who closed their office in Chertsey and Astellas, who moved activities to Elmbridge and Woking.

Borough Opportunities

Runnymede's strongly performing economy brings many economic opportunities which remain under exploited. There are opportunities for the Borough to accelerate growth by promoting sites, advising on property availability for inward investment and through joint work with the UKTI, the M3 LEP and Surrey.

Runnymede has some strong sector concentrations including Information and Communications, Cyber Security and employment in Arts, Entertainment and Recreation. Royal Holloway is a U.K Academic Centre of Excellence in Cyber Security Research and there are opportunities to develop joint work with the University to grow businesses, through knowledge transfer, innovation support and through the university's new enterprise hub.

The investment by Netflix in the Longcross Enterprise Zone in Egham, will create a 330-acre film and TV production site. This will be Netflix's second site in the UK complimenting nearby Shepperton Studios. The presence of a global brand and pioneer in digital entertainment provides significant opportunities to accelerate growth in 'createch' in the Borough. Surrey's 2050 Place Ambition identifies the corridor running from Longcross to Staines and Heathrow as a strategic opportunity area for the county with a growing concentration of tech and creative companies. The area also benefits from the presence of Royal Holloway University of London as a centre for research creating innovative spin outs from the university.

Createch is a fast-growing part of the UK economy where creativity interacts with emerging technologies such as immersive technologies and artificial intelligence. The borough should develop joint work with Netflix, the film and TV sector and supply chains to maximise the opportunities for local employment and business growth from this major investment. The Council will work jointly with the LEP, Surrey County Council and surrounding boroughs to support a strategic approach to support createch.

The Borough should look at opportunities to promote the tourism and hospitality and visitor economy through joint work with Visit Surrey and the local business sector. It should also continue to promote the town centres and encourage town centre businesses and stakeholders to work together with the local community to work to develop town centre events and activities.

The Council will focus on growing the membership and activity of Business Runnymede to increase networking and to link more companies to business support, information, and advice. We will focus support on specific sectors and clusters of businesses which are already growing or have growth potential which will help to accelerate growth in employment and stimulate new business.

This Council will develop opportunities to engage with leaders in large businesses to support business retention and develop CSR activity. We will celebrate and raise awareness of business success such as high growth enterprises, cutting edge innovation, and the contribution which businesses bring to the health and wellbeing of our communities.

We will support companies and circular economy.

Stronger links between schools, colleges, and businesses are vital to improve career advice for young people and develop their employability skills through the development of projects such as the Youth Hub. WE will take steps to increase the numbers of businesses investing in skills by promoting apprenticeships and other employer-based skills and employment support. Thereby improving the competitiveness of businesses and raising the skills and employment of local people.

Borough Threats

The full impact of the Covid pandemic on the local economy has still not yet been fully understood. There is a risk that the economy has been weakened longer term, that businesses will not fully recover, investment will reduce, businesses move out of the Borough to more affordable locations, skills shortages will persist and unemployment increases.

Higher unemployment amongst young people may persist and older workers who have become redundant due to the impact of the Pandemic may not be able to return to the labour market and will become long term unemployed.

The increase in automation will change the way we work and do business. If businesses are unable to adapt to these new ways of working and to exploit the opportunities which new technology brings to increase productively, they risk losing their competitiveness.

Business` s must adapt to the challenges of the climate emergency and make changes to adopt greener ways of working.

There is a need to improve the affordability of housing, as well as access to public services for disadvantaged and hard to reach groups The increase in the Borough's population will put a strain on housing, infrastructure, and public services. If the continued reliance on cars persists, there will be an impact on air quality, increased congestion and pressure on the existing public transport systems. To encourage a greater modal shift to sustainable transport options, significant improvements to the rail, bus and cycle facilities and services will be required.

A significant amount of land adjacent to the Thames in Runnymede forms part of the largest and most at risk developed but undefended floodplain in England.

