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MINUTES OF THE SPELTHORNE BOROUGH COUNCIL

Minutes of the Council Meeting of Spelthorne Borough Council held in the Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames on Thursday, 25 February 2016 at 7.30 pm

Present:

Councillors:

M.M. Attewell	K. Flurry	A.J. Mitchell
C.B. Barnard	M.P.C. Francis	S.C. Mooney
R.O. Barratt	C.M. Frazer	A. Neale
I.J. Beardsmore	A.E. Friday	J.M. Pinkerton OBE
S. Capes	N.J. Gething	R.W. Sider BEM
R. Chandler	A.C. Harman	R.A. Smith-Ainsley
C.A. Davis	I.T.E. Harvey	B.B. Spoor
S.M. Doran	A.T. Jones	H.R.D. Williams
S.A. Dunn	V.J. Leighton	
T.J.M. Evans	M.J. Madams	

In Attendance:

Mr. Murray Litvak, Chairman of the Members' Code of Conduct Committee

Apologies: Apologies were received from Councillors P.C. Forbes-Forsyth, A.L. Griffiths, N. Islam, D. Patel, O. Rybinski, D. Saliagopoulos, J.R. Sexton and H.A. Thomson and Miss Sue Faulkner, Vice Chairman of the Members' Code of Conduct Committee.

Councillor M.P.C. Francis, The Mayor, in the Chair

28/16 Minutes of Council - 17 December 2015

The minutes of the Council meeting held on 17 December 2015 were confirmed as a correct record.

29/16 Minutes of Extraordinary Council - 2 February 2016

The minutes of the Extraordinary Council meeting held on 2 February 2016 were confirmed as a correct record.

30/16 Disclosures of Interest

There were none.

31/16 Announcements from the Mayor

The Mayor invited all councillors to the Mayor's Ball on 9 April 2016, starting at 6.15pm, at the Runnymede Hotel.

The Mayor also informed councillors that there will be a St. George's day charity ladies lunch, organised by his wife the Mayoress, at Ashford Manor golf club on 26 April 2016 at 12.30 for 1pm. The name of the guest speaker is yet to be confirmed.

32/16 Announcements from the Leader

Councillor Harvey, Leader of the Council, made the following four announcements:

- He thanked all the staff for their support since becoming the Leader on 2 February 2016.
- The Towards a Sustainable Future (TaSF) programme will be re-started with the process for the Group Heads appointments.
- Good progress has been made on asset-related arrangements.
- New Cabinet appointments and portfolios as follows:
 - a. As well as the strategic co-ordination of Council Policy, the Leader's portfolio will also include strategic assets.
 - b. Councillor Harman, the Deputy Leader, will have Towards a Sustainable Future (TaSF) and Communications within his portfolio.
 - c. Councillor Barnard will have the Corporate Management portfolio.
 - d. Councillor Mitchell will have the Environment and Compliance portfolio.
 - e. Councillor Pinkerton will have the Housing portfolio.
 - f. Councillor Attewell will have the Community and Wellbeing portfolio.
 - g. Councillor Gething will have the Planning and Economic Development portfolio.
 - h. Councillor Williams will have the Finance and Customer Services portfolio.
 - i. The Leader is keeping the final portfolio vacant for now whilst taking stock of the main challenges facing the Council.

33/16 Announcements from the Chief Executive

There were none.

34/16 Questions from members of the public

In accordance with Standing Order 15.3 (c) of the Constitution, the Mayor directed that the following public question and answer be circulated in writing at the meeting without being read aloud:

Question from Mr Andrew McLuskey

“Given that, according to government figures, Spelthorne is the unhealthiest council area in Surrey , and also the 132st in England’s health league, and given also that Surrey has pointed out that we have pockets of deprivation in particular areas of the Borough what does the Council intend to do to remedy this unhappy situation.”

Response from Cllr. Jean Pinkerton OBE, former portfolio holder for Housing, health, wellbeing, Independent Living and leisure

Thank you for your question, Mr McLuskey.

The health and wellbeing of Spelthorne residents is a key priority for the Council and we dedicate significant resources to ensuring that residents of all ages have opportunities to stay physically and mentally active and maintain a healthy lifestyle. There is a huge choice of sporting and leisure activities in the Borough and many of these are provided free of charge.

It is not uncommon for Spelthorne to compare less than favourably in health statistics when compared with other Surrey Boroughs. The Borough lies to the south west of London and has a demographic which makes it more comparable with some outer London boroughs than the rest of Surrey.

