



*Please reply to:*

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Date: 11 May 2021

## Notice of meeting

### Cabinet

**Date:** Wednesday, 19 May 2021

**Time:** 7.00 pm

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

<b>The members of the Cabinet</b>	<b>Cabinet member areas of responsibility</b>
J.R. Boughtflower	Leader
J. McIlroy	Deputy Leader
M.M. Attewell	Deputy Leader and Portfolio Holder for Community Wellbeing and Housing
R.O. Barratt	Portfolio Holder for Compliance, Waste and Risk
S. Buttar	Portfolio Holder for Finance
R. Chandler	Portfolio Holder for Leisure Services and New Leisure Centre Development
A.J. Mitchell	Portfolio Holder for Planning and Economic Development
R.J. Noble	Portfolio Holder for Environment, Communications and Corporate Management
S. Mooney	Portfolio to be confirmed

*Councillors are reminded to notify Committee Services of any Gifts and Hospitality offered to you since the last Council meeting so that these may be entered in the Gifts and Hospitality Declaration book.*

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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## AGENDA

Page nos.

- 1. Apologies for absence**  
To receive any apologies for non-attendance.
- 2. Minutes** **5 - 18**  
To confirm the minutes of the ordinary meeting held on 24 March 2021 and the Extraordinary meetings held on 29 March and 14 April 2021 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. Leader's announcements**  
To receive any announcements from the Leader.
- 5. Psychoactive substances public space protection order - Key Decision** **19 - 40**  
**Councillor R. Barratt**  
  
To consider the report on Psychoactive Substances - Public Space Protection Order.
- 6. Interim Revenue Monitoring Report 2020/21 as at 31 March 2021** **41 - 60**  
**Councillor S. Buttar**  
  
To note the forecast outturn for 2020/21 as at 31 March 2021 and consider the recommendations contained in the report.
- 7. Interim Capital Monitoring Report 2020/21 - 31 March 2021** **61 - 70**  
**Councillor S. Buttar**  
  
Cabinet is asked to note the current level of actual spend, committed spend and projected underspend capital expenditure in 2020/21 as at 31 March 2021.
- 8. Spelthorne Finance Peer Review Action Plan March 2021** **71 - 108**  
**Councillor S. Buttar**  
  
To consider the Spelthorne Finance Peer Review Action Plan.

- 9. Community Letting Policy** **109 - 152**  
**Councillor J. McIlroy**
- To consider the Community Letting Policy (formerly Community Asset Policy).
- 10. Corporate Debt Policy** **153 - 196**  
**Councillor S. Buttar**
- To consider the Corporate Debt Policy.
- 11. Local Walking and Cycling Infrastructure Plan (LWCIP)** **197 - 206**  
**Councillor R. Noble**
- To agree to participating in the production of a Local Walking and Cycling Infrastructure Plan (LWCIP)
- To agree the allocation of the available funds:
- £20,000 towards Phase 1 of the feasibility study to be funded from Green Initiatives Fund, and
  - £175,000 towards the production of an LWCIP for Phase 2. To be funded from Spelthorne's Surrey Infrastructure Feasibility Study Fund
- 12. Recovery Strategy Summary** **To Follow**  
**Councillor M. Attewell**
- To consider the Recovery Strategy Summary report.
- 13. Urgent Actions** **207 - 208**
- To note those urgent actions which have been taken by the Chief Executive in consultation with the Leader since the last Cabinet meeting on 24 March 2021.
- 14. Urgent items**
- To consider any items which the Chairman considers as urgent.
- 15. 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.

**16. Sundry Debt Write Offs**

**209 - 216**

**Councillor S. Buttar**

To consider the exempt Sundry Debt Write Offs report.

**Reason for exemption**

The report contains 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 Paragraph 1 - Information relating to any individual, Paragraph 2 - Information which is likely to reveal the identity of an individual and Paragraph 3 - 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.

## **Minutes of Cabinet**

**24 March 2021**

### **Present:**

Councillor J.R. Boughtflower, Leader  
Councillor M.M. Attewell, Deputy Leader and Portfolio Holder for Community Wellbeing and Housing  
Councillor R.O. Barratt, Portfolio Holder for Compliance, Waste and Risk  
Councillor S. Buttar, Portfolio Holder for Finance  
Councillor R. Chandler, Portfolio Holder for Leisure Services and New Leisure Centre Development  
Councillor A.J. Mitchell, Portfolio Holder for Planning and Economic Development  
Councillor R.J. Noble, Portfolio Holder for Environment, Communications and Corporate Management

### **Apologies:**

Councillor J. McIlroy, Deputy Leader

### **Councillors in attendance:**

Councillor R.A. Smith-Ainsley  
Councillor C. Bateson  
Councillor S.A. Dunn  
Councillor T. Fidler  
Councillor H. Harvey  
Councillor I.T.E. Harvey  
Councillor L. E. Nichols  
Councillor D. Saliagopoulos

### **2836/21 Minutes**

The minutes of the Cabinet meeting held on 24 February 2021 were agreed as a correct record.

### **2837/21 Disclosures of Interest**

There were none.

### **2838/21 Leader's announcements**

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

- It is one year since the Covid-19 pandemic forced Spelthorne to move to an emergency footing and special measures put in place to protect the Borough's most vulnerable residents. Nationally, over 125,000 people have succumbed to this deadly disease and we know that many Spelthorne residents will have lost a loved one. The anniversary provided an opportunity to come together and reflect on our collective loss, support

those who've been bereaved and hope for a brighter future. As a mark of respect, the Council's flag was flown at half-mast on 12 March.

- Spelthorne has awarded a total of £20,000 to the organisers of ten community events which have been affected by the pandemic. The recipients, which each received £2,000, are: Ashford Christmas Market, Laleham Village Fair, Lower Sunbury Christmas Market, Shepperton Big Tree Night, Shepperton Village Fair, Staines-upon-Thames Day, Staines Regatta, Stanwell Lantern Parade, Stanwell Village Fair and Sunbury Regatta.
- A resident has been successfully prosecuted for benefit fraud following an investigation by the Council. Lisa Hunt fraudulently benefitted from social housing and other benefits between 2017 and 2020 and, on 9 February, was sentenced to 16 months imprisonment, suspended for 12 months. She was also ordered to attend 12 rehabilitation activity requirement days and carry out 120 hours of unpaid work.
- The 'Send a Smile' campaign launched by the Council with the Purple Angel Ambassadors has received a good response with over 100 pictures and messages of support being sent by children for people suffering with dementia.
- Spelthorne's 2021 photography competition is now open for entries. The overall winner will see their photo as the cover of the Council's Bulletin magazine and social media pages. The deadline is 31 August.
- An estate agent has been fined by the Council for flyposting. Spelthorne operates a 'zero-tolerance' policy on flyposting and has repeatedly written to estate agencies in the Borough highlighting their individual responsibilities to remain within the law.
- The Spelthorne in Bloom Committee has launched its annual poster competition for children aged 5-11, who live or go to school in Spelthorne. The overall winning entry will be used as this year's Spelthorne in Bloom logo and feature on the front cover of the entry form and other publicity materials. The closing date for entries is Friday 9 April.
- The Council has been working with Everyone Active in anticipation of Leisure Centres getting the 'green light' to reopen from 12 April. Repairs to fix a problem with the swimming pools at Sunbury Leisure Centre will also begin soon and run until July.
- 27 new affordable homes will become available in the Borough from April with the delivery of the first phase of the Council's Benwell House development in Sunbury. Planning permission is currently being sought for phase two of the project which will provide a further 39 units (20 affordable).

- Work is underway on the Issues and Options consultation for the Staines Development Framework, which is due to start mid-April, for a period of six weeks. The consultation will set out the key areas on which the Framework will focus, such as housing, infrastructure, transportation, parking, retail, and public spaces.

**2839/21 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.

**Reason for the decision:**

The Register summarises the Council's most significant risks. It sets out the controls which have been put in place and identifies any further action which might be necessary to mitigate risks.

**2840/21 Public Space Protection Orders - Unauthorised Mooring UPDATE**

Cabinet received an update on a potential Public Space Protection Order (PSPO) for unauthorised moorings.

Cabinet noted that there were currently insufficient grounds to satisfy the conditions for a PSPO to be issued and acknowledged that enforcement would continue to be undertaken by the Joint Enforcement Team (JET) and isolated cases of ASB dealt with by the issuing of community protection warning letters and notices.

**Resolved** to note the update on a potential moorings PSPO.

**2841/21 Update on proposed injunction for unauthorised encampments**

Cabinet received an update on a proposed injunction for unauthorised encampments.

Cabinet noted that in January 2020, the Court of Appeal considered the appeal against the injunction granted to the London Boroughs of Bromley and Enfield and widened the scope to look at all 38 injunctions granted to other District and Borough Councils.

The Judge decided that the injunction to restrain trespass on Council sites was disproportionate and indicated that any further Injunctions brought before the Court would be rejected pending resolution of the injunctions mentioned. Once the judgement is published this matter can be considered again.

**Resolved** to note the update on the proposed injunction for unauthorised encampments.

**2842/21 Urgent Actions**

Cabinet noted urgent actions taken by the Chief Executive in consultation with the Leader since the last Cabinet meeting in February 2021.

**2843/21 Exempt Business**

**Resolved** to move the exclusion of the Press and Public for the following items 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.

**2844/21 Exempt report - Transfer of properties from Spelthorne Borough Council to Knowle Green Estates Ltd.**

Cabinet considered a report on the transfer of properties from Spelthorne Borough Council to Knowle Green Estates (KGE) Ltd.

**Alternative options considered and rejected by the Cabinet:**

Not to transfer. This would contravene all relevant policies and strategies as laid down by in the KGE Ltd Business Plan as agreed by Cabinet on 29 January 2020.

**Resolved;**

1. to note the advice on State Aid which has been provided by Counsel, as part of original reports provided to Cabinet January 2020 (Confidential Appendix A).
2. subject to receiving up to date valuation advice prior to transfer, to delegate authority to the Chief Executive in Consultation with the Leader, Portfolio Holder for Finance (or the Deputy Leader if he is not available) and Chief Finance Officer, to transfer the following Council properties into the ownership of Knowle Green Estates Ltd (KGE) for nil cash consideration:
  - a. Benwell House Phase 1
  - b. Knowle Green West Wing
3. that both Benwell House Phase 1 provides a mix of affordable rental (roughly 60%), keyworker rental (20%) and private rental (20%); and West Wing on a 100% affordable rental basis.
4. to note that any funding requirement will be provided under the Loan and Drawdown Agreement approved by Cabinet on 11 May 2017.
5. to approve the extension of this Loan and Drawdown Agreement (dated 29 March 2019) from £10m to £30m.
6. to delegate to the Group Head of Corporate Governance to enter into all documentation required to give effect to these transfers and loans.



### **Reasons for Decision**

To comply with the Council's policy that all residential assets (except those where external grant funding criteria require the assets to be owned by the Council) should be owned by KGE Ltd, as specified in the KGE Ltd Business plan.

### **2845/21 Urgent items**

There were none.

### **2846/21 \*Exempt report - Re-opening of Spelthorne Leisure Centres – request for funding - Key Decision**

The Cabinet considered an exempt report on a request for funding to enable the re-opening of Spelthorne Leisure Centres.

The Cabinet noted that the Council's two leisure centres in Sunbury-on-Thames and Staines-upon-Thames play a very important role in supporting the health and wellbeing of many of the borough's residents. Both centres are popular with users and catered for a wide range of needs.

Sports and Leisure Management Limited (SLM), one of the biggest leisure centre operators in the UK, had a contract with the Council to operate these two sites. The exempt report outlined some of the background leading up to a request from SLM for financial assistance from Spelthorne.

Following extensive discussions with SLM on the level of support needed to reopen the Council's Leisure Centres from 12 April (or the date allowed by the Government's COVID-19 route map), and analysis of their forecast figures, Council officers had formulated all the options available in the report before Cabinet.

### **Alternative options considered and rejected by the Cabinet:**

1. Provide no financial support to SLM and enforce the requirements of the contract.
2. Agree to forgo the monthly Management Fee payable to the Council under the current contract for a specified period of time of three months.
3. Agree to provide additional funding to open just one leisure centre.
4. Agree to provide additional funding to keep both leisure centres open.
5. Agree a proposal based on a combination of Options 2-4 above.
6. Not to accept any of the above options and undertake further negotiations with SLM to seek an alternative agreement

### **Resolved to:**

1. approve the proposed financial support package with Sports and Leisure Management Ltd. as outlined in the report, to enable the reopening of the Council's Leisure Centres from 12 April 2021;
2. note that at the end of the three month period a review will be undertaken to determine what, if any, further funding will be provided and if so at what level, and;
3. note the update on the works to Sunbury Leisure Centre swimming pools.

### **Reason for Decision**

Sports and Leisure Management have indicated that without financial support from the Council they will not be able to reopen the leisure centres and that they may have to remain closed indefinitely due to the limitations placed on them by the Government's guidance to prevent the spread of COVID-19.

### **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 1 April 2021.***

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## **Minutes of Extraordinary Cabinet**

**29 March 2021**

### **Present:**

Councillor J.R. Boughtflower, Leader  
Councillor M.M. Attewell, Deputy Leader and Portfolio Holder for Community Wellbeing and Housing  
Councillor R.O. Barratt, Portfolio Holder for Compliance, Waste and Risk  
Councillor S. Buttar, Portfolio Holder for Finance  
Councillor R. Chandler, Portfolio Holder for Leisure Services and New Leisure Centre Development  
Councillor R.J. Noble, Portfolio Holder for Environment, Communications and Corporate Management

### **Apologies:**

Councillor J. McIlroy, Deputy Leader  
Councillor A.J. Mitchell, Portfolio Holder for Planning and Economic Development

### **Councillors in attendance:**

Councillor C. Bateson  
Councillor D. Saliagopoulos  
Councillor R.W. Sider BEM

### **1/21 Disclosures of Interest**

There were none.

### **1/21 Staines Development Framework Issues and Options Consultation**

Cabinet considered a report on the Staines Development Framework Issues and Options consultation.

Cabinet asked if the consultation flyer is to be made available in other languages, whether the needs of the disabled had been considered and whether community groups will be made aware of the consultation.

The Strategic Planning Manager advised Cabinet that the flyer would be available in other languages upon request and that a large print copy could be issued if needed. Statutory consultees and other local organisations are to be made aware that the consultation flyer is to be distributed.

Cabinet were advised that all Staines Councillors had been involved in the Staines Development Task Group and had contributed to the questions on the questionnaire.

### **Alternative options considered and rejected by the Cabinet:**

None

**Resolved:**

- i) To agree the material attached at Appendices A, B and C, and
- ii) to agree to commence consultation on the Staines Development Framework Issues and Options on 13 April 2021 for six weeks.

**Reasons for Decision:**

Consultations on Local Plan matters require agreement before they can commence.

**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 (to be completed).***

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**Minutes of Cabinet  
14 April 2021**

**Present:**

Councillor J.R. Boughtflower, Leader  
Councillor J. McIlroy, Deputy Leader  
Councillor M.M. Attewell, Deputy Leader and Portfolio Holder for Community  
Wellbeing and Housing  
Councillor R.O. Barratt, Portfolio Holder for Compliance, Waste and Risk  
Councillor S. Buttar, Portfolio Holder for Finance  
Councillor R. Chandler, Portfolio Holder for Leisure Services and New Leisure  
Centre Development  
Councillor A.J. Mitchell, Portfolio Holder for Planning and Economic  
Development  
Councillor R.J. Noble, Portfolio Holder for Environment, Communications and  
Corporate Management

**Apologies:** None

**Councillors in attendance:**

Councillor C. Bateson  
Councillor V.J. Leighton  
Councillor L. E. Nichols

**2849/21 Disclosures of Interest**

There were none.

**2850/21 Recommendations from the Extraordinary Overview and  
Scrutiny Committee**

Cabinet considered the recommendations contained in the report from the Overview and Scrutiny Committee came out of its review of the following decision taken by Cabinet on 24 March 2021:

Transfer of properties from Spelthorne Borough Council to Knowle Green Estates Ltd.

The Chairman of the Overview and Scrutiny Committee, Councillor Leighton, informed the Cabinet that the Committee had scrutinised the above Cabinet decision in detail and concluded that they were supportive of the Cabinet's decision, but that the Cabinet must have the appropriate policy documentation in place before making such decisions going forward.

**Resolved that:**

1. Cabinet instruct officers to draw up the following documents:
  - i. A "Term Sheet" to set out the basis of developments and supporting policy. A Term sheet should be required for each Spelthorne Borough

- Council residential development and will be created prior to planning application submission monitored and adjusted as required thereafter.
- ii. A policy for valuation and transfers of developments.
  - iii. An interest rate policy.
  - iv. Documentation of Knowle Green Estates (KGE) depreciation policy.
2. A Term sheet template and draft policy documents are to be presented for approval by the Policy and Resources Committee and KGE Board as soon as possible and no later than the end of July 2021.
  3. That Cabinet confirms that no residential housing units will be sold unless a policy to do so is formally approved by the Council.

**Reason for decision:**

The Cabinet has listened to the views of the Overview and Scrutiny Committee and agrees that it is important that the Cabinet take decisions that have been clearly defined, with the right policies and that agenda reports are clearly set out with the appropriate level of detail so members are able to look back and see that all the relevant facts had been considered.

**2851/21 Key Worker Housing Policy**

Cabinet considered a report to approve the Key Worker Housing Policy.

Cabinet noted that the policy would ensure that the Council allocate these affordable homes in a fair and transparent way, in line with the Council's existing policy of affordable housing allocation.

Cabinet acknowledged that a Equality Impact Assessment had been completed and agreed that they were satisfied with the content.


**Resolved to**

1. approve the Key Worker Housing Policy for use with immediate effect.
2. note that a comprehensive review of the policy will take place within 12 months of being in operation, to inform a more established policy going forward.

**Reasons for decision:**

The administration is committed to providing affordable homes for local key workers, with the first of these new homes being available at the initial phase of Benwell House later this month.

In putting the policy together, officers have considered independent research into Spelthorne's local key worker population, as well as the operational practicalities of delivering a key worker housing scheme.

<b>Cabinet</b>			
<b>19 May 2021</b>			
Psychoactive Substances - Public Space Protection Order			
<b>Purpose of the report</b>	To make a decision		
<b>Report Author</b>	Will Jack Community Safety Officer Martin Cole Neighbourhoods Manager Jackie Taylor Group Head of Neighbourhood Services		
<b>Cabinet Member</b>	Councillor Richard Barrett	<b>Confidential</b> No	
<b>Corporate Priority</b>	Clean and Safe Environment		
<b>Recommendations</b>	<p><b>Cabinet is asked to:</b></p> <p><b>(a) make a Public Space Protection Order (PSPO) relating to possession and use of nitrous oxide with the listed offences set out below, in accordance with the Anti-social Behaviour, Crime and Policing Act 2014</b></p> <p><b>(b) adopt the Fixed Penalty Notices for breaches of the Nitrous Oxide PSPO which currently stand at £100</b></p> <p><b>(c) delegate authority to the Group Head of Neighbourhood Services to issue Fixed Penalty Notices for breaches of the above PSPO</b></p>		
<b>Reason for Recommendation</b>	<p><b>To reduce the possession and use of psychoactive substances for recreational consumption</b></p> <p><b>To increase public health awareness of potentially dangerous substances</b></p> <p><b>To reduce dangerous littering (metal nitrous oxide canisters)</b></p> <p><b>To help provide a safe &amp; clean environment for all</b></p>		

## 1. Key issues

- 1.1 In the last 10 years there has been an increase in the use of Novel Psychoactive Substances (NPS) throughout the UK that has challenged the scope of the Misuse of Drugs Act 1971. The NPS products in a large majority of cases contain no standard controlled drugs in themselves and even the base materials used cannot be categorised as being controlled within the act. This leaves law enforcement agencies with a lack of legislative tools to effectively manage the problem which has been showing clear signs of a considerable increase over the past 12 months.

- 1.2 NPS are also commonly known as ‘legal highs’. They often contain one or more chemical substances which produce similar effects to illegal drugs. Nitrous oxide, or ‘laughing gas’, is a well-known example of an NPS. The use of Nitrous Oxide is usually evident in the form of multiple silver canisters often found in open spaces.
- 1.3 On 26th May 2016 the Psychoactive Substances Act became law. The Act stipulates that “it is an offence to produce, supply, offer to supply, possess with intent to supply, possess on custodial premises, import or export psychoactive substances; that is, any substance intended for human consumption that is capable of producing a psychoactive effect”. However, the act does not account for either possession or consumption of NPS.. This means Police Officers and Council Officers cannot stop such activity or behaviour as these are outside of the scope of the current legislation.
- 1.4 Recent evidence also indicates that there are public health implications regarding the misuse of NPS. This report includes references to recent public health studies that show the detrimental impact to health caused by NPS. Recent studies have also found that there is a lack of awareness of the negative health implications of NPS, especially nitrous oxide, amongst young people (**Appendix C**).
- 1.5 Under S.60 Anti-social Behaviour, Crime and Policing Act 2014, the proposed Psychoactive Substances – Public Space Protection Order (PSPO) has two additional schedules that seek to tackle the problem by providing authorised officers with the legislative tools to prosecute offenders for using psychoactive substances and furthermore seize the said substance.
- 1.6 The proposed Psychoactive Substances - Public Space Protection Order, attached as **Appendix A**, includes restrictions on the following:
  - a. Use of Psychoactive Substances
  - b. Possession of Psychoactive Substances
- 1.7 Prior to the introduction of a PSPO the Council is required to carry out a consultation and that consultation would be the same regardless of whether the Council was renewing an existing PSPO or the introduction of a new order.
- 1.8 A consultation on the PSPO proposals was carried out between 18<sup>th</sup> January and the 28<sup>th</sup> February 2021 inclusive. The consultation was widely published through the Council’s website, Twitter, Facebook, Instagram and press releases to the local media. The Consultation consisted of an online survey asking for the public’s view on the proposed restrictions.
- 1.9 In total, 796 people took part in the consultation. The level of response means that we can be confident that we have a good understanding of the possible impact of the PSPO proposals on the community as well as residents in general. The results show, there was strong support for the PSPO proposals. The full summary of responses from the public can be found at **Appendix B**.
- 1.10 Participants were asked whether they agreed or disagreed with the proposed PSPO for Psychoactive Substances and the results were as follows-
  - a. In favour – 97.3% - 775 responses.
  - b. Against – 1.6% - 13 responses

c. Didn't know – 1% - 8 responses

- 1.11 The proposed geographical area to be covered is shown in the proposed order at **Appendix A, Schedule 1**.
- 1.12 Participants were then asked whether they believed that nitrous oxide was a problem within the borough. In total 97% stated that it was.
- 1.13 Participants were then asked how they had been affected. Responses varied and there were reports of psychoactive substances being linked to physical abuse, littering, intimidation, noise, public urination, verbal abuse and aggressive behaviour. (**Appendix B**).
- 1.14 Participants were then asked how often they were affected by the use of psychoactive substances. The responses varied from 'never' to 'daily'. The highest proportions were shown as 'a few times a month' at 30% and 'Two to three times a week' at 21%. (**Appendix B**)
- 1.15 Lastly, participants were invited to share their experiences. The responses were interesting in relation to the geographical areas within the borough that were adversely affected by the problem. A full list of the areas affected are highlighted in **Appendix D**.

## **2. Options analysis and proposal**

- 2.1 All of proposals that have been put forward seek to ensure that Spelthorne Borough is a welcoming and safe location for all residents and visitors.
- 2.2 Psychoactive substance misuse continues to be an issue to residents and the Council receives a large number of complaints during the course of a year, which are dealt with by members of the JET and Community Safety Teams.  
  
On 16<sup>th</sup> June 2020 the Community Safety Unit carried out a social media campaign with the intention of obtaining an 'Intelligence Snapshot' of the current problem. This pre-dated the public consultation and revealed the following information.
  - a. 130 reports of psychoactive substance misuse
  - b. 40 locations identified throughout Spelthorne Borough
  - c. Temporal analysis found that the highest offending times were between 1800hrs and 0600hrs
  - d. Most offences were witnessed on a Friday Night
- 2.3 One of the issues with enforcement is that there is a tendency to be reactive to events and situations which does not capture the full extent of what is happening in the Borough in relation to psychoactive substances control. The Council (and police) need to be proactive in its approach to psychoactive substance misuse.
- 2.4 The proposed measures will hopefully go some way to address the issues identified and make people seriously think twice about their actions or risk the real possibility of prosecution or being issued with a fixed penalty notice as outlined below.

- 2.5 Section 67 of the Anti-social Behaviour, Crime and Policing Act 2014 makes it an offence for a person without reasonable excuse-
- a. To do anything that the person is prohibited from doing by a public space protection order, or
  - b. To fail to comply with a requirement to which the person is subject to under a public space protection order.
  - c. A person guilty of an offence under this section is liable to a fine not exceeding level 3 on the standard scale currently £1000.
- 2.6 Section 68 provides the power for a constable or authorised person to issue a fixed penalty notice to anyone whom he or she has reason to believe has committed an offence under s.63 or s.67 in relation to a public space protection order. The current fixed penalty amount is £100.
- 2.7 Section 67 is reproduced above and s.63 deals specifically with the consumption of alcohol in breach of prohibition of an order, so not relevant in these circumstances.
- 2.8 There is nothing within these proposals that indicates any risk. All requisite signs will be affixed to entrances and/or exit gates/fences or securely attached to purpose- built poles.

### **3. Financial implications**

- 3.1 The main financial implication in relation to the making of a public space protection order is that every identified area within the order must have the correct signage placed at the location which would also include strategically placed larger signs covering the highway, the estimated total costs for the signs is £10,000. This can be funded from the Community Safety Budget.
- 3.2 There would also need to be a communications campaign which would include the production of a number of posters and flyers that could be delivered to strategic points in the borough as well as the Council Community noticeboards, there would be some cost for production. There will also be some material aimed at raising awareness among young people at schools and youth clubs.
- 3.3 There would be no resource increase for the JET Team or the Community Safety Team who would continue enforcing within their existing areas and patrols.
- 3.4 There is of course the possibility of a small increase in revenue depending on the number of fixed penalty notices issued for non-compliance.

#### **4. Sustainability/Climate Change Implications**

- 4.1 The proposals detailed are unlikely to impact sustainability and/or climate change issues.

#### **5. Timetable for implementation**

- 5.1 If Cabinet and Council approval is granted, the implementation and enforcement of the Psychoactive Substances - Public Space Protection Order will proceed as follows;
- a. Cabinet 19 May 2021
  - b. Publish Notice of making the Order May 2021
  - c. Start of Order June 2021

#### **Background papers:**

None

#### **Appendices:**

Appendix A – Draft Public Spaces Protection Order (Psychoactive Substances)  
Appendix A – Schedule 1  
Appendix B – Consultation Public Responses  
Appendix C – Medical Considerations  
Appendix D – Geographical extent of the problem

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## **Spelthorne Borough Council**

### **The Anti-Social Behaviour, Crime and Policing Act 2014, Part 4, Section 59**

### **The Spelthorne Public Spaces Protection Order (Psychoactive Substances)**

Spelthorne Borough Council ('the Council') in exercise of the power under section 59 of the Anti-Social Behaviour Crime and Policing Act 2014 ('the Act') and being satisfied that the conditions set out in section 59 have been met, makes the following order.

This Order comes in force on .....2021 and will remain in force for a period of three years from the date unless extended by further order under the Council's statutory powers.

#### **General**

1.1 This Order applies to all land in the administrative area of Spelthorne Borough Council -

(a) to which is open to the air (including land which is covered but open to the air on at least one side);

(b) to which the public are entitled or permitted to have access (with or without payment); and

(c) which is outlined in red on the plan attached as the Schedule to this Order.

1.2 Psychoactive substance means any substance which is capable of producing a psychoactive effect in a person if by stimulating or depressing the person's central nervous system it affects the person's mental functioning or emotional state and is not included in the list of exempted substances.

1.3 'Exempted substances' are those listed in Schedule 1 of the Psychoactive Substances Act 2016 or its successor (controlled drugs, medicinal products, alcohol, nicotine, tobacco products, caffeine/caffeine products and food)

1.4 An "Authorised Officer" means a person authorised in writing by the Council to enforce, and issue fixed penalty notices under, this Order.

**Offence**

1. A person who fails to comply without reasonable excuse with any requirement of a constable or Authorised Officer:
  - (a) to cease consumption of a psychoactive substance (formerly known as ‘legal highs’) or anything which the constable or Authorised Officer reasonably believes to be a psychoactive substance; or
  - (b) to surrender anything in their possession which is, or which the constable or Authorised Officer reasonably believes to be, a psychoactive substance or a container for a psychoactive substance; in any area covered by the PSPO  
  
in a public space within the Borough of Spelthorne, as specified in the Schedule to this Order.

**Penalty**

Any person who without reasonable excuse fails to comply with this Order shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

Any Authorised Officer may issue a fixed penalty notice to anyone he/she has reason to believe has committed an offence under section 67 of the Act in relation to this Order.

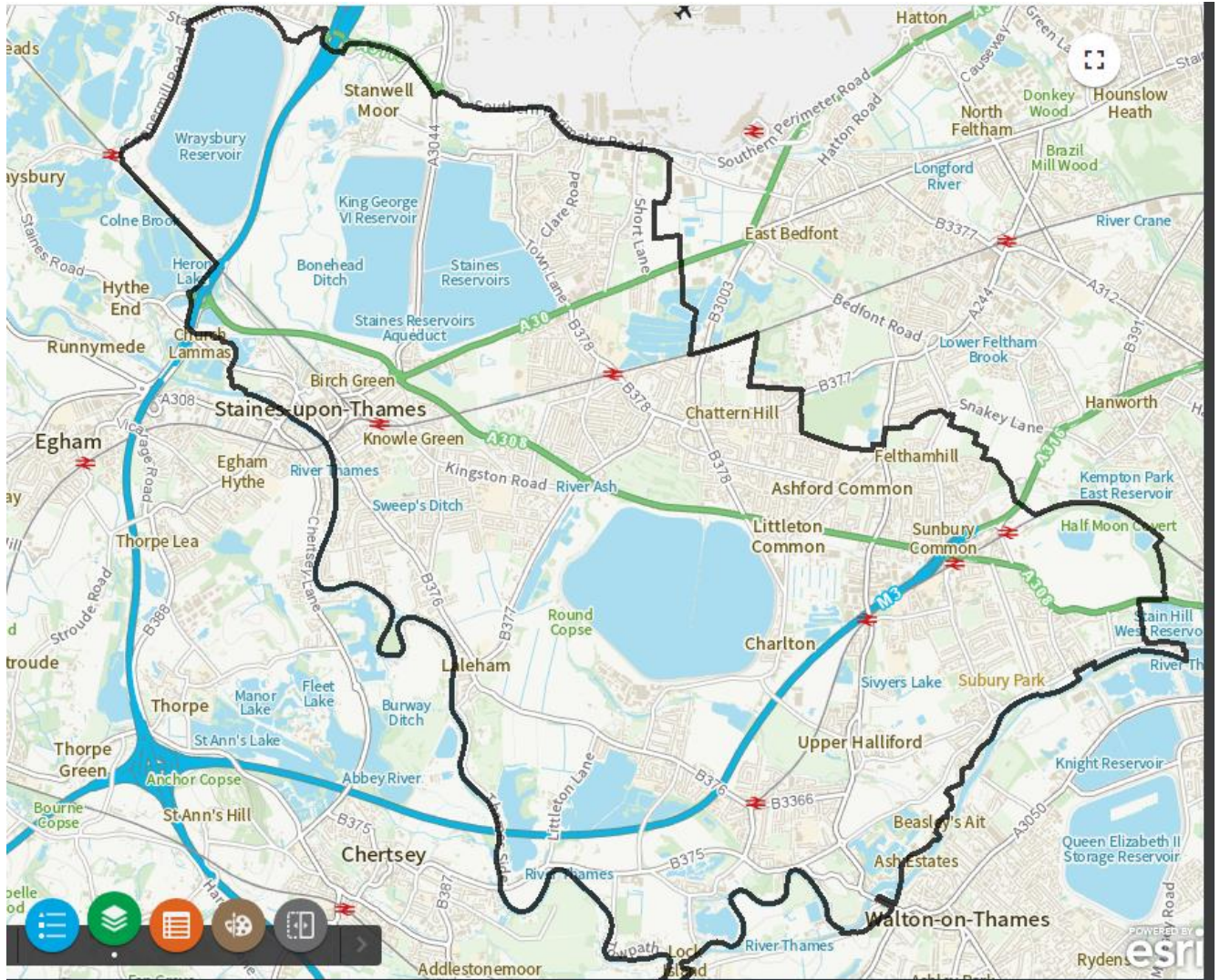
The COMMON SEAL of  
SPELTHORNE BROUGH COUNCIL  
was hereunto affixed in the presence  
of:

.....  
Authorised Signatory

Schedule 1 – Map of Spelthorne Borough

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Appendix A, Schedule 1 - Proposed geographical area to be covered

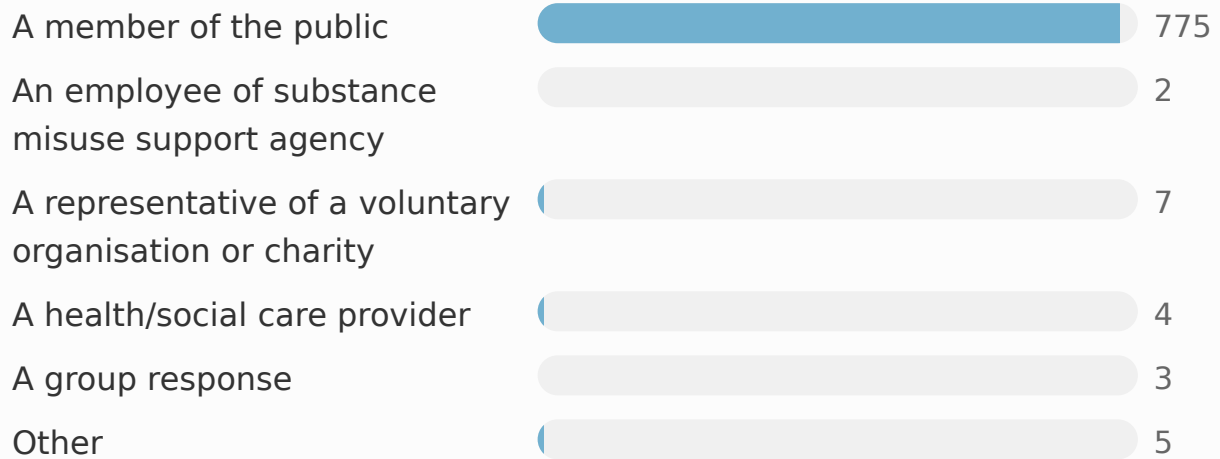


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# Summary of Responses

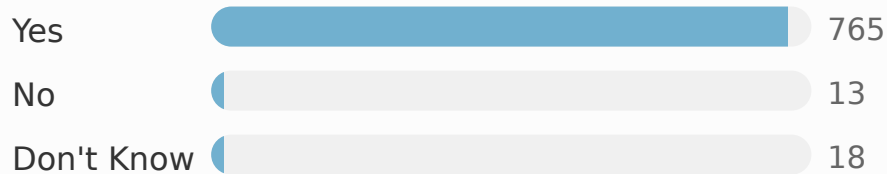
## 1.