We must raise the skills levels of residents so that they can compete for the jobs of the future. If skill levels fall then resident's earnings will fall, as residents are forced to take on lower value jobs. Residents with low or no skills risk becoming long term unemployed while those who lack digital skills become digitally excluded.

The Borough has a significant number of large companies who provide high levels of employment. The economic challenges resulting from the Pandemic and the UK leaving the EU has increased the risk that these companies will move out of the Borough. Many of these large companies are foreign owned and their local investment decisions are often controlled overseas.

There is a risk that our town centres will decline. The lack of diverse town centre economies may result in our high streets being dominated by low value convenience retailing, meaning that the centres are unable to compete with the larger more diverse centres in Guildford and Woking.

The leisure and tourism industry may not fully recover from the impact of Covid. There may be a long term reduction in business tourism and the local leisure and tourism sectors may not adapt to new opportunities to grow the local visitor economy and new trends in home and business tourism.

For all information contained within this document contact:

Runnymede Borough Council
The Civic Centre
Station Road
Addlestone
Surrey KT15 2AH

Tel: 07909398523

Further copies of this publication can be obtained from
the above address, or

email: paul.hadfield@runnymede.gov.uk

[Runnymede Borough Council LinkedIn](#)

www.runnymede.gov.uk

9 March 2022

Gender Pay Gap (Human Resources – Fiona Skene)

Synopsis of report:

To report on the Gender Pay Gap figures for Runnymede Borough Council as at 31st March 2021.

Recommendation:

That the report be noted and a suitable action plan is subsequently devised to encourage the gradual reduction in the gender pay gap.

1. Introduction

- 1.1 The Gender Pay Gap regulations applied to all public sector organisations from 31st March, 2017. They required that the gender pay gap figures for the organisation were published by 31 March each year based on a snapshot date of 31 March on the previous year.

2. What is the purpose of this legislation?

- 2.1 The purpose of this legislation is to encourage employers to take new and faster action to close the pay gap between the genders by requiring employers to publish their gender pay gap on their own external websites and on a Government website. An employer must comply with the legislation if they have a headcount of 250 employees or above. Runnymede has circa 423 employees at present not including casual staff.

3. Background to this legislation

- 3.1. Research illustrates that despite the fact that over 50 years have passed since the Equal Pay Act became law, the gender pay gap within the British economy remains significant. The level of gender pay gap varies between sectors, occupations, age groups and working patterns.
- 3.2 The gap tends to be higher in industry sectors such as finance, energy and construction and is lower in public administration, support services, health and social work. Occupations where women are typically under-represented tend to produce higher gender pay gaps. Unequal sharing of child-care responsibilities contributes significantly to gender pay gaps because of the higher proportion of women than men taking part-time work which tends to be lower paid. For example, the Institute of Fiscal Studies reported that prior to the birth of a first child, there is an average pay gap between men and women of over 10% and there is then a gradual but continual rise in this pay gap until the first child is aged 12 between the hourly rates of men and women. By this stage women's pay has then reduced to a third below men's hourly wages. The main challenge is seen as ensuring that the pay gap for women over 40 is tackled as a priority.
- 3.3 The causes of the continuing gender pay gap are varied within the economy. Some causes originate outside the workplace such as stereotypical representations of men

and women and standards of career advice for girls. Within the workplace, the main factors have been identified by research as:-

- Fewer women working in certain more highly paid professions or areas of an organisation (e.g. those involving science, technology, engineering and mathematics).
- Lack of well-paid part-time or flexible work
- Women continuing to be less likely to progress to senior levels within an organisation (women continue to make up just over a third of managers and directors nationally)
- Constrained individual choice, unconscious bias and discrimination. Women who wish to move into management or senior management roles can sometimes be held back by lack of female role models, networking opportunities, mentoring and sponsorship; and also by assumptions about women not wanting or being in a position to accept promotion.