Surrey is one of the healthiest counties in the UK and Spelthorne also fares well in the majority of health measures when compared with the national picture and that of our neighbouring boroughs. However, the Council is not complacent and recognises the key role it plays in helping to improve the health and wellbeing of residents, particularly those in areas of greater deprivation where certain health issues are more prevalent.

A Spelthorne Health and Wellbeing Strategy is being written in liaison with partner organisations, which includes several health related actions. The local strategy is aligned to the NW Surrey CCG Prevention Plan and the prevention element of the Surrey Health and Wellbeing Strategy. It contains a number of initiatives all aimed at improving the health and wellbeing of residents, looking at local needs and evidence of what has worked well in the past.

Current initiatives include:-

- Surrey County Council commissioned Weight Management courses are currently running at Spelthorne Leisure Centre and Stanwell Rose Centre.
- Food premises can take part in the Surrey wide ‘Eat Out Eat well’ award scheme.
- Surrey County Council have commissioned Quit 51 to provide a Surrey Wide Stop Smoking Service and Spelthorne recently took part in the smoke free playground project.

- Spelthorne work very closely with Active Surrey, schools and local sports clubs to promote opportunities for sport within Spelthorne. Free sports sessions for young people will start in April as part of the Surrey Youth Games and a 'Sports week' will take place in the summer holidays for young people.
- There are several free opportunities for people of all ages to keep active including four skate/BMX parks, tennis courts, basketball courts and multi-use games areas and play areas. Plus several large parks and open spaces and riverside walks. We have a new 5k measured run route in Laleham Park, which is free to use.
- Spelthorne run a Walking for Health and Cycling for Health schemes for adults and an exercise referral scheme for those with health problems is available at Spelthorne Leisure Centre. Local walk route maps are available on the Spelthorne website and cycling maps are being developed.
- We have a disability sports club for young people on a Saturday morning and a Boccia Club for adults with disabilities on a Thursday evening.
- We are currently taking part in the Get Fit 50+ Surrey wide scheme in liaison with Active Surrey and Public Health and our day centres and community centres offer a wide range of activities for older people.
- We work with Action Surrey, Age UK and GP surgeries to ensure residents' homes are safe, warm and in a good state of repair.

35/16 Petitions

There were no petitions.

36/16 Treasury Management Strategy Statement and Annual Investment Strategy 2016-2017

The Council considered the recommendation of the Cabinet on the Treasury Management Strategy Statement and Annual Investment Strategy 2016-2017.

RESOLVED that Council approves the proposed Treasury Management Strategy Statement and Annual Investment Strategy 2016-2017.

37/16 Pay Policy Statement 2016-17

The Council considered the recommendation of the Cabinet on the Pay Policy Statement for 2016-17.

RESOLVED that Council approves the Pay Policy Statement for 2016-17.

38/16 Capital Programme 2016-2017 to 2019-20

The Council considered the recommendation of the Cabinet on the Draft Capital programme for 2016-17 to 2019-20.

RESOLVED that Council approves:

- The Capital Programme for 2016-17 to 2019-20.
- The Prudential Indicators for 2016-17 to 2019-20.

39/16 Revenue Budget 2016-2017

The Council considered the recommendation of the Cabinet on the detailed Revenue Budget for 2016-17 and the proposed Council Tax for 2016-17. The Mayor referred councillors to the Budget Book (green cover) reflecting the decisions and recommendations made by the Cabinet on 24 February 2016, including the precepts being levied by Surrey County Council and the Surrey Police.

The outgoing portfolio holder for Finance, Councillor Tim Evans, made a statement on the Budget and the Council Tax and moved the recommendations on the detailed Budget for 2016-17 as set out in the Budget Book (green cover). This was seconded by Councillor Ian Harvey, Leader of the Council. The Leader of the Liberal Democrats, Councillor Ian Beardsmore, also made a statement.

Copies of Councillors Evans and Beardsmore's speeches are attached to these minutes as **Appendices A and B**.

The Mayor explained that under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, relevant authorities are required to record in the minutes of the proceedings, immediately after any vote is taken at a budget decision meeting of an authority, the names of the persons who cast a vote for the decision or who abstained from voting.

The voting was as follows:

FOR (25)	Councillors I.T.E. Harvey (Leader); A.C. Harman (Deputy Leader); M.M. Attewell; C. Barnard; R.O. Barratt; s. Capes; R. Chandler; C.A. Davis; S.M. Doran; T. Evans; K. Flurry; M.P.C Francis (Mayor), C.M. Frazer, A.E. Friday (Deputy Mayor); N. Gething; A. Jones; V.J. Leighton; M.J. Madams; A.J. Mitchell; S.C. Mooney; A. Neale; J.M. Pinkerton; R.W. Sider; R.A. Smith-Ainsley and H.R. Williams.
AGAINST (3)	Councillors I.J. Beardsmore; S.A Dunn; B. Spoor.

RESOLVED:

- 1. To approve the growth and savings items as set out in the report's appendices.**
- 2. The Council tax Base for the whole council area for 2016-17. [Item T in the formula in Section 31b (3) of the Local Government Finance Act 1992, as amended (the "act")] should be 38,308.40 band D equivalent dwellings and,**

- 2.1 Calculate that the Council tax requirement for the Council's own purpose for 2016-2017 is £187.44 per Band D equivalent dwelling.**
- 3. To approve a 2.7% increase in the Spelthorne Borough Council element of the Council tax for 2016-17. Moreover:**
- a) The revenue estimates as set out in Appendix 1 be approved.**
 - b) No Money, as set out in this report is appropriated from General Reserves in support of Spelthorne's local Council tax for 2016/17.**
 - c) To agree that the council tax base for the year 2016/17 is 38,308.40 band D equivalent dwellings calculated in accordance with regulation 3 of the Local Authorities (Calculation of Council tax base) Regulations 1992, as amended, made under Section 35(5) of the Local Government Finance Act 1992.**

That the following sums be now calculated by the Council for the year 2016/17 in accordance with Section 31 to 36 of the Local Government Act 1992.

A	71,233,115	being the aggregate of the amount which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
B	64,052,589	being the aggregate of the amount which the Council estimates for the items set out in Section 31A (3) of the Act.
C	7,180,526	being the amount at 3(c) above (Item R), all divided by Item T (2 above) calculated by the Council in accordance with Section 31B (1) of the Act, as the basic amount of its Council tax for the year (including Parish precepts).
D	187.44	being the amount at 3(c) above (item R), all divided by item T (2 above) calculated by the Council in accordance with Section 31B (1) of the act, as the basic amount of its Council Tax for the year (including Parish precepts).
E	0	being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
F	187.44	being the amount at 3(d) above less the result given by dividing the amount at 3 (e) above by Item T (2 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings on those parts of its area to which no Parish precept relates.

All newly built commercial property completed between 1st October 2013 and 30 Sept 2016 will be exempted from empty property rates for the first 18 months, up to the state aid limit.

A 50 per cent business rates relief for 18 months between 1st April 2014 and 31st March 2017 for businesses that move into retail premises

(excluding banks, building societies and betting shops) that have been empty for a year or more.

That the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011.

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
124.96	145.79	166.61	187.44	229.09	270.75	312.40	374.88

Being the amounts given by multiplying the amount at (e) above by the number which in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the sum which in that proportion is applicable to dwellings listed in valuation band 'D', calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different band.

That it be noted that for the year 2016/17 Surrey County Council and Surrey Police and Crime Commissioner have stated the following amounts in precepts issued to Spelthorne Borough Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

Precepts issued to the Council

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
1) Surrey County Council	845.52	986.44	1127.36	1268.28	1550.12	1831.96	2113.80	2536.56
2) Surrey Police	146.79	171.26	195.72	220.19	269.12	318.05	366.98	440.38

That, having calculated the aggregate in each case above the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, hereby sets the amounts set out in Appendix 6 as the amounts of Council tax for the year 2016/17 for each of the categories of dwellings on Appendix 3.

The Council has determined that its relevant basic amount of Council Tax for 2016/17 is not excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992.

As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2016/17 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

40/16 Reports from the Leader of the Council

The Leader of the Council, Councillor Ian Harvey, presented the reports of the following meetings:

The Leader's decision meeting held on 18 January 2016.
The Cabinet meeting held on 27 January 2016.
The Cabinet meeting held on 24 February 2016.

Both Cabinet reports outlined the matters which the Cabinet had decided since the last Council meeting.

41/16 Report from the Chairman of the Overview and Scrutiny Committee

The Chairman of the Overview and Scrutiny Committee, Councillor Alfred Friday, presented his report which outlined the matters the Committee had decided since the last Council meeting.

42/16 Report from the Chairman of the Planning Committee

The Chairman of the Planning Committee, Councillor Richard Smith-Ainsley, presented his report which outlined the matters the Committee had decided since the last Council meeting.

43/16 Motions

There were none.

44/16 Questions on Ward Issues

There were none.

45/16 General questions

Under Standing Order 15, Councillor Quentin Edgington asked the following general question:

“What was the total cost of the Extraordinary Council Meeting held on Tuesday 2 February 2016?”

Response from the Deputy Leader of the Council, Councillor Tony Harman

Thank you for your question, Councillor Edgington.

In actual cash terms, the cost of the meeting was £166, being the Committee attendance allowance paid to two members of the Committee Services team and the cost of printing and posting out the agendas.

However, the reputational cost to the Council was much higher, especially as the meeting would not have been necessary had you chosen to step down as the Leader of the Council following the selection of Councillor Ian Harvey as the Leader of the Conservative Group at its meeting held on 18 January 2016.

46/16 Appointments of representative Trustees

Resolved that:

- a. Mr. Matthew Calvert be re-appointed as a Council representative Trustee to serve on the Laleham Charities – Village Hall and Recreation Ground for a further 4-year term until February 2020.
- b. Mrs. Marion Bushnell be re-appointed as a Council representative Trustee to serve on the Ashford Relief in need Charity for a further 4-year term until October 2020.

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The Budget speech of the Leader of the Council, Councillor Ian Harvey, given on behalf of the Leader by Councillor Evans, outgoing portfolio holder for Finance

Mister Mayor, I am honoured to present on behalf of the Leader and the Conservative administration the Budget Report for the Municipal Year 2016-17, which, despite the extremely challenging funding challenges we face ensures we continue to provide the services to our residents and businesses which they both expect and deserve.

At the last meeting in this Chamber the Leader of the Opposition offered his consolations to the Leader on having to deliver this Budget and the difficult news it would mean to residents. Whilst I fully agree that we face severe funding challenges from Government I am pleased to disappoint the opposition by explaining that we have, once again managed to avoid significant frontline service reductions, whilst acting to protect our Independent Living Services and still balance the budget. In this we have been helped by the delays in the roll out of Universal Credit which means the Council will continue for a while longer through its efficient Housing Benefits team to generate a significant overpayments credit.

You will note that many of the themes in the speech are similar to those of speeches made by previous Leaders, this is because we continue to face the prime challenge of ensuring the Council's financial viability and the options open to us continue to focus around maximising value from assets, generating new income streams and delivering services in new and more efficient ways.

Like most of the UK public sector and particularly local government, this Council is facing a challenging financial future. We were initially facing a

56% reduction (£750k) in our general Revenue Support Grant for 2016-17 and that will be the last year we receive general grant. Spelthorne participated in active lobbying of the Government to express our concerns at the acceleration in funding withdrawal which no-one had anticipated. I am pleased to say that in Greg Clarke Secretary of State for Local Government and Communities we have someone in government who, for a change, listens to local government and responds. To moderate the impact of the revenue support grant reduction we will now receive transition grant of £100,000 in 2016-17 and a further £98,000 in 2017-18.

In the provisional proposals set out in December, from 2017-18 onwards we were due to pay negative grant over to the Government! Surrey councils sadly have been the hardest hit councils by the recent funding announcements. Again I am pleased to say that our Conservative Government has listened to concerns and has dropped negative grant payments for the years 2017-18 and 2018-19 **although at present** we still face the possibility of making a negative grant payment of £750,000 in 2019-20. This reinforces the need for us over the next three years before 2019-20 to reduce our running costs through for example relocating our office accommodation, implementing new models of service delivery and generating ongoing income streams etc.

We recognise and accept that the country had for a number of years been living beyond its means and accept the need for national spending reductions, however this needs to be done in a fair and thought through way. We had put in place carefully considered plans in the form of our *Towards a Sustainable Future programme* to ensure that the Council became financially self sufficient by 2020. With the latest funding announcements we need to accelerate and prioritise this programme. This administration will do its utmost to ensure the ongoing viability and vitality of this Council and its ability to provide services for its residents and businesses. We need to act as the Custodians of the Community's assets. Mr Mayor, with this general background I now turn to specifics/
The **Towards a Sustainable Future** is an ambitious but absolutely necessary programme covering a number of elements including:

- Maximising income from assets both in the form of capital receipts where appropriate which can be reinvested – Bridge Street being an excellent example of generating revenue income streams.
- Being prepared to make strategic asset acquisitions if they will deliver an appropriate investment return for the Council seeking to maximise income and capital growth.
- Investing in housing delivery to address temporary housing accommodation pressures on our revenue budget, seeking to reduce numbers and spend in Bed and Breakfast
- Relocating the Council offices to a smaller more cost effective and efficient location and freeing up Knowle Green to increase housing supply for the Borough and provide an ongoing rental income stream for the Council.
- Restructuring the Council's management structure to make efficiencies and create better service synergies. I will ensure our structures are fit for purpose and cost effective
- Redesigning services to deliver savings including new innovative delivery models.

In order to deliver the foregoing, it is necessary that appropriate upfront resources are provided through use of reserves. I am confident that the Leader will ensure that when evaluating options we are presented with clear robust business cases to ensure that the decisions most appropriate to support the Council's financial future are taken. The Leader has given a clear steer that we need to get on with completing the management restructure to enable us to then focus on delivering greater saving through new ways of working and particularly through maximising income streams from our assets.

In the final local government funding proposals announced on 8th February the Government extended to all shire districts and borough councils the ability to increase council tax by the greater of 2% or £5 p.a. In our case a £5 increase equates to a 2.7% increase. Given the pressures we are under

including the knowledge that in 2019-20 we face the prospect of negative grant of £750,000, we are after careful consideration, protecting our taxbase by proposing an increase of 2.7% for 2016-17. We will use the additional council tax income (£56,000) generated by increasing by 2.7% rather than the previously planned 1.94%, to ring-fence and set aside to protect the ongoing ability of the Council to delivery key Independent Living Services such as Meals on Wheels, Day Centres and Spelride for the vulnerable in our community.

The Government has withdrawn its council tax freeze grant and its calculations assumes that all councils will put their council tax up by the maximum allowed by the referendum rules.

We do not make this decision lightly and are very mindful of the financial pressures on our residents at this time but given the reductions in our grant funding feel that we have no choice if we are to protect our ability to provide services for our residents. The proposed increase on an average band D household is equivalent to an increase of £5 per annum or just under 10 pence extra per week.

The Council's priorities of Economic Development, Planning and Housing and Council Assets have informed the construction of the budget.

We are supporting the process of setting up a Business Improvement District for Staines-upon-Thames in a similar way to Guildford, Kingston and Camberley. This, if voted for by businesses, will generate significant ongoing additional funding, likely to be in excess of £1m over 5 years commencing 2017-18, achieved through a voluntary levy on businesses' business rates which would be used to meet business needs, for example funding events to attract increased footfall, Christmas lights, installation of free Wi-Fi. This additional funding would be ring-fenced solely for the benefit of businesses within the Business Improvement District area.

By protecting our income base we are ensuring that the Council can continue to maintain the support it provides to the voluntary sector which by value totals nearly £400,000 per annum. We strongly value our links with the Voluntary Sector and are very proud to continue to support, despite our

funding challenges, this further example of partnership working to help local residents.

Interest rates continue to remain at historically low levels and with current economic uncertainties are likely to continue at that level for a while longer. The UK Base rate remains at just half of one percent, compared to this on our core investments we earned an average of 5% whilst maintaining a sensible approach to risk. Our diversified investment strategy, which I working with officers and our adviser have helped shape, has continued to do well. An average rate of return of 5% is excellent compared to the 0.5% many councils continue to accept.

With the Bridge Street deal we will see a great increase in our capital reserves during 2016-17 and this in turn will enable us to maintain the capital programme, reinvest to maximise investment income streams and be able to respond to strategic opportunities. We are also looking to finalise a deal to generate redevelopment of the Ashford Multi-Storey Car Park site providing a capital receipt for the Council, regenerating that part of Church Road whilst being mindful to protect public parking capacity.

The Capital programme before the Council includes provision for several strategic acquisition strands.

- First the programme builds in provision for up to £1m to acquire appropriate affordable housing to help ease the Council's housing pressures.
- Second £6m to fund purchase of assets if opportunities arise which can then deliver income streams for the Council- officers are working on a new Corporate Asset Investment Strategy
- Third £7m provision to provide the Council with the ability to move quickly if an opportunity arises within the Borough to acquire new more cost effective offices for the Council. This is in line with the decision by the Cabinet for us to pro-actively seek to acquire existing office accommodation rather than build new accommodation. This potentially will enable the Council to move more quickly to new accommodation,

and represents better long term value than leasing.

- And recognising the value of enabling our older residents to remain independent, we are investing £250,000 in new Spelride buses

It is largely for these reasons that the Capital Programme provision for 2016-17 has been increased to £16.4m.

I am sure you will all agree that our local shopping areas are very important to our residents. The Council has submitted a funding application to SCC, following its recent finalisation of its funding criteria, for £350,000 matched funding for investment in our secondary shopping areas of Ashford, Shepperton, Sunbury Cross and Lower Sunbury.

We will seek to build upon our existing partnerships and are putting in place more focused arrangements for driving forward partnership working with other councils and other partners in both private and public sector.

The Council reverted to the national local government employers' pay award annual settlement process. We are aware that the draft employers' pay offer for 2016-17 and 2017-18 equates to an average of 2.4% over two years. This has been built into the budget.

We continue to be disappointed that local government is not being allowed to retain a larger proportion of business rates and in fact over the next four years the proportion of business rates which will be retained in Surrey will reduce. For this Council potentially we retain 6.5% of the total business rates income we collect. Whilst we retain a limited proportion of any additional business rates collected, we are also exposed to additional risks with respect to bad debts and valuation appeals.

We are working hard to encourage, retain and grow local business to maximise opportunities with the Economic Development team having done some good work on inward investment and building relationships with businesses. We participated with four other Surrey councils in an inward investment event in London in October 2015 which has helped raise the profile of the Borough.

In the meantime in order to meet our future financial challenges we will focus ever more closely on:

- maximising income from assets,
- shared working opportunities
- procurement savings
- flexible use of technology
- looking at how we deliver and prioritise services

Where necessary we will be prepared to make difficult decisions.

Mister Mayor, I would like to now focus on some of the achievements we have made within our priority area of economic development.

A key priority for the Council is actively encouraging economic development. We are actively working to have a strong voice in this region's economic development through working in partnership with the Enterprise M3 Local Enterprise Partnership (LEP).

Competitiveness:

In 2010 Spelthorne was rated 61st in the UK Competitiveness Index out of 365 local authority areas; the latest Index published in 2013 shows Spelthorne in 13th position, beaten only by Mole Valley in Surrey, who moved from 12th position to 11th.

New Business Start-ups which implies Confidence:

A report by Chartered Accounts UHY Hacker Young in November 2015 reveals that Staines-upon-Thames is leading the way as the number 1 location in the UK for business creation, showing the largest increase in the total number of businesses per capita, with 43 more new businesses per 10,000 population than the previous year; the UK average is just 14.

Planning and Infrastructure Contributions –

Through new development we continue to secure contributions toward infrastructure, during the calendar year 2015 we received £644,498 in s106 contributions and we are beginning to receive monies via the Community Infrastructure Levy which we introduced last April.

The level of building activity can be a good barometer of the health of a local economy. At the end of December 2015 we had some 720 new residential units under construction on larger sites. At the same time we had a further

520 units with planning permission awaiting a start. This is a level of activity more than twice the scale of what we have seen in recent years. We are also seeing signs of renewed interest in building further commercial development and heightened activity in the letting of existing prestige office space in Staines Upon-Thames. This includes the Staines-upon-Thames UK HQ for pharmaceutical company Baxalta which employs 16,000 people world-wide. The retail sector is also active with the opening of Costco at Sunbury toward the end of 2015 and new applications in Staines. We are working hard with housing partners to bring forward affordable housing units in the most cost effective way possible and we completed some 13 units in just the last nine months. We have a further 36 under construction.

Waste

There is a continued focus on measures to increase recycling and minimise residual waste. Marketing campaigns initiated during the year have already seen the recycling rate edge upwards from 43% in 14/15 to 45% for the first two quarters in 15/16. A localised campaign on food waste saw a 20% increase in the food capture rate. To enhance the service and provide more kerbside collection of recyclables we introduced a textiles and small electrical equipment service. Through external funding we have focused on improvements to the service to flats to encourage recycling by providing information, bags to carry recyclables and adapting bin areas all supplemented by a door knocking exercise. In 2016 we will focus on refining the service to provide it more efficiently in a constrained financial situation whilst looking forward to achieve targets. To help us do this we will be procuring new vehicles as the current ones are at the ends of their lives.