Are you responding as ....



## 2.

Do you think the use of New Psychoactive Substances (legal highs) is an issue in Spelthorne?



## 2a.

Please give details of the location where you have experienced problems (e.g. name of park, road, landmark etc.)

This question has been answered 765 times.

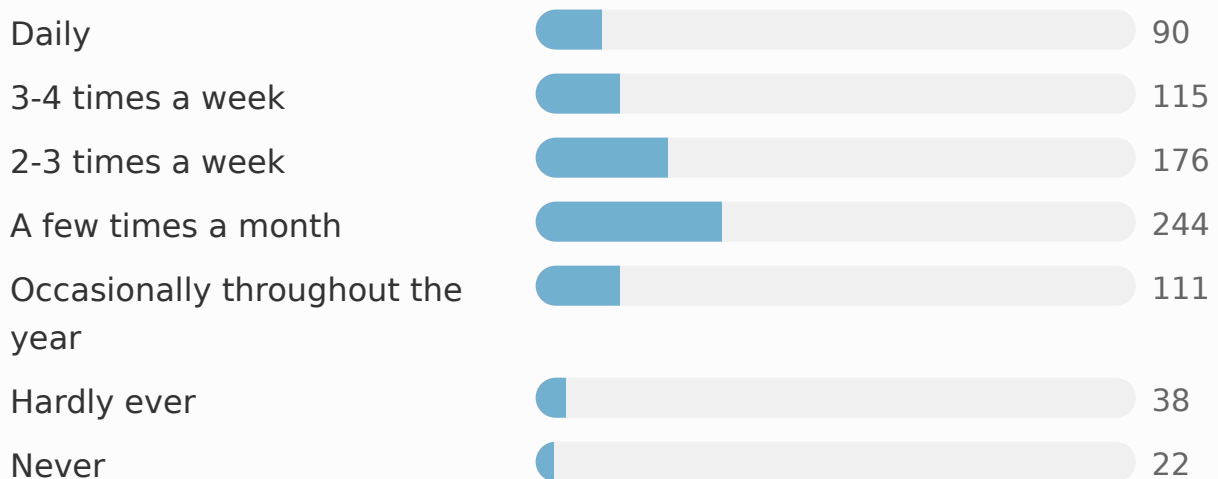
### 3.

How often have you been affected by the following issues associated with New Psychoactive Substances (legal highs)?

	Often	Occasionally	Rarely	Never
Aggressive behaviour	80	214	175	327
Intimidation	89	224	171	312
Littering	721	57	10	8
Noise	239	246	146	165
Public urination	105	192	174	325
Verbal abuse	78	171	194	353
Physical abuse	10	39	140	607

### 4.

How frequently are you affected by NPS related problems?





## 5.

Would you support the introduction of a Public Space Protection Order (PSPO) to prohibit the consumption of New Psychoactive Substances (legal highs)?



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## Appendix D - Nitrous Oxide – Medical Implications

### Use as a recreational drug

Recreational users typically inhale via a balloon inflated with the gas. There are health risks associated with the recreational use of nitrous oxide.

The Government-funded drugs advice service “FRANK” emphasises that inhaling nitrous oxide directly from the canister is “very dangerous because the gas is under such high pressure. It can cause a spasm of the throat muscle and stop a person breathing.”

FRANK also says that nitrous oxide can cause:

- severe headache
- dizziness
- stop people thinking straight
- short-lived but intense feelings of paranoia.

### Royal College of Nursing Report 2020

Use of Nitrous Oxide can lead to a range of health problems such as burns, a dangerously increased heart rate, swelling on the brain, nerve damage and anaemia, as well as serious psychological problems, according to delegates at the Royal College of Nursing Annual Conference.

They will demand action to highlight the drug’s dangers during a debate on what they say is “a significant lack of understanding of the impact that nitrous oxide has upon the health and wellbeing of individuals using it”, especially too little awareness among users of its pitfalls.

“Despite the increasing use of nitrous oxide, particularly among younger people, far too few people know about the risks. It might give a short-term high but the long-term damage is no laughing matter,” said Catherine Gamble, the RCN’s professional lead for mental health nursing.

On average five people a year die after inhaling the gas, and it caused 25 fatalities between 2010 and 2016, Office of National Statistics figures show

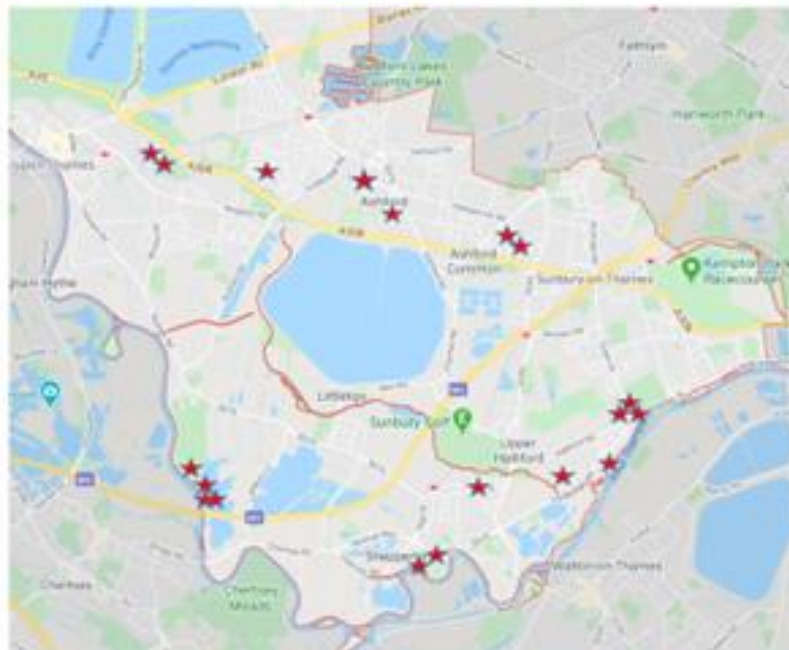
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## Appendix E – Geographical affected areas – Psychoactive Substances

Hotspot Map – North of Borough



Hotspot Map - South of Borough



**List of venues as a result of the 2021 Public Consultation**

A	Abbey Drive Ashford Rec Ashford Road Ashford Station Ashford Crescent Alexander Road
B	Broadway Bridge Street Car Park Beehive Road Bingham Drive Brightside Avenue Bryony Way
C	Clarence Street Commercial Park Celia Crescent Chesterfield Road Caesars Way Challenge Road Church Road Clare Road Chestnut Grove Clockhouse Lane Church Square Cordelia Park Clyde Road Park Clifford Grove
D	Dudley Road Dumsey Meadow Car Park Donkey Ash Meadow Docket Eddy Lane Dyas Road
E	Edinburgh Drive Elizabeth Road Elgin Avenue
F	Fordbridge Park Feltham Hill Rec Ferndale Road Feltham Road Fairfield Avenue Ferry Lane Flowerpot Green Felix Lane
G	Grovely Road Rec Greeno Park Greenfield Park Green Street

	Gresham Road
H	Hawke Park Hengrove Park Horton Road Hithermoor Road Hadrian Way Heathcroft Avenue Halliford Park
I	Island Close
J	Jordans Close
K	Kenyngton Manor Park Kenwood Drive Knowle Park Kingston Road Kenton Avenue Kempton Park Car Park Kingslawn
L	Laleham Park Lammas Park Linden Place London Road Linkscroft Avenue Leacroft Park Littleton Rec
M	Moor Lane Manor Park Mooremede Crescent
N	Nursery Road Nell Gwynn Avenue Nutty Lane
O	Orchard Meadows Car Park Oaks Road Old Charlton Road Oakington Drive
P	Park Avenue Pooley Green Pavilion Gardens Penton Hook Lock
R	Russell Road Riverway Ravensbourne Avenue Roper Crescent Richmond Crescent Rex Avenue
S	Staines Towpath Sunbury Park Sunbury Common Sunbury Cross Stanwell Moor Scott Freeman Gardens

	<p>Saxon Road  Studios Road  Sheep Walk  Shield Road  Staines High Street  Spout Lane  Shortwood Common</p>
T	<p>Two Rivers  Town Lane  Thames Street  The Pennards  Thameside  The Avenue  Tesco – Sunbury and Ashford</p>
V	<p>Vicarage Road  Village Way</p>
W	<p>Walled Garden  Windmill Road  Wraysbury Road  Woodthorpe Road  Walton Lane  Whitley Close  Woodlands Parade  Waters Drive  Worple Road  Wood Road  Watersplash Road  Woodlands Park  Wrens Avenue</p>



# Cabinet

19 May 2021



<b>Title</b>	<b>Revenue Monitoring Report 2020/21 as at 31 March 2021</b>
<b>Purpose of the report</b>	To note and to make a decision
<b>Report Author</b>	Paul Taylor – Chief Accountant
<b>Cabinet Member</b>	Councillor Sati Buttar
<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability
<b>Recommendations</b>	<p><b>Cabinet to note the forecast outturn for 2020/21 as at 31 March 2021 and approves the following recommendations</b></p> <ol style="list-style-type: none"> <li><b>1. appropriation of the special projects underspend to an earmarked reserve of £0.497m to enhance the Budget provision available to support Green/Climate Change initiatives.</b></li> <li><b>2. appropriation of the special projects underspend to an earmarked reserve of £0.9m to enhance the Budget provision available to support Green Belt Fighting Fund initiatives.</b></li> <li><b>3. the £0.453m revenue carry forwards for 2021/22 as detailed in Appendix C.</b></li> <li><b>4. transfer of £0.538m surplus from retained business rates to business rates equalisation reserve.</b></li> <li><b>5. transfer £0.776m to the general fund</b></li> <li><b>6. set aside £0.094m for Sunbury Swimming Pools repairs</b></li> </ol> <p><b>Noting that by approving items 1 to 6 above the surplus for the year would be reduced to £0.0m, in other words a balanced outturn and that our total useable reserves will be £55m as at 31 March 2021.</b></p>
<b>Reason for Recommendation</b>	Not applicable

## Key issues

- 1.1. This report provides a summary of the forecast outturn position for the financial year 2020-21 as at 31 March 2021, which is an underspend of £3.26m, this is an increase of £1.92m on the December 2020 forecast underspend of £1.36m. This is in large part due to the (£1.39m) under spend on the Projects Delivery fund and (£0.5m) under spend on the set aside.

- 1.2. The report considers the Council's financial position in the light of the COVID-19 pandemic. It should be noted that the COVID-19 pandemic has created a dynamic environment leading to continuous change to plans and figures. The current environment is constantly changing in relation to events, plans and programmes. As a result of this it is inevitable that there will be changes over time in financial information, forecasts and reports to Members.
- 1.3. The key variances are summarised in the table below, with a more detailed information on the variances by portfolio shown in section 2.
- 1.4. The impact of COVID-19 is shown as an underspend of £1.492m, this considers the Supplementary Revenue Estimate which was approved by Council. This means that the Council will not need to apply any of the £2.2m supplementary estimate, funded from reserves, that was approved by Council on 21st May and a recommendation has been made to establish an earmarked reserve for COVID-19 in 2021/22 with the unused funds. Non COVID-19 expenditure is showing an underspend of £1.990m.

1.5. **COVID-19 Uncertainties** – The table shows the impact of COVID-19 on those areas affected. Appendix A and B show an additional breakdown of the forecast impact of COVID-19 on each area within the Council’s General Fund budget. The forecast overspends are based on discussions with Budget Managers and are based on knowledge available to Budget Managers and should be a realistic and prudent assessment. However, it should be recognised that it is difficult for Managers to form a judgement on circumstances which are currently very fluid. There are several unknowns such as when the lockdown and measures on social distancing will end and importantly when a return to normal activity will occur.

<b>Forecast Outturn Position at 31/3/21</b>	Revised Budget £'000	Forecast Outturn £'000	Covid-19 Variance £'000	Non Covid-19 Variance £'000	Total Variance £'000
Service Level Expenditure	59,969	58,197	1,381	-3,152	-1,771
Housing Benefit Income	-25,621	-23,554	-	2,067	2,067
Service level Income	-12,009	-9,652	1,577	780	2,357
Salary budget saving (actual vacancy savings are reflected in services expenditure outturn)	-300	-	-	300	300
Supplementary Covid Budget	2,200	-	-2,200	-	-2,200
Net Asset Acquisition Income	-10,124	-9,938	-	186	186
Projects Delivery Fund	1,397	-	-	-1,397	-1,397
COVID revenue grants	-	-4,534	-4,534	-	-4,534
Other Adjustments	-390	1,200	-	1,590	1,590
External Financing	-4,351	-8,440	-	-4,089	-4,089
Revenue Carry forward	-204	-255	-	-51	-51
Reserves	-2,284	2,000	2,284	2,000	4,284
Council Tax Income	-8,283	-8,283	-	-	-
Net	-	-3,258	-1,492	-1,766	-3,258

1.6. COVID-19 Grant funding for the General Fund – Funding has been received from central government to mitigate the impact of COVID-19 together with a New Burdens Grant to offset the costs of the additional work involved in administering the Business Support Grants and the 100% Business Rate Relief schemes. Government has also announced additional funding will be provided for the loss of income resulting from the pandemic. Councils will have to meet the first 5% of the loss and will receive 75% funding for the remainder of the loss of Sales, Fees and Charges. The additional grant funding is shown in the table below.

1.7. Due to the overall net underspend position, it is not necessary to apply any of the £2.2m use of grants approved by the Extraordinary Council meeting in May. On top of this £2m of receipts (Community Infrastructure Levy (CIL) £874k, Section 106 contributions £810k, and other £316k have been received during the year, and in line with proper accounting practice these need to pass through the Consolidated Income and Expenditure Statement and be transferred to earmarked reserves to be available to fund future CIL/S106 eligible expenditure. So, this additional £2m of income is reflected in Service Level Income and the transfer to reserves is reflected in the Reserves Outturn. So instead of using £2.2m of reserves, £2m has been added to reserves. Note that this contribution to reserves excludes the £5.363m net contribution to sinking fund reserves (which in the table above has been netted off within the Net Asset Contribution line). So the overall net contribution to Reserves is £7.36m.

<b>COVID-19 Revenue Grants</b>	<b>£'000</b>
Emergency funding	1,485
Hardship funding (council tax)	589
Community support	71
Surge pressure	46
Self-isolation payments	236
Contain Outbreak Management Fund	300
Clinically Extremely Vulnerable	51
New burdens	130
Income Recovery Grant (inc. estimated claim)	1,630
<b>COVID-19 Revenue Grant Support</b>	<b>4,538</b>

**1.8. Business Support Grants** – Government has provided additional funding to Local Government to be distribute to eligible small businesses within the Council’s area to mitigate against the financial impact of COVID-19. This funding provided was provided in the form of a non-discretionary scheme and a discretionary scheme. The first Non- Discretionary Grants scheme ended on the 31 December, in response to the further lock down a new set of non-discretionary Rateable Value based Local Restrictions Grants were introduced in November 2020 and at the same time a new discretionary grant called Additional Restrictions Grant. In addition to this Government has provided grant funding to Councils to enable additional Council Tax Support of up to £150 per eligible council taxpayer to be provided to Council Taxers who receive Council Tax Support.

<b>Business Grants</b>	<b>Grant Received £000's</b>	<b>Grant Distributed as at 31/3/2021 £000's</b>
Grants relating to period to end of September 2020		
Non-Discretionary Business Grant	14,417	13,023
Discretionary Business Grant	715	712
Council Tax Hardship Grant	588	628
Grants relating to period to end of March 2021		
Local Restrictions Grants		
Additional Restrictions	6,962	5,067
	2,828	543

2.

2.1. The following tables identifies significant forecast over and underspends greater than £20,000 of budget for each cost centre within each Cabinet portfolio. Figures shown without brackets represent an overspend, figures shown with brackets represent an underspend.

**Leader - Portfolio**

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
Corporate Governance	119	Additional consultancy costs relating to Group Head recruitment and reallocation of procurement costs.
Democratic Rep & Management	(21)	Additional security and cleaning costs incurred in the quarter.
Legal	30	£17k movement from last quarter is lower revenue achieved at outturn.
Committee Services	22	Additional staff appointed ahead of implementing the new Committee Structure Governance Model.
General Property Expenses	(38)	Reduced work plan due to COVID-19
Staines Town Centre Mgt	90	No significant change since previous quarter.
Information Technology	(63)	No significant change since previous quarter.
<b>Total significant net variances</b>	<b>133</b>	

### Deputy Leader - Portfolio

Spend Area	Variance £'000	Comment
Asset Mgt Administration	(32)	Change since last quarter - £92k recharges from Knowle Green Estates
Development Properties	1,256	This relates to costs of properties awaiting development mainly Elmsleigh Centre Multi Storey, Hannover House & Thameside House. These relate in large part to large charges for Business Rates. These Business Rates charges are currently under appeal with the Valuation Office. This represents a worst-case scenario but are included at this stage based on prudence. £224k relates to costs in respect of the Waterfront project that were capitalised pending development by SBC, now that this site is being developed by a third party, these costs have been removed from capital expenditure.
Planned maintenance	(208)	Work delayed due to COVID-19. A request has been made to roll the underspend forward to 2021/22 for use on the Sunbury Swimming Pool Hall planned maintenance.
<b>Total significant net variances</b>	<b>1,016</b>	

### Finance - Portfolio

Spend Area	Variance £'000	Comment
Accountancy	50	Major change since last period - £27k savings in software
Bad Debt provision	224	Being clear down of previous bad debt provisions and to strengthen the balance sheet ahead of potential COVID-19 economic impacts.
<b>Total significant net variances</b>	<b>274</b>	

### Leisure & New Leisure – Portfolio

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
Spelthorne Leisure Centre	515	Support package for Spelthorne Leisure Centre. This loss of income is reduced by COVID-19 Grant of £189k which is shown elsewhere in the Budget.
Public Health	66	No change since last quarter
<b>Total significant net variances</b>	<b>581</b>	

### Communications, Corporate Management & Environment– Portfolio

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
Corporate Management	536	Additional £391k for KPMG audit and legal fees. £71k brokers fees. £30k High Street recovery fund, £27k for COVID-19 expenditure.
Facilities Management	(180)	Reduce costs due to home working.
Insurances	(126)	Significant savings on insurance premiums.
Project Management	(90)	Reduced staffing costs and delayed projects because of the pandemic.
Environmental Protection Act	(45)	£39k savings in pollution control monitoring
<b>Total significant net variances</b>	<b>95</b>	



### Community Wellbeing & Housing- Portfolio

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
SPAN	(44)	No significant change since last quarter
Com Care Admin	(89)	No significant change since last quarter
Day Centres	54	Significant change from last quarter due to reduced staffing costs.
Meals on Wheels	(26)	Additional net income
SAT	38	No significant change since last quarter
People & Partnerships	(45)	Reduced expenditure and delay in delivering the community connector project.
Housing Needs	88	No significant change since last quarter
Homelessness	125	No significant change since last quarter
Housing Benefit Admin	(66)	No significant change since last quarter
Housing Benefit Payments	(77)	No change since last quarter
<b>Total significant net variances</b>	<b>(42)</b>	

### Compliance, Waste and Risk Management- Portfolio

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
Car Parks	1,030	Income is lower than budgeted due to COVID-19 pandemic & lower business rates, offset by savings in staff costs and expenses.
Cemeteries	(113)	Burials higher than budgeted due to an increase in number of deaths
Community Safety	(74)	No significant change since last quarter.
DS Manage. and Support	(66)	Reduced income as the contract with Runnymede has ended, offset by unfilled staff vacancies, and increase penalty notice income.
Licensing	(27)	Savings in staff costs.
Street Cleaning	(101)	Due to staff savings and reduced vehicle running costs
Staines Market	193	No significant increase from last quarter.
Taxi Licensing	27	No significant change from last quarter.
Waste Recycling	222	No significant change from last quarter.
<b>Total significant net variances</b>	<b>1,091</b>	

### Planning and Economic Development - Portfolio

<b>Spend Area</b>	<b>Variance £'000</b>	<b>Comment</b>
Building Control	75	Significant change from last quarter is an additional £20k savings in employee costs
Economic Development	27	Additional £42k funding from local LEP and staff cost savings,
Planning Development	(543)	No significant difference from last quarter
Planning Policy	100	Overspend on local plan, reduced income and higher than anticipated staff costs.
Public Halls	25	No significant change since last quarter
<b>Total significant net variances</b>	<b>(316)</b>	

## 2.2. Net Asset Income (Commercial and Regeneration Assets)

The table below shows the latest monitoring position for the acquired assets, the net income is used to meet additional expenditure resulting from reduced government grant, Surrey County Council funding and other pressures.

<b>Commercial and Regeneration Assets (Net Income)</b>	<b>Revised Budget £'000</b>	<b>Forecast Outturn £'000</b>	<b>Variance £'000</b>
<b>Rental Income</b>	-53,006	-52,185	821
<b>Loan Interest Payable</b>	24,035	24,351	316
<b>Minimum Revenue Provision</b>	11,903	11,903	0
<b>Sinking Funds</b>	5,814	5,363	-451
<b>Set Asides for specific revenue purposes</b>	1,130	630	-500
<b>Net Income (used to fund Revenue budget)</b>	<b>-10,124</b>	<b>-9,938</b>	<b>186</b>

2.3. It can be seen in the table below that the Council places a significant amount of the income earned into sinking funds (£5.814m) to cover future changes in circumstance, such as capital refurbishments or rent-free periods and applied £1.066m during the year, increasing our reserves by £4.748m. There is also an internal interest credit of £615k, which has been added to the £5.814m in the table below.

<b>Proposed Allocation to Reserves</b>	<b>Balance 31/03/20 £'000</b>	<b>Additions 2020/21 £'000</b>	<b>Applied 2020/21 £'000</b>	<b>Balance 31/03/21 £'000</b>
<b>Total</b>	<b>20,510</b>	<b>6,429</b>	<b>-1,066</b>	<b>25,873</b>

## 2.4 Project Delivery Fund Contributions

This Project Delivery Fund provides funding for two separate projects: -

- A sum of £0.9m was set aside for a Green Belt Fighting Fund currently none of this funding has been required and it is anticipated that this provision will be carried forward into the next financial year for the same purpose.
- The balance of the Fund £0.497m (£1.397m minus £0.9m) was set aside before the impact of COVID-19 occurred, to be allocated by Cabinet to support several specific projects. Following the start of the Pandemic, it was then decided to retain the funding to offset any net financial impact from COVID-19. At this current time, it appears that the financial position of the Council is such that these funds could be considered for release for other projects. The Administration at the Council meeting on 22nd March indicated that it wished to appropriate the £0.497m to an earmarked reserve to be available in 2021-22 to

enhance the Green/Climate Charge Initiatives budget provision of £0.25m.

If Cabinet confirm both above transfers to reserves then the total net transfers to reserves will be as follows:

- Sinking Funds Net Contributions £5.363m
- CIL,S106 £2m
- Green Belt/Special Projects £1.497m

The above would equate to a total addition to reserves of £8.86m

## 2.5 Retained Business Rates

We have received an additional £0.538m in business rate support in the year and in line with previous years, we would recommend that Cabinet approved the transfer of these funds to the Business Rates Equalisation Reserve to cover our expected short fall next year, as show in the recent budget modelling exercise.

If Cabinet confirm this transfer, then the total in the Business Rate Equalisation Reserve will increase to £4.7m.

By approving all the recommendations above, the total useable reserves will be £55m at the end of the financial year.

## 2.6 Impact on the Council's Cash Flow because of COVID-19

There is a concern amongst Billing Authorities (i.e., the borough and district councils who raise the bills) about the extent to which COVID-19 reduces the cash collected in respect of Council Tax and Business Rates. As many Billing Authorities only retain a small proportion of, with the majority collected being paid to preceptors. The concern is as precepts were set well before the start of the financial year, prior to the onset of COVID-19 collection rates will be significantly below expectation as the finances of residents and local businesses are impacted. As precept payments to Surrey County Council, Surrey Police and the Government were set in line with statute the gearing effect will reduce the Spelthorne's cashflow. The impact of this is shown in the table above under Other Adjustments. The impact is £0.629m, which comprise a loss of interest receivable of £0.398m because of lower interest rates and additional short-term borrowing costs of £0.231m.

2.7 The Council Tax and Business Rates collection rate stand at 96.7% and 85.43%. (note this is the in-year figure for business rates as at 31 March, subsequent to the year end a large business rates debt paid £2.6m which improved the collection rate to 95.86%) respectively. These final collection rates represent a considerable improvement on earlier projections. These lower collection rates had some impact on the Council's borrowing costs in 2020/21. This could give rise to deficits on the Collection Fund for both Council Tax and Business Rates which are apportioned between SBC and the preceptors. As deficits must be met from future budgets, this places additional pressure on the budget setting process for 2021-22. The Council is monitoring

collection rates closely, to assess the risks. Government has advised that they will be flexing the regulations to enable Collection Fund deficits to be spread over 3 years, rather than 1 year as at present and 75% of “irrecoverable” collection fund losses will be reimbursed by Government.

- 2.8 **Charges to Knowle Green Estates Ltd-** Knowle Green Estates is a wholly owned company set up to meet the housing needs of residents including affordable rented and private rented accommodation and key worker homes. The company does not directly employ any staff and the services provided by the Council are provided at cost. The company is at an early stage in its development cycle and it would not be appropriate at this time to take on the burden of fixed overhead costs until it becomes more mature.
- 2.9 In 2020/21 the estimated charges made to Knowle Green Estates for services provided by the Council are set out in the table below.

<b>Spelthorne Charges for Services to Knowle Green Estates Ltd</b>		
	<b>2020/21 Budget £000's</b>	<b>2020/21 Actual Outturn at March £000's</b>
<b>Charges for Commissioned Work</b>		
Senior Management	9,700	9,700
Property Team	70,600	93,500
Finance	5,500	9,100
Housing	3,500	5,800
Legal	12,000	12,300
<b>Total of Commissioned Work</b>	<b>101,300</b>	<b>130,400</b>
<b>Debt Financing Costs</b>		
Loan Interest*	101,320	101,320
Loan Repayment*	45,780	46,780
<b>Total to be recharged by Spelthorne</b>	<b>248,400</b>	<b>278,500</b>

Table Note \* Debt financing for assets transferred from Spelthorne Borough Council to Knowle Green Estates Ltd.

#### 2.10 **2020/21 Pay Award**

Additional Provision been included within the budget to allow for the backdated pay award, relating to the 0.25% by which the national pay award exceeded the local Spelthorne pay award, which has been agreed by the Council at an estimated cost of £40,000.

#### 2.11 **Carry Forwards**

Appendix C lists Revenue Carry Forward Requests totalling £453k relating to service underspends request to be carried forward to be applied for the

specific purposes set out in the appendix. The largest single requested carry forward is a £208k managed underspend on Planned Maintenance Budget to be used in 2021-22 to help fund the cost of the repair works to the swimming pools at Sunbury Leisure Centre.