3.4. This research has led the Government to see greater transparency about gender pay gaps as a catalyst to promote organisations to take new and more energetic action to address the issue of working towards closing gender pay gaps in their own organisations.

4. **What steps does the organisation need to take to comply with this legislation?**

4.1 What does the legislation require of employers?

a) They must comply with this legislation for any year in which they have a headcount of 250 employees or more. The snapshot date for which the gender pay gap is calculated is 31 March and it must be calculated and published by 30 March the following year.

b) What does an employer need to calculate?

- The mean gender pay gap
- The median gender pay gap
- The mean bonus gender pay gap
- The median bonus gender pay gap
- The proportion of males and females receiving a bonus payment
- The proportion of males and females in each quartile pay band

A written statement that the calculations are accurate must be signed by a senior person such as a Director or the organisation's Chief Executive. It is also recommended that the figures are accompanied by a narrative setting out why the organisation believes that it has the level of pay gap stated and ideally, an action plan explaining what it proposes to do as an organisation to close that pay gap.

c) The above calculations need to be published annually based on the situation on 31 March each year on the organisation's external website and on the required Government website. Organisations will normally have one calendar year to publish the data from 31 March.

4.2. There is considerable guidance from ACAS on what types of pay should be included in the calculations. For example, the regulations only cover those receiving their full pay during the relevant period. Shift payments are included but not overtime. Expenses are excluded as are termination payments. Car allowances are included but not cars.

- 4.3. Pay is counted as the pay level before deductions such as National Insurance, tax or pension contributions are made. The employees counted include those on zero hour contracts, apprentices and some consultants. Agency workers are counted by their actual employer.
- 4.4. There is considerable guidance on how to do the calculations. The guidance also recommends considering issues such as how the organisation deals with starting pay for men and women, what the promotion rates are by gender, the percentage of mothers returning to work after maternity leave and the percentage of mothers still in work a year after returning from maternity leave.

5. **What is the Council's Gender Pay Gap?**

- 5.1. The data has been gathered, analysed and calculated for Runnymede Borough Council as at the snapshot date of 31 March 2021. The results are as follows:-

a) **Mean Gender pay gap**

- Male mean hourly rate - £18.09
- Female mean hourly rate - £16.56

The calculation is $\frac{(A-B)}{A} \times 100$

A is the mean hourly rate for all male full-pay relevant employees and **B** is the mean hourly rate of pay for all female full-pay relevant employees. Consequently the **Mean Gender pay gap is 8.44%**. This is a reduction on last year, as we reported a 9.06% mean gender pay gap.

b) **Median Gender Pay Gap**

- Male median hourly rate - £14.90
- Female median hourly rate - £14.82

The calculation is $\frac{(A-B)}{A} \times 100$

A is the median hourly rate of pay for all male full-pay relevant employees and **B** is the median hourly rate of pay for all female full-pay relevant employees. The **Median Gender Pay Gap is 0.54%**. This has increased from last year, as we reported a 0% median (no gap). This increase would indicate that overall employees who are women have lower pay than male employees. The 2021 snapshot data shows that there has been a reduction of female employees in the 4th (highest paid) quartile. It has reduced from 54 to 48. The number of Male employees in the 4th quartile has increased from 55 to 56.

c) **Bonus**

Bonus is not paid in the organisation therefore there is no data for the 3 bonus related statistical elements.

d) **Pay Quartiles by Gender**

What is the proportion of men and women in each pay quartile?