Airport expansion

A major issue facing the Council, the residents and businesses of the borough is the process leading up to the national decision on the future provision of additional runway capacity in the UK. We have made it very clear that whilst such expansion at Heathrow is critical to our local economy, the challenges of noise, air quality, transport, and environmental issues need to be resolved. Clearly we are disappointed that the announcement on additional runway capacity was postponed in December and we hope a decision is made in the summer.

The Council has achieved a number of projects for the benefit of the community in these particularly financially challenging times and include:

Supporting Families, the partnership we have undertaken with Surrey County Council and Elmbridge Borough Council and more recently expanded to include Epsom and Ewell has been nationally recognised as an example of best practice. We are now delivering the expanded Phase 2 helping to transform the lives of a wider range of families. I am proud to highlight that our North East Team continues to lead the way supporting the largest number of families in Surrey.

Mister Mayor - I would like now to return to the detail of our budget and Council Tax proposals for 2016/17.

After excluding the £32m of housing benefits fully funded from government grant, our gross service revenue expenditure will be £24.8m. Deducting £10m of specific grants, fees and charges results in a net service expenditure figure of £14.8m. Once we take into account use of specific reserves and well over £1m of investment income our net expenditure next year is projected to be £12.9 million. Grants principally now in the form of New Homes Bonus of approximately £2.6m and net retained business rates of approximately £3.0m produce external funding of around £5.6m million. This leaves £7.3 million to be met from the Council Tax, which, after taking account of a collection fund surplus of £148,000 and a tax base of 38,308 properties at Band D, will require a Band D Council Tax of £187.44 to be levied.

As well as our own very small part of the Band D Council Tax there will be added the precept from Surrey County Council and the Surrey Police. Like the Council both these organisations have faced a similar decision on council tax freeze. Under the new rules announced by the Government's county councils can levy an additional 2% Adult Social Care precept on top of the existing 2% limit to raise additional funds towards the cost of adult

social care. Surrey Police will increase council tax by 2%. Due to the Adult Social Care pressures, Surrey County Council will be using these additional flexibilities. So the Surrey County Council Band D council tax will be £1,268.28 (a 3.99% increase) and Police £220.19 (a 1.99% increase) which gives a total Band D Council tax of £1,675.91, giving a 3.58% increase overall. This means the Borough Council share of the total bill drops even lower to just 11.2%.

Mister Mayor before I conclude I would like to reiterate this administration's recent key achievements:

- Achieving an excellent rate of return on our investments which places us in a good position to reinvest additional capital receipts
- Delivering additional affordable housing including the 29 dwellings opened at the Crooked Billet site before Christmas

- Achieving a very considerable capital receipt for Bridge Street which will be re-invested to generate ongoing income streams

- Progressing the Towards a Sustainable Future programme to ensure that the Council is able to continue to provide the services needed by its residents.

These achievements enable us to continue to deliver the services that our residents both deserve and expect from their Conservative Council!

Mr. Mayor, if I may add a personal note I would like confirm that due to my County Council workload I have decided, with very considerable reluctance and sorrow to step down from my Finance portfolio role here which I have held for the last five years. I am particularly grateful to my friend the Leader in allowing me the privilege of presenting the Budget here this evening. I would also like to thank all other Cabinet Members as well as the Chief Executive and his management team especially Terry Collier and his team and all the staff for their support and assistance in preparing this budget. I wish the Leader and the Cabinet, and my successor well in steering the Council through the financial challenges which lie ahead.

But more importantly Mister Mayor, I shall end by emphasising our achievements and the progress the Borough has made under our Administration:

- We are successfully delivering on our programme of maximising value from the Council Assets with the very substantial Bridge Street receipt becoming available during 2016-17 to enable strategic acquisition and to be reinvested to generate ongoing income for the Council. Despite the funding reductions we have maintained for our residents the Council's investment in Independent Living services, with the services provided by our Day Centres being expanded in partnership with Surrey County Council. The 2016-17 Capital Programme includes provision to purchase replacement Spelride buses which are so appreciated by our more vulnerable residents.
- We have continued to recognise the importance of ensuring the Council can appropriately respond to and support homeless people in the budget. For the third year running the Budget has incorporated growth to respond to pressures in this area. A practical example being the winter shelter in Staines which by working with SCC we helped to make happen. This not only provides overnight record but has a proven track record through the advice and support provided of helping a significant proportion of the visitors move on into permanent housing solutions.

I now formally move the recommendations of the Cabinet of 25 February 2016, as set out in the first four pages of the Green Book, detailing the precepts by the County Council and Surrey Police and the Band D Council Tax levy for the year 2016-17.

I am proud to stand before you and declare with confidence that this Conservative administration will continue to ensure that the Council delivers quality and the best value for money services that matter most to our residents and businesses, and will particularly to seek to provide services the most vulnerable in our community need.

Thank you Mister Mayor

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When I said a couple of weeks ago I did not know whether to congratulate the new leader or commiserate with him. I meant it. In my 25 years here this is the worst and most deplorable budget settlement I have ever seen from central government. As such this is a budget forced on us by a truly awful set of circumstances. Will it be bad news for Spelthorne residents? Yes!

In simple terms the situation we face is that This Conservative council has been comprehensively mugged by its own Conservative government. After some desperate pleading the muggers returned a little of the money they stole money for the bus fare home only it was called transitional relief. We got about £198k back over two years, but lost £700k a year from the new homes bonus alone.

The failings of this council have already been recorded by me previously and I have no intention of re-capping that sorry litany here. Suffice to say that the chickens have now come home to roost and Spelthorne are less well equipped to handle the problems it now faces than it could have been.

Aside from the wholesale attack on local government this budget settlement was unique and bizarre in another way. This settlement from a *Conservative* government was pure New Labour. In truth it is a New Labour Wet Dream! Besides the money simply taken away from local government, money has been moved to the midlands and the North, pots of money have been renamed some of those pots re-branded as new money when it's not. There's a stealth tax and no prior consultation or thought as to the effects any of these changes are going to have on our residents. And of course they are going to steal £750k away from us in 19/20 the year before the next General Election!

Gordon Brown eat your heart out.

This budget does have to be seen in the wider context because that is what has driven the settlement we are having to cope with. Probably the biggest blow to our medium to long term financial plans are the changes to the new homes bonus. Which as I have said is a loss of around £700k per year. For those who do not fully understand, the money we lose is going to Surrey County Council to plug some of their huge holes in their Adults Social Care Budget. To compensate for the very poor way that council has dealt with that crucial issue. And while as good Conservatives you are no doubt willing to bail out your hapless fellow in Kingston, I am not sure that many of our residents will see it that way.

I have a mixed response when I read in the cabinet papers about making capital investment for the purpose of producing long term financial gains. Talk about shutting the stable door after the horse had bolted. In more normal times that is a policy I would be very happy to support. This Council has for the last few years followed a policy of asset stripping without any thought of replacing those assets. A policy we always opposed but one many of you share in the guilt for that because you [*Conservative councillors*] voted for it. I am not sure the public will understand the recent history of asset stripping when things are OK, and then desperately plundering reserves to buy new assets when things get really bad. I still support the principle but urge great caution in following it.

But there is something else in the budget which throws light on the ugly underbelly of how Spelthorne does things. A capital cost of £50,000 for new wheelie bins in the cabinet papers. That is not an if or a maybe. It is not a risk or a contingency not a might or a possible that is an absolute capital cost. Allowing for planning permissions already granted that still translates into at least 6000 new houses in the next few years. If there is anyone out there still deluded to think that Spelthorne's planning regime is anything other than a developers' rubber stamp. Well here's some cold hard numbers that the reality. What I want to know if those

houses are not going on Kempton Park Green belt which Green Belt are they going on?

As I said earlier a catalogue of mistakes by this council has left us ill prepared to face the problems we are now having to cope with.

It is of course not difficult to see the common theme in all this. Conservative Government, Conservative County, Conservative Borough and Spelthorne residents facing their largest council tax hike in years at the same time services across the board are going to be cut. Indeed it is worth noting that the only precepting body to stay within the 2% is the police- guess what they are not run by the Tories!

Reluctantly I have to agree with the sense of the 2.7% rise in the tax base, every little helps but let's be honest it will make little impact on the years of financial mismanagement that has led us to the mess we are now in. At least it is a matter of record Liberal Democrats never supported the string of foolish short sighted budgets which have made this mess so much worse than it should have been.

The budget has been balanced by plundering our reserves yet again. This again is not good news for Spelthorne residents. The Liberal Democrats cannot support a Conservative budget that does so little for Spelthorne residents.

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