### **3. Financial implications**

3.1. Financial implications are as set out within the report and appendices and are subject to the final audit.

### **4. Other considerations**

4.1. There are none.

### **5. Timetable for implementation**

5.1. Monthly financial monitoring reports are produced for Management team.

**Background papers: None**

**Appendices:**

**Appendix A – Net Revenue Budget Monitoring in aggregate at 31-3-21**

**Appendix B – Net Revenue Budget Monitoring by expenditure and income at 31-3-21**

**Appendix C – List of carry forward requests for 2020/21 revenue budgets**

**APPENDIX A**

**2020/21 Net Revenue Budget Monitoring  
As at end of 31 MARCH 2021**

	2020/21		2020/21	2020/21	2020/21	2020/21
	Budget		Total	Variance	Variance	Variance
	Original	Revised	Actuals	Covid	Non-Covid	to Revised
	£	£	£			£
Gross Expenditure	62,712,500	59,969,300	58,197,632	1,381,300	(3,152,968)	(1,771,668)
Less Housing Benefit grant	(28,621,000)	(25,621,000)	(23,552,863)	-	2,068,137	2,068,137
Less Specific fees and charges income	(12,040,600)	(12,008,700)	(9,652,003)	1,576,981	779,712	2,356,693
<b>Net Expenditure - broken down as below</b>	<b>22,050,900</b>	<b>22,339,600</b>	<b>24,992,766</b>	<b>2,958,282</b>	<b>(305,120)</b>	<b>2,653,162</b>
Leader of the Council	2,556,200	2,544,200	2,963,024	9,082	409,742	418,824
Deputy Leader	2,419,000	2,419,000	3,466,304	112,045	935,259	1,047,304
Finance	4,389,000	4,434,000	5,635,074	1,053,607	147,468	1,201,074
Community Wellbeing	1,520,700	1,554,900	1,383,361	383,158	(554,698)	(171,539)
Housing	2,318,500	2,383,200	2,250,414	413,603	(546,389)	(132,786)
Leisure Services	48,300	48,300	628,161	626,705	(46,843)	579,861
Compliance, Waste & Risk	4,248,100	4,248,100	5,147,970	1,505,310	(605,441)	899,870
Planning & Economic Development	1,060,100	1,060,100	(147,578)	(1,270,566)	62,888	(1,207,678)
Communications & Corporate Management	2,222,400	2,285,500	2,420,358	106,301	28,557	134,858
Environment	1,268,600	1,362,300	1,245,678	19,039	(135,661)	(116,622)
<b>NET EXPENDITURE AT SERVICE LEVEL</b>	<b>22,050,900</b>	<b>22,339,600</b>	<b>24,992,766</b>	<b>2,958,284</b>	<b>(305,118)</b>	<b>2,653,166</b>
Salary expenditure - Vacancy monitoring	(300,000)	(300,000)	-	-	300,000	300,000
2020/21 Pay Award Settlement	-	-	-	-	-	-
<b>NET EXPENDITURE</b>	<b>21,750,900</b>	<b>22,039,600</b>	<b>24,992,766</b>	<b>2,958,284</b>	<b>(5,118)</b>	<b>2,953,166</b>
<b>NET EXPENDITURE</b>	<b>21,750,900</b>	<b>22,039,600</b>	<b>24,992,766</b>	<b>2,958,284</b>	<b>(5,118)</b>	<b>2,953,166</b>
Covid-19 Supplementary Estimate		2,200,000		(2,200,000)		(2,200,000)
Asset Acquisition Income	(53,006,200)	(53,006,200)	(52,185,366)	-	820,834	820,834
Interest Payable-Long Term	24,034,600	24,034,600	24,350,606	-	316,006	316,006
Minimum Revenue Provision	11,902,900	11,902,900	11,902,900	-	-	-
Refurbishments Reserve Contributions	5,814,000	5,814,000	5,362,843	-	(451,157)	(451,157)
Asset Supervision Costs	1,130,000	1,130,000	630,000	-	(500,000)	(500,000)
Project Delivery Fund Contributions	1,397,400	1,397,400	0	-	(1,397,400)	(1,397,400)
Interest Receivable	(1,340,000)	(1,340,000)	(1,852,106)		(512,106)	(512,106)
Interest Payable-Short Term	200,000	200,000	195,000		(5,000)	(5,000)
Revenue Contributions to Capital Outlay	750,000	750,000	2,857,065	-	2,107,065	2,107,065
Other transfers to reserves			2,000,000		2,000,000	2,000,000
<b>BUDGET REQUIREMENT</b>	<b>12,633,600</b>	<b>15,122,300</b>	<b>18,253,708</b>	<b>758,284</b>	<b>2,373,124</b>	<b>3,131,408</b>
Baseline NNDR Funding	(3,000,000)	(3,000,000)	(3,538,199)	-	(538,199)	(538,199)
Non Ring-fenced Grants	(800,000)	(800,000)	(1,541,423)	-	(741,423)	(741,423)
Covid-19 Support Grant	-	0	(4,533,494)	(4,533,494)	-	(4,533,494)
New Homes Bonus	(551,100)	(551,100)	(551,056)		44	44
Contributions from developers			(2,809,914)		(2,809,914)	(2,809,914)
<b>NET BUDGET REQUIREMENT</b>	<b>8,282,500</b>	<b>10,771,200</b>	<b>5,279,622</b>	<b>(3,775,210)</b>	<b>(1,716,368)</b>	<b>(5,491,578)</b>
2019/20 Revenue carry forward	0	(204,200)	(255,207)	-	(51,007)	(51,007)
General Fund Reserves- Supplementary Estimate		(2,272,700)		2,272,700	-	2,272,700
Collection Fund Surplus/(deficit)	(63,000)	(63,000)	(63,000)	-	-	-
Income from Council Tax	(8,219,500)	(8,219,500)	(8,219,429)	-	71	71
<b>Net Position</b>	<b>-</b>	<b>11,800</b>	<b>(3,258,014)</b>	<b>(1,502,510)</b>	<b>(1,767,304)</b>	<b>(3,269,814)</b>

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REVENUE MONITORING 2020/21						
EXPENDITURE AND INCOME SUMMARY 31 MARCH 2021						
Results to 31-Mar-21	Budget		Actual YTD	Covid-19 Variance	Non-Covid-19 Variance	Total Variance to Revised
	Original	Revised				
	£	£	£	£	£	£
<b>Leader of the Council</b>						
Employees	2,010,400	2,010,400	2,151,404	881	140,123	141,004
Other Expenditure	1,258,100	1,246,100	973,274	30	(272,856)	(272,826)
Income	(712,300)	(712,300)	(161,654)	8,165	542,481	550,646
	<b>2,556,200</b>	<b>2,544,200</b>	<b>2,963,024</b>	<b>9,076</b>	<b>409,748</b>	<b>418,824</b>
<b>Deputy Leader</b>						
Employees	1,237,200	1,237,200	1,156,630	15,577	(96,147)	(80,570)
Other Expenditure	1,818,400	1,818,400	2,432,626	99,622	514,604	614,226
Income	(636,600)	(636,600)	(122,953)	(3,150)	516,798	513,647
	<b>2,419,000</b>	<b>2,419,000</b>	<b>3,466,304</b>	<b>112,049</b>	<b>935,255</b>	<b>1,047,304</b>
<b>Finance</b>						
Employees	4,140,700	4,140,700	4,069,451	0	(71,249)	(71,249)
Other Expenditure	628,800	673,800	842,582	9,838	158,944	168,782
Income	(380,500)	(380,500)	723,041	1,043,774	59,767	1,103,541
	<b>4,389,000</b>	<b>4,434,000</b>	<b>5,635,074</b>	<b>1,053,612</b>	<b>147,463</b>	<b>1,201,074</b>
<b>Communications &amp; Corporate Management</b>						
Employees	1,131,100	1,176,100	1,066,520	22,253	(131,833)	(109,580)
Other Expenditure	1,131,300	1,149,400	1,401,459	80,771	171,288	252,059
Income	(40,000)	(40,000)	(47,622)	3,279	(10,900)	(7,622)
	<b>2,222,400</b>	<b>2,285,500</b>	<b>2,420,358</b>	<b>106,303</b>	<b>28,555</b>	<b>134,858</b>
<b>Community Wellbeing</b>						
Employees	2,087,000	2,093,100	1,825,594	13,273	(280,779)	(267,506)
Other Expenditure	845,200	873,300	644,469	7,777	(236,608)	(228,831)
Income	(1,411,500)	(1,411,500)	(1,086,703)	362,109	(37,312)	324,797
	<b>1,520,700</b>	<b>1,554,900</b>	<b>1,383,361</b>	<b>383,160</b>	<b>(554,700)</b>	<b>(171,539)</b>
<b>Leisure Services</b>						
Employees	222,900	222,900	235,887	448	12,538	12,987
Other Expenditure	166,000	166,000	719,300	596,726	(43,425)	553,300
Income	(340,600)	(340,600)	(327,026)	29,531	(15,956)	13,574
	<b>48,300</b>	<b>48,300</b>	<b>628,161</b>	<b>626,705</b>	<b>(46,843)</b>	<b>579,861</b>
<b>Compliance, Waste &amp; Risk</b>						
Employees	5,202,200	5,202,200	5,006,381	18,526	(214,345)	(195,819)
Other Expenditure	3,427,800	3,427,800	3,173,945	0	(253,855)	(253,855)
Income	(4,381,900)	(4,381,900)	(3,032,356)	1,486,783	(137,239)	1,349,544
	<b>4,248,100</b>	<b>4,248,100</b>	<b>5,147,970</b>	<b>1,505,308</b>	<b>(605,439)</b>	<b>899,870</b>
<b>Planning &amp; Economic Development</b>						
Employees	2,014,600	2,014,600	1,940,336	1,457	(75,720)	(74,264)
Other Expenditure	341,800	341,800	520,873	1,212	177,861	179,073
Income	(1,296,300)	(1,296,300)	(2,608,787)	(1,273,235)	(39,253)	(1,312,487)
	<b>1,060,100</b>	<b>1,060,100</b>	<b>(147,578)</b>	<b>(1,270,566)</b>	<b>62,888</b>	<b>(1,207,678)</b>
<b>Housing</b>						
Employees	1,958,000	1,919,000	2,031,336	119,636	(7,300)	112,336
Other Expenditure	31,668,400	28,740,200	26,616,698	391,825	(2,515,327)	(2,123,502)
Housing Benefit grant income	(28,621,000)	(25,621,000)	(23,552,863)	0	2,068,137	2,068,137
Income	(2,686,900)	(2,655,000)	(2,844,757)	(97,857)	(91,900)	(189,757)
	<b>2,318,500</b>	<b>2,383,200</b>	<b>2,250,414</b>	<b>413,604</b>	<b>(546,390)</b>	<b>(132,786)</b>
<b>Environment</b>						
Employees	984,800	984,800	997,312	1,128	11,383	12,512
Other Expenditure	437,800	531,500	391,553	321	(140,268)	(139,947)
Income	(154,000)	(154,000)	(143,187)	17,587	(6,774)	10,813
	<b>1,268,600</b>	<b>1,362,300</b>	<b>1,245,678</b>	<b>19,037</b>	<b>(135,659)</b>	<b>(116,622)</b>
<b>NET EXPENDITURE AT SERVICE LEVEL</b>	<b>22,050,900</b>	<b>22,339,600</b>	<b>24,992,766</b>	<b>2,958,288</b>	<b>(305,122)</b>	<b>2,653,166</b>
Total Employees	20,988,900	21,001,000	20,480,852	193,179	(713,327)	(520,148)
Total Other Expenditure	41,723,600	38,968,300	37,716,780	1,188,123	(2,439,643)	(1,251,520)
Housing Benefit grant income	(28,621,000)	(25,621,000)	(23,552,863)	0	2,068,137	2,068,137
Other Covid-19 Grant Income						
Total Income	(12,040,600)	(12,008,700)	(9,652,003)	1,576,985	779,712	2,356,697
	<b>22,050,900</b>	<b>22,339,600</b>	<b>24,992,766</b>	<b>2,958,288</b>	<b>(305,122)</b>	<b>2,653,166</b>
<b>Total Expenditure</b>	<b>62,712,500</b>	<b>59,969,300</b>	<b>58,197,632</b>	<b>1,381,302</b>	<b>(3,152,970)</b>	<b>(1,771,668)</b>
<b>Total Income</b>	<b>(40,661,600)</b>	<b>(37,629,700)</b>	<b>(33,204,866)</b>	<b>0</b>	<b>2,847,849</b>	<b>4,424,834</b>
<b>Net</b>	<b>22,050,900</b>	<b>22,339,600</b>	<b>24,992,766</b>	<b>1,381,302</b>	<b>(305,122)</b>	<b>2,653,166</b>

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## Carry forward requests 2020/21

GL Code	Account Description	Budget 20/21 £	Spend 20/21 £	Unspent budget £	Amount requested to be carried forward £	Comments	Accountant Comments
318024899	General Grants	222,900	188,250	34,650	34,650		
266014004	Car Parks	610,400			10,600	Additional Annual Maintenance costs for Pay on Foot	Overall Car parks Admin. Budget is underspent
266014002	Car Parks				19,000	Maintenance costs are expected to be higher for Pay & Display machines from 26 to 33	Overall Car parks Admin. Budget is underspent
454035012	Grounds Maintenance	1,686,200			29,000	Additional works relating to remove raised flower beds & create seating area	Overall Grounds maintenance budget is underspent
454034004	Grounds Maintenance				3,400	As above	
315041011	Project Management	17,500	8,115	9,385	9,000	Along with the budget from 31505 it could be put towards temporary assistance to help develop our climate change strategy and action plan as resources between Mark Rachwal and Sandy Muirhead are extremely stretched at the moment. This would then set us up to implement projects to move us towards carbon neutral and with Siraj Choudhury's leaving a possible new structure with an extra project officer resource could then ensure climate change (and other corporate projects) are implemented in positive structured manner - in line with the requirements to improve our project management overall.	
315051011	Data Capture	42,500	1,202	41,298	40,000	As above	
301034960	Better Neighbourhood Grants	62,900	48,637	14,263	14,263	Every year cllrs are allocated £1000 to be used on good causes around the borough. This year an additional £500 per cllr was allocated due to the COVID pandemic. Underspend for 20/21 has been agreed in Cabinet to be given to the main Grants budget	
301034979	People & Partnership Other Expenses	41,900	574	41,326	41,000	Both budgets are requested to be carried forward to fund the Leisure Centre Contract Project Manager proposal which has recently gone to MAT.	
317024941	Research & Consultation - Citizens Panel	22,400	-	22,400	9,000		
315044401	Climate change provision	25,000	1,965	23,035	23,000	We have set up a couple of projects under the Task Group one of which is complete (carbon footprint) but others ongoing and will be completed in the next financial year. We will also need a bit of funding to seed corn projects with business cases and feasibility assessment that we may then wish to fund under the green initiatives fund. Hence the request to carry forward	
301235012	Audit External Contract	35,500	-	35,500	12,000	Request to carry forward the budget for ICT Audit provision (Audit Contractor)	
115992001	Planned Maintenance	1,284,100	1,075,975	208,125	208,125	This is the underspend of the Planned & Reactive maintenance budget 2020/21 - to fund Sunbury Swimming Pool Reconfiguration Works	
						<b>453,038</b>	

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# Cabinet

19 May 2021



<b>Title</b>	<b>Capital Monitoring Report 2020/21 – 31 March 2021</b>
<b>Purpose of the report</b>	To note the report
<b>Report Author</b>	Paul Taylor – Chief Accountant
<b>Cabinet Member</b>	Councillor Sati Buttar
<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability
<b>Recommendations</b>	<b>Cabinet is asked to note the current level of actual spend, committed spend and projected underspend capital expenditure in 2020/21 as at 31 March 2021.</b>
<b>Reason for Recommendation</b>	<b>Not applicable</b>

## 1. Capital Expenditure to 31 March 2021 and Outturn for 2020/21

- 1.1 Following discussions with a number of Councillors and reviewing reports submitted by other similar districts and boroughs, we present our streamlined report for the year to 31 March 2021 (Please see notes section below).
- 1.2 Attached as Appendix A & B is the agreed capital budgets, cumulative actual spend to date, projected outturn and variance between budget and outturn.
- 1.3 Appendix A provides a summary for capital schemes by portfolio and Appendix B provides a detailed summary of the progress against each capital scheme from inception.
- 1.4 For the period up to 31 March 2021, there is an under spend of (£19.8m) on the Council approved £298.7m Capital Programme for 2020/21. Actual capital expenditure to the end of March is £51.2m, with a projected outturn of £278.9m.
- 1.5 There have been some delays in the overall progress of capital schemes in 2020/21 which inevitably occurs as part of a development programme with contractors, this has been magnified by the impact of COVID-19, for example reducing the number of tradespeople who can safely work on site at any one time, which the Council have been actively monitoring. A number of projects scheduled to be completed by 31 March 2021, have been rolled over into 2021/22 in accordance with our constitution.
- 1.6 The decision to pause three Staines-upon-Thames development schemes made at the Extraordinary Cabinet meeting on 21 January will result in delays in obtaining approval for planning permission and this will make it

difficult for some schemes to progress in line with the budget. Once the planning outcomes are known, officers will revise the Outturn projections accordingly.

- 1.7 Any significant variances over £50k or over 20%, whichever is the higher between budget and the latest outturn projections are highlighted below.

1.8 **Councillor Attewell – Community Wellbeing and Housing**

No significant change since last quarter and nothing to report.

1.9 **Councillor Barratt – Compliance, Risk and Waste**

No significant change since last quarter and nothing to report.

1.10. **Councillor Chandler – Leisure Services, Leisure Centre Development**

No significant change since last quarter and nothing to report.

1.11 **Cllr McIlroy - Deputy Leader, Housing Regeneration**

A projected overspend of £3.0m against the original budget on Benwell House Phase I as the original design was changed from 39 to 55 units, to include more two-bedroom apartments in order to align with our housing policy.

An underspend of (£5.0m) on building improvements was not utilised and monies released.

Current expenditure on the White House Residential scheme is delayed until after approval of the Local Plan later in the year. In the event that the project is stopped, all costs to date will be written back to the revenue account.

An estimated overspend of £100k in respect of West Wing as a result of subsequent requests for SULO bins and arc fault detections.

An estimated overspend of £250k in respect of White House Hostel due to an increased specification including a fire sprinkler system.

An estimated overspend of £1.47m in respect of Ashford Victory Place Residential scheme due to delays caused by the pandemic and planning committee decisions for enhanced energy efficiency over and above planning policy requirements.

1.12 **Councillor Boughtflower – Leader**

As reported in Q3 after accounting for the miscoding, there was an underspend of (£19.3m), which is being released.

1.13 **Councillor Noble – Communications, Corporate Management & Environment**

No significant change since last quarter and nothing to report.

## 2. **Financial implications**

- 2.1 Once completed, any underspend on the approved Capital Programme enables the authority to invest the monies to gain additional treasury management investment income or can be used to fund additional schemes.

### **3. Notes**

- 3.1 The cumulative period covers from 1 April 2017 through to 31 March 2021 (four financial years).
- 3.2 Revised Budget – represents the aggregate of the original and any supplementary budgets approved by Council for this capital project.
- 3.3 Actual expenditure – represents cumulative expenditure to date for the capital project.
- 3.4 Outturn Projections – represents officers best estimate of likely Outturn of the project and includes all known variations to the approved budget at the time of the report.
- 3.5 Variance – represents the difference between 3.2 and 3.4 above with explanations.

### **4. Timetable for implementation**

- 4.1 Monthly monitoring reports are prepared for Management team which incorporate regular updates on the progress of capital schemes.

#### **Background papers:**

**Appendix A – Summary Capital Monitoring Report at 31 March 2021**

**Appendix B - Detailed Capital Monitoring Report at 31 March 2021**

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## CAPITAL MONITORING REPORT AT 31 MARCH 2021

Portfolio Member	REVISED BUDGET	ACTUALS Cum/YTD	PROJECTED OUTTURN	BUDGET v OUTTURN VARIANCE
Cllr Attewell - Community Wellbeing & Housing	1,024,800	896,055	896,055	(128,745)
Cllr Barratt - Compliance, Waste & Risk	780,500	263,821	755,295	(25,205)
Cllr Chandler- Leisure Services, Leisure Centre Development	40,420,000	1,949,340	40,420,000	-
Cllr McIlroy- Deputy Leader, Housing Regeneration	235,637,900	47,149,383	235,234,388	(403,512)
Cllr Boughflower - Leader	20,000,000	692,518	692,518	(19,307,482)
Cllr Noble - Corporate Management	808,600	296,873	907,312	98,712
<b>GRAND TOTAL INCL. HOUSING IMPROVEMENT PROGRAMME</b>	<b>£298,671,800</b>	<b>£51,247,990</b>	<b>£278,905,568</b>	<b>-£19,766,232</b>

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## CAPITAL MONITORING REPORT AT 31 MARCH 2021

Portfolio Member / Service Head	Cost Centre	Description	Revised Cumulative Budget 2020/21	Actuals Cumulative	Projected Outturn Cumulative	Budget v Outturn variance	Comments
<b><u>Housing Investment Programme</u></b>							
<b><u>Clr Attewell - Community Wellbeing &amp; Housing</u></b>							
Deborah Ashman & K Sinclair	40203	Disabled Facilities Mandatory - annual	943,200	849,905	849,905	(93,295)	Residual capital grant to be used to cover adaptation costs incurred in White House, Harper House & West Wing development projects
Deborah Ashman & K Sinclair	40204	Disabled Facilities Discretion - annual	29,600	5,304	5,304	(24,296)	
<b>Net Cost of Disabled Facilities Grants</b>			<b>£972,800</b>	<b>£855,209</b>	<b>£855,209</b>	<b>-£117,591</b>	
<b>Total For HIP</b>			<b>£972,800</b>	<b>£855,209</b>	<b>£855,209</b>	<b>-£117,591</b>	<b>972,800</b>
<b><u>Other Capital Programme</u></b>							
<b><u>Clr Attewell - Community Wellbeing &amp; Housing</u></b>							
Sandy Muirhead	42015	Landlord Guarantee Scheme	-	-	-	-	Please refer to the 'Qtr 3 Dec.20'
<b>Total</b>			<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	
Deborah Ashman & K Sinclair	41038	Upgrade treatment rooms	12,000	8,346	8,346	(3,654)	Please refer to the 'Qtr 3 Dec.20'
Deborah Ashman & K Sinclair	41039	Fordbridge Minibus	40,000	32,500	32,500	(7,500)	Please refer to the 'Qtr 3 Dec.20'
<b>Total</b>			<b>£52,000</b>	<b>£40,846</b>	<b>£40,846</b>	<b>-£11,154</b>	
<b><u>Clr Barratt - Compliance, Waste &amp; Risk</u></b>							
Jackie Taylor	41502	Refuse/Recycling Vehicles	129,000	37,525	129,000	-	The balance of budget has been requested to be carried forward into 21-22. The delivery is expected by end of May 2021 as delayed due to pandemic
Jackie Taylor	41504	EV Pool Vehicles/Bikes	-	851	851	851	Please refer to the 'Qtr 3 Dec.20'
Jackie Taylor	41508	Waste Vehicle	300,000	-	300,000	-	Please refer to the 'Qtr 3 Dec.20'. Budget has been requested to be carried forward into 21-22. Delivery of the Vehicles has been delayed due to worldwide pandemic. Expected delivery by May/June 2021
Jackie Taylor	41605	Solar PV of White House Depot	-	11,016	11,016	11,016	The project has been completed and funded through external source 'Enterprise M3'
Jackie Taylor	41609	Replacement Spelride Bus	100,000	-	100,000	-	Please refer to the 'Qtr 3 Dec.20'. Currently, all the options are being explored including an electric or hydrogen bus. An order is expected to be placed by end of December and delivery by early January 2022.
Jackie Taylor	41612	Recycling Bins	27,000	27,123	27,123	123	Project has been completed

## CAPITAL MONITORING REPORT AT 31 MARCH 2021

Portfolio Member / Service Head	Cost Centre	Description	Revised Cumulative Budget 2020/21	Actuals Cumulative	Projected Outturn Cumulative	Budget v Outturn variance	Comments
Jackie Taylor	<a href="#">41620</a>	Wheelee Bins	50,000	51,207	51,207	1,207	Project has been completed
Jackie Taylor	<a href="#">42027</a>	Domestic Home Energy	30,000	2,285	2,285	(27,715)	Please refer to the 'Qtr 3 Dec.20'
Jackie Taylor	<a href="#">41621</a>	CCTV Enhancement	120,000	133,813	133,813	13,813	Project has been completed. Overspends are funded through Section 106
		<b>Total</b>	<b>£756,000</b>	<b>£263,821</b>	<b>£755,295</b>	<b>-£705</b>	
Lee O'Neil	<a href="#">41314</a>	Air Quality	24,500	-	-	(24,500)	Please refer to the 'Qtr 3 Dec.20'
		<b>Total</b>	<b>£24,500</b>	<b>£0</b>	<b>£0</b>	<b>-£24,500</b>	
<b><u>Cllr Chandler- Leisure Services, Leisure Centre Development</u></b>							
Heather Morgan	<a href="#">41024</a>	SpelthorneLeisurCenDevelopment	40,420,000	1,949,340	40,420,000	-	Planning submitted early December 2020 and forecast to go to Planning Committee May 2021. Construction tender returns due 26 April. Works on site are currently anticipated to start towards the end of 2021.
		<b>Total</b>	<b>£40,420,000</b>	<b>£1,949,340</b>	<b>£40,420,000</b>	<b>£0</b>	
<b><u>Cllr McIlroy- Deputy Leader, Housing Regeneration</u></b>							
Heather Morgan	<a href="#">41015</a>	Runnymede Estates	55,600	15,434	55,600	-	New air conditioning unit at the Whitehouse Depot acquired in year.
Heather Morgan	<a href="#">41026</a>	Laleham Park Upgrade	248,300	28,021	248,300	-	Planning consent obtained and Natural England licences secured for re-roosting of bats. Tender returns for the main construction contract have come in ahead of budget and value engineering is currently taking place.
Heather Morgan	<a href="#">41622</a>	Affordable Housing Opportunity	-	-	-	-	
Heather Morgan	<a href="#">42010</a>	KG Car Park Improvements	44,000	4,315	44,000	-	Scope of works agreed with Leader, Deputy and MAT. Phase 1 works to the front of the Council Offices are now complete. Phase 2 (resurfacing of car park area) of works have been suspended by MAT due to budget pressures. Phase 3 (new barriers and Automatic Number Plate Recognition (ANPR)) will be going ahead and tender work to be complete in January. New barriers and ANPR system to be installed in April 2021, and partial reconfiguration of the front visitors to be undertaken in April 2021. Budget to be c.f. to 2021-22 for works to be completed.
Heather Morgan	<a href="#">42034</a>	Community Centre Projects	130,000	82,086	130,000	-	Fordbridge refurbishment work started 4 January 2021 with an expected completion date of late April/May 2021. Overspend to be funded from Repairs & Maint budget. Capital budget to be c.f. to 2021-22.
Heather Morgan	<a href="#">41328</a>	Ashford MSCP		40,005	40,005	40,005	Instruction to finalise procurement of team to for a cost effective non basement scheme. Budget requested to be revised in capital programme to 2021-22.
Heather Morgan	<a href="#">42039</a>	Bugle	50,000	5,565	38,000	(12,000)	Project complete. Retention being held until final works completed. The contractor has ceased trading and Assets are in discussions with their Administrators over outstanding works and liquidated damages for delay.
Heather Morgan	<a href="#">42041</a>	Churchill	-	-	-	-	Project complete.

## CAPITAL MONITORING REPORT AT 31 MARCH 2021

Portfolio Member / Service Head	Cost Centre	Description	Revised Cumulative Budget 2020/21	Actuals Cumulative	Projected Outturn Cumulative	Budget v Outturn variance	Comments
Heather Morgan	42042	Benwell House 1	8,100,000	11,221,650	11,100,000	3,000,000	Original design increased from 39 to 55 units, with more 2 bedroom apartments to align with housing strategy. Currently making a claim for liquidated damages from the builder.
Heather Morgan	42051	Building Improvements	5,000,000	-	-	(5,000,000)	This budget is for general projects and nothing has been identified as of March 2021. Budget to be released and not carried forward.
Heather Morgan	42052	Whitehouse	680,000	378,483	378,483	(301,517)	Expenditure in year relates to project manager time. Current expenditure on the White House is delayed until after approval of the Local Plan later in the year. In the event that the project is stopped, all costs to date will be written back to the revenue account.
Heather Morgan	42054	Thameside House	79,800,000	1,246,817	79,800,000	-	Planning application submitted in March 21. Planning decision inabeyance until mortatorium lifted. Demo in delay until planning approval with construction budgets at risk due to ongoing delays.
Heather Morgan	42055	West Wing	5,800,000	5,016,899	5,900,000	100,000	Construction and project completion expected mid May '21.with a £100k over spend as a result of subsequent requests for SULO bins, arc fault detections and conversion of one three bedroom unit for disability adaption.
Heather Morgan	42056	Whitehouse Hostel	4,500,000	3,902,594	4,750,000	250,000	Construction started Q1 2020 with project completion end May 2021. However, due to COVID-19 and the upgrade of spec to include sprinklers, the programme for PC has slipped to mid June 2021. Partial grant funding provided by Homes England (£2m).
Heather Morgan	42057	Victory Place Ashford Residential	25,930,000	1,288,709	27,400,000	1,470,000	Application withdrawn in March 20 and revised application for 127 units registered 4 August 2020. Planning Committee deferred planning decision from January to June 2021 meeting. Over spend due to delays caused by the pandemic and planning committee decisions for enhanced energy efficiency over and above planning policy requirements.
Heather Morgan	42058	Waterfront	-	-	-	-	As hotel is being developed by a third party, all 'pump prime' costs are now treated as revenue costs
Heather Morgan	42060	Oast House	85,750,000	21,225,015	85,750,000	-	Final payment for site made in October (£9.5m). Design/feasibility work underway. Current planning application submission target date delayed due to moratorium. Also, need to establish concept with the LPA.
Heather Morgan	42062	Harper House Redevelopment	3,450,000	2,301,858	3,500,000	50,000	Main contractor on site progressing works - Project ongoing with a target completion of June 2021. Partial grant funding provided by Homes England (£850k). Over spend due caused by the pandemic and additional costs of furnishings and internet services.
Heather Morgan	42063	Elmsleigh Centre	8,000,000	372,981	8,000,000	-	For the regeneration of the Elmsleigh Centre, including Tothill car park & William Hill. Current forecast includes fee spend for designs and feasibility. Progressing mixed use scheme for William Hill/Vodafone and circa 290 resi unit mixed use scheme for Tothill car park. Progression of development plans linked with car parking expansion within the town centre.
Heather Morgan	42064	Block E, London Road, Staines	8,100,000	18,951	8,100,000	-	Cabinet approved acquisition. Berkeley had put on hold due to viability/Covid-19 situation although groundworks have recently commenced. Awaiting confirmation when they will be ready to progress the transaction.
Keith McGroary	41619	Small Scale Area Regeneration	-	-	-	-	Project complete
			<b>Total</b>	<b>£235,637,900</b>	<b>£47,149,383</b>	<b>£235,234,388</b>	<b>-£403,512</b>
<b>Cllr Boughtflower - Leader</b>							
Heather Morgan	42038	Acquisition of Assets	20,000,000	692,518	692,518	(19,307,482)	Only one small acquisition for regeneration purposes made during year. Provision not being carried forward
			<b>Total</b>	<b>£20,000,000</b>	<b>£692,518</b>	<b>£692,518</b>	<b>-£19,307,482</b>
<b>Cllr Noble - Corporate Management</b>							

## CAPITAL MONITORING REPORT AT 31 MARCH 2021

Portfolio Member / Service Head	Cost Centre	Description	Revised Cumulative Budget 2020/21	Actuals Cumulative	Projected Outturn Cumulative	Budget v Outturn variance	Comments
Jodie Hawkes	43601	SCP Portal	1,500	1,811	1,811	311	Please refer to 'Qtr 3 Dec.20'. The budget should have been £15,000. The balance of the budget has been requested to be carried forward due to legislation changes.
Jodie Hawkes	43602	Centro Upgrade - Integra	30,000	-	30,000	-	The project is expected to start in November 21 and likely to be completed by end of January 2022.
Alistair Corkish	43603	Training Room	15,000	12,180	12,180	(2,820)	The project has been completed
Alistair Corkish	43604	Leisure Board	15,000	-	15,000	-	The budget has been requested to be carried forward into next financial year as this has been delayed due to Covid-19
Alistair Corkish	43605	Audiocodes	12,000	12,340	12,340	340	The project has been completed
Alistair Corkish	43625	Customer Portal	10,000	-	10,000	-	The budget has been requested to be carried forward into next financial year as this has been delayed due to Covid-19
Alistair Corkish	43626	Customer Services Contact Cent	40,000	-	40,000	-	The budget has been requested to be carried forward into next financial year as this has been delayed due to Covid-19
Alistair Corkish	43628	Reception Terminals	5,000	4,522	4,522	(478)	The project has been completed
Alistair Corkish	43629	Sharepoint Upgrade	35,000	-	35,000	-	The budget has been requested to be carried forward into next financial year as this has been delayed due to Covid-19
Alistair Corkish	43632	General ICT Equipment	90,000	91,236	91,236	1,236	The project has been completed
Alistair Corkish	43633	Covid-19 ICT Home Working	-	93,259	93,259	93,259	Please refer to the 'Qtr 3 Dec.20'
Alistair Corkish	43634	Webcasting Council Meetings	-	6,864	6,864	6,864	Please refer to the 'Qtr 3 Dec.20'
<b>Total</b>			<b>£253,500</b>	<b>£222,213</b>	<b>£352,212</b>	<b>£98,712</b>	
Sandy Muirhead	42008	Project Lima	27,600	2,728	27,600	-	Please refer to the 'Qtr 3 Dec.20'. A request has been made to carry forward £15,000 into next financial year.
Sandy Muirhead	43501	Forward Scanning	20,000	-	20,000	-	Please refer to the 'Qtr 3 Dec.20'. The project is expected to be completed by end of March 2022.
Sandy Muirhead	43502	Digital Spelthorne	50,000	-	50,000	-	Please refer to the 'Qtr 3 Dec.20'. The project is expected to be completed by end of March 2022.
Sandy Muirhead	43512	Sharepoint redesign & Relaunch	155,000	-	155,000	-	Please refer to the 'Qtr 3 Dec.20'. The project is expected to be completed by end of March 2022.
Sandy Muirhead	43515	Corporate EDMS Project	302,500	71,933	302,500	-	Please refer to the 'Qtr 3 Dec.20'. The project is expected to be completed by end of March 2022.
<b>Total</b>			<b>£555,100</b>	<b>£74,661</b>	<b>£555,100</b>	<b>£0</b>	
<b>Total For Other</b>			<b>£297,699,000</b>	<b>£50,392,781</b>	<b>£278,050,359</b>	<b>£-19,648,641</b>	<b>#</b>
<b>GRAND TOTAL INCL. HOUSING IMPROVEMENT PROGRAMME</b>			<b>£298,671,800</b>	<b>£51,247,990</b>	<b>£278,905,568</b>	<b>£-19,766,232</b>	

# Cabinet

19<sup>th</sup> May 2021



<b>Title</b>	<b>Action Plan for LGA Finance Peer Review Recommendations</b>
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Terry Collier, Chief Finance Officer
<b>Cabinet Member</b>	Councillor Satvinder Buttar
<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability
<b>Recommendations</b>	<p><b>Cabinet is asked to:</b></p> <p><b>1) To approve the draft Action Plan, which will be maintained as a living document</b></p> <p><b>2) To recommend that regular progress updates are provided to the Corporate Policy and Resources Committee</b></p>
<b>Reason for Recommendation</b>	<b>Effective management of its finances underpins everything the Council does. Addressing the Peer Review's recommendations will help support effective financial management.</b>

## 1. Key issues

- 1.1 The Council invited the Local Government Association to undertake a Corporate Peer Challenge review focused on the Council's finances. Peer Reviews involve experienced local government officers, including an experienced chief executive, along with an experienced leader, constructively reviewing opportunities for improvement. This was originally scheduled to take place in spring 2020 but was postponed due to the COVID-19 pandemic. The review was rearranged to be undertaken as the first virtual review of a council in November 2020. The draft report was received in the New Year and the final report issued in late January.
- 1.2 The Peer Review undertook a thorough exercise with the team spending around 300 hours developing its findings and this report. The Review team met a range of officers from across the organisation and at different levels including Chief Finance Officer and Corporate Management Team, Group Heads, Assets Manager, Audit Manager, and a range of councillors including

Leader, Finance Portfolio Holder, Deputy Leaders, Cabinet, Chair of Audit Committee, Chair of Overview and Scrutiny.