Quartile	Males		Females		Description
	%	Headcount	%	Headcount	
A £8.10(Term time only) - £12.56	56.19%	59	43.81%	46	All employees whose hourly rate places them at or below the lower quartile
B £12.56 - £14.88	32.69%	34	67.31%	70	All employees whose hourly rate places them in the second quartile
C £14.90 - £19.25	36.54%	38	63.46%	66	All employees whose hourly rate places them in the third quartile
D £19.27 - £68.89	53.85%	56	46.15%	48	Upper quartile
	44.84%	187	55.16%	230	Total Headcount

5.2 The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

6. **What are some of the notable features of the Council's Gender pay gap quartile data?**

6.1. One of the principal reasons why the Council's overall gender pay gap is small is illustrated by the pay data within the quartiles. In the lowest quartile band there are a large group of low paid male manual workers primarily employed in Cleansing Services(i.e. Refuse Collection and Street Sweeping) and to a lesser degree in Green Spaces(e.g. Parks), Community Services(as drivers) and Housing (as Task Force Operatives). It is the impact of the number of low paid male manual workers (i.e 56.19% of employees in the lowest quartile), which is helping to keep the gender pay gap between men and women relatively low in the organisation (i.e. at only 8.44% for the mean and 0.54.% for the median). The female employees in the lowest pay band tend to be low paid female clerical workers, Kitchen Assistants and Assistant Cooks, some Supported Living staff, Community Services Operatives and casual Museums staff.

6.2 In the second lowest quartile, we find the majority of lower paid female clerical and administrative staff who make up 67.31% of this quartile. In this quartile, the 32.69% of male staff are the higher paid male manual workers (e.g. Cleansing Drivers and Operatives, Green Spaces staff, and Civil Enforcement Officers).

- 6.3 In the third quartile we find a wide diversity of middle- ranking roles within the organisation, the majority of which are occupied by women in numerical terms (i.e. 63.46%).
- 6.4 Within the higher quartile there is a wide spread of roles. The RBC SLT members is currently comprised of five females and five males, which is an improvement on previous years. The majority of CLT team members are male. At the lower end of the upper quartile we find a number of professional staff who are predominantly female (e.g. in Planning and Housing), then there are a number of female middle management staff. However, the higher earning senior managers are predominantly male (e.g. on Corporate Leadership Team (CLT) and just below SLT). Consequently in an organisation where the majority of the workforce is female, the existence of the mean gender pay gap of 8.44% is primarily due to the fact that the highest paid senior earners in the organisation are men.
- 6.5 The headcount of women and men in this data is 230 women and 187 men. This gap is kept lower by the existence of a large group of low earning male manual workers (mainly in the Cleansing services and Community Transport) which offsets the impact of the fact that the majority of high earners in the organisation at the top end of the structure are male.
- 6.6 The issue of fewer women in senior management positions within the authority than men is not uncommon in the UK economy as a whole. However, in most local authorities the majority of the workforce is female and this should result in the likelihood of more women reaching senior management roles. Runnymede is far from alone in district councils in having fewer women than men in senior management roles. Career breaks and going part-time due to child-rearing responsibilities, appears to be an important feature in this. However research illustrates that other factors can also have an impact on the number of women who reach senior management positions which were described in the introductory paragraphs of this report.

7. Comparison to previous years

	2017	2018	2019	2020	2021
Mean Gender Pay Gap	6.65%	7.64%	10.22%	9.06%	8.44%
Median Gender Pay Gap	-0.3%	-5.2%	-3.6%	0%	0.54%

- 7.1 The changes in the Gender Pay Gap in the past year have been affected by restructures within the organisation and sometimes by women leaving roles in the higher quartile and new appointees being male. Although there are now equal numbers of men and women on SLT, the number of women in the upper quartile pay range has fallen from the previous year.

8. What happens next?

- 8.1 Having calculated the gender pay gap, the gender pay gap needs to be reported to Corporate Management Committee (CMC). After this, a narrative is prepared and signed off by the Chief Executive to go with the data on the Council's external website and the Government website. Each year the gender pay gap data needs to be prepared and reported including any recommended actions considered by CMC annually. The implications of the gender pay gap data and consideration of a suitable action plan to encourage the gradual reduction in the gender pay gap need to be considered by the HR Member Working Group.

(To resolve)

Background papers

None stated

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 and 3 of Schedule 12A of the Act.

(To resolve)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted