



Please reply to:

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Date: 4 December 2017

Notice of meeting

Cabinet

Date: Tuesday, 12 December 2017

Time: 7.00 pm

Place: Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames

The members of the Cabinet	Cabinet member areas of responsibility
I.T.E. Harvey (Leader)	Leader and Council Policy co-ordination
A.C. Harman (Deputy Leader)	Deputy Leader and Communications
M.M. Attewell	Community Wellbeing
C.B. Barnard	Planning and Economic Development
M.P.C. Francis	Housing
N.J. Gething	Environment and Compliance
A.J. Mitchell	Corporate Management
O. Rybinski	Customer Service, Estates and Transport
H.R.D. Williams	Finance

Spelthorne Borough Council, Council Offices, Knowle Green

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AGENDA

Page nos.

- 1. Apologies for absence**
To receive any apologies for non-attendance.
- 2. Minutes** **5 - 10**
To confirm the minutes of the meeting held on 22 November 2017 as a correct record.
- 3. Disclosures of Interest**
To receive any disclosures of interest from councillors in accordance with the Council's Code of Conduct for members.
- 4. Petition about train horn disturbance at Shortwood Common footpath crossing** **11 - 26**
Councillor Gething

To receive and respond to a petition seeking an alternative to trains using their horns as they approach the footpath crossing at Shortwood Common, Staines-upon-Thames.

In accordance with Standing Order 16.4 in the Constitution, the options available to Cabinet are:
(a) to take the action the petition requests; or
(b) not to take the action requested for reasons put forward in the debate; or
(c) to note the petition and keep the matter under review.
- 5. Outline Budget - Key Decision** **27 - 36**
Councillor Williams

To consider the recommendations of the Chief Finance Officer on the Outline Budget 2018-19 to 2021-22.
- 6. Supplementary Capital Programme Provision for Asset Acquisitions** **37 - 44**
Councillor Williams

To consider a request to approve a supplementary Capital Programme provision for asset acquisitions and to make a recommendation to Council.

- 7. Property Investment Strategic Parameters** **45 - 52**
Councillor Harvey
- To consider the adoption of property investment strategic parameters.
- 8. Spelthorne's response to DfT's 'Consultation on Revised Draft Airports National Policy Statement: New Runway Capacity and Infrastructure at Airports in the South East of England'** **53 - 72**
Councillor Barnard
- To agree Spelthorne Borough Council's response to the revised draft Airports National Policy Statement.
- 9. Calendar of meetings 2018-2019** **73 - 80**
Councillor Harvey
- To consider the proposed calendar of meetings for 2018-2019 and make a recommendation to Council.
- 10. Leader's announcements**
- To receive any announcements from the Leader.
- 11. Urgent items**
- To consider any items which the Chairman considers as urgent.
- 12. Exempt Business**
- To move the exclusion of the Press/Public for the following item, in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.
- 13. Acquisition of Property H - Key Decision** **To Follow**
Councillor Harvey
- To consider the acquisition of a site as an investment asset.
- Reason for exemption**
- This report contains exempt information within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006): Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

because, disclosure to the public would prejudice the financial position of the authority in the bidding process for the site by allowing other bidders to know the position of the Council. This in turn prejudices the Council by (i) distorting the bids process and (ii) prejudicing the opportunity for the Council to acquire a site through the Council for the prudent management of its financial affairs.

14. Urgent Item - Acquisition of Property I - Key Decision

Councillor Harvey

To consider the acquisition of a site as an investment asset.

Reason for exemption

This report contains exempt information within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006): Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in the bidding process for the site by allowing other bidders to know the position of the Council. This in turn prejudices the Council by (i) distorting the bids process and (ii) prejudicing the opportunity for the Council to acquire a site through the Council for the prudent management of its financial affairs.

Minutes of Cabinet

22 November 2017

Present:

Councillor I.T.E. Harvey, Leader and Council Policy co-ordination
Councillor A.C. Harman, Deputy Leader and Communications
Councillor M.M. Attewell, Community Wellbeing
Councillor C.B. Barnard, Planning and Economic Development
Councillor M.P.C. Francis, Housing
Councillor N.J. Gething, Environment and Compliance

Apologies:

Councillor O. Rybinski, Customer Service, Estates and Transport
Councillor H.R.D. Williams, Finance

2419 Minutes

The minutes of the Cabinet meeting held on 27 September 2017 were agreed as a correct record.

2420 Disclosures of Interest

There were none.

2421 Recommendations from the Local Plan Working Party

Cabinet considered the recommendations of the Local Plan Working Party from its meeting held on 30 October 2017 and

Resolved that:

1. the Local Development Scheme; the Authority Monitoring Report 2017, subject to the correction of minor factual errors and final editing requirements; the Spelthorne Functional Economic Area report; and the Sustainability Appraisal Scoping Report, be approved for publication;
2. Cllr Colin Barnard as the Cabinet Member for Planning and Economic Development sign the Memorandum of Understanding between Spelthorne Borough Council and Slough Borough Council on behalf of the Council; and
3. the Green Belt Assessment be approved for public consultation and for officers to consider next steps and report back to the Local Plan Working Party following consultation.

2422 Recommendation from Overview and Scrutiny Committee

Cabinet considered the recommendation from the Overview and Scrutiny Committee on measures to deal with anti-social behaviour in Staines Town Centre. It also considered a report from the Group Head of Neighbourhood Services which outlined the background to the formation of the Joint Enforcement Team (JET) and explained its role.

The JET was formed to deal with the anti-social issues that most affected residents i.e. fly tipping, dog fouling, littering, community protection issues and public open space incursions. It was not the role of the JET to deal with criminal offences.

The report explained that although JET officers were based at the Council's depot and had never been co-located with the Police at the Council offices in Knowle Green, they had always integrated and worked well with the Police.

Cabinet noted that if it supported the recommendation of the Overview and Scrutiny Committee and agreed to the expansion of the JET, this would create additional and on-going staffing and operational costs for the Council at a time when it needs to find savings across services due to cuts to funding, rising costs and increasing demand for key services.

Cabinet was grateful to the Overview and Scrutiny Committee for drawing this matter to its attention and acknowledged that this was an issue that needed addressing. Cabinet therefore agreed to ask the Chief Executive to write to the Chief Constable, copying the Police and Crime Commissioner, about the Council's concerns and request the necessary level of visible police presence in Staines-upon-Thames town centre on a Sunday afternoon to deter incidents of anti-social behaviour.

Resolved:

1. to ask the Chief Executive to write to the Chief Constable, copying the Police and Crime Commissioner, about the Council's concerns and request the necessary level of visible police presence in Staines-upon-Thames town centre on a Sunday afternoon to deter incidents of anti-social behaviour; and
2. not to accept the recommendation of the Overview and Scrutiny Committee for the following reasons:
 - it was not the role of JET to deal with criminal offences;
 - the recent change in the policing model and police officers moving out of Knowle Green did not have a detrimental effect on the ability of the JET to integrate with the Police; and
 - the expansion of the JET would create additional and on-going staffing and operational costs for the Council at a time when it needs to find savings across services.

2423 Recommendation of the Audit Committee on Corporate Risk Management

Cabinet considered the recommendation from the Audit Committee on the Corporate Risk Register.

Resolved to approve the Corporate Risk Register as submitted.

2424 Capital Monitoring Q2

Cabinet considered a report on capital expenditure covering the period April to September 2017.

Resolved that Cabinet notes the current level of capital spend.

2425 Revenue Monitoring Q2

Cabinet considered a report on the net revenue spend for the period April to September 2017.

Resolved that Cabinet notes the current level of revenue spend.

2426 Leader's announcements

The following are the latest service updates from various Council departments.

Applied Resilience, a public service mutual co-owned by Spelthorne and Runnymede Borough Councils, has been selected as a finalist in the Best Delivery Model category in the 2018 LGC Awards. The winners will be announced in a ceremony at London's Grosvenor House on 21 March 2018.

The White House next to the Depot on the Kingston Road has been purchased by the Council with the intention of redeveloping the site for housing. The Council also recently bought Hanover House which sits on the River alongside Bridge Street car park in Staines and is considering redeveloping the plot and surrounding area once the current lease expires.

An Ashford resident has been forced to take down a building he built without planning permission. The resident was originally issued with an enforcement notice in 2007 after he constructed a building without prior permission. Despite a series of unsuccessful appeals spanning many years, Guildford County Court upheld an injunction granted to the Council in October 2015 and ordered him to demolish the outbuilding within four months or risk imprisonment. As the resident failed to comply with the Court's instruction within the stated time, Spelthorne applied to the County Court for a committal hearing and gained permission from the Planning Committee to demolish the building. The building was finally taken down by the owner on 7 November.

Following the closure of its full meal service earlier this year, Staines Community Centre cafe has started offering hot snacks such as soup and jacket potatoes, which has been well received by customers.

The Independent Living team is starting to see an increase in the number of clients being referred to them by GPs for help with things such as applying for benefits and tackling loneliness.

The winter edition of the Bulletin is being delivered to residents from 4-8 December and features information about Christmas events, the Council's recent property purchases and the Rent Assure Scheme for landlords. A new delivery method using Royal Mail is being tested.

The Communications team has upgraded the software used for social media. The new package will allow more posts to be scheduled in advance and give improved readership statistics.

Planning is reviewing the accommodation needs of gypsies and travellers. This will help the Council make decisions around the potential allocation of land and form part of the new Local Plan.

The award for 'most courteous town' was awarded to Shepperton on 21 October by officials from the National Campaign for Courtesy.

Neighbourhood Services has donated £800 from the money raised by the textiles collection service to the Manna Food Bank in Staines-upon-Thames.

The sporting success of local players, coaches and volunteers was celebrated at the annual Spelthorne Sports Awards at Shepperton Studios on Tuesday 10 October. The guest speaker for the evening was Parkrun founder Paul Sinton-Hewitt CBE.

Year 5 students at Town Farm primary school have taken part in a paper lantern workshop led by artist Becci Kenning in preparation for a festive parade being held at 5.30pm in Stanwell on 2 December.

The next free Xplorer orienteering event for families is taking place from 10.30am on 17 December in Sunbury Park.

2427 Urgent items

There were none.

NOTES:-

- (1) *Members of the Overview and Scrutiny Committee are reminded that under Overview and Scrutiny Procedure Rule 16, the "call-in" procedure shall not apply to recommendations the Cabinet makes to the Council. The matters on which recommendations have been made to the Council, if any, are identified with an asterisk [*] in the above Minutes.***
- (2) *Members of the Overview and Scrutiny Committee are entitled to call in decisions taken by the Cabinet for scrutiny before they are***

implemented, other than any recommendations covered under (1) above.

- (3) Within five working days of the date on which a decision of the Cabinet or a Cabinet Member is published, not less than three members [one of whom must be the Chairman] of the Overview and Scrutiny Committee are able to "call in" a decision;**
- (4) To avoid delay in considering an item "called in", an extraordinary meeting of the Overview and Scrutiny Committee will be convened within seven days of a "call in" being received if an ordinary meeting is not scheduled in that period;**
- (5) When calling in a Cabinet decision for review the members doing so should in their notice of "call in":-**
 - Outline their reasons for requiring a review;**
 - Indicate any further information they consider the Overview and Scrutiny Committee needs to have before it in order to conduct a review in addition to the written report made by officers to the Cabinet;**
 - Indicate whether, where the decision was taken collectively by the Cabinet, they wish the Leader or his nominee (who should normally be the Cabinet Member) or where the decision was taken by a Cabinet Member, the member of the Cabinet making the decision, to attend the committee meeting; and**
 - Indicate whether the officer making the report to the Cabinet or the Cabinet Member taking the decision or his/her representative should attend the meeting.**
- (6) The deadline of five working days for "call in" by Members of the Overview and Scrutiny Committee in relation to the above decisions by the Cabinet is the close of business on 30 November 2017.**

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Cabinet.

12 December 2017



Title	The submission of a petition seeking alternatives to trains using their horns on the approach to the Shortwood Common footpath crossing in Staines-upon-Thames.		
Purpose of the report	Interim report for the provision of information		
Report Author	Tracey Willmott-French		
Cabinet Member	Councillor Gething	Confidential	No
Corporate Priority	None		
Recommendations	Cabinet is asked to note the petition and progress made so far, and to keep the matter under review.		
Reason for Recommendation	On its own the Council cannot effect a change in the noise disturbance being caused by train horn soundings. Network Rail is considering alternative options but these will not be scheduled until 2022. They will consider the possibilities for interim measures until then.		

1. Key issues

- 1.1 The Council has received an e-petition with 88 signatories regarding the ‘sounding of train horns on the approach to Shortwood Common’ from residents of Leacroft and Staines who are being disturbed by the noise; **Appendix 1** refers.
- 1.2 Residents have advised that the noise has increased substantially over the years mainly due to the installation of whistle boards, the introduction of faster trains, and the reduction of the Night Time Quiet Period.
- 1.3 The Rail Safety and Standards Board reduced the Night Time Quiet Period from 23:00-07:00 to 23.59-06:00 hours to help mitigate the risk of incidents at passive level crossings. This decision was based on research into events where people were nearly hit by trains.
- 1.4 For safety reasons, train drivers are instructed by the Rail Safety and Standards Board to sound the horn as a warning when passing a ‘whistle board’. Failure to comply with these requirements places the train operating companies in breach of health and safety requirements.
- 1.5 The Rail Safety and Standards Board’s ‘rule book’ requires the train’s horn to be sounded “as a warning” to anyone who is on or near the line on which the train is travelling at any time day or night, or when passing a ‘whistle board’ between the hours of 06:00 and 23:59 hours.

- 1.6 Details of a crossing use survey (May 2016 to November 2016) has been provided by Network Rail which estimates that the crossing is used 50 times per day.
- 1.7 The safety precautions at level crossings are determined by risk assessment. Frequency of assessment ranges from 1¼ to 3¼ years. The Shortwood Common footpath crossing was last assessed in October 2015 and is due to be re-assessed in January 2018.
- 1.8 Environmental Health has received log sheets from residents, carried out noise monitoring and witnessed the noise. The train horns are audible and on occasion very loud. Noise levels between 70dB(A) and 80dB(A) were regularly monitored between the hours of 06:00 and 23:59.
- 1.9 World Health Organisation, Guidelines for Community noise, states that for a good night's sleep, the equivalent sound level should not exceed 30dB(A) for continuous background noise, and individual noise events exceeding 45dB(A) should be avoided.
- 1.10 In light of the disturbance to residents, Environmental Health has requested Southern Western Railway and Network Rail to reconsider the safety precautions employed at the Shortwood Common pedestrian crossing as part of the safety risk assessment of the crossing due for review in January 2018. Also, to determine whether other methods of safety could be used in place of the whistle boards.
- 1.11 Network Rail has stated that while they are sympathetic with the local residents in respect of the disturbance caused by the train horns, Shortwood Common pedestrian crossing is the 9th riskiest crossing on the Wessex line. The whistle boards combined with a speed restriction provide a solution for the safety of the public using the crossing. Network Rail also informed the Council that alternative solutions were currently being developed but a suitable, permanent engineering solution integrated with the existing signalling infrastructure would come at a very significant cost (estimated £1.5 million) and are not scheduled to be implemented before 2022. However, they might be able to consider some interim measures.
- 1.12 Environmental Health and Cllr Gething met with Network Rail on the 16 November 2017. Minutes of the meeting are provided at **Appendix 2**. Network Rail also met with concerned residents on the 18 October 2017.

2. Options analysis and proposal

- 2.1 A number of options were discussed during the meeting between the Council and Network Rail as outlined in Appendix 2.
- 2.2 Closure of the crossing would be the safest option and would also resolve the noise disturbance being caused residents. However, it will be important to seek residents' views on this.
- 2.3 Installing a footbridge will also be considered, although this would depend on the right of way status along with the feasibility considering available space and cost.
- 2.4 The final option is to await the installation of the MSL system which is currently scheduled for 2022.
- 2.5 Environmental Health are still looking to speak with Southern Western Railway regarding the train horns and their operation.
- 2.6 These options will be explored as will others as they arise. A further report will be brought to Cabinet detailing the outcomes.

3. Financial implications

3.1 Not applicable

4. Other considerations

4.1 The considerations and proposal within the report have no Equality and Diversity, and Sustainability.

5. Timetable for implementation

5.1 Actively ongoing

Background papers: None

Appendices:

Appendix 1 - The Petition

Appendix 2 - Minutes of Meeting Network Rail/Council of the 16 November 2017

Appendix 3 - Environmental Health report detailing its investigation to date

Petition - We the undersigned petition the Council to Seek alternatives to trains using their horns for Shortwood Common footpath crossing.

Trains travelling from Staines to Waterloo sound their horns as they approach the footpath crossing at Shortwood Common, Staines. The reason for sounding their horn is to alert any pedestrians using this crossing, however the intensity and duration of these horns causes excessive noise pollution for the local residents. We knew that a rail track existed when we moved to this area of Staines, however the problem has become worse in recent years. This petition is raised to highlight the problem, and seek alternatives to trains using their horns.

Residents of Silverdale court, Leacroft, Staines started complaining about train horns to South West Trains (SWT) in 2007, when trains first started sounding their horns approaching this footpath crossing. With up to 16 trains per hour (in both directions) sounding their horns over an 18 hour period, that's up to 288 trains per day; 7 days per week; 52 weeks per year, the noise pollution has become intolerable. (It would be like sounding your car horn every time when approaching a zebra crossing with nobody on the crossing!)

The horns have gradually changed from short/ muted blasts to longer duration and/or higher intensity. The night time quiet period (NTQP) was changed without notice at the end of 2016 from 23:00/07:00 to 23:59/06:00. Residents of Silverdale Court, Leacroft and Chestnut Manor Close, submitted complaints to Spelthorne Borough Council (SBC). Network Rail's position is that "modern trains have become faster and more frequent, train horns have necessarily become louder to ensure that crossing users continue to receive sufficient protection".

The footpath crossing at Shortwood Common is rarely used (approximately four pedestrians/cyclists per day according to Network Rail). There are alternatives to horns, e.g. other means of crossing the railway; audible warning systems; warning lights; reduced train speed approaching the crossing; adjusting the NTQP to align with crossing usage.

Started by: David Wyatt

This ePetition runs from 22/07/2017 to 10/11/2017.

88 people have signed this ePetition.

Minutes of Meeting with Network Rail about Shortwood Common Foot Crossing

16th November 2017 10:30-12:00

Present:

Susan Turp –Principal Environmental Health Officer, Spelthorne B.C.

Louise McVey – Environmental Health Regulatory Officer, Spelthorne B.C.

Damian Hajnus – Liability Negotiation Manager Wessex, Network Rail

Mark O' Flynn – Level Crossing Manager, Network Rail

Councillor Gething –Portfolio Holder for Environment and Compliance, Spelthorne B.C. (joined the meeting halfway through)

1. Purpose of Meeting

To discuss means of mitigating the noise disturbance to residents caused by the requirement for trains to sound their horns at the whistleboards approaching Shortwood Common crossing.

2. Crossing Use and Misuse

The Wessex route covers the major commuting areas of South West London as well as from London Waterloo to the South and South West of England.

This route is one of the busiest on the rail network, taking in all or part of the counties of Surrey, Berkshire, Hampshire, Dorset, Somerset and Wiltshire.

There are 312 level crossings (including vehicle crossings) on the Wessex Route of which Shortwood Common is rated the 9th riskiest footpath crossing. The risk at this crossing takes into account the number of trains (299 per day); sighting deficiencies at the crossing; the number of users; near misses; as well all deliberate misuse incidents amongst other things.

Between May and November 2016 there were 6 incidents at the crossing. Mark has agreed to send Environmental Health (EH) the details of the near misses for that period.

3. Risk Assessment

Mark has agreed to send EH extracts from the current risk assessment and to forward a copy of the new assessment with updated information upon completion in January 2018 of the current more detailed risk assessment for Shortwood Common Crossing. Mark has offered to involve EH with next the risk assessment process which is due to take place in January 2018.

4. Sight Deficiencies

The main sighting deficiency is caused primarily by the train usage of the sidings and is worse on the London bound track (upline). A sighting distance test is required for a person to cross safely, and this is calculated by distance, speed of train and the time it takes to cross (they have an

equation for this). This sighting distance required is increased by 50% at Shortwood due to the crossing being used by vulnerable persons who would take longer to cross. This sighting deficiency has warranted the installation of whistleboards a mitigation measure and these have been in situ for more than a decade.

5. Alternative solutions discussed

5.1. MSL Scheme (Miniature Stop Lights)

This system (red and green lights at the crossing like a pelican crossing on a road) would be a standalone safety measure (and would therefore need to be failsafe). It will be very costly due to the complexities of the track and thus an integrated version would be required. It is proposed as a long term solution at Shortwood Common crossing as part of a planned upgrade on the line. These are likely to be delivered as part of the Feltham Re-signalling Scheme which is scheduled to take place in 2022, which both Damian and Mark considered to be a realistic timeframe.

5.2. Line speed reduction

This is not a feasible option for Network Rail due to cost implications. They would incur substantial fines from train operators due to effects on timetables. They gave an example at Wokingham where due to a speed restriction approaching a crossing that they imposed for safety reason; over a 3 year period, they had to pay out a significant compensation; and significantly less trains use the Wokingham line than at Shortwood Common.

5.3. Auxiliary measures

'Covtec' (a warning sound at the crossing which sounds like an oncoming train) was discussed as an option but due to the problems associated with the sidings and the complexities of track at this crossing, it would not be able to be used as a standalone safety measure, and therefore whistleboards (and resultant need for drivers to sound horns) would remain in place.

5.4. Provision of a footbridge

They could only consider providing a footbridge if the crossing was a public right of way (which we believe Shortwood Common crossing is not), however, even if it was, the likelihood is that there isn't the space required to install it since it would also need to have ramped access (to ensure it was Equalities Act compliant). Also due to the high cost of such (in excess of £2M), it would not pass the cost benefit analysis

5.5. Train horn noise

Current inconsistencies in the sounding of train horns still needs to be addressed with South Western Railway who are predominantly the main line user.

5.6. Noise barrier/baffles

Mark had discussed this option with residents at their meeting on 18th October, and having made some local enquiries is unaware of any barrier/noise protection currently being used. Damian was also concerned that if they were to install barriers this would set a precedent (and an expectation) across the whole network, which would involve an unaffordable cost to Network Rail. He advised that this would not be considered since they have no obligation to install barriers. Furthermore, it is questionable as to how effective such a measure would be

due to the close proximity of the noise receivers (residents) in this case, the height and the direction of the noise source (ie the horns). It is likely that for a barrier to provide any effective attenuation, it would need to be very high (probably above the height of the houses).

5.7. Directional horns

Damian and Mark understand that this is new technology but we would need to find out more from South Western Railway about whether it is, or can be, used on their trains to reduce the level of noise that reaches residents living near the crossing.

5.8. Closing of crossing

This was discussed as the most favourable option for Network Rail since it would eliminate all risks at the crossing and would also resolve the noise problem from the horns. It is recommended by their regulator The Office of Rail and Road. Damian is looking into the legalities of the access rights of the crossing as this would determine the process, the timeframe and also what actions are necessary to close the crossing (such as whether a diversion of the footpath/byway is needed).

6. Conclusions

Closure of the crossing would be the safest option and would also resolve the noise disturbance from horns to residents. This option is therefore first going to be explored. The next option to explore would be a footbridge, although this would depend on the right of way status, public objection to closure of the crossing, and also whether it is feasible considering available space and cost. There is still the need to discuss further the horns and operation of them with South Western Railway. The final option is the installation of the MSL system which is currently scheduled for 2022.

7. Actions

- Damian will come back to us in 2 weeks once he has clarified the legal position regarding closure of the crossing.
- Councillor Gething has emailed all Councillors regarding consulting with residents about potential closure of the crossing.
- Councillor Gething to organise an additional public meeting at which Network Rail would attend if following Damian's clarification of the legal position, closure still seems like a likely option.
- Damian to investigate further the option of a footbridge depending on right of way status and public objection to closure. However, Damian advised that given its cost and objective constraints, it would be very unlikely to be found a viable option.
- Louise to make further contact with South Western Railway to enquire about directional horns and to discuss inconsistencies with the sounding of train horns by drivers.

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Trains using their horns at Shortwood Common Footpath Crossing

1. Purpose of report

To consider the submission of a petition signed by 88 signatories seeking alternatives to trains using their horns on the approach to the Shortwood Common footpath crossing in Staines-upon-Thames.

2 Background information

The Council has received complaints regarding the ‘sounding of train horns on the approach to Shortwood Common’ from residents of Leacroft and Staines who are being disturbed by the noise. These complaints have been received in March 2007 (one complaint), March 2011 (one complaint) and most recently August 2016 (two complaints, one of which was acting on behalf of Leacroft residents). Residents have advised that the noise has increased substantially over the years mainly due to the installation of whistle boards, the introduction of faster trains and the reduction of the Night Time Quiet Period (NTQP).

In the course of the investigation Environmental Health has received log sheets from residents, taken noise recordings and have witnessed the noise.



Figure 1: Shortwood Common Footpath Crossing

3 Railway Safety – Supporting information

The Rail Safety and Standards Board (RSSB) publishes the standards for the audibility of train horns and the rules for their use (the rail industry safety rule book). The standards for audibility have not changed for a least 10 years and are based, as far as RSSB can establish, on specifications for train horns defined by British Rail some years previously. As new trains are replacing vehicles that are up to 40 years old, there may be differences in technical performance between the old and the new equipment.

3.1 Risk Assessment

Level crossing are assessed at a frequency that is based on the level of risk a crossing poses. The assessment frequency ranges from 1¼ to 3¼ years. Shortwood Common footpath

crossing was last assessed in October 2015 and is due to be re-assessed in January 2018. ABC Railway Guide have published findings of Shortwood Common footpath crossing (**appendix a** refers).

3.2 Train Horns

For safety reasons, train drivers are instructed to sound the horn as a warning when passing a 'whistle board'. The 'rule book' requires the horn to be sounded "as a warning":-

- to anyone who is on or near the line on which the train is travelling at any time day or night
- when passing a 'whistle board' between the hours of 6:00 and 23:59

Failure to comply with these requirements could result in harm to people who may be affected by the movement of trains; such as those using the Shortwood Common footpath crossing. Failure to comply also places train operating companies in breach of health and safety legislation.

The 'rule book' gives instruction to drivers about how the horn must be sounded when giving warning on a running line; the driver must use "both high and low tones using the loud setting" (both types of tones are currently provided on train horns). Failure to comply with these requirements places the train operating companies in breach of health and safety requirements.

3.3 Whistle boards

The siting of whistle boards is based on line speed and the forward visibility from a footpath crossing towards the direction of the train.

3.4 Night Time Quiet Period (NTQP)

At many level crossings, one of the traditional forms of safety protection is the sounding of train horns. Train Drivers must sound their horns when they pass a 'whistle board' sign on the approach to a level crossing to warn crossing users of their approach so they can determine whether or not it is safe to cross the railway. There are approximately 1600 level crossing around the network which are fitted with 'whistle boards'.

As modern trains have become faster and more frequent, train horns have by necessity become louder to ensure that crossings users continue to receive sufficient protection.

In response to this, and in recognition of the intrusive nature of modern trains, the operational rules of the railway were changed in 2007 to incorporate a quiet period during which horns are only used in emergency situations. Originally this period operated between the hours of 23:00 and 07:00 daily, is known as the Night Time Quiet Period.

In 2015, a study was undertaken by the RSSB in response to recommendations contained within the Railway Accident Investigation Board's 'Mexico Footpath Crossing' Report. Among other considerations, the study set out to determine the impact of the NTQP on near miss events. The study concluded that 64% of near misses that occurred during the NTQP had taken place during its shoulder hours between 23:00 -23:59 and 06:00-06.59. In direct response the NTQP was reduce from 23:00-07:00 to 23.59-06:00 hours, thereby helping to mitigate the risk of incidents at passive level crossings.

4. Legislation (Railway noise)

There are no legal limits to noise from existing railways. The Environmental Protection Act 1990 does not exempt railway noise from causing statutory nuisance. Section 122 of the Railways Act 1993 provides an exemption from statutory noise control. Research by the Council's Environmental Health and Legal teams have found no authoritative writings or case law which clarifies this matter.

5. Noise Recordings

Officers have undertaken noise assessment and investigation, the assessment found:-

- In the opinion of officers the train horns are audible and on occasion very loud.
- Officers also found that there is inconsistency in the operation of the train horn by train drivers in terms of the duration of the time the horn is sounded and whether one or two tones are used. The train line is not solely used by South Western Railway but is used by a number of train operators which is one reason for the inconsistency in train horn levels.

Noise nuisance recording equipment was installed into a property in Silverdale Court, Leacroft (in an upstairs bedroom) between the 8 and 13 August 2017 to monitor noise disturbance caused to residents at the property. Regular noise levels between 70dB and 80dB were monitored between the hours of 06:00 and 23:59. The assessment findings are in provided at **appendix b**.

A written report by World Health Organisation, Guidelines for Community noise, states that for a good night sleep, the equivalent sound level should not exceed 30dB (A) for continuous background noise, and individual noise events exceeding 45dB (A) should be avoided. They advise that excessive noise seriously harms human health and interferes with people's daily activities, at work, at home and during leisure time. It can disturb sleep, can cause cardiovascular and psychophysiological effects, reduce performance and provoke annoyance and changes in social behaviour.

6. Current position

During initial enquiries South Western Railway and Network Rail both advised the Council that there is a safety rule book which requires them to sound a horn when a train approaches the level crossing. Officers have also been in contact with RSSB who are responsible for publishing the safety rule book that South Western Railway adhere to.