- 1.3 The Review team whilst recognising the strong response the Council made to the COVID-19 emergency identified a number of opportunities for improvements which are set out in 26 recommendations, see Appendix A. Some of the recommendations extend beyond purely financial matters, for example the Peer Review team suggested (recommendation 1) that the Council “pause, reflect, align” to refresh its Corporate Strategy and priorities and to become clearer in what it is wishing to prioritise which in turn will drive future budget prioritisation decisions.
- 1.4 The Council is appreciative of the Review and accepts the recommendations. Officers have worked with the Finance Portfolio Holder and Cabinet members to draft an Action Plan addressing each recommendation. For each recommendation responsible lead officers, are identified, along with target implementation timescales, and setting out what success will look like.
- 1.5 Some of the recommendations have already in part been addressed examples being:
  - the Reserves Strategy (part of recommendation 11) was refreshed and considered by both Overview and Scutiny and Cabinet in January 2021 as part of the 2021-22 Budget process.
  - Additional time was built into the Budget process for scrutiny with two sessions at Overview and Scrutiny (recommendations 10, 12. 22)
  - Additional scenario planning built into the Outline Budget process (recommendations 3 and 10)
  - The Medium Term Financial Strategy was refreshed (recommendation 3 and 12) as part of the 2021-22 Budget process
  - Improving the embedding of risk management (recommendation 16) with a refresh of the Corporate Risk Management Policy and Production of an executive summary which will now be rolled out via training across services
  - The reports talks about making clear the Council’s appetite for subsidising social housing, the Administration in January called an Extraordinary Council to set out its aspiration to deliver at least 50% affordable rental units on all the Council’s residential schemes (recommendation 24)
  - Improving the focus on programme management (recommendation 5) with the establishment of the Assets Programme Board which will be a sub-committee of the new Policy and Resources Committee.
- 1.6 Some of the responses to the Review’s recommendations have been aligned with the opportunity created by the move to the new Committee governance system, so for example the associated review of the Council’s Constitution has led to the approval of creating an independent lay member role on the Audit Committee (recommendation 13). Recommendation 15 on the role of the Overview and Scrutiny Committee has to an extent been superseded by the Overview and Scrutiny Committee ceasing to exist under the new Committee system but the issues of engagement of councillors in strategy



and financial decision making and review will be addressed as part of the new committee system.

- 1.7 Some of the budget process related recommendations will necessarily not be fully implemented until the Council next fully goes through a full annual Budget process, so some recommendation responses have a completion target of February 2022. An example is recommendation 22 around consulting with residents on budget options. Officers are working on bringing forward proposals for the 2022-23 Budget process.
- 1.8 On the day the Peer Review completed their initial review work the Council's new Chief Accountant joined the authority. Paul Taylor has an extensive accountancy professional background and will assist the Council in addressing a number of the recommendations particularly around financial reporting. In order to enable the Chief Accountant to effectively contribute towards the development of the Action Plan it was appropriate to allow him some time to settle into his role and gain a better understanding of the challenges and opportunities.
- 1.9 The intention is that the Action Plan will be a living document which will be kept under review and progress will be regularly reported to the Corporate Policy and Resources Committee and to Audit Committee. This will also be aligned with periodical reviews of the Council's CIPFA Financial Management Code Self Assessment document.

## **2. Options analysis and proposal**

- 2.1 The recommended option is for the Cabinet to note the Action Plan and recommend that progress is regularly reported to the future Corporate Policy and Resources Committee.
- 2.2 Alternatively the Cabinet may wish that some of the recommendation responses are further refined.

## **3. Financial implications**

- 3.1 The Action Plan will support the Council's ability to meet the challenges generated by the COVID-19 economic impacts and uncertainties and to ensure that we continue to manage our finances effectively

## **4. Other considerations**

- 4.1 In responding to the recommendations around policy clarity and prioritisation the Council will have regard to Equality impacts and where relevant will undertake Equality Impact Assessments, for example if decisions are made about changing the way services are provided.

## **5. Sustainability/Climate Change Implications**

- 5.1 In addressing recommendations around policy prioritisation, one of the clear priorities will be tackling Climate Change. This was reflected in the 2021-22 Budget with the creation of the £250k Green Initiatives/Climate Change Fund. This fund has subsequently been increased by a further £497k.

## **6. Timetable for implementation**

- 6.1 The Action Plan has a set of target implementation dates.

**Background papers:**

**Appendices:**

**Appendix A : LGA Peer Review Report**

**Appendix B : Draft Action Plan**

# Spelthorne Borough Council

LGA Bespoke Remote Peer  
Support

Feedback Report

January 2021

## Introduction

Spelthorne Borough Council is a district council in Surrey with a population of 99,000 and a net revenue budget of circa £22m. In late 2019 the council requested that the LGA undertake a finance peer challenge in early 2020. A peer team of experts including serving peer officers and a council leader was assembled and planned to deliver the peer challenge in June 2020. This was postponed due to the impact of COVID-19. In July 2020 there was a change of leadership in the council with the election of Cllr John Boughtflower and a shift in the political control to No Overall Control.

When the COVID-19 pandemic emerged and lockdown began in March 2020, the LGA suspended the physical delivery of all peer challenge work including the core offer of a corporate or finance peer challenge. To continue to support councils during this unprecedented period, the LGA refocused their support and adopted a new remote approach, rooted in the principles of peer support and independent challenge for the sector by the sector.

This new approach does not replace the LGA Peer Challenge offer but is designed to be a sector led improvement tool to provide external challenge and recommendations for how a council can continuously improve.

This report summarises the peer team's findings and recommendations for the council to consider for the future. The LGA and the peer team would like to thank everyone involved in setting up the remote peer support from the council and their willingness to participate in this new model of delivering sector led improvement. Throughout this process the council has been well engaged in the process. Participants have been open and thoughtful and our feedback is based on what we have heard, seen and read.

### The peer team

A team of peers was assembled from a wide range of councils and agreed with the council. The peer team for this remote peer support was:

- Nick Tustian, Chief Executive, Eastleigh BC
- Cllr Peter Fleming, Leader, Sevenoaks DC
- Mark Green, Director of Finance & Business Improvement, Maidstone BC
- Helen Seechurn, LGA Financial Improvement and Sustainability Adviser
- Larissa Reed, Executive Director Neighbourhoods and Environment, Southend-on-Sea BC
- Chris Brook, Director of Place and Enterprise, South Hams DC and West Devon BC
- LGA Peer Challenge Manager – Clare Hudson
- LGA Remote Peer Support – Siobhan Coughlan

### The process

Background reading was provided to the peer team in advance. This included a wide range of financial plans, budget reports, financial models and other documents that would allow the peer team to have an understanding of the council's approach to its financial strategy and management. The council drew up a timetable of virtual meetings including focus groups and one to one meetings. This included internal staff, councillors, partners, external audit and other key stakeholders. We have assimilated the evidence we have gathered within five broad themes and recommendations. The council specifically requested peer feedback on its housing and asset management approaches alongside the five themes of finance peer

challenge as set out below. Housing and asset management observations are incorporated within the section on Partnership and Innovation.

The five themes of finance peer challenge are:

- Financial strategy, planning and forecasting
- Decision-making
- Financial culture
- Financial outcomes
- Partnership and innovation

The peer team spent two days undertaking virtual interviews and focus groups and a further day discussing their findings and developing recommendations. Feedback was provided to the council in a remote meeting several days after the interviews ended to allow time for reflection and drafting of findings. The peer team spent around 300 hours developing its findings and this report which equates to one person spending around 40 days in Spelthorne Borough Council (BC).

## 1. Headline Findings and Key Recommendations

The council has shown a strong response to the COVID-19 pandemic including recruiting almost 1,000 community volunteers as well as undertaking over 22,000 welfare calls to residents through its community helpline. The council is rightly proud of this and the response appears to be valued by partners and the community. The council continues its response phase whilst also developing plans for promoting economic recovery and community resilience.

Spelthorne Borough Council has focused on building financial sustainability through undertaking an extensive programme of commercial investment. The council now has a £1 billion investment portfolio of mainly office buildings located near major transport hubs within its economic sub-region. This portfolio generates a significant surplus to the council after contributions to a sinking fund. The contribution to the council's revenue budget is around £10m per annum. The council plans to use this to further its regeneration ambitions including providing more affordable housing.

This commercial approach has been implemented by the council through building the skills and capacity to support this activity, including bringing in external expertise and developing its own capacity.

It is important to note that at the time of writing there are still unresolved external audit matters. The peer team encourage the council to recognise the potential impact on organisational capacity, morale and future financial health if these remains unresolved into 2021. The peer team provide reflections on the five core themes of finance peer challenge and it is not within the remit of this peer support process to reflect on these external audit matters, nor on the council's individual investment decisions.

The peer team propose that the council to take this opportunity to:

**Ensure that there is alignment of key strategies and priorities and that they are supported by a clear and sustainable financial strategy**

**The council may need to: pause – reflect - realign**

This should include:

1. Be clear on your priorities, articulate what non-prioritisation means and how resources are aligned within the finite capacity of the organisation.
2. Understand and manage risk and its impact on future financial performance and sustainability.

The tools for this will be a new corporate plan that aligns commercial, affordable housing, climate action and financial planning. This should be married with a refreshed MTFS including detailed scenario planning. The peer team recognise that progress on this is already underway.

3. Improve capital programme scheme implementation performance and be satisfied that delivery vehicles can successfully realise the scale of ambition.
4. Ensure that effective programme and project management is embedded across the organisation for both capital and revenue spend reflecting internal controls and proportionate risk management.
5. To continue to promote openness and transparency by ensuring decisions are taken at the most appropriate level in accordance with a practical and proportionate scheme of delegation

## 2. The Here and Now

**“We never seem to stop doing anything – we just keep wanting to do more”**

The council’s COVID-19 response and recovery plans represent a new phase for the council and its relationship with its economy and community. This will be an opportunity for the new political leadership to clarify its priorities and put in place resources and actions to deliver them. The new leadership is also cognizant of the impact of the pandemic on organisational resilience and capacity and will need to closely monitor this and its impact on the council’s capacity as it transitions between response and recovery.

The pressures of COVID-19 have inevitably resulted in increased costs for the provision of some additional services. The council is also facing reduced income from fees and charges and like all councils, uncertainty over future income from council tax and business rates as well as commercial income. The S151 officer estimates that the council is facing a budget gap of approximately £2m or 9% of the revenue budget in 2021-22 at the time of the remote peer support. This challenging financial climate will require the council to agree what their options are for managing this, including the delivery of a savings programme and associated transformation in the coming years. This presents a cultural shift in the revenue budget approach and will need rigorous project and programme management and openness and transparency in reporting and decision-making.

### 3. Financial strategy, planning and forecasting

**“There is a sense that because we have assets and investments, we can do anything”**

New political priorities are emerging and being shaped by the new Cabinet. There is an expressed desire to ensure that transparency, openness and risk management are at the heart of decision-making. Alongside this the Cabinet are placing greater focus on Recovery, Affordable Housing, and action on Climate Change. These emerging priorities are all set against the context of economic uncertainty. In responding to these the council will have to ensure that budget setting processes are robust and frequently tested across all areas of spend as the financial challenges of COVID-19 take impact.

The council is confident in its financial forecasting for its revenue budget and there is also confidence that service areas can identify and deliver savings that may be required. However, it was not always clear to the peer team what evidence the council is using as its evidence base for growth or savings. Business case development and usage and wide programme and project management will need to be embedded across *all* service areas. Programme management should reflect the risks the council is exposed to as well as how those risks are managed.

Financial reporting outlines the council's current approach and is being updated to reflect new priorities and the need for action to meet the emerging budget gap. As this develops the council could more simply set out what options it faces. This is an opportunity to model different scenarios ranging from the very optimistic to the extreme worst and openly consider the impacts of these on financial sustainability. This will result in a more consistent consideration of the medium-term budget options for the capital and revenue budgets. The council should continue to regularly refresh its MTFs to make sure it is a live and relevant document that sits at the heart of decision-making.

#### **Recommendations:**

- Recognise and articulate the challenges ahead for both capital and revenue in the present day and medium to longer term
- Continue to recognise the importance of the investment and commercial income stream to the revenue budget in reporting
- Consider simplifying financial reporting to members to make it clearer what options the council faces. Within this, model different scenarios and openly consider the impacts of these on financial sustainability
- Extend scenario planning for the refreshed Medium-Term Financial Strategy (MTFS) scenarios beyond the existing worst-case approach which is modelled for the sinking fund reserve

## 4. Decision-making

### **“The Cabinet has an aspiration to make finances more open and transparent”**

Spelthorne BC is now No Overall Control and is adjusting to the new political balance alongside the new leadership’s desire for greater openness in decision making. The council must recognise that achieving consensus within this political balance will require concerted effort by both members and officers.

The council is proud of the way that it has ‘stepped in’ to provide services that are outside of the statutory remit of a district council and cites its commercial income as one of the key enablers for this. These include services such as street lighting and highway verge maintenance. However, it was not always clear to the peer team how decisions to ‘step in’ and directly provide non-statutory services are guided by robust assessments of need and expected outcome and how they fit into already agreed strategies.

Councillors undertake a wide range of community engagement, often rooted in residents’ associations. The council values its ‘grassroots’ approach to community engagement. Currently a distinct community engagement strategy is not in place to guide this. Equally, partner engagement is undertaken but for both these key stakeholder groups it is not clear how this engagement influences decision-making and financial planning. Overall stakeholder engagement feels like an area that could benefit from a more strategic overview and to be more clearly reflected in decision-making proposals. This could also provide the opportunity for the council to consider how members can continue to undertake regular community engagement and ensure they have the skills to do this.

The council manages a large long-term investment portfolio. It operates a revenue budget which is larger than average for a district council of this size and it has a £142m capital programme in 2020-21. These all require robust risk management and clarity around responsibility for this. The foundations of robust risk management are cited by the council and aspired to. The council has provided training opportunities for Audit Committee and Overview and Scrutiny Committee members. Corporate risk management policies have been recently updated. The council acknowledges that its approach to risk management is ‘evolving’ and needs constant corporate focus to ensure it matures sufficiently to support the risks the council must actively manage.

The Audit Committee leadership is clear about the expectations of the Committee on the council and is committed to working with senior members and officers to help the council improve its internal controls and programme management. The council is committed to continuing the momentum on enhancing risk management and equipping members to lead this.

There are also ambitions to enhance scrutiny of financial planning. In November 2020 the Overview and Scrutiny Committees considered the emerging budget plans and planned refresh of the Medium Term Financial Strategy. This committed to opportunities for the issue to be considered further, within the timeframe for adoption at Full Council in early 2021.



### Recommendations:

- Ensure you have clear strategies on the core elements of financial planning and bring them together – Reserves Strategy, (including Sinking Fund), Commercial Strategy, Housing Strategy.
- Work collaboratively within a culture of cooperative working between members and officers to continually refresh the MTFS
- Consider bringing an independent voice to the Audit Committee to strengthen overall audit resilience
- Ensure outcomes of budget consultations and engagement with stakeholders are clearly reported to members as part of the budget setting process
- Continue to explore further opportunities for Scrutiny Committees to be engaged in strategy development and financial decision-making and review
- Consider how to ensure that co-ordination of risk management activity throughout the organisation is appropriately embedded and resourced with a strong corporate overview
- Ensure that the council's compliance with the statutory duty to consult representatives of nondomestic ratepayers – section 65 LGFA 1992 is clearly communicated and the results of this are seen to clearly influence decision-making.

## 5. Financial Culture

### “Risk management needs to be more dynamic’

This is a council that is focused on ensuring finance is given a very high level of visibility. The long serving Section 151 officer is trusted by members and officers and is valued for his responsiveness. The finance function has had to respond to significantly changing demands as the council has widened its investment and commercial activities. The council has recognised that the expectations of the function have changed and there are steps in place to strengthen it. The function is engaged with service areas who understand their budgets. Officers will need to ensure this continues and deepens as the council considers a programme of savings to meet its emerging budget gap.

The council clearly values the ability it has to take on new activities and services and views the commercial income it receives as a key enabler for this. This can come across as a tendency to assume that the council is the natural, and best, provider of services to the community. The justification for the council doing this is not always clear and leads the peer team to question whether the council routinely questions what its role is within the community and economy and how it can be an enabler as well as a provider. The council is planning to update its Corporate Plan and this will be an important moment for the council to consider what the priorities for residents are and how the council can deliver on them.

Continuous improvement is seen as an organisational norm. Internal audit is recognised as a vital function to help drive improvement. This is manifested in the current finance process mapping exercise that is intended to allow better integration of satellite systems with the core financial systems. Financial reporting is now clearer about the contribution of the council's commercial income towards revenue expenditure. However, financial reporting could be simplified to allow members to more clearly see what the actual cost of services are and what their options are.

The council operates suitable practice by adopting a shared approach to financial risk, with key systems owned and devolved appropriately (such as rent collection). However, this requires close operational working with the finance team to ensure prompt reporting with system controls to maintain data integrity thereby providing a single version of the truth. There may be opportunities to review current working practices to improve the integration and efficacy of these arrangements.

#### **Recommendations:**

- Continue to keep the capacity and skills of the finance function under review, and ensure it is fit for purpose.
- Continue to regularly review the resourcing of Internal Audit to ensure it is appropriately resourced to reflect the scale of risk the council is managing.
- Consider how to better integrate the key functions of the council to deliver financial sustainability and build a strong culture of shared risk management that encompasses assets, property, income, and service delivery.
- Explore how to maximise all opportunities for community and service improvements, such as more effective use of section 106 agreements.

## **6. Financial outcomes**

**“Our focus on building financial sustainability has allowed us to deliver beyond the usual”**

The council has focused on enhancing its financial sustainability through investment and commercial income. Prior to the impact of the COVID-19 pandemic the council was confident it could agree a Medium-Term Financial Strategy (MTFS) for next three years that was balanced without the need for significant savings. This is no longer the case and the council is currently undertaking budget planning, including identifying potential savings options, to meet the gap and is planning to refresh its MTFS.

The council's capital programme slippage in 2019-20 is significant with only 33% of the planned expenditure spent. In particular, the whole scheme for Oast House of £76m slipped to 2020/21. This slippage is likely to extend in 2021-22 given the economic uncertainty. The underlying causes have been attributed to the impact of COVID-19, delays in decision making and planning consents along with the realistic alignment of the capital programme to project planning, programme management and delivery. There are plans in place to undertake a full review of the capital programme at Full Council in 2021 and this will be a valuable opportunity to clarify the capital programme strategy and delivery going forward.

At budget setting, the council's revenue budget statement brings together the financial position for services along with the revenue from investments. For reporting purposes, the cost of management of the investment portfolio is included within service provision. From 2021-22 there will be further impacts arising from the impact of COVID-19 on the council's finances.

Whilst detailed information on growth and savings is provided in appendices, it is not clear how each revenue block has been built up year on year to show clearly the underlying drivers of change on financial performance. The future forecast impact of each block should

be more clearly set out to members to aid understanding of its impact on the overall budget gap.

**Recommendations:**

- Consider how to engage staff and stakeholders in the refresh of the council's MTFS and promote a wide understanding of the council's future options.
- Have an open dialogue about the financial implications of the council's emerging priorities, including potential impacts on the council's borrowing.

## 7. Partnership and Innovation – Asset Management and Housing

**“We want to be less about commercial, more about community”**

The council is proud of the way in which it has sought new and different mechanisms to build financial sustainability. It is continuing to pursue diverse approaches and maximise the income from its large investment portfolio. These will be critical if the council is to deliver on its affordable housing ambitions. The re-use of the civic office space for affordable accommodation including the creation of 25 units in the West Wing of the civic centre is a recent example of this.

There are a variety of housing models available for the council to deliver its housing ambitions. As part of this, the council has established the wholly owned company Knowle Green Estates Ltd (KGE). Whilst the company made a small profit in 2018, it incurred losses of £126k in 2019 due to the change in valuation of investments as the company started to expand. The council should seek assurance they are content with the financial and governance arrangements for KGE and its future viability as it continues to scale up its operations.

The council's response to the COVID-19 pandemic has also demonstrated its ability to move swiftly to flex its offer, including helping over 1,000 households with support such as shopping and collecting medication. It has also paid out over £13m in grants to businesses and discretionary grants as well as worked with local businesses to provide support including setting up an incubator for small fledgling businesses in an industrial estate within the Borough.

As the council sharpens its delivery plans for its new priorities this is an opportunity for the council to review and assess how it can most effectively work with partners and communities to help shape and deliver its priorities. This could include greater collaboration with other councils; with local health systems; as well as working with the business community to build on the experiences of supporting business in the pandemic and collectively promoting economic recovery. Equally, the energy and commitment shown by the council and voluntary sector in 2020 could present further opportunities to support vulnerable residents and enhance community resilience.

### **Asset Management**

The council's Key Performance Indicator Investment dashboard is regularly published and shows yields of over 5%. It operates a building by building approach to risk consideration

which demonstrates a granular level of monitoring in this area. To fund its investment portfolio the council has tended to borrow to invest in assets, preferring to pursue long term investments located next to key transport hubs and within the economic sub-region. The council's asset values currently remain just above borrowing levels, following a marginal reduction in the value of the portfolio. Moving forward the council is looking to pursue a more blended approach to financing investments seeking to use grants and capital receipts to finance spend.

The council's sinking fund has been set up to manage expected future capital costs, and downside risks to lost income and voids. The sinking fund is reviewed regularly including an appraisal of downside risk. The council's current view of its potential worst-case scenario demonstrates that there are sufficient funds to mitigate losses and the development of an extreme worst-case scenario should be added to extend scenario planning further. The council has applied a Minimum Revenue Provision (MRP) policy using the annuity method. This prudently includes the provision of MRP on investment properties.

## Housing

The council is focused on delivering existing planned housing schemes, including affordable housing and private rented housing. The new leadership have emerging ambitions to widen this provision. The council adopted a new Housing Strategy in 2020 for the next five years. As delivery progresses the council should consider how this is linked to the council's wider Corporate Plan; MTFS; and other key strategies including the Commercial Strategy and Reserves Strategy. A core component of the Housing Strategy should be the council's policy on delivering affordable housing and how much precedence this will get.

The council is delivering small scale developments of affordable and sheltered housing in various parts of the borough. It was not clear to the peer team how these fit together within the council's regeneration ambitions and its wider vision for the borough. As its plans for housing delivery progress the council will need to have an open, honest conversation with itself and partners about the scale of investment the council is willing to fund, and the extent to which the council is able and/or prepared to subsidise affordable housing.

### Recommendations:

- Consider what does a diverse mix of housing really mean for the borough? How will the council use both Private Rented Sector and Market Sale to meet local need and to deliver financial returns?
- Clarify how the council is going to deal with viability issues for both individual housing schemes and the performance of your housing company
- Consider what delivery models will be most appropriate and allow the council to deliver agreed ambitions, and whether existing models are fit for this purpose?

## Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on the findings within this report in order to determine how the organisation wishes to take things forward. The council is already taking action on some of the recommendations above.

The LGA is already working with the council to support the refresh its corporate plan and support the new leadership. Going forward the LGA will work with you to support the implementation of the above recommendations including support for officers and members and signposting towards innovative practice.

Your Principal Adviser Mona Sehgal (Email: [mona.sehgal@local.gov.uk](mailto:mona.sehgal@local.gov.uk)) and her team have been providing ongoing support to the council and will be in contact to discuss assisting the council in its response to this peer challenge.

Clare Hudson  
January 2021

On behalf of the peer team

- Nick Tustian, Chief Executive, Eastleigh BC
- Cllr Peter Fleming, Leader, Sevenoaks DC
- Mark Green, Director of Finance & Business Improvement, Maidstone BC
- Helen Seechurn, LGA Financial Improvement and Sustainability Adviser
- Larissa Reed, Executive Director Neighbourhoods and Environment, Southend-on-Sea BC
- Chris Brook, Director of Place and Enterprise, South Hams DC and West Devon BC
- LGA Peer Challenge Manager – Clare Hudson
- LGA Remote Peer Support – Siobhan Coughlan

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## Annex I

# Full Recommendations

1. Ensure that there is alignment of key strategies and priorities and that they are supported by a clear and sustainable financial strategy. The council may need to: pause – reflect – realign
2. Be clear on your priorities, articulate what non-prioritisation means and how resources are aligned within the finite capacity of the organisation.
3. Understand and manage risk and its impact on future financial performance and sustainability. (The tools for this will be a new corporate plan that aligns commercial, affordable housing, climate action and financial planning. This should be married with a refreshed MTFS including detailed scenario planning. The peer team recognise that progress on this is already underway.)
4. Improve capital programme scheme implementation performance and be satisfied that delivery vehicles can successfully realise the scale of ambition.
5. Ensure that effective programme and project management is embedded across the organisation for both capital and revenue spend reflecting internal controls and proportionate risk management.
6. To continue to promote openness and transparency by ensuring decisions are taken at the most appropriate level in accordance with a practical and proportionate scheme of delegation
7. Recognise and articulate the challenges ahead for both capital and revenue in the present day and medium to longer term.
8. Continue to recognise the importance of the investment and commercial income stream to the revenue budget in reporting.
9. Consider simplifying financial reporting to members to make it clearer what options the council faces. Within this, model different scenarios and openly consider the impacts of these on financial sustainability.
10. Extend scenario planning for the refreshed Medium-Term Financial Strategy (MTFS) scenarios beyond the existing worst-case approach which is modelled for the sinking fund reserve.
11. Ensure you have clear strategies on the core elements of financial planning and bring them together – Reserves Strategy, (including Sinking Fund), Commercial Strategy, Housing Strategy.
12. Work collaboratively within a culture of cooperative working between members and officers to continually refresh the MTFS.
13. Consider bringing an independent voice to the Audit Committee to strengthen overall audit resilience.

14. Ensure outcomes of budget consultations and engagement with stakeholders are clearly reported to members as part of the budget setting process.
15. Continue to explore further opportunities for Scrutiny Committees to be engaged in strategy development and financial decision-making and review.
16. Consider how to ensure that co-ordination of risk management activity throughout the organisation is appropriately embedded and resourced with a strong corporate overview.
17. Ensure that the council's compliance with the statutory duty to consult representatives of nondomestic ratepayers – section 65 LGFA 1992 is clearly communicated and the results of this are seen to clearly influence decision-making.
18. Continue to keep the capacity and skills of the finance function under review, and ensure it is fit for purpose.
19. Continue to regularly review the resourcing of Internal Audit to ensure it is appropriately resourced to reflect the scale of risk the council is managing.
20. Consider how to better integrate the key functions of the council to deliver financial sustainability and build a strong culture of shared risk management that encompasses assets, property, income, and service delivery.
21. Explore how to maximise all opportunities for community and service improvements, such as more effective use of section 106 agreements.
22. Consider how to engage staff and stakeholders in the refresh of the council's MTFS and promote a wide understanding of the council's future options.
23. Have an open dialogue about the financial implications of the council's emerging priorities, including potential impacts on the council's borrowing.
24. Consider what does a diverse mix of housing really mean for the borough? How will the council use both Private Rented Sector and Market Sale to meet local need and to deliver financial returns?
25. Clarify how the council is going to deal with viability issues for both individual housing schemes and the performance of your housing company.
26. Consider what delivery models will be most appropriate and allow the council to deliver agreed ambitions, and whether existing models are fit for this purpose?

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**Spelthorne Finance Peer Review Action Plan – March 2021**  
**6<sup>th</sup> April 2021**

Recommendation	Action	Owner	Target for implementation	Progress to date including key documents	Measure of Success
1.Ensure that there is alignment of key strategies and priorities and that they are supported by a clear and sustainable financial strategy. The Council may need to: pause – reflect – realign	<p>Cabinet to approve updated Outline Budget Strategy in January 2021. Outline Budget gap projections supported by modelling of a number of scenarios.</p> <p>Prepare/update Council corporate plan coordinating all other strategies &amp; setting out vision and priorities.</p> <p>Review all future Council sub strategies, activity and services to ensure they align with the corporate plan.</p> <p>Carry out a financial review of all the sub</p>	Cabinet/MAT/Chief Finance Officer	<p>27/1/21</p> <p>25/5/21</p>	<p>Outline budget and appendices 2021/22 approved by Council.</p> <p>Capital Strategy approved by Council</p> <p>Risk Management Strategy – refreshed strategy and summary approved</p>	Ensure that all sub strategies align to the Council approved corporate plan and are both clear and sustainable

	strategies.				
2. Be clear on your priorities, articulate what non-prioritisation means and how resources are aligned within the finite capacity of the organisation.	<p>Cabinet to put forward new priorities and corporate plan to Council, Corporate Plan to be developed and approved.</p> <p>New Corporate Plan and priorities to inform Outline Budget, Detailed Budget and Capital Strategy process for 2022-23 in autumn</p> <p>Follow up on IESE workshop (Prioritisation exercise)</p> <p>Review all service areas to identify work that does not contribute to the delivery of the goals of the corporate plan. Stop doing this type of task and focus on those that will deliver the</p>	Cabinet, Policy and Resources//LO'N	<p>Stage 1 – agree new Corporate Plan</p> <p>Stage 2- new Corporate Plan priorities to feed into Outline Budget, Detailed Budget and Capital Strategy process for 2022-23</p>	<p>Leadership have agreed outline of new plan and new priorities. Proposed new priorities have been published, corporate plan being developed</p>	<p>All job descriptions are updated and align with the corporate plan.</p> <p>All staff have been fully briefed by the Leader and CEO on the new corporate plan.</p> <p>Full review of every role to ensure focus is on delivering the corporate plan and those tasks</p>

	<p>results required.</p> <p>All Group Heads and Service Managers to review individual job descriptions and work carried out to realign with the corporate plan.</p> <p>Reassess staff numbers and future requirements in order to deliver the corporate plan.</p> <p>Have we got the infrastructure to deliver the results of the corporate plan?</p>				<p>that don't fit are stopped.</p> <p>Carry out a staff planning exercise to align FTEs with delivering the goals set out.</p> <p>Ensuring that we have the IT infrastructure to deliver the plans.</p> <p>Council agrees and signs off Corporate Plan</p>
3. Understand and	Links to 1 and 2 above	Chief Finance		Outline Budget	Risk

<p>manage risk and its impact on future financial performance and sustainability. (The tools for this will be a new corporate plan that aligns commercial, affordable housing, climate action and financial planning. This should be married with a refreshed MTFS including detailed scenario planning. The peer team recognise that progress on this is already underway.)</p>	<p>Outline Budget gap projections supported by modelling of a number of scenarios.</p> <p>Review and consider the impact of the pandemic and how this will influence financial performance and sustainability &amp; risk management strategy going forward and for future incidents.</p> <p>Weekly monitoring of rent performance and managing financial risk through a 10 year review of the sinking funds, with the administration and Officers.</p> <p>Develop financial models to provide improved risk management and scenario planning at a variety of levels.</p>	<p>Officer, Chief Accountant</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>approved</p> <p>Follows on from 2 above.</p> <p>Risk Management Strategy approved 2020</p>	<p>Management Strategy &amp; COVID-19 Risk Assessment &amp; Recovery Plan (TBC).</p> <p>Terms of reference for the Rent Collections meeting.</p>
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	Where appropriate utilise Integra (Financial system) to produce dash boards to reflect the above for relevant officers and work with officers to produce automated monthly reports to monitor progress against plan, to avoid data dumping into excel for further manipulation.		Autumn 2021		
4. Improve capital programme scheme implementation performance and be satisfied that delivery vehicles can successfully realise the scale of ambition.	Chief Accountant working with Accountancy team to improve level of support and critical challenge provided to service managers. Chief accountant looking have monthly summary reporting for our larger	Chief Accountant	Allow time for new Committee system to bed in October 2021	Initial discussions have taken place on improved monthly summary reports  Growth bid approved for additional resource in Assets.	Improved Capital Monitoring Reporting from Q1  Lewis + fin model

	<p>projects, say, over £10m in order to keep a closer eye on major projects and manage risk. Will focus on refining phasing of capital budget so we can monitor planned expenditure against actuals. This would be one for Lewis to lead with the accountants.</p> <p>An additional resource has been agreed as a growth bid from 2021/22 onward within the Assets team. The postholder will be responsible for detailed budget monitoring and project management reporting for the development programme.</p> <p>Capital programme multi year reporting</p> <p>50 year projections for</p>		<p>February 2022</p>	<p>Report to MAT in April for formal agreement and then out to advert</p>	
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	<p>KGE (Property acquisition or development)</p> <p>KGE &amp; SDS strategic plan, budget and capital monitoring to align with Spelthorne BC timetable.</p> <p>Improve Capital Programme Reporting - Lewis</p>				
<p>5. Ensure that effective programme and project management is embedded across the organisation for both capital and revenue spend reflecting internal controls and proportionate risk management.</p>	<p><b>Asset Projects</b> New Development Sub Committee being set up which will cover Investment and Development projects</p> <p><b>Other projects</b> Other project capital and revenue projects are overseen by the Project Team and will be reported to the Corporate Policy and Resources Committee</p>	<p>Group Head Regeneration</p> <p>Group Head Transformation</p>	<p>Allow time for new Committee system and subcommittee to bed in October 2021</p>	<p>Terms of reference for new Development Sub Committee to be recommended for approval at ECM on 25<sup>th</sup> March 2021</p>	<p>Programme Board</p>

	PID system to be implemented and followed – refreshed across the council (Route 1 or 2), with finance involved from Day 1				PID process
6. To continue to promote openness and transparency by ensuring decisions are taken at the most appropriate level in accordance with a practical and proportionate scheme of delegation	Will be achieved with a move to the Committee system  Update Scheme of Delegations and implement it	MAT	End May 2021 (assuming committee system is agreed)	Move to Committee system and updated Constitution to be recommended for approval at ECM on 25 <sup>th</sup> March 2021	Internal Audit reports  CIP (Root and Branch)  External audit  New Constitution
7. Recognise and articulate the challenges ahead for both capital and revenue in the present day and medium to longer term.	Address in Outline Budget, Capital Strategy, Revenue Budget and Capital Programme reports. Chief Accountant working to start the	CFO, Chief Accountant	This will need to feed into next Budget process which Chief Accountant is already	Outline Budget, Reserves Policy and Capital Programme and Capital Strategy approved for 2021-22	



	<p>Budget process earlier which will help provide clarity earlier (with MAT+ for consideration).</p> <p>Need to consider ongoing impact of COVID-19 on next few years.</p>		<p>working on (with a view to bringing forward earlier most of the process and integrating better with service plan. February 2022</p>		
<p>8. Continue to recognise the importance of the investment and commercial income stream to the revenue budget in reporting.</p>	<p>Officers in liaison with councillors' feedback to continue to refine the Revenue Monitoring reports. Officers to work with Financial Reporting Task Group</p> <p>Finance and CIP to develop a programme of support to help managers increase frequency of spend and customer numbers.</p> <p>What do we need to continue doing, stop doing or start doing in</p>	<p>CFO, Chief Accountant</p>	<p>October 2021</p>		

	respect of our discretionary spends?  Carry out a consultation about what we want to deliver. (put in item 1 and 2 above) Ethical investments?				
9. Consider simplifying financial reporting to members to make it clearer what options the council faces. Within this, model different scenarios and openly consider the impacts of these on financial sustainability.	Links to 5 - 8 above. Chief Accountant to focus on draw out key issues in executive summary at front of reports. Outline Budget to model more scenarios. Budget process to have more sessions involving councillors	CFO, Chief Accountant	October 2021	Initial meeting of Financial Reporting Task Group taken place	PT to populate
. 10. Extend scenario planning for the refreshed Medium-Term Financial Strategy (MTFS) scenarios beyond the existing worst-case approach which is modelled for the sinking fund reserve	Links to 3 above.  Outline Budget scenario modelling	CFO, Chief Accountant	Will feed into next Budget process – February 2022	Outline Budget for 21-22 included 7 different scenarios which were discussed with Opposition Groups, O&S as well as Cabinet.	KGE 50 years model  New budget model  Uploaders
11. Ensure you have	Reserves Strategy	Chief Accountant,	27/1/21	Reserves Strategy	Reserves

<p>clear strategies on the core elements of financial planning and bring them together – Reserves Strategy, (including Sinking Fund), Commercial Strategy, Housing Strategy</p>	<p>being refreshed and brought to Cabinet January 2021 Sinking Funds reserves methodology has been reviewed by O&amp;S and encompassed in Capital Strategy Housing Strategy approved by Council February 2020 and being updated with increased targets for affordable housing rental units</p> <p>Include a Movement in Reserves Statement (MiRS)</p>	<p>Chief Finance Officer, Group Head Regeneration, Joint Group Heads Community Wellbeing</p>		<p>approved, Housing Strategy approved but to be refreshed and updated</p>	<p>Strategy  Fin Man Code Self Assessment.</p>
<p>12. Work collaboratively within a culture of cooperative working between members and officers to continually refresh the MTFS.</p>	<p>LGA Top Team work will focus on this. Support Cabinet members with appropriate briefings and training for example Treasury Management training</p> <p>Do Councillors understand the impact</p>	<p>Leader, Cabinet, MAT</p>	<p>December 2021</p>	<p>Refreshed MTFS (Outline Budget approved) following sessions with Cabinet and O&amp;S</p> <p>Treasury Management training session for councillors run on 18<sup>th</sup></p>	<p>MTFS</p>

	<p>of their decision making</p> <p>Budget setting process understanding</p> <p>New titles for the reports under the sub committees - refresh</p>			<p>March- highlighted councillors responsibilities as well as officers'</p> <p>Weekly review with the administration specific on finance and cash flow and general day to day</p>	
13. Consider bringing an independent voice to the Audit Committee to strengthen overall audit resilience	To be considered as part of Governance Review	Monitoring Officer	June 2021	To be addressed as part of new Committee's governance – Audit Committee will have an independent lay member, officers have started to explore approach to recruiting	
14. Ensure outcomes of budget consultations and engagement with stakeholders are clearly reported to members as part of the budget setting process.	<p>Will raise option of undertaking structured budget consultation to feed into 2022-23 Budget process</p> <p>In hand and expand here</p>	Chief Finance Officer, Chief Accountant	February 2022	To address as part of Budget Plan for 2022-23	
15. Continue to		Monitoring Officer,	End May 2021		

explore further opportunities for Scrutiny Committee to be engaged in strategy development and financial decision-making and review.	The proposed new committee system will have the Overview and Scrutiny function built into to each committee.	Chief Finance Officer, MAT		Move to Committee system to be recommended for approval at ECM on 25 <sup>th</sup> March 2021 - part of each committee's responsibility now	
16. Consider how to ensure that co-ordination of risk management activity throughout the organisation is appropriately embedded and resourced with a strong corporate overview.	Executive summary of new Corporate Risk Management Strategy to be produced Risk Management training to be provided to officers and councillors	Monitoring Officer, Chief Finance Officer, Chief Accountant	Ongoing Date for training in here?	Draft Executive Risk Strategy considered at Audit Committee on 18 <sup>th</sup> March  Visual rather than narrative	
17. Ensure that the council's compliance with the statutory duty to consult representatives of nondomestic ratepayers – section 65 LGFA 1992 is clearly communicated and the	Addressed through session with Spelthorne Business Forum (SBF) in February	Chief Finance Officer	Ongoing	SBF Budget consultation took place on 15 <sup>th</sup> February 2021 (and is done annually)	

results of this are seen to clearly influence decision-making.					
18. Continue to keep the capacity and skills of the finance function under review, and ensure it is fit for purpose.	Chief Finance Officer and Chief Accountant reviewing training requirements. New technical Accountant post commenced November 2020	Chief Accountant, Chief Finance Officer	Ongoing	Chief Accountant reviewing team structure and resources	Internal Audi
19. Continue to regularly review the resourcing of Internal Audit to ensure it is appropriately resourced to reflect the scale of risk the council is managing.	Some additional budget being provided to enable additional buying in of flexible resource	Monitoring Officer, Audit Manager		Monitoring Officer undertaking a review	Audit Committee
20. Consider how to better integrate the key functions of the council to deliver financial sustainability and build a strong culture of shared risk management that encompasses assets, property, income, and service delivery.		MAT, Policy and Resources, Audit Committee		Corporate Risk Management Policy updated and approved by Audit Committee last year	

<p>22. Explore how to maximise all opportunities for community and service improvements, such as more effective use of section 106 agreements.</p>	<p>Recovery Plan will include how the borough will deliver community improvements in light of the changed circumstances brought about by COVID-19.</p> <p>Review s106 agreements and their use for any opportunities for community.</p> <p>Infrastructure Delivery Plan (part of the revised Local Plan) sets out strategic requirements which will inform future Community Infrastructure Levy (CIL) spend</p>	<p>MAT, Group Head Regeneration, Group Head Transformation</p>	<p>October 2021 for S106</p> <p>March 2022 for IDP (linked to Local Plan timetable)</p>	<p>Recovery Plan being drafted</p>	
<p>22. Consider how to engage staff and stakeholders in the refresh of the council's MTFs and promote a wide understanding of</p>	<p>Session for Group Leaders and Group finance leads in December 2020. Outline Budget going to O&amp;S in January 2021</p>	<p>Chief Finance Officer, Chief Accountant</p>	<p>December 2022</p>	<p>Revised outline Budget report approved for 2021 after taking through Overview and Scrutiny in January</p>	

the council's future options	<p>Regular updates provided at staff meetings and at Council meetings</p> <p>Consider options for wider stakeholder engagement including with residents on priorities for spend</p> <p>Ar</p>			2021	
23. Have an open dialogue about the financial implications of the council's emerging priorities, including potential impacts on the council's borrowing.	<p>Part of the discussion at the ECM on 21 January 2021 and through the Capital Strategy</p> <p>Ongoing series of briefing/training sessions for the new committees once they are up and running and the corporate priorities have been agreed.</p> <p>Quarterly liaison meetings with</p>	Chief Finance Officer. MAT, Policy and Resources Committee	Ongoing	<p>Capital Strategy approved for 2021-22</p> <p>Mini TM report around CFR and impact on Councils funding.</p>	



	Arlingclose.  Incorporate Movement in Reserves Statement (MiRS) within budget monitoring and Capital Financing Requirement (CFR) requirement				
24. Consider what does a diverse mix of housing really mean for the borough? How will the council use both Private Rented Sector and Market Sale to meet local need and to deliver financial returns?	March 2021 Cabinet and KGE Board in parallel discussed viability of housing delivery and potential need for element of private sales as part of the delivery mix highlight. KGE Integrated Business Plan has been refreshed.  Focus on key risks including blended interest rate between Social Housing & Keyworker v private rental.	Strategic Housing Group and KGE Board	June 2021	Highlighted as an issue in the Benwell House transfer reports which went to Cabinet and KGE Board in March 2021  Discussed at Extraordinary Overview and Scutiny Committee 7 <sup>th</sup> April	Agreed strategy document with full costings and scenario planning

	<p>Select balance to fit with Council's Corporate plan in 1 above whilst minimising financial impact on the council</p> <p>Monitor voids on a weekly basis and report monthly with remedial action taken.</p> <p>Recommendations from O&amp;S 7<sup>th</sup> April accepted by Cabinet also address</p>				
<p>25. Clarify how the council is going to deal with viability issues for both individual housing schemes and the performance of your housing company.</p>	<p>KGE Business Plan being refreshed over 50 year time frame Cabinet has provided a steer on valuation basis to be used for transferring developments from Council to KGE. New NEDs will provide additional expertise and challenge on KGE Board</p> <p>As 23 above KGE 5</p>	<p>Chief Accountant, Chief Finance Officer</p>	<p>June 2021</p>	<p>Budget and 5 year business plan for KGE Being refreshed.</p>	<p>Set out in strategy document in 23.</p> <p>Quarterly revenue and budget monitoring</p> <p>Annual budget and planning setting.</p>

	<p>Year integrated business plan refreshed</p> <p>Align KGE with budget monitoring and financial reporting time line for the Council.</p>				<p>Monthly Board meetings to agree and evaluate information.</p> <p>Raise any issues with Spelthorne BC within 7 days of Board meeting.</p>
<p>26. Consider what delivery models will be most appropriate and allow the Council to deliver agreed ambitions, and whether existing models are fit for this purpose?</p>	<p>Council in context of the unitary discussion having exploratory discussions with neighbouring Surrey councils about potential for collaborative service delivery</p> <p>Consider transactional services in particular, i.e., Council Tax, NNDR, Benefits, Income, Payments,</p>	<p>MAT, Policy and Resources Committee</p>	<p>February 2022</p>	<p>Spelthorne Direct Services set up and making good progress.</p>	<p>Review completed and programme developed</p>

	Are there opportunities for Spelthorne Council to be the main contractor for refuse services in other Districts				
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**Cabinet****19 May 2021**

<b>Title</b>	Community Letting Policy (Formally Community Asset Policy)		
<b>Purpose of the report</b>	To make a decision		
<b>Report Author</b>	Nick Cummings		
<b>Cabinet Member</b>	Councillor Jim McIlroy	<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability		
<b>Recommendations</b>	<p><b>Cabinet to:</b></p> <p><b>Approve the Community Letting Policy attached at Appendix 1 and the Stage 1 Further Information Form, Stage 1 Matrix Scoring Form, Exceptional Circumstances Form and Flow Chart</b></p> <p><b>Approve the list of properties/sites to which the Community Lettings Policy applies</b></p> <p><b>Approve the named roles of the Councillors who will make the final decision (as per paragraph 1.17)</b></p>		
<b>Reason for Recommendation</b>	<p><b>The Council regularly has calls for the use of its assets by a range of organisations and community groups.</b></p> <p><b>It is critical that we advertise any opportunities which come up for the assets that we own and assess them in an open and transparent way.</b></p> <p><b>This policy sets out how we will achieve this.</b></p>		

**1. Key issues**

- 1.1 This policy was considered at pre-decision stage by an Extraordinary Overview and Scrutiny on 22 September 2020, and then by Cabinet on 23 September. O&S recommended:
- (a) Cabinet to order a reconsideration of the policy taking into account Overview & Scrutiny Members' views and come back with a revised report and score card, to better reflect supporting organisations, including small and young organisations, of value to the community, giving Overview & Scrutiny members 10 days to make submissions
  - (b) That further work is done to collate a full list of all assets to which this policy relates and that this will be appended to the policy

- 1.2 Cabinet took these recommendations on board on the 23<sup>rd</sup> and asked officers to go away and establish whether they could accommodate these suggested changes. Officers have carefully considered the first recommendation, and whether there was a way to better reflect support for fledgling organisations. The list of assets (as per the second recommendation) is attached as an Appendix.
- 1.3 The policy applies to the grant of a lease of 5 years or more (the grant of legal interest in land which gives exclusive possession for a fixed period of time) and does not include licences and other tenancy arrangements. The organisation would need to be set up correctly to take on a lease and would need to provide a full business case evidencing their ability to sustain the asset and the service they provide. They would need to demonstrate financial stability and the ability to maintain and manage the asset to a high standard and this is only possible if the community group has a long term interest in the building. We need to be confident that the organisation can provide continued utilisation of the asset and is fully conversant with the statutory liabilities placed on a tenant.
- 1.4 The steps documented in the policy will take approximately 12 weeks to implement and officers will need to start the process approximately 12 months before the lease expiry to provide the outgoing tenant sufficient notice. It is therefore not practical from an officers time perspective nor for the tenant's security to grant a term of less than 5 years.
- 1.5 There are other options such as having a licence or block booking for space at a community hall which are a possibility if an organisation is looking for space without the long term financial commitment of a lease.
- 1.6 The remainder of the report below as considered by Cabinet in September 2020 with the exception of an additional reference to the impact of the change to a Committee-based system will have to councillor signoff.
- 1.7 The Council holds a number of municipal assets. Part and parcel of the approach moving forward will be to undertake a review of all these assets to determine whether they are still required for operational and service needs, whether they need to be re-purposed or failing that whether there is an opportunity to offer them to the wider community for their use.
- 1.8 It should be noted that this Community Letting Policy does not apply to purely commercial business operations.
- 1.9 The policy will apply to situations when the Council has properties which are coming up for lease renewal, or where we have a vacant property which is surplus to Council requirements. As an authority we do need to ensure that every opportunity is offered out to other community organisations regardless of whether or not there is a current tenant whose lease is coming up for renewal in case to ascertain which community use might be best for the premise. The only situation where this would not apply would be when there is a lease in place 'inside the Act' or there are other legal or technical reasons why this cannot be done.
- 1.10 It comes into play when the Council reaches the point of offering an asset to the wider community. Prior to doing so the assets team will have established if the building is fit for purpose and what works might need to be done in order to bring it 'up to spec' (particularly bearing in mind the need to ensure that

Council assets maximise the use of green energy and other green measures). This will be factored in (as required) as part of any lease.

- 1.11 Assets receive regular requests from various businesses, charities, organisations and individuals on whether we have any surplus buildings or land that may be available. These range from people wanting to run a nursery or pre-school, a charity (for example Men in Sheds), a café (Lammas) to those wanting to set up a start-up company. There are many more 'calls' on our assets than there are to be let.
- 1.12 A clear and transparent process needs to be in place which allows all potential organisations to be made aware of an opportunity and to 'bid' for that. This policy seeks to do that.
- 1.13 The Council recognises that community groups provide significant support to our residents and deliver valuable services that we as an authority are not in a position to do. In addition, there is a strong ethos of encouraging small fledging businesses to grow. Key to all of this however is a focus on delivering for the residents within Spelthorne first and foremost.
- 1.14 The policy sets out a clear and transparent three stage process by which the Council will make a decision on who to lease a building or piece of land to. It will exclude licences as this is a Council permission granting a licence occupy or do something on our land, whereas a lease is the grant of legal interest in land which gives exclusive possession for a fixed period of time. Each opportunity will be advertised for a month to gauge interest. This will be done on the Council's website and via social media. At the same time as the advert is placed on the website ward councillors will be advised by email as well as residents associations and any other community groups that the Council may be aware of (via the Community Development Manager). These organisations can then pass the message out to the local community to ensure the opportunity for local community groups to bid for space is maximised.
- 1.15 The application form and scoring matrix will be appended to the advert and will form part of the advertising process so applicants will know from the outset what information will be required from them and more importantly how the Council will assess that information. The scoring matrix in particular sets out in detail what the authority will take into account and does allow the Council to evaluate a range of different types of applications.
- 1.16 Technical assessment will be undertaken by officers who will (after going through the two stage process) put a report to the Leader, the Portfolio Holder for Investment Portfolio Management, and Regeneration and the Portfolio Holder most relevant to the application with the recommendation to proceed with the lease or community asset transfer as appropriate. The final decision will rest with those councillors.
- 1.17 The Council is moving to a committee-based system at the end of May 2021 which means that the councillors responsible for signing off will change. The equivalent roles under the new committee system will be the Leader (as Chair of Corporate Policy and Resources Committee), the Vice Chair of the Corporate Policy and Resources Committee and the Chair of the Community Wellbeing Committee. All of the references to portfolio holders will be replaced with chairs and vice chairs within the policy and various appendices once the new committee system is in place.

1.18 Requests or approaches received by a Councillor relating to any municipal property will need to be referred directly to the assets team as they need to have full sight of every potential opportunity that has come to the Council no matter by what route. It will then be for the assets team to manage the process in accordance with the policy. Where a Councillor has had any involvement, this will be recorded in the assessment report considered by the Councillor panel at the end of Stage 2. Councillors with such involvement will not be party to the final decision making process.

1.19 A list of properties relating to this policy is attached for approval (Appendix 6).

## **2. Options analysis and proposal**

2.1 The Council could decide to continue to deal with requests from organisations on an ad hoc basis as and when they come forward. This will not necessarily expose the opportunity to everyone within the wider community (it is effectively almost first come first served). As a result, it could be the case that an organisation that might otherwise have benefitted from a lease does not do so. There is also the risk that the Council may not achieve best value for money (in the context of its municipal portfolio). Continuing this approach does not maximise openness and transparency and runs the risk of potential challenge. This option is not recommended

2.2 The alternative is for the Council to adopt this proposed policy. It will allow equality of opportunity, it sets out a clear and transparent framework and ensures that the community benefits are at the heart of the decision making process for these type of assets. This option is recommended.

## **3. Financial implications**

3.1 There are no financial implications per se with the implementation of this policy. Business cases will be considered at stage 2 of the process when we advertise individual opportunities, and will help determine the overall level of rental income required for the eventual successful applicant.

## **4. Other considerations**

4.1 Equality and diversity will be taken into consideration as part and parcel of the process including where adaptation might be required to a building in order to ensure equal access is provided. An Equality Impact Analysis has been completed.

## **5. Sustainability/Climate Change Implications**

5.1 The use of otherwise redundant buildings or unused land provides a sustainable re-use of assets which would otherwise cost the Council money to repair, maintain and keep secure without providing any community benefit.

## **6. Timetable for implementation**

6.1 It is proposed that this policy comes into immediate effect upon approval. It is intended to keep the matter under active review as this is a new policy and procedure. A review will be undertaken in six months to assess its effectiveness and to ascertain if any revisions or amendments are required. It will then be reviewed on an annual basis.

### **Background papers:**

None



**Appendices:**

- Appendix 1 Community Letting Policy and Procedure
- Appendix 2 Stage 1 Further Information Form
- Appendix 3 Stage 1 Matrix Scoring Form
- Appendix 4 Exceptional Circumstances Form
- Appendix 5 Flow Chart
- Appendix 6 List of Properties to which the policy applies
- Appendix 7 Equality Impact Analysis

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# **Community Lettings** **Policy**

**April 2021**

N.B When a new committee structure is adopted any reference to portfolio holders will need to be amended to reflect the new structure. References in this policy will need to change to Chair and Vice Chair of Policy & Resources Committee and Chair of Community Wellbeing and Housing Committee.

# **Community Lettings Policy**

## **1. Introduction**

The Council defines a Community Asset as a building and/or land that has a community use and from which a community-based activity or service is or could be delivered.

The Council's Property Portfolio includes land, buildings, and other structures. Assets from the portfolio that are utilised by the community for social, health or leisure purposes include community centres and halls, parks, play areas and recreation grounds, pavilions & changing rooms, tennis courts, bowls clubs, leisure centres, allotments, and scout/uniformed group huts. (N.B. this list is not exhaustive and does not include miscellaneous land that may be considered for future community use). A full list of the Community Assets can be seen in Appendix 1.

The Council's portfolio of assets are held to; support direct service delivery, support delivery by partners including the voluntary sector, stimulate economic activity and regeneration and support the Council's budgets. The Council has a duty to act as custodian of community assets whilst supporting and facilitating third sector development through community use agreements/leases.

For the purpose of this policy the term 'Community Letting' refers to the allocation of a lease of a Community Asset to a community organisation for 5 years or more.

## **2. Purpose of the policy**

The purpose of the Community Lettings policy is to establish a transparent and positive framework that sets out the Council's desired objectives for long-term community asset usage. This policy will be used to robustly evaluate current and proposed community usage arrangements through the establishment of a cross service evaluation criteria and procedure. The procedure will:

- source information across services to respond to queries from organisations in a timely manner.
- ensure that Elected Members and officers understand how the evaluation of community asset usage can benefit both the Council and local communities.

Through implementation of the policy and procedure, the Council will ultimately gain a robust methodology to inform and influence long-term community asset usage decisions.

## **3. Objectives**

The objectives of this policy are:

- to ensure a transparent, equitable process for the assessment of community assets and their future use
- to maximise the benefit of Council owned assets for local communities
- to maximise the utilisation of community assets through shared usage arrangements

- to provide long-term sustainability for services and assets to ensure due consideration is given to assets that are already highlighted for potential investment by external sources
- to provide value for money for the Council and residents
- to provide a stimulus for partnership working
- to enhance the Council's reputation

#### 4. Local policy context

The Council will adopt an agreed method of assessing the benefits of current use vs proposed community use that is strategically linked to its corporate priorities.

**Housing** - To strive towards meeting the housing needs of our residents, providing working families and others in housing need within the Borough with suitable accommodation.

**Economic Development** -To stimulate more investment, jobs, and visitors to Spelthorne to further the overall economic wellbeing and prosperity of the Borough and its residents.

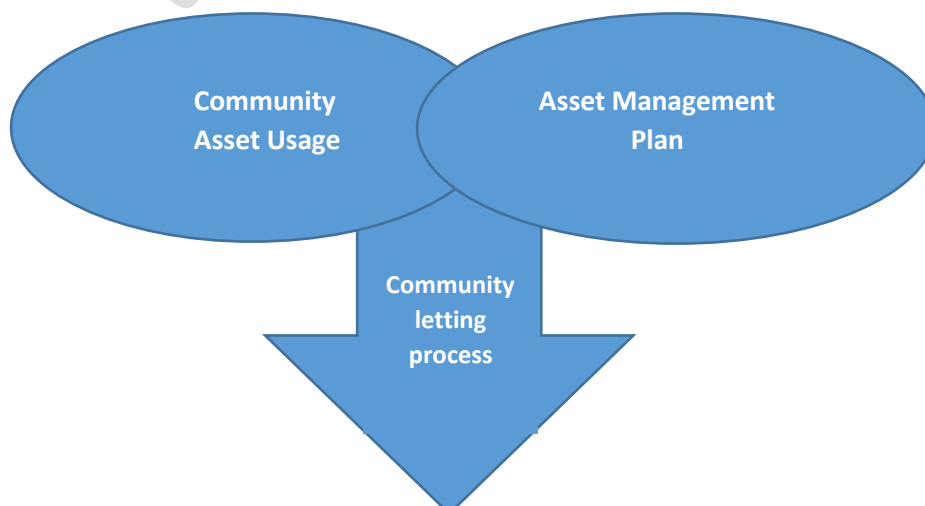
**Clean and Safe Environment** - To provide a place where people want to live, work, and enjoy their leisure time and where they feel safe to do so

**Financial Sustainability** - To ensure that the Council can become financially self-sufficient in the near future

The Asset Management Plan for Spelthorne Borough Council sets out the Council's commitment to undertaking a comprehensive review of its entire municipal property estate over the next 3 years, starting with the Council's building assets. The key issues to be identified are:

- the suitability of the building/ location for the delivery of the service
- whether the service is needed for the long-term
- whether the property occupied represents or could represent value for money.

The findings from this review will contribute to the scoring of the Community Asset Evaluation, particularly the financial and community use criteria. The Community Asset Usage Policy will dovetail with the Asset Management Plan to assist in the identification and recommendation of Community Lettings. Any Community Letting recommendation will consider equal opportunities and the need to provide an open application process against an agreed criteria.



## 5. Principles of the Community Lettings Policy

The policy on Community Lettings is underpinned by the following principles:

- any proposed community letting must support the aims and priorities of the Council as set out in an adopted policy e.g. Corporate Plan, Asset Management Plan, Health and Wellbeing Strategy
- any community asset usage criteria and procedure must support the overall policy objectives
- recognise the Council's dual roles as a supporter of the third sector but also as a steward of publicly owned assets
- all Council service areas and Elected Members will endorse and help deliver this agenda
- the policy will be maintained and delivered by a Corporate Working Group consisting of representatives from Asset Management, Community Wellbeing and Neighbourhood Services.

This policy will be supported by a robust evaluation criteria and procedure as set out in the accompanying document.

For clarity:

- This policy applies to the grant of a lease (the grant of legal interest in land which gives exclusive possession for a fixed period of time) but will exclude licences or other tenancy arrangements.
- This policy will also apply to lease renewals or where we have a vacant property which is surplus to Council requirements. As an authority we do need to ensure that every opportunity is offered out to other community organisations regardless of whether or not there is a current tenant whose lease is coming up for renewal to ascertain which community use might be best for the premises and community. The only situation where this would not apply would be when the tenant has a legal right to renew their lease under the Landlord and Tenant Act 1954 or there are other legal or technical reasons why this cannot be done.
- Prior to applying this policy to a particular asset, the Council will establish if the property is fit for purpose and what works might need to be done to bring it up to specification. This will be factored in (as required) as part of any lease.
- As part of this pre-assessment process each individual asset will be looked at in its own right when the specification is pulled together on what type of organisation would be suitable for the property. (e.g. a small toilet might be suitable for a business or a community use and this will be determined prior to advertising).
- The Portfolio Holders for Community Wellbeing and Assets will sign off the specification for individual assets.
- Occasionally there may be exceptional circumstances which the Portfolio Holder for assets and the Portfolio Holder for Community Wellbeing consider should take precedence over parts of this policy and procedure. If this is the case the relevant Elected Members and the Leader must complete an exceptional circumstances

decision form setting out the exceptional circumstances and providing detailed reasons as to why they should be taken into account.

## **6. Policy Ownership and Review**

Asset Management will have overall ownership of the Community Lettings policy and procedures. All enquiries regarding community asset usage received by officers or Elected Members will be referred to the Asset Management Team. This is to ensure the enquiry can be processed in line with this policy and procedure and will include cross service evaluation. Officers from Community Wellbeing, Neighbourhood Services and any other relevant department will contribute to Stage 1 Assessment Scoring Forms as required. The Officer Panel that has responsibility for making recommendations will consist of the Group Heads for Community Wellbeing, Regeneration and Growth and the Property and Development Manager.

There will be a process of lease reviews for all Community Assets. The timings of these reviews will depend on the individual asset and the outcome of the evaluation.

This policy will initially be reviewed 6 months after implementation and then on an annual basis.

## **Community Lettings Procedure**

This procedure sets out a framework for considering Community Letting requests. It outlines the stages of the decision making process plus the assessment criteria and processes at each stage.

For the purpose of this procedure the term 'community lettings' refers to the allocation of a Community Asset to a community organisation for 5 years or more

### **STAGE 1 - Advertising available asset and initial application and assessment**

The authority will only consider advertising an asset where:

The Council owns a freehold or long leasehold interest in the property

It has already undergone assessment for current benefit to community users and value for money using the adopted policy criteria

It is not already identified in Councils strategies or service delivery plans for future external investment to enhance its current usage. The exception to this would be a proposal that includes the same activity as the current usage e.g., an application could be considered from a football club that wants to make use of a pavilion that has been highlighted for investment in the Councils Playing Pitch Strategy.

Assets identified for potential Community Letting having undergone the process set out above, will be advertised on the Council's website for a period of 1 month. An indication of the lease and rent terms the Council would be looking for will be posted as part of the advertisement. At the same time as the advert is placed on the website, we will advise ward Members by email as well as residents associations and any other community groups that the Council may be aware of (via the Community Development Manager). These

organisations can then pass the message out to the local community to ensure the opportunity for local community groups to bid for space is maximised.

Community groups and organisations will be invited to express their interest in leasing the asset by completing a Stage 1 Further Information Form (**Appendix 2**).

All enquiries relating to Community lettings will be directed to the website to view potential opportunities. The Stage 1 Further Information Form will be available on the website along with the Scoring Matrix Form which they will be scored against (**Appendix 3**). This will ensure there is full transparency around the process which will be undertaken.

There will be 3 key factors to be considered within stage 1 but the individual criteria which expressions of interest will be scored against may vary depending on the asset being advertised. This will be made clear upfront when the assets are initially advertised.

The Applicant, unless otherwise agreed by the portfolio holders for assets and community wellbeing as part of the pre assessment process should be

- Appropriately constituted, for example, a registered charity, a community interest company or a charitable incorporated organisation, a not-for-profit company; a co-operative, sports club or CASC (Community Amateur Sports Club).
- Community-led, i.e. its governance arrangements must ensure that members of the community are able to influence its operation and decision making processes.

### **Stage 1 Criteria:**

The three key factors to be considered within the Stage 1a Community Letting Policy/procedure criteria are:

- a. The current benefits to the local community provided by the organisation and/or asset versus those to be gained from new or increased access to the community asset.
- b. The alignment of any new usage proposal with the Council's strategic values and objectives.
- c. The impact of the current and/or proposed usage on the sustainability of the asset and service.

Stage 1 assessment of proposals via the Scoring Matrix Form will take into account these factors, considering both the likelihood and impact of failure.

### **Stage 1 Procedure:**

#### **Stage 1a**

Assets identified for potential Community Letting following the review of the Council's property estate will be advertised on the Council's website for a period of 1 month. Community groups and organisations will be invited to express their interest in leasing the asset by completing a Stage 1 Further Information Form (**Appendix 2**).

Asset Management will initially assess all Stage 1 enquiries using the 'Further information Form' and 'Stage 1 Scoring Matrix Form' (**Appendix 3**). See attached Flow Chart for further details (**Appendix 4**). Where necessary, Community Wellbeing, Neighbourhood Services or other departments will be asked to contribute to provide missing information.



As a result of this initial assessment officers will make recommendations for stage 1b.

### **Stage 1b**

Those successful at Stage 1a will be assessed by the Officer Panel (Group Heads of Community Wellbeing, Regeneration and Growth and the Property and Development Manager). This group will undertake a basic options appraisal to compare current and proposed usage facts and decide which applications should move to stage 2. Once this process has been completed Asset Management will advise those applicant(s) that have been successful in moving to Stage 2.

Stage 1 will be completed within 4 weeks of the closing date of the advert.

### **STAGE 2 - Consideration for Community Letting**

Stage 2 requires applicants to produce a full business case, including financial considerations and evidence of ability to sustain the asset and service they provide. The level of detail in the business case will be to a large extent determined by the size of the asset and the community offering being put forward (for example a community café in a disused toilet will require less than an organisation looking to take on a whole community hall). A health and safety questionnaire will also need to be completed where appropriate.

These documents will undergo a robust objective review by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

This process will be completed in 4 weeks.

### **Stage 2 Criteria:**

A successful Stage 2 full business case will need to evidence the following criteria:

#### **Community Use**

The proposed use of the asset is genuinely for the benefit of the local community and offers real potential for the development of a sustainable, successful, and independent community organisation.

The asset will benefit residents, including less advantaged groups and provide affordable membership costs.

#### **Strategic Direction**

The proposed use of an asset reflects the outcomes and objectives of the Council's Corporate Plan and Asset Management Plan.

#### **Local Provision**

The application demonstrates that there is supply and demand for the service and no surplus duplication within the local area.

#### **Finance**

The applicant provides a business plan that demonstrates:

- Value for money for the Council
- Security /sustainability of service to ensure continued utilisation and prevention of anti-social behaviour
- An ability to maintain and manage the building to a high standard and complying with all statutory regulations and other terms in the lease

### **Stage 2 Procedure:**

#### **Stage 2a:**

Successful applicants from stage 1 are invited to submit a detailed business plan. A health and safety questionnaire should also be completed where applicable These should be submitted by the applicants within 2 weeks of being advised they have advanced to stage 2 of the process. Where this deadline cannot be achieved the applicant should advise the Council why and how long this will take.

#### **Stage 2b:**

Business cases and health and safety questionnaires are reviewed by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services (the latter two as required) and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form.

A full financial review will be undertaken by the Finance team.

This process will be completed in 4 weeks. If, as a result of additional requests for information or a large number of business case submissions, this 4-week turnaround cannot be achieved the Council will write and advise all applicants in writing of the date of the extended deadline by which that assessment will be complete

### **STAGE 3 – Community Letting Recommendation**

These assessments will be used to determine if there is a suitable applicant which the Officer Panel can recommend to the relevant Elected Members. If there is a suitable applicant, a report including the Stage 1 Scoring Matrix Form, the relevant business case, health and safety questionnaire and officer recommendation will be sent to the Leader, the Portfolio Holder for Assets and the Portfolio Holder for Community Wellbeing.

A decision on whether to accept the recommendation of the Officer Panel will be made on the asset by these Elected Members. This decision will be made within one week of receipt of the officer recommendation unless the Council's Constitution requires committee authority. Where committee authority is not required, the appropriate delegated authority will be requested.

The successful applicant will be notified in writing on the decision of the Council and liaison will then take place with the Assets and Legal teams on drawing up the necessary legal documentation including heads of terms. If the Community Asset is within a public open space and the agreed term of letting is for a period of 7 years or more, further advertising requirements will need to be observed to comply with public open space legislation before a letting is finalised.

## **ELECTED MEMBER INVOLVEMENT**

Requests or approaches received by an Elected Member relating to any Community Asset will need to be referred directly to the Assets team as they need to have full sight of every potential opportunity that has come to the Council no matter by what route. It will then be for the assets team to manage the process in accordance with the policy.

Where an Elected Member has had any personal involvement, this will be recorded in the assessment report considered by the Elected Member panel at the end of Stage 2. Elected Members with such involvement will not be party to the final decision making process.

## **REVIEW PROCESS**

All those unsuccessful applicants who reached stage 2 will then be notified that they have not been successful. Any applicants not satisfied with the final decision will need to contact the Council and go through the Councils Corporate Complaints Procedure <https://www.spelthorne.gov.uk/article/16560/Comments-compliments-and-complaints>

## **APPENDICES**

Appendix 1: List of Community Assets

Appendix 2: Stage 1 Further Information Form

Appendix 3: Stage 1 Scoring Matrix Form

Appendix 4: Flow Chart

Appendix 5: Exceptional Circumstances Form

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**COMMUNITY LETTINGS POLICY**  
**STAGE 1 – EXAMPLE FURTHER INFORMATION FORM**  
**This will be amended depending on the asset to which it relates**

In order to assess your initial usage enquiry for a Council owned asset, please provide more information on your organisation, your users, and how your long term usage would align with the Council’s strategic values and objectives as set out in the guidance notes at the end of this document.

We will use this information to assess against our key criteria and will inform you if your enquiry passes the Stage 1 assessment. **Organisations will need to answer all questions below. The Council will not be able to assess incomplete forms.**

1.	Community Use
	<u>About your organisation:</u>
1.1	What is the name of your club/organisation?
1.2	How long has your club / organisation been running?
1.3	Please provide contact details for 2 members of your club / organisation <b>Primary contact</b>  Name:  Address:  Contact number:  Email:  <b>Alternative contact</b>  Name:  Address:  Contact number:

	Email:
1.4	What is your organisations legal entity and current governance? Please attach evidence in form of proof of charity status or trading number where applicable.
1.5	What service/activity does your organisation currently provide or intend to provide?
1.6	What does your organisation intend on using the council asset for? What length of lease are you seeking?
1.7	
1.8	What is the reason for your interest in this Council owned asset? e.g. lease ending in current site.
1.9	How many hours per week would you be wanting to make use of the asset? Please provide: <ul style="list-style-type: none"> <li>- days of week</li> <li>- times</li> </ul>
	<u>About your members/service users:</u>
1.10	How many members/current service users do you have? How many of your members/users are Spelthorne residents?
1.11	How many projected members/service users do you expect over the next:
1.12	12 months: 2 years: 5 years: What impact would acquisition of the Council asset have on the figures in 1.12 and your organisations activities?
1.13	
1.14	What is the cost of any membership to local residents – do you offer concessions? Are your rates affordable to your service users?

<p>1.15</p> <p>1.16</p>	<p>Are less advantaged groups users of your service? If yes, what percentage of users are from less advantaged groups?</p>
<p><b>2.</b></p>	<p><b>Strategic Objectives</b></p>
<p>2.1</p> <p>2.2</p> <p>2.3</p> <p>2.4</p> <p>2.5</p>	<p><u>Benefits of usage</u></p> <p>If you were to use this facility, what benefits would the local people receive from your service? Please refer to the Council's strategic values and objectives in the guidance notes and explain how your benefits relate to these.</p> <p>Corporate Plan:</p> <p>Health and Wellbeing Strategy:</p> <p><u>Benefits to asset</u></p> <p>Please provide any benefits that the Council's asset would receive from your usage. We are interested in how your usage would impact on the sustainability of the asset:</p> <p>Would your organisation be willing take on responsibility for repairs and maintenance? Please provide details including any previous experience of managing an asset.</p> <p>What effect would the presence of your organisation within the asset have on anti-social behaviour?</p> <p>Has your organisation secured any funding that could benefit the asset?</p>

2.6	Does your organisation link with a funding partner who is interested in investing in the asset or receive advisory support from relative organisation?
<b>3. Local Provision</b>	
3.1 3.2  3.3	<p>Please confirm if you are aware of any other similar organisations operating in Spelthorne or in the locality of the asset?</p> <p>Please provide evidence that there is a local need and/or community support for your services acquisition of this asset.</p> <p>Do you currently operate a waiting list for your service and if so how many people are listed?</p>
<b>4. Declaration of interest</b>	
4.1  4.2  4.3	<p>The Council has a duty to consider any situation in which staff personal interests, or interests that owe staff to another body or person, may (or may appear to) influence or affect the Council's decision making. Please therefore answer the following questions:</p> <p>4.1 Is your club/organisation receiving any political interest and or support from local Councillors?</p> <p>4.2 Are you or any of your committee members related to a member of staff at the Council or a Councillor?</p> <p>4.3 Are you or any of your committee members self-employed and contractually obliged to provide goods or services to a member of staff or Councillor at the Council?</p>



<b>5</b>	<b>Additional information</b>
	<p>Please supply any additional information that you think might be of interest to the scoring panel.</p>

**Guidance Notes:**

Spelthorne Borough Council's Strategic Plans

The Council's Corporate Plan sets out four main priorities.

**Housing**

Key aim: To strive towards meeting the housing needs of our residents, providing working families and others in housing need within the Borough with suitable accommodation.

**Economic Development**

Key aim: To stimulate more investment, jobs and visitors to Spelthorne to further the overall economic wellbeing and prosperity of the Borough and its residents.

**Clean and Safe Environment**

Key aim: To provide a place where people want to live, work and enjoy their leisure time and where they feel safe to do so.

**Financial Sustainability**

Key aim: To ensure that the Council can become financially self-sufficient in the near future.

**Spelthorne Health and Wellbeing Strategy**

**Asset Management Plan**

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## STAGE 1 - SPELTHORNE COMMUNITY ASSET – SAMPLE SCORING MATRIX FORM

Name of community organisation, representative or Councillor expressing interest: \_\_\_\_\_

Name of Asset /Premise: \_\_\_\_\_

Decision to move to STAGE 2?: Yes/No

Definitions:

Community use – use which has the primary purpose of serving the community

Community letting = long term lease.

Community Asset = Council owned buildings and or land.

1.	Community Use	Points 2	Points 4	Points 6	Points 8	Score
	<b>About your organisation:</b>					
	Evidence of organisations legal entity and current governance.	No governance.	Work in progress	Evidence pending	Evidence provided	
	What length of lease is the organisation seeking	For info – non scoring				

What is the proposed usage of the asset? Measurement(s) – 7 days a week 4 pm to 8 pm	10-40% available hours	40-50% available hours	50-60% available hours	100% available hours	
Is the asset in a less advantaged ward?	For info – non scoring				
<b>About your members:</b>					
How many members/current service users do they have? (relative to the service)	0-10	11-30	31-60	61+	
How many members/service users are residents?	25% Small percentage	26% - 50%	51% - 75%	76 – 100% Large percentage	
How many projected members/service users do they expect over the next: 1,2 and 5 years.	No increase	Small increase	Double numbers	More than double	
Is the cost of membership affordable to service users?	High cost upfront cost	Medium upfront cost	Low upfront cost	No membership – low cost pay as you go	
Are diverse/less advantaged groups users of their service? What percentage of users are from less advantaged groups?		Less than 50%	40% to 75%	75% to 100%	
Is evidence provided to demonstrate the local need / community support for their acquisition of the asset	No evidence	Minimal evidence	Good evidence to demonstrate local need and community support	Strong evidence to demonstrate local need and community support	
<b>Subtotal</b>	<b>172</b>				

2.	Strategic Objectives	Points 1	Points 2	Points 3	Points 4	Score
	<b>Community benefits of usage:</b>					
	Alignment with Council objectives in Corporate Plan?	Tenuous link to one theme	Partially supports one theme	Supports one theme and partly supports others	Supports More than one Corporate Plan Theme	
	Alignment with Council Community, Health and Wellbeing plans?	No links	Partial links to one theme	Links to one theme	Evidence of more than one theme	
	Prioritised within current Service Delivery Plans? (internal input)	Not listed		Listed in draft future service plan	Yes prioritised for specific purpose	
	<b>Perceived benefit to asset/Council:</b>					
	Would organisation be willing take on repair and maintenance?	No responsibility for repairs or maintenance.	Keeping clean, tidy and complying with statutory maintenance requirements only	Internal repairs and maintenance.	Full internal and external repairs and maintenance	
	What experience does the organisation have in maintaining an asset?	None	Some experience within the building trades.	Previous involvement with managing property.	Professional experience and/or previous property management experience.	

	Would presence of organisation reduce anti-social behaviour?	No change		Partly	Significantly	
	Has the organisation secured funding?	No funding applications made	Applications made but no funding secured	Application approved	Secured funding	
	Does organisation receive advisory funding support from relative organisation?	No support			Yes	
	<b>Subtotal</b>	<b>/32</b>				

3.	Local provision	4	8	12	16	Score
	Does the current provision in the borough cater for the demand?	Yes	Equal	No – short wait lists	No- long wait lists	
	Has the organisation demonstrated community support for their organisation?	No			Yes	
	<b>Subtotal</b>	<b>/32</b>				

<b>4.</b>	<b>Declaration of interest</b>	<b>Non- scoring- for information</b>				
	Political interest from local Councillors?					

	Committee members related to a member of staff or Councillor?					
	Committee members contractually obligated to provide self-employed goods or services to any member of staff or Councillor?					

<b>5.</b>	<b>Supporting Information /Additional considerations</b>	<b>-10</b>	<b>-5</b>	<b>0</b>	<b>+5</b>	<b>+10</b>
	Comments:					

<b>6.</b>	<b>Total Score</b>	<b>/146</b>				
	<b>Total as a percentage</b>					
	<b>Proceed to stage 2??</b>	YES/NO				

Scored by:

Signed:

Date:

Approved by:

Signed:

Date:

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## **Community Letting Policy Exceptional Circumstances Form**

This form is to be completed by the portfolio holders for Assets and Community Wellbeing and agreed by the leader of the Council. It is to be used where exceptional circumstances exist and it is considered that parts of Spelthorne Borough Council's Community Letting Policy should not apply.

**Name of Asset:**

**Name of organisation to which the asset is to be let:**

**Legal entity of organisation e.g., Charity, community interest company etc.**

**Permitted use of asset:**

**Anticipated lease terms:**

**Detailed reasons why the Community Lettings Policy and Procedure should not apply:**

**Name of Portfolio Holder for Assets:**

**Signed** .....

**Date** .....

**Name of Portfolio Holder for Community Wellbeing:**

**Signed** .....

**Date** .....

**Leaders Declaration**

As Leader of the Council, I ....., agree that due to the exceptional circumstances detailed above, Spelthorne Borough Council's Community Letting Policy should not apply in this instance.

**Signed** .....

**Date** .....

## Stage 1

## Stage 2

## Stage 3

Asset Advertised for 1 month

Stage 1a – Information form completed by interested organisations

### STAGE 1a - FURTHER INFORMATION FORM INITIAL ASSESSMENT

Officers from Asset management will access all stage 1 information forms. Officers from Community Wellbeing, Neighbourhood Services or other departments may be asked to contribute. Following initial assessment against scoring matrix officers will recommend applications to officer panel for stage 1b.

### STAGE 1b – FURTHER INFO ASSESSMENT PANEL ASSESSMENT

Panel consists of Group Heads of Community and Wellbeing, Regeneration and Growth and the Property and development Manager. Panel view highly scoring applications from stage 1a and decide which should move to stage 2.

### SUCCESSFUL - STAGE 2

Business Case and Health and Safety Questionnaire documents undergo a robust objective review by officers in Asset Management, Finance, Community Wellbeing and Neighbourhood Services and assessed for a second time against the full assessment criteria using the Council's Stage 1 Scoring Matrix Form. If there is a suitable applicant for community letting a recommendation is made to Councillors at stage 3.

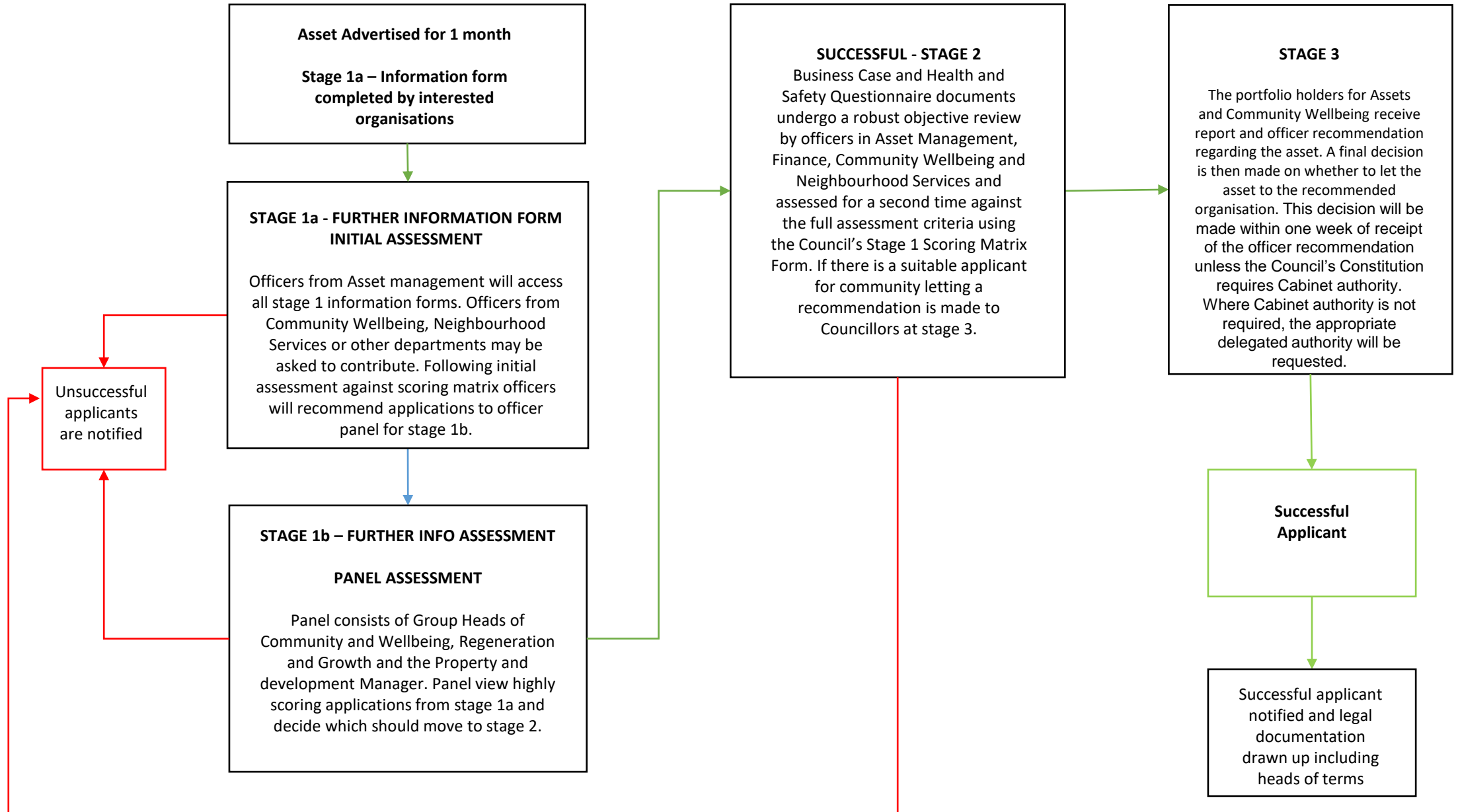
### STAGE 3

The portfolio holders for Assets and Community Wellbeing receive report and officer recommendation regarding the asset. A final decision is then made on whether to let the asset to the recommended organisation. This decision will be made within one week of receipt of the officer recommendation unless the Council's Constitution requires Committee authority. Where Committee authority is not required, the appropriate delegated authority will be requested.

Unsuccessful applicants are notified

Successful Applicant

Successful applicant notified and legal documentation drawn up including heads of terms



Address	Town	Postcode	Asset Type	Property Type	Tenant	Commencement Date	Term	Passing Rent p.a.	Lease expiry	Inside LTA 1954	Did the tenant develop the building?	Reason for exclusion
91 Clarendon Road	Ashford	TW15 2QA	Community Centre	Building	Spelthorne BC					N		Needed for Service delivery (Independent Living)
Kingston Road	Ashford	TW15 3SJ	Bowling Green	Land	Trustees for the Fordbridge Park Bowls Club	28/05/14	30 years	£ 1.00	27/05/2044, MBO 28/05/2024		No.	
Kingston Road	Ashford	TW15 3SJ	Building-Commercial	Building	Trustees of Spelthorne Mental Health Association	14/04/14	15 years	£ 8,000.00	13/04/29	N		Needed for future service delivery by Neighbourhood services
Woodthorpe Road	Ashford	TW15 3LF	Community Centre	Building	Ashford (Middlesex) Community Association	01/04/02	14 years	£ 5.00	Expired 31/03/2016	Y	Yes but greater than 21 years ago.	
Clockhouse Lane	Ashford	TW15 1BY	Community Hall	Building	Dramatize Theatre Charity			£ 13,000.00	11/06/33	N	no	
St Martins Court	Ashford	TW15 3NB	Community Hall	Building	The King's Community Church	24/11/11	15 years	£ 11,000.00	23/10/26	N	No	
Kingston Road	Ashford	TW15 3SJ	Garage	Building	Management Committee of Spelthorne Sheds	03/01/19	5 years	£ 1.00	02/01/24	N		Needed for future service delivery by Neighbourhood services
Hengrove Crescent	Ashford	TW15 3DE	Voluntary Organisation	Building	Alan Gooding, M King, E Newlands t/a St Johns Ambulance & Penrose	05/07/93	30 years	£ 750.00	04/07/23	Y	Yes but greater than 21 years. To remove building if required at end of lease.	
Hengrove Crescent	Ashford	TW15 3DE	Voluntary Organisation	Building	2nd Ashford (Methodist) Scouts	01/10/99	15 years	£ 360.00	Expired 30/09/2014	Y	Yes but longer than 21 years ago. Tenant built the building but will be no need to remove at the end of the term.	
Fordbridge Recreational	Ashford		Store	Building	Thamesway Contractors	01/12/15	5 years	£ 5,200.00	30/11/20	N		Needed for future service delivery by Neighbourhood services
Kingston Road	Ashford	TW15 3SB	Voluntary Organisation	Building	3rd Ashford (St Matthews) Scout Group	13/01/16	20 years	£ 750.00	12/01/36	Y	Yes but greater than 21 years ago. No need to remove building at end of term.	
Shepperton Road	Laleham	TW18 1SJ	offices/greenhouse	Building	Spelthorne BC							Needed for service delivery (Neighbourhood Services)
Laleham Park	Laleham	TW18	Pavilion	Building	Vacant							Intending to demolish the existing building as derelict and re-build toilet block only
The Broadway	Laleham	TW18 1RZ	Community	Building	The London Diocesan Fund	01/06/17	20 years	£ 500.00	31/05/2022/2027/2032. Lease expiry	Y	No. It is former toilet block.	
Laleham Park	Laleham	TW18	Land/Boathouse	Building	Sir William Perkin's School	29/10/14	125 years	£ 5,000.00	28/10/39	Y	School built/funded the building.	Long leasehold interest.
Laleham Park	Laleham	TW18	Boathouse	Building	The Trustees of the Burway Rowing Club	03/06/08	28 years	£ 2,358.00	02/06/36	Y	Yes. Built and funded boathouse in 1979.	
Thameside	Laleham	TW18	Land/Boathouse	Land	Trustees of the Surrey Canoe Club	09/05/13	7 years	£ 600.00	08/05/20	N	No building.	
Laleham Park	Laleham	TW18	Campsite	Land	The Trustees of Laleham Camping Club	07/10/15	25 years	£20,000	06/10/40	N		Land only not a community building. Could be commercially managed for financial benefit to SBC.
Shepperton Road	Laleham	TW18 1SJ	Garage	Building	Surrey Choices			£ 800.00	31/03/23	N		Needed for future service delivery by Neighbourhood services
Laleham Park	Laleham	TW18	Residential	Building	Mr M Greco	24/10/97	125 years	£ -	23/10/22	n/A		Long leasehold interest.
Sunbury Park, Thames S	Lower Sunbury		Storage	Building	Surrey Police Authority	23/12/11	10 years	£ 1,000.00	22/12/21	N		Needed in future for SBC grounds maintenance and extension to the Embroidary gallery.
Shepperton Towparth	Shepperton	TW17 9LL	vacant land	land	Vacant							Potential car park/playground. Land only
High Street	Shepperton	TW17 9AU	Community Hall	Building	Spelthorne BC							
High Street	Shepperton	TW17 9AU	Closed Public toilets	Building	Vacant							
Laleham Road	Shepperton	TW17 0JZ	Pavilion	Building	Moore Lane Boxing Club	23/12/19	Tenancy at will - can be terminated at any time	£100 per month	At any time.	N		
Glebeland Gardens	Shepperton	TW17 9DH	Community Centre	Building	Spelthorne BC							Needed for service delivery (Independent Living)
Church Road	Shepperton	TW17	Toilets	Building	Vacant							

Walton Bridge Road	Shepperton	TW17 8NR	Bowling Green	Land	Trustees of the Bishop Duppas Bowls Club	01/04/09	30 years	£ 1.00	31/03/2039. MBO after 1/4/2019 on 12 months notice	N	No.	
Walton Lane	Shepperton	TW17 8LP	Clubhouse	Building	Bagster House (Ex-Service Club) Ltd	01/09/09	14 years	£ 7,500.00	31/08/2023.	N	Yes. Social club built and funded the building.	
Hetherington Road	Shepperton	TW17 OSP	Community Hall	Building	Andrew Mark Burge	31/08/20	6 months	£ -	01/03/21	N	No.	
Walton Bridge Road	Shepperton	TW17 8NR	Nursery	Building	Joanne Elms & Jollies House Nursery Ltd	19/10/12	15 years	£ 8,380.00	18/10/27	N	No.	
Russell Road	Shepperton	TW17 9HY	Pavilion	Building	Trustees for the Shepperton Cricket Club	01/04/11	21 years	£ 1,800.00	31/03/32	Y	No. In 1990 building and land demised to tenant.	
Dockett Eddy Lane	Shepperton	TW17 9NT	Pavilion	Building	The Guide Association Trust Corporation	21/12/14	20 years	£ 1,500.00	20/12/34	N	No already a boathouse/building on site in 1995.	
Russell Road	Shepperton	TW17 9HY	Voluntary Organisation	Building	The Guide Association Trust t/a 1st Shepperton Guides	01/04/11	28 years	£ 550.00	31/03/39	Y	Yes but longer that 21 years ago, no need to remove the scout hut on expiry.	
Glebeland Gardens	Shepperton	TW17 9DH	Voluntary Organisation	Building	1st Shepperton (1st Nicolas) Scout Group	19/10/15	21 years	£ 500.00	18/10/36	Y	Yes built and funded but longer than 21 years. No requirement to remove building.	
Glebeland Gardens	Shepperton	TW17 9DH	Nursery	Building	Shepperton Pre-school Playgroup	26/01/14	10 years	£ 3,500.00	25/01/24	N	No.	
Thames Street	Staines	TW18 4EA	Community Centre	Building	Spelthorne BC							Needed for service delivery (Independent Living)
London Road	Staines	TW18 4JY	Chapel	Building	Spelthorne BC							Needed for service delivery (Neighbourhood services)
Wraysbury Road	Staines	TW18 4TS	Kiosk	Building	The Little Green Boat Company	21/05/18	3 years	£6,250	20/05/21	N		Restrictive covenant on title affecting the ability to grant leases.
Bridge Street	Staines	TW18 4TG	Building	Building	Thames Side Brewery	26/04/19	20 months	£2,000	31/12/20	N		Required for the Waterfront Development
Commercial Road	Staines	TW18 2QJ	Bowling Green	Land	Trustees of Staines Bowling Club	01/04/09	30 years	£ 1.00	31/03/39		No.	
Knowle Green	Staines	TW18 1AJ	Building-Commercial	Building	Child Base Limited	08/06/00	25 years	£ 7,854.00	07/06/25	N	Yes built and funded by tenant. No need to remove building at the end of the term.	Commercial building
Knowle Green	Staines	TW18 1XB	Building-Office	Building	Age UK Ltd	29/04/19	2 years	£ -	28/04/2024 but MBO on 2 month notice	N		Needed for future service delivery
Knowle Green	Staines	TW18 1XB	Building-Office	Building	CREST Cancer Support	01/04/19	2 years	£ -	31/03/2024 but MBO on 2 month notice	N		Needed for future service delivery
Knowle Green	Staines	TW18 1XB	Building-Office	Building	One to One (NW Surrey)	15/04/19	2 years	£ -	14/04/2024 but MBO on 2 month notice	N		Needed for future service delivery
Knowle Green	Staines	TW18 1XB	Building-Office	Building	Action for Carers	01/05/19	2 years	£ -	30/04/2024 but MBO on 2 month notice	N		Needed for future service delivery
Knowle Green	Staines	TW18 1XB	Building-Office	Building	Rent Start	18/02/19	2 years	£ -	18/02/2024 but MBO on 2 month notice	N		Needed for future service delivery
Horton Road, Stanwell M	Staines	TW19 6AG	Community Hall	Building	Stanwell Moor Village Hall Trustees	01/11/04	30 years	£450	31/10/34	N	No.	
1 Elmsleigh Road	Staines	TW18 4PH	Museum	Building	Trustees of Spelthorne Museum	20/10/06	30 years	£ -	19/10/2036. MBO on 6 months notice.		Yes built by SCC.	To be included in future town centre re-generation plans
1 Elmsleigh Road	Staines	TW18 4PH	Library	Building	Surrey CC	29/09/77	125 years	£ -	28/09/02	Y	Yes built by SCC.	To be included in future town centre re-generation plans
Wraysbury Road	Staines	TW18 4TS	Pavilion	Building	The Trustees of Staines	20/06/2019	15 years	£ -	19/06/2034, MBO 19/06/2024	N		Restrictive covenant on title affecting the ability to grant leases.
Wraysbury Road	Staines	TW18 4TS	Pavilion	Building	Spelthorne Kayak and Canoe Club	29/06/16	20 years	£ 600.00	28/06/2031, MBO 29/06/2021	N		Restrictive covenant on title affecting the ability to grant leases.
Wraysbury Road	Staines	TW18 4TS	Pavilion	Building	Trustees of the Staines & Egham Sea Cadet Corp	26/02/18	15 years	£ 1,000.00	25/02/2033, MBO 26/02/2023	N		Restrictive covenant on title affecting the ability to grant leases.
Commercial Road	Staines	TW18 2QJ	Resource Centre	Building	Home Start	01/12/19	3 years	£ 2,533.00	30/11/22	N		Needed for Service Delivery (Leisure services)
Knowle Green	Staines	TW18 1AJ	Storage Building	Building	Spelthorne Museum	01/04/09	10 years	£ 1.00	31/03/2019 holding over on tenancy at will. NB: new lease not yet completed.	N		Storage room not capable for community use.
Parkside Place, off Comr	Staines	TW18 2QW	Voluntary Organisation	Building	The Trustees of 1st Staines Scout Group	23/11/09	21 years	£ 720.00	22/11/30	Y	Yes but no need to remove the scout hut on expiry.	

121A High Street	Staines	TW18	Retail Shop	Building	Terry Lewis, Linda Ashford & Kenneth Greenfiled t/a Canaan Bookshop	25/12/05	15 years	£ 12,750.00	24/12/20	Y		Commercial building
119 High Street	Staines	TW18	Retail Shop	Building	Tracy Lois Brown t/a Tracey's florists	01/10/11	10 years	£ 4,750.00	30/09/21	N		Commercial building
Long Lane	Stanwell	TW19 7AD	Residential	Building	M. Challeysein							Residential building. Used for service delivery (Housing)
Oaks Road	Stanwell	TW19 7LG	Pavilion	Building								
Cambria Gardens	Stanwell	TW19 7DD	Residential	Building	Billie Heather	15/08/18	terminated on 4 weeks notice	£960 per month	Non secure tenancy			Residential building. Used for service delivery (Housing)
Cambria Gardens	Stanwell	TW19 7DD	Changing Rooms	Building	Stanwell Events?							
Long Lane	Stanwell	TW19 7AD	Chapel	Building	SBC							Used for service delivery (Neighbourhood services)
Oaks Road	Stanwell	TW19 7LG	Bowling Green	Land	Trustees of the Stanwell Bowling Club	01/04/09	30 years	£ 1.00	31/03/2039. MBO after 1/4/2019	N	No	
Short Lane	Stanwell	TW19 7BH	Clubhouse	Building	The Trustees of Ashford Town (Middlesex) Football Club	22/05/09	30 years	£ 12,000.00	21/05/2039. LBO after 22/05/2019	N	No	
Bryony Way	Sunbury	TW16 6AG	Pavilion	Building	Colne Valley Girls and ladies football Club	13/05/16	24 years	£800	15/11/40	N	No.	
Green Street	Sunbury	TW16 6QQ	Toilets/kiosk	Building	Vacant							
Lower Hampton Road	Sunbury	TW16 5PR	Bowling Green/sports pitch/car park	Land	Trustees of Sunbury Sports Association	24/12/13	20 years	£ 2,600.00	24/12/33	Y	No.	
53 Thames Street	Sunbury	TW16 5QH	Arts Centre	Building	The Riverside Arts Centre	01/04/99	21 years	£0	31/03/20	N	No.	
Groveley Road	Sunbury	TW13 4PL	Voluntary Organisation	Building	2nd & 3rd Guides & Rangers	26/06/86	28 years	£ 135.00	expired 25/06/2014	Y	Yes tenant built the building. No need to remove building at end of lease.	
Thames Street	Sunbury	TW16 6AB	Walled Garden	Other	Trustees to the Millennium Embroidery Group	25/05/08	67 years	£ 900.00	12/10/75	N		Long leasehold interest. Committed plans to extend the gallery.
Charlton Lane	Sunbury		Golf Course	land	Sunbury Golf Club Ltd	18/04/91	45 years	£ 5,000.00	17/04/36	Y		Land not community building. Long lease.
17 Station Road	Sunbury	TW16 6SB	Offices	Building	Desaur & Co Ltd	24/04/19	7 years	£ 16,000.00	23/04/26	N		Commercial building.

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## Equality Analysis – Community Letting Policy

<b>Directorate:</b> Regeneration and Growth <b>Service Area:</b> Assets	<b>Lead Officer:</b> Heather Morgan, Group Head Regeneration and Growth <b>Date completed:</b> 01.09.20
<b>Service / Function / Policy / Procedure to be assessed:</b> Proposed Community Lettings Policy	
<b>Is this:</b> New <input type="checkbox"/>  (Please tick appropriate box)	<b>Review date:</b> 01.09.20

### Part A – Initial Equality Analysis to determine if a full Equality Analysis is required.

**What are the aims and objectives/purpose of this service, function, policy or procedure?**

The Council regularly has calls for the use of its assets by a range of organisations and community groups. It is critical that we advertise any opportunities which come up for the assets that we own, and assess them in an open and transparent way. The policy sets out how we will achieve this.

Please indicate its relevance to any of the equality duties (below) by selecting Yes or No?

	Yes	No
Eliminating unlawful discrimination, victimisation and harassment		No
Advancing equality of opportunity	Yes	
Fostering good community relations	Yes	

If not relevant to any of the three equality duties and this is agreed by your Head of Service, the Equality Analysis is now complete - please send a copy to **NAMED OFFICER**. If relevant, a Full Equality Analysis will need to be undertaken (PART B below).

### PART B: Full Equality Analysis.

#### Step 1 – Identifying outcomes and delivery mechanisms (in relation to what you are assessing)

<p><b>What outcomes are sought and for whom?</b></p>	<p>The Council recognises the invaluable role that community groups play in providing significant support for our residents and delivering services that we are unable to.</p> <p>Outcomes</p> <ul style="list-style-type: none"> <li>• to ensure that there is a clear and transparent process</li> <li>• that all community groups to to be made aware of the opportunity of surplus to requirement municipal assets</li> <li>• that all groups are able to bid for that opportunity</li> </ul> <p>For whom</p>
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	<ul style="list-style-type: none"> <li>• Community groups and charitable organisations who support and assist our residents</li> <li>• There is a particular focus on those who deliver for residents within the borough or even at a local ward level</li> <li>•</li> </ul>
<b>Are there any associated policies, functions, services or procedures?</b>	<p>To date, leases have been dealt with on a more ad hoc basis which does not allow for equality of opportunity. The proposed Community Lettings Policy seeks to address this. This policy will sit within the approved Asset Management Plan.</p>
<b>If partners (including external partners) are involved in delivering the service, who are they?</b>	Not applicable

**Step 2 – What does the information you have collected, or that you have available, tell you?**

**What evidence/data already exists about the service and its users?** (in terms of its impact on the ‘equality strands’, i.e. race, disability, gender, gender identity, age, religion or belief, sexual orientation, maternity/pregnancy, marriage/civil partnership and other socially excluded communities or groups) and **what does the data tell you?** e.g. are there any significant gaps?

Requests for use of municipal assets come in to the assets team in a variety of ways, and there are a wide range of potential providers. Data is limited but it does not appear to be the case that the equality strands are adversely impacted. It is more the case that individuals and groups have to actively approach the Council asking whether there are surplus assets to rent rather than the Council being proactive in advertising the opportunity more widely and transparently.

**Has there been any consultation with, or input from, customers / service users or other stakeholders?** If so, with whom, how were they consulted and what did they say? If you haven’t consulted yet and are intending to do so, please list which specific groups or communities you are going to consult with and when.

There has been no formal consultation with community groups, on the basis that there is a self evident need for this policy to be put in place to be more equal and transparent.

**Are there any complaints, compliments, satisfaction surveys or customer feedback that could help inform this assessment? If yes, what do these tell you?**

The Council is aware of a number of complaints from community groups and organisations over the past year or so which clearly point out the fact that as an authority we need to be more open, equal and transparent. These complaints have pinpointed the need for a common policy and process which everyone has equal access to, and that clarity is provided at each and every step.

Local councillors (who count as valuable key stakeholders) have also brought similar matters to the attention of the Assets team

### Step 3 – Identifying the negative impact.

**a. Is there any negative impact on individuals or groups in the community?**

**Barriers:**

What are the potential or known barriers/impacts for the different 'equality strands' set out below? Consider:

- **Where** you provide your service, e.g. the facilities/premises;
- **Who** provides it, e.g. are staff trained and representative of the local population/users?
- **How** it is provided, e.g. do people come to you or do you go to them? Do any rules or requirements prevent certain people accessing the service?
- **When** it is provided, e.g. opening hours?
- **What** is provided, e.g. does the service meet everyone's needs? How do you know?

\* Some barriers are justified, e.g. for health or safety reasons, or might actually be designed to promote equality, e.g. single sex swimming/exercise sessions, or cannot be removed without excessive cost. If you believe any of the barriers identified to be justified then please indicate which they are and why.

**Solutions:**

What can be done to minimise or remove these barriers to make sure everyone has equal access to the service or to reduce adverse impact?  
Consider:

- Other arrangements that can be made to ensure people’s diverse needs are met;
- How your actions might help to promote good relations between communities;
- How you might prevent any unintentional future discrimination.

<b>Equality Themes</b>	<b>Barriers/Impacts identified</b>	<b>Solutions (ways in which you could mitigate the impact)</b>
<b>Age</b> (including children, young people and older people)	Possible lack of access to internet and website (and therefore not aware of the opportunity)	<p>Local Councillors will be informed who are well connected with the local community and can advertise the opportunity by ‘word of mouth’</p> <p>The Community Development Manager can similarly advise of the opportunity</p> <p>Guidance and assistance can be provided on how to submit a bid</p>
<b>Disability</b> (including carers)	Possible lack of access to internet and website (and therefore not aware of the opportunity)	<p>Local Councillors will be informed who are well connected with the local community and can advertise the opportunity by ‘word of mouth’</p> <p>The Community Development Manager can similarly advise of the opportunity</p> <p>Guidance and assistance can be provided on how to submit a bid</p>

<b>Gender</b> (men and women)	None identified	Not applicable
<b>Race</b> (including Gypsies & Travellers and Asylum Seekers)	Possible lack of access to internet and website (and therefore not aware of the opportunity)	Local Councillors will be informed who are well connected with the local community and can advertise the opportunity by 'word of mouth'  The Community Development Manager can similarly advise of the opportunity  Guidance and assistance can be provided on how to submit a bid
<b>Religion or belief</b> (including people of no religion or belief)	None identified	Not applicable
<b>Gender Re-assignment</b> (those that are going through transition: male to female or female to male)	None identified	Not applicable
<b>Pregnancy and Maternity</b>	None identified	Not applicable
<b>Sexual orientation</b> (including gay, lesbian, bisexual and heterosexual)	None identified	Not applicable

#### Step 4 – Changes or mitigating actions proposed or adopted

Having undertaken the assessment are there any changes necessary to the existing service, policy, function or procedure? What changes or mitigating actions are proposed?

It is not currently considered that any changes are required to the Community Lettings Policy

#### Step 5 – Monitoring

How are you going to monitor the existing service, function, policy or procedure ?

There will be a review after the first six months of implementation to determine if there are any unforeseen equality impacts which need to be addressed.

### Part C - Action Plan

Barrier/s or improvement/s identified	Action Required	Lead Officer	Timescale

### Equality Analysis approved by:

Group Head:

Date:

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Cabinet

19 May 2021



<b>Title</b>	<b>Corporate Debt Policy</b>
<b>Purpose of the report</b>	To make a decision.
<b>Report Author</b>	Roy Tilbury
<b>Cabinet Member</b>	Councillor Sati Buttar
<b>Confidential</b>	No
<b>Corporate Priority</b>	Financial Sustainability
<b>Recommendations</b>	Cabinet is asked to: Approve the Corporate Debt Policy.
<b>Reason for Recommendation</b>	<p>The Corporate Debt Policy has been compiled to consolidate the recovery process for all services areas within Spelthorne Borough Council.</p> <p>This policy formulates a corporate process for all invoices raised for the Council and brings together a corporate approach in relation to the collection of invoices raised, and the recovery processes that will be used to secured payment.</p>

## 1. Key issues

- 1.1 To maintain a robust process bringing together all services into one corporate debt policy. The types of debts within Sales Ledger amongst others Asset Management to Garden Waste/Meals on Wheels, to Housing Needs Bed and Breakfast accommodation etc, currently there is an ongoing arrears balance of £1.2 million at the end of March 2021. Ongoing recovery action is being taken monthly for all debts including the collection of Council Tax with ongoing arrears balance of £2.5 million, National Non-Domestic Rates with ongoing arrears balance of £3.8 million as of the 31<sup>st</sup> of March 2021, and BID accounts.
- 1.2 We are aware many of our residents are under more financial pressures because of the impacts of Covid-19. We do need to protect Council Taxpayers; financial interests, and at the same time equally to be sensitive around vulnerable people and be aware that as from the 4<sup>th</sup> of May 2021 the implementation of Breathing Space comes into force.
- 1.3 Breathing space will give someone in problem debt the right to temporary legal protections from creditor action while they receive debt advice to enter an appropriate debt solution. The statutory debt repayment plan (the plan) will enable someone in problem debt to enter a statutory agreement to repay their

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debts to a manageable timetable. Individuals entering a plan would receive legal protections from creditor action for the duration of their plan.

- 1.4 This will require a more corporate cross cutting approach to identify all debts across the organisation.

## **2. Options analysis and proposal**

- 2.1 A balance needs to be achieved by protecting vulnerable person(s) as to how the Council can improve collection of its outstanding debtors, this policy brings together clear guidance as to how all service areas can have a corporate approach to debt collection.
- 2.2 The draft policy has been drawn up following extensive consultation with a range of internal Council departments. It is recommended that the policy be approved.

## **3. Financial implications**

- 3.1 Greater control over managing money owed to the Council and the debts it is collecting on behalf of third parties (such as Surrey County Council, Surrey Police, Central Government)

## **4. Other considerations**

- 4.1 To protect the Council, it needs to be able to evidence that it has clear procedures for approaching debt recovery, including with respect to achieving a balance between robustly pursuing its debtors and not incurring expenditure chasing debts which may not be recoverable or where the cost of the recovery process exceeds the value of debt.

## **5. Timetable for implementation**

- 5.1 The Corporate Debt Policy should be implemented once approved and reviewed on a three-year cycle.

### **Background papers:**

### **Appendices:**

#### **Appendix 1 - Corporate debt policy**

CORPORATE DEBT POLICY

DRAFT

Produced by:	Corporate Debt Group
Date Issued	April 2021
Agreed by Section 151 Officer	
Date of Next Review	October 2022

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## 1. Introduction

- 1.1 Spelthorne Borough Council has a duty to ensure that all revenue owed is collected efficiently and effectively for the benefit of all our taxpayers. At the same time the Policy aims to prevent our customers from falling into debt. This is best achieved by adopting the principles of early contact and consolidated action.
- 1.2 In relation to Council Tax and Business Rates and Business Improvement District (BID) demand notices the recovery process is set out by law, so recovery notices will be issued in accordance with the legal timeframes. When contact is made by the customer the recovery process is explained and we would seek to encourage them to pay the current year and then aim to discuss a payment arrangement where arrears are outstanding.
- 1.3 We aim to be an outstanding organisation with regards to the collection of debt. The Policy outlines the use of best practice methods providing high standards of customer service dealing with all customers in a fair and inclusive manner, whilst giving careful consideration to the needs of vulnerable customers. We will treat individuals consistently and fairly, ensuring that individual's rights under Data Protection Act 2018, Equality and Human Rights Act 2010 are protected.
- 1.4 The Policy demonstrates and also supports the Government's agenda to provide solutions that have prevention and intervention as a foundation for public and service delivery to local people.

## 2. Scope

- 2.1 The Policy covers all debts owed to the Council including:
  - Business Rates.
  - Business Improvement District (BID)
  - Council Tax
  - Sundry Debts (Domestic & Commercial Charges/Rents)
  - Parking Fines
  - Housing Rents/Housing Benefit Overpayments
  - Housing Options
  - Independent Living

**Please refer to Appendices 1-8 for the billing and recovery process**

### 3. Purpose and Objective

- 3.1 The intention of the Policy is to provide clarity in our approach to the collection of outstanding debts.
- 3.2 The Policy supports prompt, effective and efficient billing, and recovery action, through making best use of available resources. Debts will be managed in accordance with legislative provisions and best practice, whilst ensuring high standards of customer service.
- 3.3 The policy should also have consideration for individual client circumstances in some cases where e.g., clients are vulnerable.

### 4. Principles

The Policy is strengthened by the following principles:

- 4.1 **Minimising debt;** we will aim to reduce the levels of arrears, bad debt provision and write-offs. We will take an open-minded effective approach, providing consistency in the way customers in debt are dealt with across the Council, and support our customers to manage their priority debts.
- 4.2 **Proactive approach;** we will ensure customers are promptly made aware of their liabilities, being approachable and to encourage customers to contact us at the earliest opportunity. This will enable our officers to take into account customers circumstances of their ability to pay by offering more methods of ways to pay for example monthly fortnightly and weekly payment arrangements. These greater measures of ways to pay, will help customers to manage their finances and could reduce hardship, by agreeing to payment arrangements with more realistic repayments plans that assist the customer in managing their individual financial circumstances.
- 4.3 **Preventative measures;** we will advise on any housing assistance or taxation discounts; reliefs and exemptions customers may be entitled to. We will assist with applications when appropriate and signpost customers to money advice, debt counselling and other support services available through our partners and in the voluntary sector, when additional assistance may be required.

### 5. Debt Priority

- 5.1 It is not the size of a debt that denotes it as a priority, but the result of the action e.g., rent arrears resulting in loss of home. We will prioritise (e.g., apply payments to) debts in the order as shown in the table below:
  - 1. Mortgage or Secured Loan
  - 2. Rent

3. Council Tax
4. Gas and Electricity
5. Court Fines
6. Maintenance arrears
7. HMRC

## 6. Providing Support and Advice

- 6.1 We will ensure that staff are well versed in dealing with our customers and will encourage customers to make contact with us as soon as they begin experiencing difficulties paying their accounts.
- 6.2 Our bills and letters will clearly show how the amount has been calculated and we will make them as easy to understand as possible.
- 6.3 We will also advise individuals and businesses of the range of other discounts, reliefs and reductions available at the time an account is issued and also in subsequent communications.
- 6.4 During both face-to-face contact and telephone communications, officers will direct customers as to where they can obtain further specialist advice on benefits and debt matters appropriate to their needs. On-line signposting will also be available to other agency websites, such as:
  - [Citizen Advice](#)
  - [Money Advice Service](#)
  - [Step Change](#)
  - Armed Forces – [Royal British Legion](#) and/or [SSAFA](#)
  - and other appropriate support organisations (See [Appendix 11](#))
- 6.5 Where appropriate we will work with other agencies to assist customers who are receiving help and liaise with them on a local level to solve issues and answer queries.
- 6.6 We will keep up to date with, and where possible, sign up to current best practice.

## 7. Customers with Multiple Debts

- 7.1 The Policy promotes a flexible approach to working with customers to agree the steps that need to be taken to help address multiple debts. In taking this approach debt management will vary from debt to debt as different solutions will be required, although staff are not trained debt counsellors, we will be able signpost them to help organisations detailed in [Appendix 11](#)
- 7.2 There is currently a consultation document out now by HM Treasury called Breathing Space Scheme, once responses to the proposal have been

received the government intends the scheme to be implemented on the 4<sup>th</sup> May 2021. We will revise our Policy if required in response to the finalised scheme.

- 7.3 Breathing Space is a period of time during which an individual in problem debt is given a period from creditor action for a period of 60 days. This allows space for the individual to fully engage with debt advice and seek a sustainable solution to their debts.

## **8. Assessing the Customer's Ability to Pay**

- 8.1 During the process of recovery, we will act in accordance with statutory regulations and advice issued by professional bodies e.g., Citizens Advice, Money Advice Service, and Money & Pensions Service.
- 8.2 When recovering multiple debts, we will endeavour to break the cycle of debt more specifically towards Council Tax and Business Rates by encouraging payment for current year, and then work with the customer to achieve an acceptable payment arrangement for recurring debts such as rent and Council Tax to be reduced within the customer's means, whilst ensuring a satisfactory level of repayment for the Council.
- 8.3 We will review payment arrangements to offer flexible options, including different payment dates and amounts to assist those on irregular incomes.
- 8.4 We will endeavour to make payment arrangements with customers who are unable to settle their debt(s) in full. However, this may involve legal action being taken against the customer where appropriate.

## **9. Supporting Vulnerable Customers**

- 9.1 We will ensure that arrears are pursued in a timely manner with a firm but fair approach. It is Council policy to try to balance customer care with the responsibility of collecting the tax efficiently. We endeavour to be responsive to individual circumstances wherever possible. Our current collection rates are very good.
- 9.2 We recognise that everyone will require a more sensitive and considered approach to our customers and that some customers do not pay their debts for a variety of reasons. This may include poverty or other financial hardship, which we will endeavour to balance their circumstance against our duty to collect.
- 9.3 Spelthorne Borough Council Customer Services does manage a hardship policy and funds of £30,000 which is designed to help those who currently believe they are unable to pay because of hardship. The fund considers a one-off payment to help reduce the level of arrears with the view to educating the customer to pay their arrears through an agreed payment plan.



- 9.4 Vulnerability does not mean that a person will not be required to pay amounts they are legally obliged to pay. The cause of vulnerability may be temporary or permanent in nature and the degree of vulnerability will vary widely.
- 9.5 Whilst there are several characteristics which may cause an individual to be judged as vulnerable, we will consider each case on an individual basis, and take all relevant factors into account.
- 9.6 Whilst there is no legal definition of a vulnerable person. Generally, persons considered vulnerable are likely to be those who:
- a) Are elderly.
  - b) Appear to be physically or mentally ill, severely disabled or suffering mental confusion.
  - c) Have young children and severe social deprivation is evident.
  - d) Are heavily pregnant.
  - e) Are in mourning due to recent bereavement (of immediate family).
  - f) Have difficulty communicating e.g., due to profound deafness, blindness, or language difficulties.
  - g) Are in receipt of state benefits and/or on a low income and severe social deprivation is evident; and/or
  - h) Are suffering from long term sickness or serious illness including the terminally ill.
  - i) Are in a refuge.

## **10. Debt Recovery and processes**

- 10.1 We will ensure that our customers are aware when enforcement action is near to give our customers every opportunity to bring their account up to date. Costs raised in relation to Council Tax generates an income of around £165,000 per annum. We will take enforcement action when our communications are ignored if needed.
- 10.2 The Council will contact promptly in writing, within the appropriate legislative procedures such as timescales, any person or organisation that fails to make a payment will be informed that the payment is overdue, and what the next course of action may be.
- 10.3 Where collection of the outstanding amount is increased due to costs being incurred the person(s) or organisation, will be responsible for payment of all costs incurred, in addition to their outstanding balance.
- 10.4 A range of recovery options will be used to secure payment for Council Tax and Business rates, discretionary arrangements have failed, such as making an application for a liability order (an order made by the Magistrates Court which gives the Council the power to take further action to enforce payment) the following recovery measures could be considered:

- Attachment of Earnings Order
- Deductions from Benefits
- Enforcement Agent
- Charging Order
- Insolvency (Bankruptcy) action debts over £5,000
- Securing the debt by obtaining charging order against property, that's a consequence of a Bailiff action.

10.5 We will only employ certificated enforcement agents who comply with the taking Control of Goods Regulations 2014 and will ensure they act to the standard Code of Practice with the authority which protects our customers.

## **11. Evasion and Fraud**

11.1 The evasion of payments owed to the Council reduces the financial resources available to the Council, this has a direct impact on all our residents, businesses and other organisations that rely on Council services.

11.2 Evasion or fraud to avoid payment will not be tolerated and where this is identified then in addition to enforce payment, the Council will seek to impose such further penalties or sanctions as the law allows. We are currently in partnership with Reigate and Banstead Borough Council where referrals are made to them for Business Rates, Council Tax and Housing Overpayments for the investigation and detection of fraud being made.

## **12. Write-off Policy**

12.1 The Council recognises that a small proportion of its overall debt may not be collectable due to matters beyond its control and where a debt is assessed to be irrecoverable it will be considered for write-off. However, the Council will seek to minimise the cost of write-offs by taking all appropriate action to recover what is due.

12.2 Furthermore, if a debt is written off but circumstances change such debts will be considered for write-on and pursued to the full extent of the law. An example of when this may occur is if a debtor absconds with no forwarding address but is subsequently traced. A further example would be in insolvency cases where an individual/company goes bankrupt or is made insolvent, partial/full dividend(s) can be received many years later.

12.3 All officers, members and contractors will ensure that they have no work-related involvement with any account involving any relatives, friends, close associates, organisations of which they or their relatives are members or previous employees of. This includes making any decisions on how money owed to the Council is collected and recovered.

12.4 Please refer to write off policy in [Appendix 9](#)

### **13. Right to offset**

13.1 The Council will transfer any credit that is on an account to pay off other debts that are owed to the Council this is known as the right to “offset” or to combine accounts. Before using the right to offset consideration should be given as to whether a customer is in financial difficulty and that they have enough money to cover reasonable day to day priority debts such as:

- Mortgage
- Rent
- Council Tax
- Food Bills

### **14. Monitoring Performance**

14.1 The collection of Rent, Council Tax, Non-Domestic Rates and Sundry Debts are all under public scrutiny as Key Performance Indicators (KPIs). The efficiency of this policy and associated procedures will be monitored through the following KPIs, which are currently reported quarterly as part of the Corporate Performance framework:

- % of Council Tax debt recovered
- % of Non-domestic Rate debt recovered
- % of BID debt recovered, and
- % of Sundry debt recovered
- % of Housing Benefit overpayment

### **15. Equality Duty**

15.1 Under the Equality Act 2010, the Council, in exercising any of its functions, must have due regard to the need to:

- Eliminate unlawful discrimination
- Advance quality of opportunity; and
- Foster good relations between people of different background
- Be fair to all

### **16. Use of data**

16.1 The Council will collect and store personal data for the purposes of the effective billing, collection, and recovery of sums due. Data retained for this

purpose will be processed in accordance with the Data Protection Act 2018 and will be stored securely at all times.

- 16.2 Data will be shared with agents or contractors appointed by the Council for the purposes of the billing, collection, and recovery of sums due. Data may also be shared within the Council or with external organisations where the law allows and in particular where it is in the interests of the debtor or where it will prevent fraud or the unlawful evasion of payment of sums due.

## **17. Review**

- 17.1 This Policy will be monitored and regularly reviewed and updated where necessary to take account of changes in legislation and best practice. A full review of the Policy will be scheduled for 1<sup>st</sup> December 2022 from its introduction.

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## Appendices

### Appendix 1 - Business Rates/BID Recovery

The bills for Business rates and for any BIDs operating within the Borough, are issued on an annual basis and the responsibility for issuing bills and the collection and recovery of debt is held by the Chief Finance Officer. business rates and BID levy payments are payable in line with legislative requirements.

The business rates bill will detail when instalments are due to be paid and the methods which can be used to pay, whereas the BID levy payment is payable in one instalment. If an instalment for either business rates or BID are not paid on time, then a reminder will be issued following non-payment.

Only one reminder notice will be issued for business rate bills and those of BID; any further default will result in a final notice being issued. A final notice withdraws from the customer the right to pay by instalments for business rates and requires full payment of the outstanding amount to be made within seven days. The enforcement action to be taken BID mirrors that of business rates and therefore the final notice issued will give the ratepayer their final opportunity to settle the outstanding levy payment. If the business rate account or the BID levy payment remains unsettled, the Council will make a complaint to the Magistrates Court by the issue of a summons notice for an application to apply for a liability order to be granted.

The Liability Order enables the Council to consider other enforcement remedies for example: instructing enforcement agents to collect the balance of debt that is outstanding.

If an appeal is made against the rateable value to the independent Valuation Officer, payment must still be made against both the business rates and the BID account until the appeal is settled.

Enforcement agents will be appointed based on the contracts which have been procured in line with contract procedure rules. Enforcement/agent's performance and contract management will be in place to ensure compliance with codes of conduct and good practice. Enforcement/agent's services will comply with the Taking Control of Goods: National Standards, issued by the Ministry of Justice.

## Appendix 2 - Council Tax Recovery

The responsibility for the issuing of council tax bills, its collection and recovery of debt is held by the Council's Chief Finance Officer.

The Council will issue a council tax bill, which will give instructions on when the instalments are due to be paid. The preferred method of payment for council tax is direct debit and flexibility is available on the date on which the direct debit is collected. Unless paid by Direct Debit the first instalment is due by the first of the month.

A reminder notice will be issued if an overdue instalment is not paid within seven days of the instalment due date. If the instalment is paid as requested, then no further action will be taken. If the instalment is not paid or only partly paid, recovery action will proceed to the summons stage. Within a council tax year (April – March) only two reminders will be issued for late payment of instalments.

A final notice will be issued on the third occasion that an instalment is paid late. The final notice will be a request for the full balance to be paid. The balance must be paid within seven days of a final notice being issued.

If payment is not received within 14 days after the first or second reminder notice or within seven days of a final notice, the Council will take legal action and a summons will be issued against the customer. All costs incurred are recoverable by the Council and will be added to the amount due when the summons is issued.

The Council reserves the right to take recovery action where a customer does not pay and does not indicate that they are having trouble paying. Customers are informed of:

- entitlement to housing and council tax support and other income related benefits
- discounts, reliefs, and exemptions

The ability to refer debt to an enforcement agent is an important tool in the recovery process. The Council appreciates the sensitivity attached to the use of enforcement agents and will only use them if it is deemed necessary. The Council will seek to use enforcement agents only where it has been determined that this is the most effective collection method for the debt in question.

Enforcement agents will be appointed based on the contracts which have been procured in line with contract procedure rules. Enforcement/agents performance and contract management will be in place to ensure compliance with codes of conduct and good practice. Enforcement agent's services will comply with the Taking Control of Goods: National Standards, issued by the Ministry of Justice.

## Appendix 3 - Sundry Debts Recovery

The responsibility for the raising of sundry debts against a debtor account is set up by Customer Services, each service will request for an invoice to be raised via a 'Finance Sundry Debt' form that can be found on Spelnet via [online forms](#).

The overall responsibility for the collection and recovery of sundry debt is held by the Council's Chief Finance Officer. Customer Services will be responsible for ensuring that assistance/guidance is provided to the Group Heads/senior managers for each service in recovering the debt due to their Service, where appropriate.

Wherever possible, Spelthorne Borough Council should endeavour to obtain payment in advance or at the time when a service is delivered.

The council will only raise a debtor's invoice where payment in advance for a service is inappropriate. All sundry debtor invoices must be raised using the corporate sundry debtor's system.

The general settlement terms for sundry debtors are 21 days from the date of the invoice, there are on odd occasions other dates, these are specified by the individual service areas.

A reminder notice will be issued to the debtor, 21 days after the invoice date, which requires the account to be brought up to date within seven days. Some service areas do fall within vulnerable groups, where this applies, no further notices are issued.

A final notice letter will be issued after a further period of 14 days which will give a further seven days for the account to be brought up to date.

A further final notice before recovery action is sent asking for payment within seven days.

At this stage an arrears analysis report is run for all outstanding debts that are at reminder letter three stage. This is produced on a quarterly basis and forwarded to the Group Heads/senior managers for them to consider the next recovery action they would like to take.

All Service areas are required to return this report within four weeks, failure to do this, will result in Customer Services exercising their professional judgement as to what action should be taken. The Council's Corporate Debt Group will receive regular aged debtor reports and monitor performance.

The recovery options are as follows:

- Letter before action allowing the debtor 14 days to pay
- Referral to the Council's approved debt collection agent (where additional costs may be incurred)
- A Collection Agency

- Money Advice Service (previously known as County Court action seeking a Judgement e.g., Attachment of Earnings)
- Refer to the Council`s own Legal Team.

The list is not exhaustive, and the Council will seek to recover outstanding debt via the most practical and cost-effective manner. Where debt proves uneconomical to collect or the debtors have absconded, we would have to consider to write-off the debt in accordance with the Council`s write-off Policy.

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## Appendix 4 - Policies Specific to Unpaid Parking Penalties

Spelthorne Borough Council undertakes parking enforcement to control and regulate parking in its off-street car parks and on the streets in Spelthorne as the enforcement agent for Surrey County Council. This enforcement is necessary to minimise dangerous and inconsiderate parking on our roads and in our car parks. The Council employs its own Civil Enforcement Officers we also employ temporary Civil Enforcement Officers from time to time from Unity.

Where a Civil Enforcement Officer discovers a car parked in contravention of a parking control, they are required to issue a Penalty Charge Notice.

After a Penalty Charge Notice has been issued, and if it is not cancelled by the Council within the appeals process or paid within statutory timescales (about 60 days from the date of its issue), parking law makes provision for the unpaid Penalty Charge to be referred to the Traffic Enforcement Centre (TEC) for registration of the civil debt and application for an Order for Recovery.

To ensure that appropriate arrangements are in place for the recovery of the debt the order/warrant will be referred to a bailiff company to be executed.

This Policy aims to ensure that the arrangements and activities undertaken in seeking to recover the Debt:

- are applied in a fair and equitable way
- comply with the law, guidance and local policies including the Enforcement Concordat, and the Council's Finance Procedure Rules and the Corporate Debt Policy
- maintain public confidence in parking enforcement processes
- encourage the prompt payment of otherwise undisputed parking penalties.

It is normal practice to appoint one or more bailiff companies that are specialised in the recovery of traffic and parking enforcement debts. The Council will incur no direct cost as a result of the bailiff companies' services since their charges are passed on to the debtor, with the level of these charges being set by regulation.