Network Rail state on their website that they would like to eliminate whistle boards from their network. Network rail are currently working to develop technical solutions that will make this possible, ensuring an acceptable balance between safety integrity and affordability. Network Rail state on their website that they are limited to the following options;

- Seeking closure of a level crossing, either by providing an alternative means of crossing the railway (bridge, must be constructed to insure access for all), or by agreeing with the rights holder that the legal right of way across the crossing is no longer required.

- Reducing the line speed over level crossing. Whilst individual change to speed may add only a few seconds to train journey times, the effect quickly multiplies to network-crippling levels when applied to all 1600 level crossings with whistle boards.
- Installing existing technologies such as Miniature Stop Light (MSL) protection system. MSL do indeed offer a solution for some pedestrian and private road locations. Network rail has a programme of work to install these systems at a number of their higher risk crossings.
- Adjust the NTQP to align with current patterns of level crossing use. This remains the only option that Network Rail can implement with immediate effect to address the current risk at level crossings.

Network rail meeting minutes of 16.11.17 provide further information.

Appendix a:

Shortwood Common crossing data published by ABC Railway Guide

Table 1: Information about Shortwood Common Footpath Crossing (ABC Railway, 2015)

Crossing Type:	Public Footpath
Location	Spelthorne District TW18 4HP
Risk Rating Individual (The risk to individual users of the crossing. It is presented as a single letter with A being the highest)	C High
Risk Rating Collective (The overall risk of any incident involving any person or vehicle on the crossing, including train staff and passengers as well as users of the crossing. It is presented as a number, with 1 being the highest risk and 13 being the lowest. This is the most important rating when prioritising safety measures at level crossings).	4 High
Risk Assessment dates	Last assessment – October 2015 Next assessment – January 2018
Type of train	Passenger and Freight
Train per day	176
Line Speed	70mph
Usage	44 Pedestrians or Cyclists
Misuse History	Nil incidents in year prior to assessment date (Oct-2015), - Nil incidents since.
Near-miss history	1 incident in year prior to assessment date (Oct-2015), - Nil incidents since.
Accident history	Nil incidents in year prior to assessment date (Oct-2015), - Nil incidents since.
Key risk factors	Sun Glare Frequent Trains Large number of users
Current protection arrangements	Signage Whistle boards provided on the rail approaches – train horn audible warning given

Appendix b

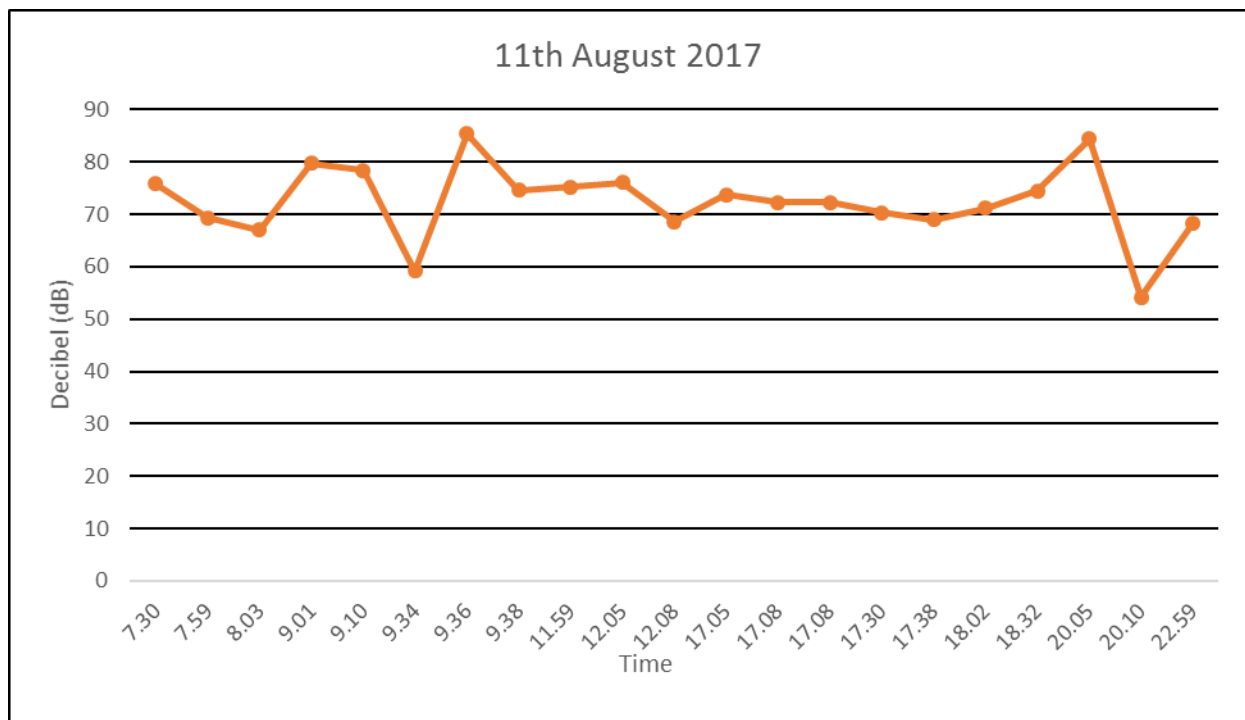
Noise Monitoring

A Norsonic 140 Noise Nuisance Recorder was installed into a property in Silverdale Court, Leacroft (in an upstairs bedroom) between the 8 August 2017 and 13 August 2017. Chart 1 and 2 shows the disturbance caused to residents at the property in a 24hour period, with regular noise levels between 70dB and 80dB between the hours of 06:00 and 23:59.

The Norsonic 140 Noise recorder required residents to activate the recorder by pressing a button each time they experience a noise disturbance which prohibit their enjoyment of their property. Reasons for activating the noise recorder were:-

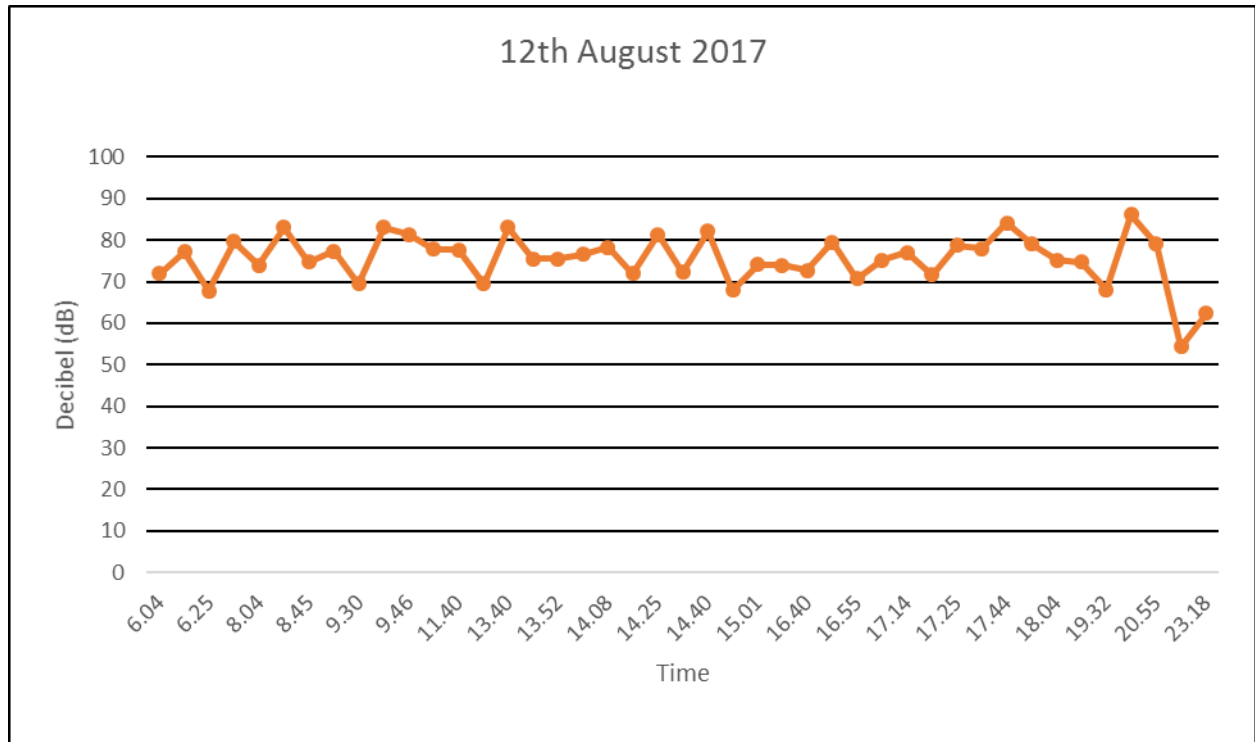
- Distracted from task (working on the computer)
- Conversation interrupted
- Interrupted TV viewing
- Disturbed from going to sleep
- Awoken from sleep
- Phone call interrupted
- Made me jump
- Stopped a conversation
- Sitting in garden, train horn made me jump

Chart 1: Shows the noise levels experienced from a lineside property near to Shortwood Common footpath crossing on the 11th August 2017



Decibel (dB) level measurement taken from Norsonic 140 NNR (Noise Nuisance Recorder), calibrated to manufactures specifications.

Chart 2: Shows the noise levels experienced from a lineside property near to Shortwood Common footpath crossing on the 12th August 2017



Decibel (dB) level measurement taken from Norsonic 140 NNR (Noise Nuisance Recorder), calibrated to manufactures specifications.

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Cabinet**12 December 2017**

Title	Outline Budget 2018-19 to 2021-22		
Purpose of the report	To make a Key Decision		
Report Author	Chief Finance Officer		
Cabinet Member	Councillor Howard Williams	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	<p>1. The net budgeted expenditure (before investment and use of reserves) for 2018-19 be set at a maximum level of £11.3m</p> <p>2. That Cabinet support the overall strategy set out in the report for addressing efficiencies and achieving medium term financial sustainability</p> <p>3. That the financial health indicators set out in paragraph 3.21 be agreed.</p>		

1. Key issues

- 1.1 The key issue facing Council continues to be their ongoing financial sustainability. In January 2016 the Council received confirmation that it would not receive any general Revenue Support Grant (RSG) to support its Revenue Budget from 2017-18 and that in 2019-20 it would in fact have a negative adjustment of £750k, meaning it would be paying that sum to the Treasury, effectively negative RSG. At the time of writing of this report the Council has not received updated figures, expected first week of December, for grant allocations for 2018-19.
- 1.2 This funding reduction is one of the main drivers in the projected budget gaps summarised in Appendix A which will develop and which would not be sustainable if not addressed.

Projected Budget Gaps if mitigating actions not put in place:

	18-19	19-20	20-21	21-22
Deficit	£1,151,400	£3,067,700	£2,950,500	£3,333,200

- 1.3 Sections 2 and 3 of the report below summarises the medium term financial strategy in place designed to generate offsetting income, deliver efficiencies and to mitigate the projected budget gaps. Given the funding gaps indicated

above, it is particularly important that the Council continues to pursue its strategy of acquiring high quality income generating assets which can deliver ongoing sustainable income streams to offset the impact of reducing central government grant and to enable the Council to continue to provide services to its residents at the levels they expect.

100% Business rates retention and the Fair Funding review

- 1.4 The Government has proposed a new funding regime for local government to be implemented in the form of “100%” business rates retention. This is expected to come into effect in 2020-21 and would mean that local government *as a whole* will retain all of the business rates collected. However, there will continue to a redistribution mechanism with councils with strong business rates tax bases such as the Surrey districts and boroughs paying “tariffs” to fund “top up” payments to councils in other parts of the country with weaker taxbases. Spelthorne’s tariff payment is currently approximately £15m.
- 1.5 In the interim period Government has asked for potential pilot schemes to be put forward. Surrey County Council and the 11 Districts and Boroughs have jointly applied to be a pilot and expect to hear whether or not the bid has been successful early December. Initial calculations indicate that if successful Surrey as a whole could benefit from retaining an additional £28m between the Councils, the element retained by Spelthorne would need to be treated as a bonus as it would be ring-fenced for Economic Growth. Spelthorne has identified projects such as the small business incubator as potential areas of use for this money.
- 1.6 The Government are committed to introducing their Fair Funding Review at the same time as the 100% retention scheme. The review is important as this will be reviewing the underpinning formulae which over the years have sought to achieve an element of resource equalisation by trying to take into account councils “need to spend” relative to the strength of their tax bases. The review will feed into the determination of the baseline positions set by the Government as to how much business rates should be retained initially (before growth) after taking into account tariff payments (for councils, such as the Surrey districts with strong tax bases) or top up receipts (for those councils with weaker tax bases relative to need to spend).

2. Options analysis and proposal

The Outline Budget needs to cover the following areas:

- (a) Zero or negative revenue grant support and other funding support from the Government including New Homes Bonus, and address the risks and volatility associated with increasing reliance on business rates retention.
- (b) Anticipated external pressures such as statutory changes impacting over the outline budget period, including the Homelessness Reduction Bill which comes into effect in April 2018.

- (c) The impact of pressures on Surrey County Council cascading down as a result of reduced funding from the upper tier authority.
- (d) How we fund our corporate priorities by generating increased income streams
- (e) The level of Council Tax, which the Council wishes to levy
- (f) Future assumptions on interest rates and investment types.
- (g) The level of services that the Council wishes to provide and the level of revenue expenditure the Council wishes to incur in the provision of those services. This is particularly important in light of the significantly reduced grant the Council will now receive. To support the challenging process of prioritisation of budget spending and saving decisions it is proposed that serious consultation be given to undertaken a statistically robust budget consultation exercise to inform decision making.
- (h) The level and range of charges the Council should make for its services.
- (i) The use of revenue reserves (if any) the Council wishes to use to support that level of service.
- (j) The level of reserves the Council wishes to retain to provide investment income and ensure stability for the future.
- (k) The alternative use of reserves to generate future savings.
- (l) To review the Council's portfolio of assets to ensure that it is maximising value obtained from use of assets (both in terms of cost of maintaining those assets and income generated from them) and to review opportunities to rationalise the portfolio and generate additional income streams.
- (m) To review potential impact on the budget of proposed investment and MRP regulation changes on both existing and future investments.
- (n) The level of capital expenditure which the Council wishes to support and how it will seek to borrow, including being prepared to borrow where there are robust business cases in support.

3. OUTLINE BUDGET 2018/2019 – 2021/2022

- 3.1 Attached as Appendix A is a summary of projected expenditure and possible financing to 31 March 2022. It will be seen that the amount needed to be funded from Council Tax is £7.778m, taking into account use of reserves and investment income. Service expenditure would total some £18.5m in 2018/19.
- 3.2 Council Tax rate increases for 2018-19 and future years are assumed to be on the basis that the Council will continue to seek to protect Council tax and increase Band D by £5 per annum. However, it remains possible that the council tax referendum limit will be further amended by Government.
- 3.3 The Outline Budget projections take into account anticipated inflation on significant contracts, such as grounds maintenance which the Council has in place.

- 3.4 The projections currently assume an annual increase in pay awards of 1.5%. The potential loosening of the national pay cap will impact the pay award as the increase is linked to the national figure. Subject to affordability Spelthorne will match any percentage change.
- 3.5 The Outline Budget projections assume that the Government will continue to progress the roll out of Universal Credit. Given the measures announced by the Chancellor on 22nd November to soften the impact on individuals moving onto Universal Credit, it appears that the Government is sticking to its current roll out timetable. The projections assume the roll out will be fully completed by 2018-19 which results in the loss of the £0.5m credit the Council receives for its efficiency in recovering overpayments. This is one of the key factors in pushing up the budget gap in 2018-19 (part year) and 2019-20 (full year effect).
- 3.6 Budget consultation exercise - one option to aid the Cabinet to make difficult budget decisions between competing budget priorities would be to commission a statistically robust budget consultation exercise. The commissioning of the consultation in 2018 (which would allow officers sufficient time to work with the advisers to work up the question matrix) would enable the outputs to feed into budget decision making for 2019-20. The consultation could focus around decisions on flood defence expenditure and other corporate plan priorities.
- 3.7 In response to the reducing funding levels, Cabinet and Management Team recognised in 2014 that a fundamental transformation programme “*Towards a Sustainable Future*” (TaSF) needed to be put in place to aim at making the Council a self-funding council by the end of the outline budget period.
- 3.8 The TaSF programme looks at maximising income streams from investments and the Council’s assets, this will link with the Council’s refresh Housing Strategy which is aiming to use Council assets to generate additional housing supply (easing the pressure on the housing and homelessness budget) and generate income streams for the Council. The programme also considers the future of the Council’s offices, and looks at the application of agile working to save money and generate an income stream by enabling the sharing of the Knowle Green site. By rearranging the floor plans it would make it possible to reduce accommodation running costs (including business rates) and potentially develop housing on part of the Knowle Green site.
- 3.9 Programme management streams have been put in place to manage the delivery of the strands set out above.
- 3.10 Currently the Council’s treasury management investments are performing well with the core investments achieving an average of 5% in 2016-17. It is anticipated this level of performance can be maintained and has been built into the Outline Budget projections.

- 3.11 The Council has made excellent progress with respect to taking opportunities to maximise income streams from assets. As result of recent acquisitions the Council has secured additional income from assets for a sustained period well beyond the outline budget period of around £5m per annum net of financing and management costs. The Council is also looking to introduce a dedicated property unit which will help strengthen governance and asset strategy framework. The Unit will assist the Council in identifying and acquiring further income generating assets.
- 3.12 As mentioned above the Council is continuing to look at acquiring properties either directly or through appropriate delivery vehicles to enable it to provide temporary accommodation as an alternative to Bed and Breakfast accommodation which is expensive and has other issues. During 2016-17 the Council set up Knowle Green Estates as its housing delivery company and through the company it seized the opportunity to purchase the Harper Hotel emergency accommodation establishment. The Council will be able to use all of the housing units at the Hotel for its own residents diverting them away from expensive alternative arrangements.

The Level of Revenue Reserves to use in Support of the Council Tax

- 3.13 Reserves are financial balances set aside within the Council's balance sheet to enable future financing of revenue or capital expenditure. These can be held for three main purposes:
- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
 - A contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves. The key general reserve is the General Fund.
 - Funds to meet known or predicted liabilities and future spending are often referred to as earmarked or specific reserves.

The cash balances held in our reserves are invested to earn interest income which helps support the overall revenue budget and the provision of services.

- 3.14 The Council currently uses specific revenue reserves to finance expenditure in the following ways:
- a) Interest equalisation – is built up in years when investment returns are better than expected and used to support investment income in years when returns are lower.
 - b) New Schemes Fund – the fund is now exhausted and it is not proposed to continue to provide a stream of funding toward specific revenue costs but instead we intend to put monies back into the fund to offset future years expenditure from those areas.
 - c) The key focus is generating additional revenue income streams. It is recognised that whilst the projects to deliver a number of such streams are well under way they will take time to reach the point of delivering income. There is therefore the case that on the basis there is a clear

strategy and plan for delivering income streams that in the interim, in order to avoid making short term cuts which ultimately in the longer term may not have been necessary that some use of reserves to help close the revenue gap would be sensible.

- d) The Housing Initiatives Reserve with a balance of £3m has been identified as being a source of funding for supporting Housing Strategy initiatives.
- e) Sinking funds for commercial assets to be built up to cover potential end of lease refurbishment and possible future void and rent free periods.

3.15 The Council will be looking to implement arrangements to make repair and renewal annual contributions for addressing maintenance of service assets – addressing issues early in a planned way is usually cheaper in the long run. As part of addressing this it is proposed to have additional stepped increases in planned maintenance of £250k per annum ie rising to £1m by 2020-21.

3.16 Given that there may be timing differences between additional asset income streams and the need to invest to make schemes happen there may be a need for the Council to incur some borrowing. Given the relatively low rates the Council can obtain from the likes of the Public Works Loan Board (PWLB); Homes and Community Agency or the European Investment Bank it is more cost effective to borrow rather than draw down medium term investment funds. The Council's treasury management advisers Arlingclose have assisted in developing the Council's borrowing strategy and have been working closely with the Council to identify alternative commercial borrowing opportunities. It should be noted however that Council's cannot borrow to cover deficits in their Revenue Budgets.

3.17 At 1 April 2017 Revenue Reserves were as follows:

	2017 £000
General Fund Revenue Account*	951
Revenue Grants Unapplied	801
Capital Fund*	443
Carry Forward Reserve	239
Housing Initiatives Fund	2,973
Bronzefield Maintenance Fund	273
New Schemes Fund (NSF)	1,221
Interest Equalisation	493
Insurance Reserve	50
New Homes Bonus	50
Youth Council Reserve	20
Bridge Street Car Park Reserve	69
Business rates equalisation Reserve	1,145

Risk Management Fund	190
Asset Acquisition Reserves	2,647
	11,565

* indicates an uncommitted reserve available to support Council Tax.

The capital element of the NSF is now exhausted but there is still the revenue element of £1.2m in the table above.

The Level of Capital Expenditure to be supported

- 3.18 Each year the Council approves a four-year Capital Programme, which is split between Housing and “Other Services.”

The ‘other services’ programme consists mainly of capital expenditure on leisure, assets, replacement vehicles and information technology.

The ‘other services’ capital programme has generally been financed from our capital receipts, i.e. money received in past years from the sale of assets such as the sale of the housing stock under the Local Stock Voluntary Transfer (LSVT) reserved right to buy receipts (RTB) and other ‘one off’ sales.

Commercial income generating assets acquisitions are funded through borrowing, however these are designed to ensure that they generate a net surplus in excess of borrowing costs in order to provide funds which can be used to support the revenue budget.

- 3.19 The Housing Capital Programme will be financed by a mixture of Right To Buy (RTB) receipts, the Social Housing Fund and borrowing where required.
- 3.20 The Prudential Code, which came into effect on 1st April 2004, gave Council’s the scope to borrow to fund capital investment. The Council has used these powers to undertake borrowing to acquire assets for housing or economic wellbeing purposes where there has been a robust business case and where the loan costs are more than offset by revenue savings or additional income streams. The Council is actively looking at further opportunities for sustainable income streams. DCLG have recently published a consultation on ‘Proposed Changes to the Prudential Framework of Capital Finance’ with a response deadline of 22nd December. The outcome of this consultation won’t be known until the new year but it is likely that stronger rules around the use of borrowing and the Minimum Revenue Provision (MRP) will come into effect.

Financial Health Indicators

- 3.21 Spelthorne maintain a selected number of indicators useful for monitoring purposes. Targets are set for capital and revenue outturn, and for debtors and creditors. The current set of indicators is set out below:
- a) Revenue outturn against original budget target: +/- 1.5%.
 - b) Capital outturn against original budget target: +/- 20%.

- c) Council Tax collection target: 98.5%.
- d) Business rates collection target: 98.5%.
- e) Sundry debts aged more than 90 days overdue no more than 13% of total debts.
- f) Payment of creditors within 30 days target: 96.5%.

3.22 Clearly we need to take account of the challenging economic climate on the achievability of the above indicators particularly the collection rate (which through business rates and council tax support will feed through directly into the Council's financial position and debt indicators and we will keep these indicators under regular review.

In addition to the above there are the existing Prudential and Treasury Management indicators, these are being reviewed in light of the draft consultation on new guidance issued in November which will be confirmed in early 2018.

Financial implications

3.23 As set out in the report above

Other considerations

3.24 Where service efficiency proposals are put forward to assist in balancing the Budget the Council will need to undertake appropriate equality impact assessments.

Timetable for implementation

3.25 A detailed Budget timetable is being issued to ensure that we are able to set a balanced budget for 2018-19 at the meeting of Council on 22nd February 2018.

Background papers:

Appendices: Appendix A – Outline Budget Details

Outline Budget					Appendix A
As at 01/11/17					
	17-18	18-19	19-20	20-21	21-22
	original				
	£	£	£	£	£
Gross Expenditure					
Less: Fees and Charges and Specific Grants (excl Housing Benefits)					
Less: Housing Benefits Grant					
Net Service Expenditure:					
Broken down over Portfolios					
Leader of the Council	1,131,000	1,151,000	1,262,000	1,151,000	1,151,000
Deputy Leader	550,600	555,600	555,600	555,600	555,600
Corporate Management	2,103,300	2,173,500	2,172,600	2,172,600	2,172,600
Housing	1,821,900	2,492,400	2,886,900	2,386,900	2,386,900
Finance and Customer Service	3,761,100	3,769,100	3,769,100	3,769,100	3,769,100
Planning and Economic Development	2,468,800	2,355,800	3,527,800	4,728,800	5,932,800
Environment and Compliance	5,166,800	5,509,500	5,646,500	5,782,500	5,832,500
Community Wellbeing	231,200	410,200	412,200	413,700	415,500
	17,234,700	18,417,100	20,232,700	20,960,200	22,216,000
Salary expenditure - vacancy monitoring	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Pay award		150,000	300,000	450,000	600,000
Efficiencies		(100,000)	(200,000)	(300,000)	(400,000)
Pensions		50,000	100,000	150,000	200,000
As yet unidentified annual growth anticipated to come		400,000	800,000	1,200,000	1,600,000
Partnership Savings			(80,000)	(120,000)	(160,000)
Fees and charges		(100,000)	(200,000)	(300,000)	(400,000)
Revised Service Expenditure	16,934,700	18,517,100	20,652,700	21,740,200	23,356,000
NET EXPENDITURE	16,934,700	18,517,100	20,652,700	21,740,200	23,356,000
Interest earnings	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
Asset Acquisition Income	(17,082,800)	(18,004,800)	(19,136,800)	(20,259,800)	(21,374,800)
Debt Interest payable	8,307,000	8,276,900	8,236,800	8,211,800	8,211,800
Minimum Revenue Provision	4,482,100	4,584,800	4,690,800	4,799,000	4,799,000
NET EXPENDITURE AFTER INTEREST EARNINGS	11,741,000	12,474,000	13,543,500	13,591,200	14,092,000
Appropriation from Reserves:					
Pump prime invest to save/efficiency initiatives		0	0	0	0
Set aside for Independent Living		(55,962)	0	0	0
Interest Equalisation reserve	0	0	0	0	0
Refurbishments Reserve Contributions	700,000	700,000	700,000	700,000	700,000
BUDGET REQUIREMENT	12,441,000	13,118,038	14,243,500	14,291,200	14,792,000
Retained Business Rates	(3,009,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Revenue Support Grant (incl council tax support grant)		0	750,000	750,000	750,000
Transition Grant	(96,000)	0	0	0	0
New Homes Bonus Grant	(1,530,900)	(1,021,000)	(851,000)	(713,000)	(522,000)
NET BUDGET REQUIREMENT	7,805,100	9,097,038	11,142,500	11,328,200	12,020,000
Collection Fund (Surplus)/Deficit	(167,493)	(167,493)	0	0	0
CHARGE TO COLLECTION FUND	7,637,607	8,929,545	11,142,500	11,328,200	12,020,000
Tax base	38,908.60	39,395	39,887	40,386	40,891
Council Tax rate	192.44	197.44	202.44	207.44	212.44
Council Tax yield	7,487,571	7,778,140	8,074,804	8,377,669	8,686,844
Deficit/(surplus)		1,151,405	3,067,696	2,950,531	3,333,156
Year on year movement		1,151,405	1,916,291	(117,165)	382,625

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Cabinet**12 December 2017**

Title	Supplementary Capital Programme Provision for Asset Acquisitions		
Purpose of the report	To make a recommendation to Council		
Report Author	Chief Finance Officer		
Cabinet Member	Councillor Howard Williams	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	<p>Cabinet is asked to recommend to Council:</p> <p>To approve supplementary capital estimate for property acquisitions within the Borough of £200m for 2017/18 to support the economic development and well-being of the Borough and investment purposes</p> <p>To agree the revised set of prudential indicators which include increasing the operational boundary and authorised limit for external debt by £200m (Appendix 1)</p> <p>To reconfirm the Council's Minimum Revenue Provision policy to ensure prudent provision is made to cover repayment of loans (Appendix 2)</p>		
Reason for Recommendation	In order to ensure the ongoing financial sustainability of the Council and its ability to provide services to residents in the face of funding reductions and pressures, the Council needs to be able to continue to generate additional ongoing income through making further income generating asset acquisitions.		

1. Key issues

- 1.1 The Council has been progressing its transformation programme- known as 'Towards a Sustainable Future' (TaSF). A key strand is the use of assets and income generation. The TaSF programme has been developed to ensure Spelthorne Borough Council is in a strong position to withstand significant financial challenges. Since 2013/14 the Council's Revenue Support Grant (RSG) has fallen from £2.5m and stands at zero for 2017/18. Beyond this, the

Council will be responsible from 2019-20 for paying back at least an estimated £750,000 each year to central government.

- 1.2 As part of its TaSF strategy, the Council has said that it effectively needs to be fully self-financing by 2020 in order to continue to deliver the services that it currently provides.
- 1.3 Financial Sustainability is one of the four key priorities under Spelthorne's Corporate Plan for 2016 -19 and highlights the Council's plans to invest in commercial properties to obtain ongoing, sustainable revenue streams and capital appreciation.
- 1.4 Cabinet will be aware that the recent acquisition of the BP main site meant that we were able to balance the budget for year 2017/18. However, as a result partly of knock on effects of Surrey County Council spending reductions and other pressures we are facing a budget gap of potentially over £1m in 2018-19. By 2021-22 we will be facing, if we do not delivering additional income generation streams or find additional efficiencies a £3m deficit per annum due to a number of factors (paying negative grant to central government, SCC funding reductions, reduced New Homes Bonus, impact of Universal Credit, increased pressure on homelessness and additional statutory housing responsibilities, increased provision for maintenance of assets, and reduction in recycling credits to name a few).
- 1.5 The reductions in RSG have been on-going for a number of years, and this, combined with the need to 'stand on our own two feet' financially, means it is imperative that the Council focuses on the most effective ways of increasing on-going income streams. One of the identified ways of doing this is through property investment and since summer 2016 the Council has made several significant acquisitions including the BP International Campus at Sunbury which together have delivered an additional £5m per annum in ongoing long term income available to support the provision of services for our residents. These income streams are net after taking account of interest, debt repayments, supervision costs for managing the assets and set aside sums to build up prudent sinking funds to cover future potential refurbishment requirements and to cover future rent free and void risk.
- 1.6 The Council with all its acquisitions undertakes thorough due diligence using an appropriate range of professional advisers to address legal, property, treasury management, taxation, environmental risks and issues. We minimise future risk with respect to commercial acquisitions by focusing on assets with strong covenant tenants, long term leases, and ensuring we understand the risks associated with the assets.
- 1.7 On this agenda there is a report setting out an updated Property Acquisition Strategy setting out clearly the parameters within which future acquisitions will be evaluated and approved.
- 1.8 As per the report to Council in February 2017 we had originally identified that to ensure its financial sustainability it should aim to generate an additional £7m per annum. However with additional pressures such as knock on impacts of Surrey County Council funding reductions, we now believe we should be aiming to generate a total of £9m, i.e. a further increase of £2m per annum in order to achieve this we potentially need the ability to spend a further £200 million.

2. Options analysis and proposal

- 2.1 In order to enable the Council to be able to bid for high quality investment opportunities which may arise over the coming months it is recommended that Council:
- (a) Agree a £200m supplementary capital estimate to enable the Council to pursue further significant opportunities
 - (b) Agree a revised set of prudential indicators which include increasing both the operational boundary and authorised limit for external debt by £200m
 - (c) Confirm the Council's Minimum Revenue Provision policy to ensure prudent provision is made to cover repayment of loans
- 2.2 The proposal to increase the borrow limits is on the basis that the additional borrowing would be prudentially affordable as any borrowing would be fixed long term and would be used to fund high quality assets which will generate net revenue surpluses which will more than cover the financing costs. When evaluating acquisitions we will ensure that we are able to generate sufficient sinking fund to cover risk of future refurbishments and rent free/void periods to ensure that we minimise financing cost and risk of future forced sale of assets.

3. Financial implications

- 3.1 Councils are in a strong financial position to acquire property due to their ability to access capital, coupled with the low cost of borrowing (for example Spelthorne can borrow at 2.25 to 2.75% long term at fixed rates from the Public Works Loans Board (effectively the Bank of England) depending on the amount and length of a loan, whereas a developer would be likely to pay 5 - 6%). The Council is also able to borrow at cheaper rates from other councils. Whilst the Bank of England base rate has recently increased by 0.25% we are still able to access relatively cheap borrowing. However, the potential that rates may rise further and eat into margins is one reason for looking to progress opportunities quickly. The Council is also currently exploring with alternative funders to see if it is possible to borrow some fixed rate funds at below PWLB rates.
- 3.2 It makes financial sense to borrow money at these rates rather than using the Council's own capital, which in the most recent financial year achieved an average of more than 5% return when re-invested in property funds. Whilst there may be some short term fluctuations associated with the UK Brexit properties acquired are likely to appreciate in capital value over the longer term.
- 3.3 Councils are able to set whatever borrowing limit they judge to be appropriate. However, it clearly needs to be prudent and affordable. Importantly, we need to consider carefully the impact of increasing levels of debt, our ability to repay, minimise liquidity risk and the risk of increasing interest rates for those repayments.
- 3.4 Officers liaise with Arlingclose our Treasury Management advisers. They have confirmed they are comfortable with the level of borrowing required to sustain

a supplementary capital estimate of £200m to acquire income generating assets., see appendix 2. It has also been recommended that the funds are not borrowed until any acquisitions are completed and the cash is physically needed.

- 3.5 As part of the annual budget setting process, officers are required to produce a set of prudential indicators which include the operational boundary and authorised limit for external debt. These therefore need to be revised, and an updated set are included as **Appendix 1** for approval.
- 3.7 If the additional estimate is agreed, the capital programme will increase in 2017-18 from £305.922m to £505.922m. As a result, operational boundary for external debt has increased by £200m to £920m. In order to cover unexpected eventualities outside the remit of this specific report and 'just in case' scenarios on cash flow, it is deemed prudent to increase the authorised limit for external debt from £750m to £950m.
- 3.8 The Council will make appropriate Minimum Revenue Provision (MRP) deductions from the Revenue Budget on an annual basis to ensure sufficient sums are set aside to enable the Council to repay loans incurred on their maturity. The Council's Treasury Management advisers Arlingclose have provided advice on the most effective way to structure these MRP deductions and are comfortable that our approach is a prudent one. Appendix 2 sets out the MRP policy the Council will be applying

4. Other considerations

- 4.1 Council should note that should the additional capital estimate be agreed, Cabinet will then have the ability to consider additional investment opportunities above the current limits but that in each case Cabinet will receive a detailed evaluation of the business case and risks in order to decide whether to agree to individual investment proposals.

5. Timetable for implementation

- 5.1 As appropriate opportunities arise they will be brought to Cabinet for consideration.

Background papers:

None

Appendices: 1) Prudential Indicators 2) Minimum Revenue Provision Policy

Appendix 1: Updated Prudential Indicators Statement 2017/18

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Council's planned capital expenditure and financing, reflecting the requested revisions may be summarised as follows.

Capital Expenditure and Financing	2017/18 Revised £000's	2018/19 Estimate £000's	2019/20 Estimate £000's	2020/21 Estimate £000's
Total Expenditure	505,922	216	216	216
Capital Grants / Contributions	(980)			
Capital Reserves / Revenue	(7,695)	216	(216)	(216)
Borrowing	(497,247)			
Total Financing	(505,922)	(216)	(216)	(216)

Capital Financing Requirement	31.03.18 Revised £000's	31.03.19 Estimate £000's	31.03.20 Estimate £000's	31.03.21 Estimate £000's
Total CFR	909,393	901,957	874,334	850,000

The Council had previously been debt free for a number of years, and therefore the CFR had been nil. However, recent acquisitions have led to the CFR increasing significantly and it is forecast to rise again in 2017/18 to reflect the further funding being made available for strategic acquisitions. It will then slowly reduce over time in line with the annuity based funding model used the Council to support each of the strategic acquisitions made.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

Debt	31.03.18 Revised £000's	31.03.19 Estimate £000's	31.03.20 Estimate £000's	31.03.21 Estimate £000's
Total Debt	887,593	878,157	868,534	858,000

Total debt is expected to remain below the CFR requirement during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Operational Boundary

Operational Boundary	2017/18 Estimate £000's	2018/19 Estimate £000's	2019/20 Estimate £000's	2020/21 Estimate £000's
Total Debt	920,000	912,000	904,000	896,000

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements, including the short term VAT related costs incurred with any acquisitions.

Authorised Limit	2017/18 Revised £000's	2018/19 Estimate £000's	2019/20 Estimate £000's	2020/21 Estimate £000's
Borrowing	942,000	934,000	926,000	918,000
Total Debt	942,000	934,000	926,000	918,000

Appendix 2: Minimum Revenue Provision Policy

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance). The DCLG has recently issued consultation (deadline for response 21 December) on revisions to the Minimum Revenue Provision Guidance which the Council will be responding to. Following the consultation period once the MRP guidance is revised the Council will revise its policy in February 2018.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The Council's current policy of fully repaying borrowing and associated liability by using annual MRP set asides to payment annual amortising debt is a fully prudent approach.

The DCLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.

Capital expenditure incurred during the financial year on asset acquisitions will not be subject to a MRP charge until the following complete financial year. For capital expenditure incurred that is funded from borrowing, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity with an annual interest rate equal to the relevant PWLB rate at the point the expenditure is incurred. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

The annuity method makes provision for an annual charge to the General Fund which takes account of the time value of money (whereby paying £100 in 10 years' time is less of a burden than paying £100 now). The schedule of charges produced by the annuity method thus results in a consistent charge over an asset's life, taking into account the real value of the annual charges when they fall due.

The annuity method also matches the repayment profile to how the benefits of the asset financed by borrowing are consumed over its useful life (i.e. the method reflects the fact that asset deterioration is slower in the early years of an asset and accelerates towards the latter years). This re-profiling of MRP therefore conforms to the DCLG "Meaning of Prudent Provision" which

provide that “debt [should be] repaid over a period that is reasonably commensurate with that which the capital expenditure provides benefits”. Capital expenditure incurred during 2017/18 will not be subject to a MRP charge until 2018/19.

Cabinet

12 December 2017



Title	Property Investment Strategic Parameters		
Purpose of the report	To make a decision		
Report Author	Heather Morgan, Group Head Regeneration and Growth		
Cabinet Member	Councillor Ian Harvey	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	<p>Cabinet is asked to approve:</p> <p>The Property Investment Strategic Parameters attached at Appendix 1 for immediate adoption.</p>		
Reason for Recommendation	<p>Cabinet is being asked to approve the Property Investment Strategic Parameters shown in Appendix 1 which outline:</p> <ul style="list-style-type: none"> a. The purposes for which the Council invests in property acquisitions, and b. The conditions which must be met for investing for revenue generation and/or social investment purposes. 		

1. Key issues

1.1 The Council has undertaken a number of major acquisitions since summer 2016 (BP International Campus) which have significantly grown our property portfolio. A rigorous assessment of every asset has been undertaken prior to investment. It is nevertheless deemed prudent to set out clearly the property investment strategic parameters the Council uses in making investment and development decisions. This document enables the Council to be transparent about the reasons why the Council invests in property acquisitions, and the conditions which must be met for investing for revenue generation and/or social investment purposes.

2. Options analysis and proposal

2.1 The Council has two options (1) to continue to make investment decisions without any specified parameters or (2) to agree a set of strategic parameters which the Council will use in making property investment decisions.

2.2 It is recommended that the parameters outlined in **Appendix 1** are put in place for the reasons set out in paragraph 1.1. Not to do so would risk a lack

of transparency around the whole investment programme, meaning that stakeholders and residents would have less assurance around the performance of the Council's assets and how we manage risk associated with our property investments.

3. Financial implications

- 3.1 There are no financial implications directly arising as a result of the proposed strategic parameters. Requests for capital budget provisions for property acquisitions are made to Full Council and individual acquisitions come before Cabinet with all the relevant financial information required to enable a fully informed decision to be made.

A key driver for our pursuit of assets is to generate ongoing sustainable income streams to help ensure that we can balance the Revenue Budget and continue to deliver services at current levels for our residents. Therefore Cabinet need to bear in mind that these investments are intended to deliver a surplus but can carry significant risk. It is therefore important that we continue to do thorough due diligence to understand the risks and to decide whether particular acquisitions are appropriate.

4. Other considerations

- 4.1 These strategic parameters and the Council's property investment programme support three of the four main aims of the Corporate Plan which are:

- (a) Housing (to strive towards meeting the housing needs of our residents, providing working families and others in housing need within the borough with suitable housing),
- (b) Economic Development (to stimulate more investment, jobs and visitors to Spelthorne and further the overall economic wellbeing and prosperity of the borough and its residents), and
- (c) Financial Sustainability (to ensure that the Council can become financially self-sufficient in the near future).

- 4.2 An Asset Management Plan will be developed to cover in detail how the investment portfolio and the property estate will be actively managed, and will be subject to a future report to Cabinet.

- 4.3 A growing portfolio will require additional resource to manage it, and the Council is setting up a dedicated Property and Development Unit (PDU). A revenue cost 'set aside' is included as part of each acquisition with the intention that new staff in the PDU will largely be funded from this 'set aside' (alongside capitalising salaries where staff are directly involved in delivering development schemes).

- 4.4 There are no equality and diversity requirements arising as a result of these strategic parameters. Sustainability will be considered as necessary on individual acquisitions and developments.

- 4.5 There is currently no requirement on Councils for such strategic parameters to be developed or published, and as such there is no formal consultation process to be followed prior to adoption.

5. Timetable for implementation

- 5.1 To be implemented with immediate effect.

Background papers: None

Appendix1: Strategic Property Investment Parameters

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Spelthorne Borough Council Strategic Property Investment Parameters

Spelthorne Borough Council currently invests in property for one of three primary reasons:

- Revenue generation
- Social investment, and
- Strategic purposes

1. Revenue Generation

1.1 Purpose

To deliver additional ongoing income to support the revenue budget to:

- a. Offset funding reductions from external sources (central government and the county council) and other budgetary pressures, and
- b. Aspirationally to go beyond that to increase the quality and quantity of services we deliver to the residents of Spelthorne.

Our aim is that the Borough Council becomes financially self-sufficient.

Net income generated is calculated net of all costs associated with the investment, including interest, provisions to cover refurbishment and possible future rent-free/void periods, external professional fees etc.

These investments are intended to deliver a surplus to be used to support the provision of services but can carry significant risk. Approximately 5% target gross return dependent upon covenant.

At this margin a small loss can have a disproportionate negative effect.

We therefore need to have clear guidelines and underwriting criteria.

1.2 Investment Guidelines

- i. We will always undertake thorough due diligence to ensure that the Council understands the risks associated with a particular proposed acquisition and how those risks are mitigated.
- ii. Preference is given to investing within borough, or in an adjoining area that is economically important to Spelthorne (for example Heathrow / areas immediately south of Staines Bridge). Properties outside this preferred area should represent a lower risk and higher return.

This is because:

- a. local investment ensures that we are best placed to know all the facts surrounding a property, its history, potential developments in the area etc. and, as the planning authority, the borough can optimize the benefits that provides, and
- b. any loss-mitigating exit strategy that may be required and that may result in a change of use or conversion of the investment from profit-making into a non-profit-making social investment (e.g. conversion from rented offices to

emergency, social or affordable housing) will benefit residents of Spelthorne i.e. the taxpayers who are funding the investment. Variation from this requires a better return to mitigate above considerations.

- iii. We have a clear view of the asset security curve.
- iv. We have a clear exit strategy, fully costed, at the various critical points in the investment (lease break points etc.).
- v. We do not attempt to second-guess what a tenant may do in the future. We always rely solely on the contractual obligations and plan for the worst-case scenario.
- vi. We do not make speculative investments for revenue-generation purposes. The properties should ordinarily be complete, free of any ongoing redevelopment work and occupied by creditworthy tenants with a minimum of 10 years' lease remaining.
- vii. Any exposure to interest rate fluctuations must be mitigated. We will ordinarily only borrow at fixed interest rates.
- viii. Once completed (funding drawn down and purchase completed), the funding arrangements for investment should require only minimal supervision or intervention, avoiding technically complex, long-term refinancing exercises (e.g. bond issues, dependence on future refinancing) or dependence on external professionals or professional, specialist knowledge from councilors or officers (who may well have left the Council by the time the decision-making point arrives).
- ix. We do not invest in incomplete builds, conversions, etc unless a water tight pre-completion occupier lease is in place
- x. We will not normally invest in retail units
- xi. We do not engage with sellers or tenants who may present a significant reputational risk
- xii. The credit rating of all incumbent tenants is to be understood, recorded at the time, and must be sufficiently strong for the level of investment. We aim for primarily "Blue Chip" covenants.
- xiii. We do not engage in high-risk / high-reward investments.
- xiv. We do not invest in properties that have a material flood risk (1/100 years or more frequent) unless robust flood mitigation has been designed in.

2. Social Investments

2.1 Purpose

To deliver projects that improve quality of life for our residents, such as emergency, social and affordable housing, community infrastructure and well-being projects, flood prevention and flood relief infrastructure.

These investments do not have to generate additional income/profits but must provide the taxpayer with value for money (a legal requirement on the council) and should be self-financing (although exceptions may be made if the social benefit warrants a small subsidy from taxpayers' money).

2.2 Conditions of investing

- i. Some element of speculation may be inevitable and acceptable (e.g. building affordable housing when the housing market is subject to market pressures).
- ii. We do not ordinarily invest outside the borough (these social investments are designed to benefit the residents/taxpayers of Spelthorne). Consideration will be given for investments nearby where we can ensure Spelthorne residents benefit.

- iii. Any exposure to interest rate fluctuations must be mitigated. We will ordinarily only borrow at fixed interest rates.
- iv. Once completed (funding drawn down and purchase completed), the funding arrangements for investment should require only minimal supervision or intervention, avoiding technically complex, long-term refinancing exercises (e.g. bond issues, dependence on future refinancing) or dependence on external professionals or professional, specialist knowledge from councilors or officers (who may well have left the Council by the time the decision-making point arrives). One exception to this is the ongoing operational management of rented/leased (social or affordable) accommodation and emergency housing. Where practical, these ongoing responsibilities may be transferred to the Council's wholly-owned property company, Knowle Green Estates Ltd..
- v. We do not engage with sellers or tenants who may present a significant unmitigated reputational risk.
- vi. We do not invest in properties that have a material flood risk (1/100 years or more frequent) unless robust flood mitigation has been designed in.
- vii. Social investments are not an alternative to proper funding and provision by the County Council of infrastructure and services that the County Council is required to provide. Spelthorne does not intend these social investments by the Borough Council to alleviate the financial and social responsibilities borne by the County Council.
- viii. In all cases the Council will structure investments to give maximum control, financial and social benefit to itself and Spelthorne residents and priority will be given to retaining ownership and receipt of revenue.

3. Strategic purposes

3.1 Purpose

To augment either Revenue Generation or Social Investments, for example to increase the value of an existing asset value by "marriage" or where it facilitates or enhances another project / investment covered above.

Investment criteria and funding to be in accordance with relevant purpose and criteria.

Cllr. Howard Williams, Cabinet Member for Finance, Spelthorne Borough Council.
and Cllr Ian Harvey, Leader of the Council and Portfolio Holder for Policy and Strategic Assets Portfolio,

Note:

The Council will pay due attention to prevailing laws, statutory regulations and Chartered Institute of Public Finance and Accountancy guidance and best practice recommendations. The Government on 10th November issued several consultations on the statutory parameters for local authorities' investment activity. Once the Government confirms in the New Year the final guidance we will need to review and update this document.

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Cabinet**12 December 2017**

Title	Spelthorne's response to the revised 'draft Airports National Policy Statement: New Runway Capacity and Infrastructure at Airports in the South East of England.		
Purpose of the report	To make a decision		
Report Author	Tracey Willmott-French		
Cabinet Member	Councillor Colin Barnard	Confidential	No.
Corporate Priority	Economic Development Clean and Safe Environment		
Recommendations	Cabinet is recommended to: Agree Spelthorne Borough Council's response (at Appendix 1) to the revised draft Airports National Policy Statement		
Reason for Recommendation	The Council supports the expansion of Heathrow subject to noise, air quality and transport issues being resolved. It is therefore important to respond to these consultation documents as they will influence the way in which detailed proposals for expansion are assessed.		

1. Key issues

- 1.1 The **draft Airports National Policy Statement (NPS)** was published in February 2017 for consultation. Its purpose was to provide the basis against which a formal proposal for the provision of a new northwest runway at Heathrow will be assessed.
- 1.2 In response to the consultation, the Government has revised its approach as to how it will support the modernisation of airspace. Part of this includes giving the Secretary of State for Transport new call-in powers to give high level direction for nationally significant airspace change decisions.
- 1.3 The Government will be introducing new metrics for the assessment of noise impacts and their health effects, including a new measure of frequency. They will also be setting up an Independent Commission on Civil Aviation Noise (ICCAN); its purpose will be to ensure that the noise impacts of airspace change are properly considered and a balance is achieved in noise management around expansion and airspace modernisation.
- 1.4 In consideration of the responses received from the February consultation the draft Airports NPS has been updated. This also reflects changes in its evidence base associated with (a) airport capacity and passenger demand, (b) the

publication of the 2017 UK Air Quality Plan, and (c) other broader government policy changes.

- 1.5 The Government is inviting comment on the revised draft Airport NPS. The consultation does not ask for views on the detailed design of the scheme or any associated infrastructure; this will come later when the scheme promoter holds its own consultation.
- 1.6 The Council has stated its support for the expansion of Heathrow, however it has also stated that this is subject to the successful resolution of impacts of noise, air quality and transport associated with the expansion.
- 2. Options analysis and proposal**
 - 2.1 It is important that the Council respond to these consultation documents as they will influence the way in which detailed proposals for expansion are assessed.
 - 2.2 The draft response is set out in **Appendix 1** and is considered the most appropriate. The only other option would be 'no response' which would not be in the best interests of Spelthorne's residents and businesses.
- 3. Financial implications**
 - 3.1 There are none for Spelthorne in relation to these documents.
- 4. Other considerations**
 - 4.1 None.
- 5. Timetable for implementation**
 - 5.1 A response is required to be submitted by the 19 December 2017.

Background papers:

1. Consultation on the revised draft Airports National Policy Statement
<https://www.gov.uk/government/consultations/heathrow-expansion-revised-draft-airports-national-policy-statement>
2. Revised draft Airports National Policy Statement: new runway capacity and infrastructure at airports in the south-east of England
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/654123/revised-draft-airports-nps-web-version.pdf
3. Revised draft Airports National Policy Statement: new runway capacity and infrastructure at airports in the south-east of England (change log)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/654947/revised-draft-airports-nps-change-log.pdf
4. Appraisal of sustainability for the revised draft Airports National Policy Statement
<https://www.gov.uk/government/publications/appraisal-of-sustainability-for-the-revised-draft-airports-national-policy-statement>
5. Airport expansion: further updated air quality re-analysis
<https://www.gov.uk/government/publications/airport-expansion-further-updated-air-quality-re-analysis>
6. UK airspace policy: a framework for the design and use of airspace
<https://www.gov.uk/government/publications/uk-airspace-policy-a-framework-for-the-design-and-use-of-airspace>

7. Consultation outcome Heathrow expansion: draft Airports National Policy Statement
<https://www.gov.uk/government/consultations/heathrow-expansion-draft-airports-national-policy-statement#feedback-received>

Appendices:

- **Appendix 1** - Spelthorne's Response to revised 'draft Airports National Policy Statement' (October 2017 edition)
- **Appendix 2** - Report of 11 May 2017 of Spelthorne's response to the February 2017 edition of the 'draft Airports National Policy Statement'

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Consultation on revised draft Airports National Policy Statement Response Form

On 25th October 2016, the Government announced that its preferred scheme for adding new runway capacity in the South East of England was through a Northwest Runway at Heathrow Airport and this would be subject to consultation through a draft Airports National Policy Statement (“draft Airports NPS”). The draft Airports NPS was published on 2nd February 2017, launching a 16 week period of public consultation (the “February Consultation”).

In the consultation document for the February Consultation, the Government explained it would continue to update the evidence base which was considered when it selected a Northwest Runway at Heathrow as its preferred scheme. The intention had been to publish this during the February Consultation but there was no suitable time to do so. The aviation model has been developed to incorporate the latest market data and to produce an updated set of demand forecasts. In July 2017 the Government also published the UK Air Quality Plan which sets out a range of measures to bring nitrogen dioxide air pollution within legal limits in the shortest possible time. The Government has revised the draft airports NPS to take account of this updated evidence base, and made other amendments as a result of either consideration of consultation responses or a change in the Government’s policy. The Government is therefore undertaking a short period of further consultation.

How to respond:

Online: www.gov.uk/dft/heathrow-airport-expansion

Email: RunwayConsultation@dft.gsi.gov.uk

Post: **Freepost RUNWAY CONSULTATION**
(no stamp or further address required)

Respond by:

19 December 2017

Before answering any of the questions please read the consultation document for the further consultation which can be found at:

<http://www.gov.uk/dfh/heathrow-airport-expansion>

For the reasons explained in the further consultation document, the Government proposes to make changes to the draft Airports NPS and some of the documents which were published alongside it. The changes have been published along with the supporting documents set out in the table on pages 7 and 8 of the further consultation document.

Have your say: Do you have any comments on the revised draft Airports NPS or any of the documents set out in the table on pages 7 and 8 of the further consultation document?

ABOUT YOU

First name: Tracey Surname: Willmott-French

Postcode: TW18 1XB Email: t.willmott-french@spelthorne.gov.uk

Are you responding on behalf of an organisation or group? Yes No

If yes, please state the name of your organisation or group* Spelthorne Borough Council

*Please note: if you are providing a response on behalf of an organisation or group the name and details of the organisation or group may be subject to publication or appear in the final report

FOR ORGANISATIONS: What category is your organisation?

Please tick the relevant box

- Statutory body
- Local authority
- Community group
- Environment group
- Airport
- Airline
- Air Navigation Service Provider
- Other Transport Provider (e.g. bus, train)
- Small Business
- Medium Business
- Large Business
- Business umbrella body
- Air freight business
- Other, please state

HOW DID YOU HEAR ABOUT THIS CONSULTATION?

Please tick the relevant box

- Contact from Department for Transport
- Press advert Local newspaper story
- Local authority engagement Social media (Twitter, Facebook etc)
- National news story (national newspaper, BBC News, Sky News, ITV News etc)
- Informed through stakeholder group (business group, campaign group etc)

CONFIDENTIALITY AND DATA PROTECTION

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA), and the Environmental Information Regulations 2004).

If you want information that you provide to be treated as confidential please tick the box below.

Please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals with, amongst other things, obligations of confidence.

In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.

The Department for Transport will process your personal data in accordance with the DPA, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

I wish my response to be treated as confidential

Please write your reasons below. Please attach additional pages as required

CONSULTATION QUESTION

Question: For the reasons explained in the further consultation document, the Government proposes to make changes to the draft Airports NPS and some of the documents which were published alongside it. We published these changes on 24 October 2017, along with the supporting documents set out in the table on pages 7 and 8 of the further consultation document.

Do you have any comments on the revised draft Airports NPS or any of the documents set out in the table at pages 7 and 8 of the further consultation document?

Please provide as much detail as possible in the box below. Please attach additional pages as required.

Advisory Note: If you responded to the February Consultation, you do not need to repeat points made previously, as we are considering these in full. Please note that when we consider responses to this further consultation, we may not be able to cross-refer to earlier responses because of the large numbers involved.

Spelthorne Borough Council's consultation response:

The Government has stated the view that the Heathrow Northern Runway scheme can be delivered without impacting the UK's compliance with legal air quality limits and within the UK's climate change obligations. Access to the airport for passengers, employees and freight without reliance on additional vehicle movements will be key to achieving these objectives. Spelthorne Borough Council considers that public transport accessibility south of the airport, preferably by way of a light rail scheme proposed by Spelthorne Borough Council should be an essential component of a wider sustainable transport scheme for Heathrow.

Surface Access

We agree that without effective mitigation, expansion is likely to increase congestion on existing routes and have environmental impacts such as increased noise and emissions.

We feel that it is appropriate that the airport surface access strategy reflects phasing over the expansion development (i.e. construction phases), implementation and operational stages.

The draft Airports NPS stipulates that the airport surface access strategy must contain specific targets for maximising the proportion of journeys made to the airport by public transport, cycling or walking. These should apply to both the workforce and passengers, and should consider modal shares across geographical areas as well. Heathrow Airport Ltd has acknowledged that there is a significant potential for mode shift in Spelthorne as it has a higher proportion of people accessing the airport as lone car drivers due to poor public transport connectivity. This has been compounded recently by severance of one of the four bus routes (the 441 serving a route from Staines Bus Station to Heathrow Airport), leaving only two routes through the borough that provide hourly services and a third less frequent route. Enhanced mitigation should be provided to reduce the disparities in public transport available in surrounding

communities. We would want to see public reporting on performance against modal share targets including subdivision by geographical area.

The applicant should upgrade and enhance local roads that enable the Northwest Runway to operate. The Northwest Runway scheme shifts the surface access to the Airport from the north to the south via Junction 14 of the M25 and southern road tunnels to the Heathrow West and East terminal areas from the Southern Perimeter Road. The main landside link between the two terminals will also be via the south of the airport rather than the north. The applicant's surface access proposals will impact on the existing and surrounding transport infrastructure. This will be particularly felt to the south of the airport in the Spelthorne and Hounslow areas. Taken together with airport parking proposal to the south of the Airport, there is significant potential for inappropriate local re-routing across the Borough of Spelthorne which could substantially increase Heathrow related traffic on local roads not referred to in paragraph 5.18 of the draft Airports NPS [such as B3003/ B378, A244 and A30, plus local roads such as Long Lane and Bedfont Road], where improvements and mitigation will be necessary.

The draft Airports NPS does not require the applicant to secure all surface transport schemes that form part of the surface access strategy submission. This surface access strategy has assumed new rail infrastructure connecting the Heathrow West terminal area (i.e. T5/T6) to the Windsor Lines and included a four trains per hour service in their core assessment. If the Heathrow expansion via the Northwest Runway is not conditional to providing this surface transport scheme then the impacts on trunk routes and local roads from the south of the airport will be greater than has been assessed to date. The applicant has estimated that Heathrow West will receive 65-70 million passengers per year by 2040, and we believe that a southern rail access is essential to deliver the additional transport demands generated by airport expansion. Spelthorne Borough Council are promoting a new light rail scheme that will assist Heathrow in servicing future passenger and workforce needs whilst mitigating air and noise pollution through modal shift.

Air Quality

We agree that increases in emission of pollutants during the construction or operational phases of the scheme could result in the worsening of local air quality. Since the February 2017 consultation, the Airports Commission has reviewed whether the Heathrow Northwest Runway scheme would be capable of being delivered without impacting the UK's compliance with air quality limit values. The revised draft Airports NPS outlines that development consent will be refused unless the applicant is able to demonstrate that the scheme will not affect the UK's ability to comply with legal obligations. In terms of decision making, the Secretary of State must be satisfied that, with mitigation, the scheme would be compliant with legal obligations.

We agree that environmental statement should assess any likely significant air quality effects including residual effects following mitigation. The focus of the draft Airports NPS (and the ancillary 2017 Plan Update to AQ Re-analysis) is very much on UK compliance with legal obligations but many pollutants exert an effect on human health (and/ or on the natural environment) at exposures that are below the national air quality objectives. Worsening of local air quality below compliance levels can still be assessed to have a moderate or substantial impact, which could be locally significant.

We agree that mitigation measures should comprise measures to improve air quality in pollution hotspots beyond the immediate locality of the scheme as air quality impacts are likely to be over the wider area.

Heathrow Airport has made a public pledge to have no increase in landside airport-related traffic. However, the scheme could redistribute the location of the airport-related traffic around the airport. The Northwest Runway scheme shifts surface access to the Airport from the north to the south via Junction 14 of the M25 and southern road tunnels to the Heathrow West and East terminal areas from the Southern Perimeter Road. Within the applicant's submission, Junction 14 is described as the main entry into the airport via the realigned A3113 (Airport Way), serving a new entrance to the Heathrow East and Cargo terminals as well, and also as the main exit from the airport for traffic from that area. The main landside link between the two terminal areas following expansion will be via the south of the airport rather than the north. The A3113 and Southern Perimeter Road form the northern boundary of the Borough of Spelthorne. Even if Heathrow Airport achieve their pledge of no additional airport related traffic, the scheme will result in significant additional traffic flows across the north of Spelthorne.

Modelling commissioned by Spelthorne Borough Council, using ADMS-Airport by CERC [as per the Airport Commissions modelling] for the Spelthorne area for 2011 and 2015 indicates an existing shadow of exceedance of the annual mean nitrogen dioxide air quality objective within Spelthorne to the south of the A3113, the southern runway and the Southern Perimeter Road. Redistribution of road traffic from the north of the airport onto southern routes could exacerbate pollutant levels within and result in the spread of this shadow – thereby potentially putting a greater number of properties in Spelthorne into an area of exceedance.

The 2017 Plan Update to Air Quality Re-analysis only considered the impacts of airport options at receptors alongside roads where the Government's PCM model predicted an exceedance, or a risk of exceedance, of the limit value in 2030 (based on current traffic flows/ distribution). The change in concentration due to the Heathrow Northwest option has only been modelled at specific links on the A4 and A40, both to the north of the airport. It is noted that the PCM model does not include links on the M25 motorway, or the Southern Perimeter Road. The applicant's assessment in the environmental statement should consider air quality impacts associated with all main roads across the wider area (all around the airport) and local roads in the immediate vicinity of the scheme.

The PCM model baseline projections significantly underestimate nitrogen dioxide levels in comparison to local monitoring. For example, the PCM model baseline for a link on the A308 at the Crooked Billet junction with the A30 and A3044 south of the airport is 34.8 ug/m³ annual mean nitrogen dioxide for 2015. Monitoring at this road link by Spelthorne Borough Council recorded an actual nitrogen dioxide annual mean in 2015 of 53.4ug/m³. The air quality analysis behind the draft Airports NPS finds that a high risk of exceedance exists when modelled concentrations lie within 10% of the limit value. Local air quality monitoring in the Spelthorne area has recorded pollution hotspots alongside roads with current exceedances with the potential to remain in exceedance between 2025-2030, even without the Heathrow Northwest Runway expansion scheme.

The 2017 Plan Update to Air Quality Re-analysis concluded that, with the implementation of actions as set out in the plan, the Heathrow Northwest runway option would not impact on modelled compliance with limit values in any potential opening year from 2026 onwards. Given the inherent uncertainties in air quality modelling, there remains a risk that the option could delay compliance with limit values. That risk remains high up to 2029 even if the Government's 2017 Plan actions are fully implemented. This is because of the timing and effectiveness of the Government's actions to reduce vehicle emissions and the effectiveness of the Real-Driving Emissions legislation. The report states that compliance is not dependent upon assumptions about the option or direct mitigation and that impacts near the airport do not, in general, affect zone compliance. However, once again the impact assessment should not just consider compliance with limit values but also consider the health implications of worsening local air quality even under those limits. There are inherent uncertainties in air quality modelling. The overall uncertainty given was +/- 29%, which suggests that any analysis of impacts is highly uncertain and that the UK Government's 2017 AQ Plan to tackle poor air quality is open to challenge. We agree that additional measures aimed at targeting high nitrogen dioxide concentrations at local level and across the wider area must be secured to potentially mitigate the risks.

Paragraph 5.38 of the draft Airports NPS puts forward a list of possible mitigation measures. The measure of structured landing charges to reward airlines for operating cleaner flights already exists, but the differential charge per tonne of NOx is not sufficient to act as a real driver. Therefore the detail of the mitigation measures put forward by the applicant will be critical to their effectiveness at driving emission reductions.

Another of the possible air quality mitigation measures listed in the draft Airports NPS is an emissions-based access charge. Whilst we are supportive of a Heathrow Low Emission Zone in principle, this must not create displacement into surrounding areas and inappropriate parking in local roads. The applicant's submission states that there is an opportunity to ring-fence revenue in the form of an enhanced 'Super Public Transport Levy Fund'. We strongly believe that this should be used to support funding for major surface access schemes such as the light rail scheme being proposed by Spelthorne Borough Council, and to fund sustainable transport projects in the wider area to the benefit of local communities. Currently the Sustainable Transport Levy operated by Heathrow Airport Ltd is only accessible to projects that directly benefit Heathrow. Widening this would enable local authorities in the area to progress air quality action planning measures to tackle poor air quality from other sources, in turn helping reduce the significance of airport emissions and increasing headroom to air quality limits.

Impacts on SSSI

Spelthorne Borough Council is deeply concerned about effects to Staines Moor SSSI from the proposed diversion of the River Colne. As a unique wetlands site, which we manage, we would be concerned by any change to the flow of water to this site and the inevitable subsequent effect to the natural habitat and associated wildlife. Similarly, any infrastructure construction, e.g. rail, should be specifically planned so as to protect the environment of the SSSI.

Any development should take every possible precaution to ensure that any work upstream of Staines Moor does not have a detrimental effect on the Staines Moor

section of the River Colne or on Staines Moor's status as a SSSI. All possible efforts must be made to ensure that the flow of the river through Staines Moor is not altered in any way that may disrupt this valuable floodplain grazing marsh and its associated grazing and wildlife.

We require assurance that any effect to the site will be negligible and need much more detail on the proposed/potential changes to the river route prior to any detailed design stage. In our view, the commitment in the consultation documents that 'The design of the runway should aim to reduce or avoid impacts on water at the Staines Moor Site of Special Scientific Interest' does not go far enough and we must insist that the design of the runway should aim to avoid any impacts on the Staines Moor Site of Special Scientific Interest.

In relation to surface access proposals potentially affecting the boundaries of Staines Moor SSSI and Wraysbury Reservoir SSSI, Spelthorne Borough Council require more detail on how these sites would be affected prior to the detailed design stage. Likewise we require details of the impacts of surface water run-off along with potential for flooding. These must be designed to protect those sites.

In proposing any changes which could affect these SSSIs it is essential that all key stakeholders have been properly consulted.

Impacts of Noise

Limits of Appraisal of Sustainability - The AoS considers matters in the round and does not provide information about:

- a) The impact expected at a more local level such as, for example, the changes in number of people affected by noise in Spelthorne;
- b) The actual changes in noise level that are expected to arise at any given location as a result of implementing any of the proposals. Such information, together with the period of time over which the level would be expected to change, is material to the consideration of the scale of noise effects and the overall impact assessed for a particular option;
- c) Measuring the effects of aircraft noise using noise metrics other than LAeq,16h. Government policy identifies noise assessments around airports should reflect the sensitivities of the local population, and that some consideration should be given to the frequency of flyover as well as average noise level.

Given that the primary objective of the AoS is to compare and contrast the overall environmental impacts, including noise, arising from the three short listed schemes, this limitation can be accepted. However, the information currently available falls far short of what would be required of an Environmental Impact Assessment.

Paragraphs 4.12 to 4.18 of the NPS sets out the need for a full and comprehensive Environmental Impact Assessment (EIA) to be attached to any application for a third runway at Heathrow. Paragraph 5.51 and 5.52 identify the matters that will have to be included in, and the approach to be taken to, the noise assessment that forms part of the submitted Environmental Statement.

Spelthorne Borough Council should have the opportunity to review the ES Scoping Report and submit a response to ensure that all noise factors relevant to the borough are properly taken into account.

Air Noise

On 20th October 2017, the Government published a Consultation Response on UK Airspace Policy, which states that the policies set out within the document should be viewed as current government policy. That policy includes the statement that adverse effects are considered to be those related to health and quality of life. They shall be assessed using a risk based approach above Lowest Observed Adverse Effect Level (LOAEL). In order to properly assess the potential adverse effects of airspace change, 51 dB LAeq,16h will be regarded as the LOAEL for daytime noise from airborne aircraft.

Appendix A-4 assesses airborne aircraft noise levels down to 54 dB LAeq,16h but no lower. In paragraph 4.5.9 it aims to provide justification for this approach, pointing out that identifying a LOAEL for aviation noise is not straightforward and that at relatively lower noise levels (by implication below 54 dB) it is difficult to both estimate and measure noise exposure at greater distances from airports where airport noise levels are closer to those of other noise sources.

This is not a convincing argument. The survey work which underpins the findings of the 'Survey of noise attitudes 2014: aircraft' (which was carried out by the CAA and underpins the policy adoption referred to above) is heavily based on responses from people living around Heathrow Airport (almost 77% of the total). This means that very heavy reliance is placed on the response of people living around Heathrow in determining the general attitude of the UK population to aircraft noise. In addition, more than 50% of those respondents are exposed to daytime aircraft noise level below 54 dB LAeq,16h.

This leaves Appendix A-4 at odds with the information set out in the tables on pages 42 to 46 in that noise exposure at the higher adverse effect levels, SOAEL and UAEL, are clearly set out, but no reference is made to the LOAEL.

There is an argument that providing information about noise effects down to 51 dB LAeq,16h is not essential in this comparative study since all three schemes have been assessed against the same standards. However, there is no doubt that such information would have greatly enhanced the study and better informed people living in areas adversely affected at the lower noise levels. This clearly applies to Spelthorne.

Ground Noise

Paragraph 4.11.7 of Appendix A-4 identifies that there is no definitive agreement on assessment methodology for airport ground noise and that ground noise has been assessed by reference to the geographical areas exposed to noise levels above 57 dB LAeq,16h. As airborne aircraft noise is assessed using specific modelling techniques and against noise standards that are partially set by government policy, it is correct that there will be more variation in how ground noise assessments are carried out at different airports.

However, there is accepted good practice in relation to the assessment of ground noise. That would normally involve an assessment that includes noise levels below 57 dB. Therefore, the area covered in the A-4 noise assessment may not be extensive enough.

WHO: Guidelines for Community Noise, 1999 identify that during daytime and evening periods 55 dB LAeq is the threshold for serious annoyance while 50 dB LAeq is the threshold for moderate annoyance in outdoor living areas. Since airport ground noise is relatively steady the WHO standards can be used in its assessment.

By assessing only down to 57 dB LAeq,16h, there is the risk that Appendix A-4 is not considering the whole population who might reasonably be expected to be adversely affected by aircraft ground noise.

Mitigation

The Government has stated that it recognises aircraft noise is of significant concern for affected communities and that noise mitigation will be required for expansion and modernisation of Heathrow Airport. Spelthorne Borough Council agrees with the Government in respect of the need for noise mitigation (paragraphs 5.53 to 5.67) and in particular for 'respite' and a proposal to ban scheduled night flights for a period of six and half hours between 11pm and 7am. Spelthorne Borough Council supports detailed noise mitigation measures being developed subject to consultation with local communities and other stakeholders.

Paragraph 5.243 of the draft Airports NPS sets out the provisions within the community compensation package to which Heathrow Airport has committed.

These include:

- a) Following a third party assessment, to provide full acoustic insulation for residential properties within the full single mode easterly and westerly 60 dB LAeq,16h noise contour of an expanded airport;
- b) Following a third party assessment, to provide a contribution of up to £3,000 for acoustic insulation for residential properties within the full single mode easterly and westerly 57 dB LAeq,16h or the full 55 dB Lden noise contours of an expanded airport, whichever is the bigger;
- c) To deliver a programme of noise insulation and ventilation for schools and community buildings within the 60 dB LAeq,16h noise contour.

Single mode contours are those experienced when aircraft are operating in either a westerly or easterly direction. They are not provided within the Airports Commission compendium of results Parts E-02 to E-20 as referred to in appendix A-4. However, there are some anomalies arising from the choice of single mode metrics to define qualification for compensation:

It is not possible to correlate single mode aircraft noise levels with effects on health or levels of annoyance generated in the exposed population, as no studies of this metric have been undertaken. SoNA 2014: aircraft clearly identifies that the best correlation of community response to aircraft noise is with the aggregate noise levels experienced during a full 92-day summer period. Therefore, application of a scheme based on a single mode threshold would be offering compensation by way of enhanced insulation at noise levels for which the public reaction is simply not known.

People living to the east of the airport would be protected to a lower aggregate noise level than people living to the west of the airport. Put another way, since people living to the west of the airport are exposed to the highest noise levels (on departure) approximately twice as often as those living to the east, they will have to be exposed to higher long term noise levels before they qualify for sound insulation compared to those living to the east. This is inequitable.

In the Consultation Response on UK Airspace Policy of October 2017, the Government identified in para 2.39 that future policy may require airspace change promoters to consider compensation for significantly increased overflight, based on appropriate metrics, which could be decided upon according to local circumstances. Spelthorne Borough Council will require that a proper assessment of overflights is made and adequate corresponding compensation offered when a detailed application is made and an ES submitted.

Spelthorne Borough Council's response to the Draft Airports National Policy Statement (February 2017)

This response is set out under the questions in the government's consultation document on the Draft Airports NPS.

Question 1: The Government believes there is the need for additional airport capacity in the South East of England by 2030. Please tell us your views.

It is agreed there is a need for additional airport capacity in the South East by 2030.

Question 2: Please give us your views on how best to address the issue of airport capacity in the South East of England by 2030. This could be through the Heathrow Northwest Runway scheme (the Government's preferred scheme), the Gatwick Second Runway scheme, the Heathrow Extended Northern Runway scheme, or any other scheme.

It is agreed that the government's preference for the Heathrow Northwest Runway is the most appropriate to meet the aviation capacity identified and, through developing Heathrow with its important 'hub airport' function, provides the greatest advantages to the national economy and gives greater flexibility in terms of noise mitigation through runway alternation when compared to an extended Northern Runway option.

Question 3: The Secretary of State will use a range of assessment principles when considering any application for a Northwest Runway at Heathrow Airport. Please tell us your views.

There are some issues that arise from the assessment principles and in particular a fundamental concern about the 'red line' area used to define the Development Consent Order area. Whilst the new runway and associated terminal will fall within the red line boundary there will be expansion of supporting activities in the wider area directly related to the airport and these will also have traffic and associated air quality implications. There will also likely be a demand for additional development land which should be considered as part of the proposal. It is important that the Policy Statement is cast in terms that allows the full impact of expansion to be assessed not only to ensure all relevant issues associated with the additional runway are properly considered but also to ensure that inadvertent opportunities for legal challenge of the outcome of the DCO process are not unnecessarily created.

For this reason it is important that a boundary is drawn to include space for all the direct airport activity that will be generated and secondly that the assessment principles enable full consideration of the wider impacts of the airport expansion in the surrounding area. This will be important for a number of the assessment principles including transport and air quality.

It will be important that the expansion of the airport is aligned to the sustainable development of the wider sub region which is administered by a number of authorities so that the wider

impacts of expansion are properly planned for. There should be consideration within the document as to how this is best achieved.

In the immediate areas of the airport Heathrow Airport Ltd have expressed a wish to enhance the whole area around the airport consistent with the airports status as a world class airport. Currently the red line boundary is drawn too tightly and therefore does not include the full extent of the area that needs to be considered. That boundary has been drawn particularly tightly on the south side of the airport within Spelthorne.

At present there are no mechanisms specified by which improvements/mitigation measures in the wider area will be secured.

Question 4: The Government has set out its approach to surface access for a Heathrow Northwest Runway scheme. Please tell us your views.

Firstly the full impact of airport expansion needs to be taken into account when assessing the adequacy or otherwise of surface access arrangements and not just development within the currently tightly drawn 'red line' area identified in the draft Policy Statement. It will be important that the surface access impacts of airport expansion are not confined only to traffic accessing the airport itself and the 'red line' area but also takes account of traffic generated by supporting operations/businesses off-airport. Given the potential scale of alterations to existing transport links to accommodate the new runway, particularly to the M25, the evaluation of design options should be required to take into account the scale of potential disruption during construction when deciding what options are most appropriate.

Secondly reference is made in the document to the improved rail access that could be gained from both the Western Extension and the Southern Rail Access. At present these are simply expressed as possibilities in the draft Policy Statement rather than essential requirements. With the Terminal 5 development there were at the time a number of important supporting proposals such as the Southern rail link and off- site landscaping for example but these were not a formal part of the scheme and consequently were never delivered. There is an opportunity through the Policy Statement to identify explicitly supporting transport infrastructure that is essential and a prerequisite to the airport's successful expansion thereby ensuring certainty about its delivery. Without this certainty there is a significant risk that the necessary levels of modal shift needed to avoid unacceptable levels of congestion in those areas nearest the airport, including Spelthorne, will not be delivered. Spelthorne supports a Southern rail link so long as any environmental impacts are properly mitigated.

Question 5: The draft Airports National Policy Statement sets out a package of supporting measures to mitigate negative impacts of a Heathrow Northwest Runway scheme. Please tell us your views. Are there any other supporting measures that should be set out?

As referred to under question 3 it will be important to ensure comprehensive landscape mitigation and enhancement is required by the Policy Statement.

In particular, please tell us your views on:

5.1. Air quality supporting measures

It is essential that air quality impacts are fully addressed. Firstly it will be important that the scheme is assessed against the government's emerging Air Quality Plan to be published in July 2017 and not the existing 2015 Air Quality Plan.

As referred to under question 3 the air quality impacts of both the new runway and associated growth in the wider area must be considered. It will also need to include mechanisms whereby long term monitoring and compliance with clear targets can be achieved. Without this an unfair burden will be placed on surrounding authorities to resolve through their air quality plans impacts that are the responsibility of HAL.

5.2. Noise supporting measures

Aircraft noise is a matter of considerable concern to many local residents. It is considered important that noise performance targets are set to provide a clear basis against which monitoring and any necessary mitigating action can be undertaken.

5.3. Carbon emissions supporting measures

No specific comments

5.4. Compensation for local communities

It will be important that local communities are adequately compensated for the adverse impacts of not only the proposed expansion of the airport but the adverse impacts of the existing airport by good physical mitigation and enhancement. Heathrow Airport Ltd have expressed a wish to enhance the area but this needs to be made a requirement in the Airports National Policy Statement.

Question 6: The Government has set out a number of planning requirements that a Heathrow Northwest Runway scheme must meet in order to operate. Please tell us your views. Are there any other requirements the Government should set out?

There should be greater clarity on the sanctions that will be in place should the applicant fail to deliver on the requirements that are agreed as part of the development.

The Western Connection and Southern Rail Access should be essential requirements of the scheme

Question 7: The Appraisal of Sustainability sets out the Government's assessment of the Heathrow Northwest Runway scheme, and considers alternatives. Please tell us your views.

It will be important that the full impact of the expansion of the airport is appraised including areas outside the 'red line'.

Question 8: Do you have any additional comments on the draft Airports National Policy Statement or other supporting documents?

None

Question 9: The Government has a public sector equality duty to ensure protected groups have the opportunity to respond to consultations. Please tell us your views on how this consultation has achieved this.

It will be for the government to satisfy itself it has met these requirements. We are not aware of any particular failings.

Cabinet**12 December 2017**

Title	Calendar of Meetings for 2018-2019		
Purpose of the report	To make a recommendation to Council		
Report Author	Gillian Hobbs		
Cabinet Member	Councillor Ian Harvey	Confidential	No
Corporate Priority	This item is not in the current list of Corporate priorities but still requires a Cabinet decision		
Recommendations	Cabinet is asked to recommend the Calendar of Meetings for 2018-2019 to Council for approval.		
Reason for Recommendation	The Calendar of Meetings provides a framework for the democratic and decision-making procedures that will underpin the delivery of the Council key priorities.		

1. Key issues

- 1.1 The proposed Calendar of meetings for 2018-2019 (Appendix 1) has been compiled to enable the consideration of Council business and covers the period from May 2018 to May 2019.
- 1.2 Council meetings have been scheduled to enable effective decision-making whilst making the best use of resources available. The meetings have been programmed to ensure that the Council makes decisions in a timely way to help with the implementation of its priorities and strategies, as well as fulfilling its constitutional and legal obligations.
- 1.3 The Chief Finance Officer has been consulted on the suitability of dates to enable end-of-year financial reports to be ready for consideration at Cabinet and Overview and Scrutiny Committee.
- 1.4 The Leader of the Council and the Committee Chairmen have the power to call additional or extraordinary meetings, when required, to accommodate urgent or unscheduled matters of business.

2. Options analysis and proposal

- 2.1 The Calendar of meetings provides a framework for the democratic and decision making processes that will underpin the delivery of the Council's key priorities. It is proposed to agree the dates as set out in Appendix 1.

3. Financial implications

- 3.1 The cost of administering the proposed meetings will be met from within existing budgets.

4. Other considerations

- 4.1 Council, Cabinet and Committee meetings are held in venues that meet the requirement of the Equality Act in terms of accessibility and hearing loops etc. in order to ensure access to meetings for all.

5. Timetable for implementation

- 5.1 Once agreed at the Council meeting on 14 December 2017, the Calendar of Meetings will be published on the Council's website and implemented from May 2018.

Background papers: None

Appendices:

Appendix 1 – proposed Calendar of meetings (A3 x 2)

Appendix 1a – proposed Calendar of Meetings (A4)

2018 Year Planner

2018	M	T	W	T	F	W	M	T	W	T	F	W	M	T	W	T	F	W	M	T	W	T	F	W	M	T					
January	1	2	3	4	5	6 7	8 Cabinet Briefing	9	10 Planning	11	12	13 14	15 Group	16 O&S	17	18 Cabinet BB	19	20 21	22	23	24 Cabinet	25	26	27 28	29	30	31 Licensing				
February				1 Code of Conduct	2	3 4	5 Cabinet Briefing	6	7 Planning	8	9	10 11	12 Group	13	14	15	16	17 18	19 SJC informal	20	21 Cabinet	22 Council	23	24 25	26	27	28 Licensing				
March				1	2	3 4	5 Cabinet Briefing	6	7 Planning	8	9	10 11	12 Group	13 O&S	14	15	16	17 18	19 SJC	20	21 Cabinet	22 Audit	23	24 25	26	27	28 Licensing	29	30	31	
April						1	2	3	4 Planning	5	6	7 8	9 Cabinet Briefing	10	11 Code of Conduct	12	13	14 15	16 Group	17	18	19	20	21 22	23	24	25 Cabinet	26 Council	27	28 29	30
May		1	2 Planning	3	4	5 6	7	8	9	10	11	12 13	14 Group	15	16	17 Council (ACM)	18	19 20	21	22	23 Licensing	24	25	26 27	28	29	30 Planning	31			
June					1	2 3	4 Cabinet Briefing	5	6 Code of Conduct	7	8	9 10	11 Group	12	13 Licensing	14	15	16 17	18	19	20	21	22	23 24	25	26	27 Planning	28	29	30	
July					1	2 Cabinet Briefing	3 LGA Conf	4 LGA Conf	5 LGA Conf	6	7 8	9 Group	10 O&S	11 Licensing	12 Cabinet BB	13	14 15	16 SJC (TBC)	17	18	19 Council	20	21 22	23	24	25 Planning	26 Audit	27	28 29	30	31
August			1	2	3	4 5	6	7	8	9	10	11 12	13	14	15	16	17	18 19	20	21	22 Planning	23	24	25 26	27	28	29	30	31		
September						1 2	3	4	5 Licensing	6	7	8 9	10 Cabinet Briefing	11 O&S	12 Code of Conduct	13	14	15 16	17 Group	18	19 Planning	20	21	22 23	24	25	26 Cabinet	27	28	29 30	
October	1 Group	2 SJC (TBC)	3	4	5	6 7	8 Conservative Party Conf?	9 Conservative Party Conf?	10 Conservative Party Conf?	11	12	13 14	15 Cabinet BB	16	17 Planning	18 Council	19	20 21	22	23	24	25	26 27	28	29	30	31 Licensing				
November				1 Audit	2	3 4	5 Cabinet Briefing	6	7 Code of Conduct	8	9	10 11	12 Group	13	14 Planning	15	16	17 18	19 SJC Informal (TBC)	20 O&S	21 Cabinet	22	23	24 25	26 Cabinet Briefing	27	28 Licensing	29	30		
December						1 2	3 Group	4	5 SJC (TBC)	6	7	8 9	10	11 Cabinet	12 Planning	13 Council	14	15 16	17	18	19	20	21	22 23	24	25 Bank Holiday	26 Bank Holiday	27	28	29 30	31

Council	
Cabinet	
Cabinet Briefing	
Cabinet Budget Briefing	
Overview and Scrutiny Committee	
Planning Committee	
Licensing Committee	
Audit Committee	
Members' Code of Conduct Cttee (MCCC)	
SJC (Spelthorne Joint Committee)	
Surrey Schools Holidays	
Group	

2019 Year Planner

2019	M	T	W	T	F	W	M	T	W	T	F	W	M	T	W	T	F	W	M	T	W	T	F	W	M	T						
January		1	2	3	4	5 6	7	8	9 Planning	10	11	12 13	14 Cabinet Briefing	15 O&S	16	17	18	19 20	21 Group	22	23 Licensing	24 Cabinet BB	25	26 27	28	29	30 Cabinet	31				
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March					1	2 3	4	5	6 Planning	7	8	9 10	11 Cabinet Briefing	12	13	14 Licensing	15	16 17	18 Group	19 O&S	20	21	22	23 24	25	26	27 Cabinet	28 Audit	29	30 31		
April	1	2	3 Planning	4	5	6 7	8 Cabinet Briefing	9	10 Code of Conduct	11	12	13 14	15 Group	16	17 Licensing	18	19	20 21	22	23	24 Cabinet	25 Council	26	27 28	29	30						
May			1 Planning	2 Borough Council Election	3	4 5	6 Bank Holiday (TBC)	7	8	9	10	11 12	13 New Cllr Induction ?	14	15 Planning Committee Training?	16	17	18 19	20	21	22	23 Council (ACM)	24	25 26	27	28	29 Planning	30	31			
June						1 2	3	4	5	6	7	8 9	10	11	12	13	14	15 16	17	18	19	20	21	22 23	24	25	26	27	28	29 30		
July	1	2	3	4	5	6 7	8	9	10	11	12	13 14	15	16	17	18	19	20 21	22	23	24	25	26	27 28	29	30	31					
August				1	2	3 4	5	6	7	8	9	10 11	12	13	14	15	16	17 18	19	20	21	22	23	24 25	26	27	28	29	30	31		
September						1	2	3	4	5	6	7 8	9	10	11	12	13	14 15	16	17	18	19	20	21 22	23	24	25	26	27	28 29	30	
October		1	2	3	4	5	6 7	8	9	10	11	12	13 14	15	16	17	18	19	20 21	22	23	24	25	26	27 28	29	30	31				
November					1	2 3	4	5	6	7	8	9 10	11	12	13	14	15	16 17	18	19	20	21	22	23 24	25	26	27	28	29	30		
December						1	2	3	4	5	6	7 8	9	10	11	12	13	14 15	16	17	18	19	20	21 22	23	24	25 Bank Holiday	26 Bank Holiday	27	28 29	30	31

Council	
Cabinet	
Cabinet Briefing	
Cabinet Budget Briefing	
Overview and Scrutiny Committee	
Planning Committee	
Licensing Committee	
Audit Committee	
Members' Code of Conduct Cttee (MCCC)	
SJC (Spelthorne Joint Committee)	
Surrey Schools Holidays	
Group	
2019 Councillor Induction sessions	

Calendar of Meetings May 2018 to May 2019

Appendix 1A

Meeting	2018 May	June	July	Aug	Sept	Oct	Nov	Dec	2019 Jan	Feb	Mar	Apr	May
Cabinet Briefing		4	2		10		5, 26		14	4	11	8	
Group	14	11	9		17	1	12	3	21	11	18	15	
Cabinet		20	18		26		21	11	30	20	27	24	
Council	17 (ACM)		19			18		13		21		25	23 ACM
Cabinet Budget Briefings			12			15			24				
O&S Committee			10		11		20		15		19		
Audit			26				1				28		
Planning	2, 30	27	25	22	19	17	14	12	9	6	6	3	1, 29
Licensing	23	13	11		5	31	28		23	27	14	17	
Members' CoC		6			12		7			13		10	
Spelthorne Joint Committee			16 Formal				19 Informal	5 Formal					
Borough Election													2
Inductions													13, 15
Bank Holidays Council Offices closed	7, 28			27				25, 26					

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