A good working relationship and good communication is maintained with bailiffs to ensure that public queries are dealt with quickly to establish in advance of its execution that the Warrant is still appropriate and necessary.

In the first instance where the debt is not settled by way of a cash or similar payment, bailiff action may include the removal and sale of goods up to the value of the total of the outstanding debt and subsequent bailiff charges. The Council will only consider authorising the bailiff company to clamp or remove a vehicle in circumstances where the vehicle owner has incurred multiple debts with the Council and where there are three or more outstanding Warrants. However, this will be avoided where it is proved that the vehicle is essential for the employment of the debtor.

The Parking Services Section will, at every stage of the recovery process, consider any information from the bailiff company or the debtor and reserves the option to agree to either defer or to cancel a debt if circumstances justify this. At their discretion bailiffs are authorised to set up payment plans to encourage payment of debts where there is a proven claim of financial hardship. Where the debtor's particular circumstances will be treated on their individual merits, ideally supported by documentary information, for example proof of bankruptcy.

If during the execution of a Warrant, the bailiff receives new information in regard to the case, i.e., a new address for the debtor, the bailiff company are required to refer the case back to the Parking Services Section for review before further debt recovery action can be undertaken.

Warrants that the bailiff company are unable to recover are classified as "no trace" or "executable" and are returned to the Council. These can be either:

- i) Reviewed and either be passed to a second bailiff company
- ii) Referred to the Traffic Enforcement Centre after 12 months (on expiry of the initial warrant) for a further warrant application
- iii) Recommended to be "written off" as unrecoverable.

It is anticipated that unless special circumstances apply in the main most cases will follow the course of item iii.

The debt recovery process will be monitored and reviewed to ensure that the bailiff's performance is at a level consistent within the industry. Benchmarking will be sought between other similar Surrey Boroughs and Districts to ensure performance and quality. A recovery rate of approximately 25% is expected based on payment rate of the number of debts referral per annual.

Complaints against bailiffs monitored will be dealt with in accordance with the Council's customer service standards and complaints procedures.

The Council's Corporate Debt Group will receive regular aged debtor reports and monitor performance.

## Appendix 5 - Housing Benefits Overpayment Recovery

### **Policies Specific to Recovery of Benefit Overpayments**

Overpayments of Housing Benefit and Council Tax Benefit/Support are established through a change in benefit entitlement. They are described as an amount of benefit that has been awarded but to which there is no or reduced entitlement under the regulations.

The Council believes that the prevention of overpayment debt is better than the cure

Therefore, measures are to be employed to prevent overpayments occurring. These will include:

- Using a well laid out application form to collate accurate information which contains an unambiguous statement that failure to provide correct information could lead to overpayments of benefit and to prosecution.
- Ensuring all benefit notification letters and relevant correspondence informs the people affected of their responsibility to tell the Council of any change of circumstances that may affect their claim.
- Making use of reasonable evidence in support of claims and changes or circumstances for example:
  - using checks for identity
  - residency and National Insurance numbers
- Targeted interventions that are risk profiled where possible and appropriate.
- Ensuring all staff involved with overpayments receive, suitable training with comprehensive access to overpayment recovery procedures and an awareness of problems relating to debt.
- Providing fraud awareness training for staff.

Using and developing information technology to automate the identification and recovery of overpayments and to reduce error:

- Including publicity material and information on responsibilities for reporting changes of circumstances.
- Ensuring that benefit awards are suspended and terminated in line with current regulations and case law.
- Dealing as quickly as possible with reported changes of circumstances.
- Participating in various data matching exercises with external agencies and cross matching against internal databases whilst adhering to principles laid down by the Data Protection Regulations 2018, Data Protection and Human Rights Act 1998.

The Council aims to calculate overpayments quickly and accurately and to provide quality information to the people affected, ensuring it recovers the correct amount. To achieve this, the Council will:

- Invite claimants to apply for underlying entitlement.

- Calculate the overpayment, on average, within 14 days of receiving all necessary information.
- Use the proper effective date of change to fix the correct overpayment period.
- Consider uncashed or returned cheques or underpayment of benefit.
- The Council aims to ensure the correct classification of overpayments for subsidy purposes is always used to prevent loss of subsidy.
- All necessary invoices, reminders and pre-debt collector stage letters/Financial Enquiry will be raised according to recovery stage, using the Housing Benefits and Debt Management system.
- Invoices will only be issued when the overpayment cannot be recovered from benefits.

The Council has a responsibility to act in accordance with all relevant legislation and regulations, when recovering overpayments.

Social Security Administration Act 1992.

Social Security Administration Act 1992 (Housing Benefit).

Social Security Administration Act 1992 (Council Tax Benefit).

Social Security Contributions and Benefits Act 1992.

The Housing Benefit (General) Regulations 1987 - and subsequent varying regulations.

The Council Tax Benefit (General) Regulations 1992 - and subsequent varying regulations.

Housing Benefit (Recovery of Overpayments) Regulations 1997.

Social Security (Overpayment and Recovery) Regulations 2013.

The Housing Benefit and Council Tax Benefit (Decisions and Appeals and Discretionary Financial Assistance) (Consequential Amendments and Revocations) Regulations 2001.

Welfare Reform Act 2012.

Housing Benefit Overpayment Guide 2015.

Where the Council decides an overpayment is recoverable, the most appropriate method of recovery will be considered in all cases and arrangements will follow the general hierarchy below:

- From arrears of Housing Benefit.
- On-going deductions from further payments of continuing Housing Benefit. This will include payments that are sent directly to the Landlord on the claimant's behalf. The Council will base recovery rates as laid down by regulation and will initially seek to recover the standard weekly deduction calculated, unless the health or financial circumstances of the claimant suggests, a more appropriate rate should be used. In all cases, however, a minimum amount of fifty pence per week Housing Benefit must remain in payment. The debtor has the right of appeal against the rate of recovery chosen by the Council.
- Overpayments of recoverable Council Tax Benefit/Support, apart from in exceptional circumstances, will result in an adjustment being made to the respective Council Tax account for the appropriate year. An amended bill

will be issued, and any unpaid monies will be subject to recovery action under the Council Tax regulations.

- By deductions from certain Department of Work and Pensions benefits. Section 75(1) of the Social Security Administration Act 1992 allows recovery of overpaid Housing Benefit by deduction from prescribed benefits which are defined in Regulation 105 of the Housing Benefit Regulations 2006.
- As of 8 April 2013, Sections 105 and 106 of the Welfare Reform Act 2012 amends the Social Security Administration Act 1992 allows the Council to recover by attachment of earnings without court authority. Known as Direct Earnings Attachments (DEA), their primary purpose is to enforce recovery where a liable person is in Pay as You Earn (PAYE) employment.
- Referral to an external debt collection agency (after all the above avenues of recovery are considered and/or exhausted).
- In extreme circumstances Civil Proceedings Application to the County Court for a County Court Judgement (after all avenues of recovery are considered and/or exhausted). With a County Court Judgement (CCJ) further recovery actions can be taken, e.g., application to the High Court to instruct High Court enforcement agents.

The Housing Benefit (Recovery of Overpayments) Regulations 1997 provide for the opportunity if deemed appropriate for the Council to recover overpayments from landlords, when the landlord has been classed as responsible from their current tenants' entitlement. The Council will, in appropriate circumstances, reduce payments to landlords for their current tenants to recover overpayments that arose for former tenants, known as 'blameless tenant,' recovery. It will take this action when the original tenant has no continuing Housing Benefit entitlement.

We will ensure recovery is applied in a fair and equitable way. We will also set up payment plans wherever possible to encourage payment of debts considering the claimant's financial circumstances to try and prevent financial hardship but taking into account the need to clear any outstanding debt.

Only if after all attempts at recovering the overpayment have become exhausted and there is no hope of recovery, or there are qualifying circumstances, shall the debt be recommended for write-off.

## Appendix 6 – Policies Specific to Recovery of Housing Options

### **SPELTHORNE RENT ASSURE CURRENT ARREARS PROCESS**

The Rent Assure Scheme provides the Council with an avenue for homeless prevention by utilising the private rented sector to achieve tenancies, thus minimising the use of long-term bed and breakfasts placements or other temporary accommodation. It also enables us to end the main homeless duty by making a PRSO (private rented sector offer).

Two-year assured shorthold tenancies are arranged by the Rent Assure Team. An income and expenditure exercise are undertaken to ensure that the properties are affordable for the ingoing tenants, who are advised of the amount they are due to pay towards the overall rent cost.

The accounts are set up and monitored each week by the Tenancy Sustainment Officer and a series of letters sent out should any arrears accrue. Repayment plans are agreed for the arrears to be cleared, plus an amount for the ongoing rent costs.

Should the tenant default on this repayment plan, further letters will be sent, but ultimately will be issued with an eviction notice, through the Council's Legal Department, if payment is not forthcoming.

Following eviction, if a forwarding address is known, further recovery action will be taken and if after a series of letters there is no further payment, the case will be passed to Customer Services for further recovery action, unless the debit is less than £100, in which case the debt will be written off. If there is no forwarding address, and it is economical to do so, the case will be passed to Customer Service to attempt to gain a forwarding address and if successful recovery action will continue. If no forwarding address is found the debt will be sent for write off.

For tenants who leave the scheme as a natural progression at the end of the two-year period, and a forwarding address is known, recovery action will commence for any outstanding arrears in the form of a series of letters. In these cases, previous tenants will be encouraged to enter a payment plan to clear the arrears over a period, if it is not possible to clear immediately. If payment is not forthcoming, having received follow up letters, the case will be passed to Customer Services for further recovery action. For cases where the forwarding address is not known, details will be passed to Customer Services to attempt to find a current address and if found the recovery process will continue. If unsuccessful the debt will be sent for write off.

## **BED AND BREAKFAST & HOME PREVENTION LOAN ARREARS PROCEDURE**

This area of the Council's sundry debt covers homeless applicants placed in emergency accommodation or those who are assisted with homeless prevention in the form of a loan. These are statutory services and the people assisted cover a wide age group, with a mixture of family groups and single applicants, some of whom have vulnerabilities and lead an itinerant lifestyle, affecting the ability for debt recovery.

For current placements in emergency accommodation, recovery action is monitored via the Income Recovery Officer on a weekly basis, with varying levels of arrears letters being sent out each week to encourage payment and seeking to arrange payments plans to cover the weekly charges plus an amount towards the arrears. If the applicant persists in non-payment, having taken account of possible vulnerabilities, the applicant will be asked to leave the accommodation on a given date unless payment is forthcoming.

For former applicants, having left the emergency accommodation either voluntarily or by prior arrangement, recovery action for any arrears will be commenced by the Income Recovery Officer. Where an address is known a series of letters will be sent to inform the applicant of what is owed and put a repayment plan in place if the debt cannot be cleared immediately. If the repayment plan is not adhered to, following the recovery letters being sent, cases will be transferred to Customer Services for further recovery action to be instigated if the debt is over £100. If under £100 the debt will be put forward for write off.

For those where a current address is not available, and the debt is over £100 (and economically viable to do so), the case will be passed to Customer Services to attempt to trace a forwarding address to be used for further recovery action to take place. If an address is not forthcoming, then the debt will be passed for write off.

Home Prevention Loans are given to prevent homelessness, usually from an existing private rental property, although there are other circumstances in which this budget would be used for homeless prevention. Loans are given as a one-off sum and therefore there is no ongoing debt, and the address of the applicant is known. At the time of arranging for the loan to be given a repayment plan is discussed between the Housing Options Officer dealing with the case and the applicant and a payment method arranged. The Income Recovery Officer will monitor the repayment of these loans monthly, as in most cases repayment is received monthly from the applicant. Arrears letters would be sent and if the repayment plan is not being adhered to the case would be passed to Customer Services for further recovery action.

## Appendix 7 – Policies Specific to Recovery of Independent living

Spelthorne Borough Council offers several discretionary services. Though discretionary these services are essential to the wider community offer and are offered to our most vulnerable residents, including those who are elderly, frail those with multiple long-term conditions, those with a learning disability and those with mental health issues. As a result, recovery is very important to the service, we will be empathetic to the needs of our service users. A number of our services require our users to pay up front including community centre memberships, centre meals, and activities. As a result, they rarely require recovery.

Debts predominantly accrue through our SPAN service, Meals on Wheels, and the OPAL High Needs group.

To ensure that appropriate arrangements are in place for the recovery of the debt we will ensure.

- Recovery is applied in a fair and equitable way
- After non-payment of invoice the client will receive two appropriately worded debt recovery letters
- The administration lead for each of the service areas will then lead on telephone calls to collect debt based on evidence in relation to:
  1. Client capacity
  2. Vulnerability
  3. Impact of non-payment and service removal
- Encourage sign up to Direct Debit for ongoing debt and debt recovery.
- The administration lead for each service area will monitor if an invoice has not been paid. This should be outside of Sundry Debts as they will be providing you with a quarterly arrear's analysis report every quarter.
- It remains the responsibility of the Group Head who are the budget holders to ensure that there is a proactive approach to the collection of revenue that is owed to the council for providing a service, non-payment of an invoice requires monitoring, before the three-month arrear's analysis report is provided by Customer Services.

We will set up payment plans to encourage payment of debts where there is a claim of financial hardship or financial impact. Where the debtor's particular circumstances will be treated on their individual vulnerabilities.

Benchmarking will be sought between other similar Surrey Boroughs and Districts to ensure performance and quality.



The Council's Corporate Debt Group will receive regular aged debtor reports and monitor performance on individual Service areas.

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## Appendix 8 - Code of Practice Enforcement Agent

Below is the Code of Practice detailing the practices to be followed by any Enforcement Agent acting for and on behalf of Spelthorne Borough Council

### **What happens if an enforcement agent is sent to my home?**

As part of a liability order, enforcement agents can be sent to your home to seize your personal belongings should you be unable to set up a repayment plan.

There are three stages that enforcement agents follow:

#### **1. Compliance stage**

A written request is sent to pay your outstanding council tax and the compliance fees in full or to arrange a payment plan.

This written request is an official notice that an enforcement agent will visit your property in seven days to take control of goods if you do not respond.

A fee of £75 is added to your account balance at the compliance stage. Every time a liability order is passed from us to an enforcement agent a fee of £75 is charged to your account balance.

#### **2. Enforcement stage**

An enforcement agent visits your property and takes control of your goods - if you do not contact them within 7 days to pay the account in full or to arrange a payment plan.

If you arrange a payment plan, the enforcement agent may let the goods stay in your property and you enter into a Controlled Goods Agreement. This agreement means a list of all items is created. Should you fail to honour the payment plan then items can be taken.

If you do not pay in full or agree to a payment plan for the outstanding balance of your account, an enforcement agent can seize goods - up to the value of what is owed; this is known as Taking Control of Goods. The value of the goods may not be as much as you paid which means you will still have a balance to pay.

An enforcement fee of £235 is added to your account balance as soon as an enforcement agent visits your property for the first time. Should you owe more than £1,500 then 7.5% of the total amount above £1,500 along with the enforcement fee will be added to your account balance.

For multiple liability orders, only one enforcement stage fee is charged.

### 3. Sale or disposal stage

An enforcement agent attends your property to remove goods for auction or prepare goods to be sold – if the sale takes place at your home.

A fee of £110 is added to your account at the sale or disposal stage, for multiple liability orders, only one enforcement stage fee will be charged.

Should you owe more than £1,500 then 7.5% of the total amount above £1,500 along with the enforcement fee will be added to your account balance.

**In addition to the above fees, enforcement agents may also recover fees for associated costs that are reasonable such as storage fees following removal of goods, locksmith's fees, and auctioneer's fees.**

**Please note:** Once your account is passed to an enforcement agent your account balance and all fees must be paid to the enforcement agent, not the Council.

Should you miss an enforcement agent visit, their details will be left, and you should contact the agent to make payment or arrange another visit.

### **Debt unable to be recovered**

The Council will seek to minimise the cost of write off to the local council taxpayer by taking all necessary action to recover what is due. All reasonable and economical debt recovery action will be taken before consideration is given to writing off a debt. The degree of enforcement will be dependent on the amount owed, the type of debt and the debtor's personal circumstances. This will be progressed in accordance with the Council's Scheme of Delegation.

## Appendix 9 - Write-Off Policy

### Review of irrecoverable debts

Despite our procedures for recovering debts there are always cases that may be deemed impossible or not cost effective to pursue. There are a variety of reasons why this might happen, these include:

- The amount outstanding is below an agreed lower limit less than £100.00
- The customer has left an address and we are unable to trace them.
- The customer has died and there are not sufficient funds from their estate to pay the amount owed.
- The customer is bankrupt or if the company is insolvent (however we do submit a claim in bankruptcy and any payments received from the receiver are credited to the account accordingly).
- It is uneconomical to pursue the debt.
- Health and financial considerations.
- Statute barred – an invoice is irrecoverable if six years have elapsed from the date of the invoice, date of service or last payment date, whichever is the latter. If the debt is acknowledged by the debtor, the six years runs from this date. All debts which are statute barred will be processed through the agreed write off procedures as irrecoverable.
- Official error Housing Benefit overpayments, where the customer could not reasonably be expected to know they were being overpaid.
- Housing Benefit overpayments where the authority decides that it is unreasonable to recover the debt.

We will monitor all outstanding debts to ensure that they are recoverable and will take prompt action when irrecoverable debts are identified to write them off in accordance with our financial standing orders.

Groups Heads and the Deputy Group Head for Customer Services and Deputy Chief Executive (Chief Finance Officer) have delegated authority to write off debts for individual outstanding balances up to the following values.

- Council Tax to the value of £5,000
- Business Rate to the value of £9,000
- Housing Benefits to the value of £5,000
- Sales Ledger to the value of £3,000

For write offs over these limits, a Cabinet report must be prepared in the required format.

Additional provisions to write off all debts without limit, where bankruptcy, liquidation proceedings, administration or receiverships proceedings have been instigated, as stated in the Delegations to Officers report section 3 updated 31/01/2018.

Where the court has remitted the debt, a copy of the court order should be sent to the Customer Services to do all other write-offs, should be prepared in the usual way, and checked by the Customer Services and Revenues Manager and then forwarded onto Deputy Group Head for approval.

The write off policy remains in force and for all write offs over £750, external checks such as Call Credit must be used.

All write offs submitted to the Sales Ledger Team must be authorised by the Group Head for their service area and will also require the signature of the Chief Finance Officer, quarterly reports as to the value of write offs made onto our systems will be reported to the Chief Finance Officer.

The formal 'writing off' of any debts will not rule out recovery action being taken in the event that a customer's circumstances change

Where there is an outstanding balance for closed accounts between the value of £0.01 and £100.00 the value of costs that would be added to an account if recovery were to take place. This amount would be written off without reference to the Group Head or Deputy Chief Executive /Chief Finance Officer.

Appropriate paperwork needs to be completed for checking by the Customer Services and Revenues Manager.

### **Accounts in Credit**

As a matter of housekeeping there are times where we are unable to refund a credit that is on an account due to no forwarding address being provided.

A refund form should always be sent out in case a re-direction may be in place for the customer who has a credit on an account and every effort should be made to return the credit to the customer.

Where this is not possible a quarterly report should be identified of all credits with a view to consider writing these off our systems, we would need to liaise with our accountancy section regarding this to ensure the appropriate transaction code is used and authorisation is given by the Chief Finance Officer, this needs to be evidenced for audit purposes.

## Appendix 10 - Way to Pay

### **Internet & Automated Telephone Payments**

Payment by Debit or Credit Card can be made using the Council's Internet Payment facility using:

- our website <https://www.spelthorne.gov.uk/pay-online>
- or, by automated telephone service on 01784 444 220

These services are available 24 hours a day 365 days a year.

### **Direct Debit**

The Council offers a choice of dates for payment by Direct Debit.

### **Standing Order**

Obtain a standing order form from your bank and complete, instructing your bank to pay:

The Lloyds Bank

Account number 11441960

Sort code 308012

Always quote your Reference number. Return the completed standing order to your bank. It is your responsibility that the Standing Order is paid on time for the right amount.

### **Telephone Banking**

Make a payment using any of the telephone banking services offered by most banks or building societies. Please make sure you quote your Council Tax Reference number together with The Lloyds Bank account number: 11441960 and sort code: 308012.

### **Post Office/Paypoint outlets**

Payment can be made at most Post Offices by cash or cheque or at Paypoint outlets by cash only if your bill has a barcode printed on it. There is no fee for this service.

### **By Post (Do not send cash).**

Cheques to be made payable to Spelthorne Borough Council and crossed "A/C PAYEE ONLY".

Please write your Council Tax Reference on the back of the cheque. If you would like a receipt, please be sure to include a self-addressed stamped envelope

## Appendix 11 - Helping Customers to Pay

### HELP WITH MANAGING YOUR MONEY AND DEBT

It is often the case that customers do not know where to turn if they are concerned about managing their money or they have debts, and many customers are not opting for advice that is available. Customers are still unwilling to access the services of a financial adviser or debt advisor which means customers make complex choices without support.

**Ignoring the problem will not make it go away.** Customers must ask for help and there are many organisations that can provide advice on welfare, debt, and money problems. Please note the following agencies/bodies:

#### Advice UK

Advice UK is a registered charity and is the UK's largest support network for free, independent advice centres.

For more details:

- visit their website <https://www.adviceuk.org.uk>
- call them on 0300 777 0107
- write to them at: Advice UK, 101E Universal House, 88 – 94 Wentworth Avenue, London, E1 7SA

#### Age UK

Age UK is a registered charity in the UK and is the country's largest charity dedicated to helping everyone make the most of later life.

For more details:

- visit their website: [www.ageuk.org.uk](http://www.ageuk.org.uk)
- call them on 0800 678 1602
- write to them at: Age UK, Tavis House, 1-6 Tavistock Square, London WC1H 9NA

Local – Age UK Surrey:

- visit their website [www.ageuk.org.uk/surrey](http://www.ageuk.org.uk/surrey)
- email [enquiries@ageuksurrey.org.uk](mailto:enquiries@ageuksurrey.org.uk)
- write to them at: Age UK Surrey, Rex House, William Road, Guildford. GU1 4QZ

#### Armed Forces – Service Charities

The Royal British Legion and SSAFA

- visit their website: [www.britishlegion.org.uk/](http://www.britishlegion.org.uk/)

- call them on 0800 802 8080
- visit their website: [www.ssafa.org.uk/](http://www.ssafa.org.uk/)
- call them on 08007314880

### **Christians Against Poverty**

Christians Against Poverty is a national Christian charitable company specialising in debt counselling for people in financial difficulty, including those in need of bankruptcy or insolvency regardless of their religious beliefs. It also provides other services and courses.

For more details:

- visit their website: <https://capuk.org/>
- call them on 01274 760720
- write to them at: Christians Against Poverty, Jubilee Mill, North Street, Bradford BD1 4EW

### **Citizens Advice**

Citizens Advice (CA) to offer advice on financial advice and debt problems. The CA also provide a very wide range of advice on other money and non-money topics.

Your local Citizens Advice can be contacted at:

- [www.citizensadvice.org.uk/](http://www.citizensadvice.org.uk/)

Runnymede and Spelthorne Borough Council's do support at a local level the following C.A.R.S service.

- Runnymede and Spelthorne Citizens Advice (Sunbury), Sunbury Library, The Parade, Staines Road West, Sunbury-on-Thames TW16 7AB
- <https://www.citizensadvice.org.uk/local/runnymede-spelthorne/>

### **Money Advice Service (MAS) (from 8 April 2019 Money and Pensions Service)**

This is an independent service set up by the Government. The MAS provide a financial health check service. This can help you work out your financial priorities and make decisions about your money.

The MAS also have a budget calculator to help you to think about your spending and to work out whether you have enough money coming in to cover your outgoings.

For more details:

- visit <https://www.moneyadviceservice.org.uk/en/tools/health-check>
- call them on 0800 138 7777

### **National Debt line**



This is a telephone-based service and is a national helpline for people with debt problems in Wales, England, and Scotland. They will discuss debt problems with you and explain the options available to you.

For more details:

- visit their website <https://www.nationaldebtline.org/>
- call them on 0808 808 4000 or have a web chat with an advisor
- write to them at: National Debt line, Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP

## **Payplan**

Payplan provide free debt advice and management.

For more details:

- visit their website <https://www.payplan.com>
- call them on 0800 280 2816 or have a web chat with an advisor
- write to them at: Payplan Ltd, Kempton House, Dysart Road, PO Box 9562, Grantham, NG31 7LE

## **Shelter**

Shelter is a registered charity that gives advice, information, and advocacy to people in need.

For more details:

- visit their website <https://england.shelter.org.uk/>
- call them on 0808 800 4444 or have a web chat with an advisor
- write to them at: 88 Old Street, London, EC1V 9HU

## **Step Change Debt Charity**

The Step Change provides free debt advice over the phone. Everything is free and confidential, from budgeting advice to practical Debt Management Plans. This service is available to everyone in the UK.

For more details:

- visit their website <https://www.stepchange.org>
- call them on 0800 138 1111 or have a web chat with an advisor
- write to them at: Step Change Debt Charity, Wade House, Merrion Centre, Leeds, LS2 8NG

## **The Money Charity**

The Money Charity provides information and guidance for people with debt or money worries.

For more details:

- visit their website <https://www.themoneycharity.org.uk>
- email [hello@themoneycharity.org.uk](mailto:hello@themoneycharity.org.uk)
- call them on 0207 062 8933
- write to them at: The Money Charity, 15 Prescott Place, London, SW4 6BS

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## Appendix 12 – Equality Impact Analysis

<b>Directorate:</b> Customer Services and Revenues  <b>Service Area:</b> Customer Services	<b>Lead Officer:</b> Martyn Forward  <b>Date completed:</b> April 2021
<b>Service / Function / Policy / Procedure to be assessed:</b>  Corporate Debt Policy	
<b>Is this:</b> New / Proposed <input type="checkbox"/> Existing/Review <input checked="" type="checkbox"/> Changing <input type="checkbox"/>  (Please tick appropriate box)	<b>Review date:</b> December 2022

**Part A – Initial Equality Analysis to determine if a full Equality Analysis is required.**

**What are the aims and objectives/purpose of this service, function, policy, or procedure?**

Review existing Corporate Debt Policy to improve collection for all Service areas and promote a more joined up working with regards to collection of outstanding debt across the Council.

**Please indicate its relevance to any of the equality duties (below) by selecting Yes or No?**

	Yes	No
Eliminating unlawful discrimination, victimisation and harassment	Yes	
Advancing equality of opportunity		No
Fostering good community relations	Yes	

**If not relevant to any of the three equality duties and this is agreed by your Head of Service,** the Equality Analysis is now complete - please send a copy to Roy Tilbury. **If relevant,** a Full Equality Analysis will need to be undertaken (PART B below).

**PART B: Full Equality Analysis.**

### Step 1 – Identifying outcomes and delivery mechanisms (in relation to what you are assessing)

<b>What outcomes are sought and for whom?</b>	Greater understanding of amount of debt outstanding by service areas, provide greater transparency of the Group Head of a service, to reduce debt owed by the service in a timelier manner. Engage with our customers with equality and fairness in promoting more positive solutions to managing their debt.
<b>Are there any associated policies, functions, services, or procedures?</b>	The corporate debt policy brings together all service areas where the agreed policy tackles all areas of debt that is owed to the Council as a whole and set guideline's as how collection of debt should be dealt with. It will also be monitored by the Corporate Debt Group on a quarterly basis where balances have not been reduced will be discussed as to how payment can be achieved.
<b>If partners (including external partners) are involved in delivering the service, who are they?</b>	N/A

### Step 2 – What does the information you have collected, or that you have available, tell you?

**What evidence/data already exists about the service and its users?** (in terms of its impact on the 'equality strands', i.e., race, disability, gender, gender identity, age, religion or belief, sexual orientation, maternity/pregnancy, marriage/civil partnership and other socially excluded communities or groups) and **what does the data tell you?** e.g., are there any significant gaps?

No
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**Has there been any consultation with, or input from, customers / service users or other stakeholders?** If so, with whom, how were they consulted and what did they say? If you haven't consulted yet and are intending to do so, please list which specific groups or communities you are going to consult with and when.

Consultation has been made with all Service areas and Group Heads and Managers and the Corporate Debt Group, regarding this document

**Are there any complaints, compliments, satisfaction surveys or customer feedback that could help inform this assessment? If yes, what do these tell you?**

No

**Step 3 – Identifying the negative impact.**

**a. Is there any negative impact on individuals or groups in the community?**

**Barriers:**

What are the potential or known barriers/impacts for the different 'equality strands' set out below? Consider:

- **Where** you provide your service, e.g., the facilities/premises.
- **Who** provides it, e.g., are staff trained and representative of the local population/users?
- **How** it is provided, e.g., do people come to you or do you go to them? Do any rules or requirements prevent certain people accessing the service?
- **When** it is provided, e.g., opening hours?
- **What** is provided, e.g., does the service meet everyone's needs? How do you know?

\* Some barriers are justified, e.g., for health or safety reasons, or might actually be designed to promote equality, e.g., single sex swimming/exercise sessions, or cannot be removed without excessive cost. If you believe any of the barriers identified to be justified, then please indicate which they are and why.

**Solutions:**

What can be done to minimise or remove these barriers to make sure everyone has equal access to the service or to reduce adverse impact? Consider:

- Other arrangements that can be made to ensure people's diverse needs are met.
- How your actions might help to promote good relations between communities.
- How you might prevent any unintentional future discrimination.

<b>Equality Themes</b>	<b>Barriers/Impacts identified</b>	<b>Solutions (ways in which you could mitigate the impact)</b>
<b>Age</b> (including children, young people, and older people)	Health and Mental Health Yes,	To have understanding in meeting specific individual needs. The Council's approach on debt would not discriminate against them specifically,



		but to ensure everyone is treated fairly and sensitively. The policy assists and signposts customer's to organisation's that can help them
<b>Disability</b> (including carers)	N/A	As above
<b>Gender</b> (men and women)	N/A	Depends on individual details
<b>Race</b> (including Gypsies & Traveler's and Asylum Seekers)	N/A	Depends on individual details
<b>Religion or belief</b> (including people of no religion or belief)	N/A	Depends on individual details
<b>Gender Re-assignment</b> (those that are going through transition: male to female or female to male)	N/A	Depends on individual details
<b>Pregnancy and Maternity</b>	N/A	Depends on individual details
<b>Sexual orientation</b> (including gay, lesbian, bisexual and heterosexual)	N/A	Depends on individual details

#### Step 4 – Changes or mitigating actions proposed or adopted

**Having undertaken the assessment are there any changes necessary to the existing service, policy, function or procedure? What changes or mitigating actions are proposed?**

- Quarterly arrears analysis report to be sent to all Service areas with a response from the Service area within a 4-week period, and arrears for all areas will be reported to the Corporate Debt Group on a quarterly basis.
- Handling of specific debt is undertaken at service level in an equitable manner for all so there is no specific actions to deal with those with protected characteristics

### **Step 5 – Monitoring**

#### **How are you going to monitor the existing service, function, policy or procedure?**

Quarterly review of arrears for all services areas reporting to the 151 Officer of the Council and quarterly meetings held by the Corporate Debt Group.  
Ongoing monitoring of complaints and issues in services to ensure there is no discrimination against any of the protected groups

**Part C - Action Plan**

<b>Barrier/s or improvement/s identified</b>	<b>Action Required</b>	<b>Lead Officer</b>	<b>Timescale</b>

**Equality Analysis approved by:**

Group Head:	Date:
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**Please send an electronic copy of the Equality Analysis to the Equality & Diversity Team and ensure the document is uploaded to the EA Register which will be available to the public:**

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# Extraordinary Cabinet



TBC 2021

	<b>Local Walking and Cycling Infrastructure Scheme (LWCIP)</b>
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Sandy Muirhead
<b>Cabinet Member</b>	Cllr Robert Noble
<b>Confidential</b>	No
<b>Corporate Priority</b>	Clean and Safe Environment
<b>Recommendations</b>	<p><b>Cabinet is asked to:</b></p> <p><b>To agree to participating in the production of a Local Walking and Cycling Infrastructure Plan (LWCIP)</b></p> <p><b>To agree the allocation of the available funds:-</b></p> <ul style="list-style-type: none"> <li>• <b>£20,000 towards Phase 1 of the feasibility study to be funded from Green Initiatives Fund</b></li> <li>• <b>£175,000 towards the production of an LWCIP for Phase 2. To be funded from Spelthorne's Surrey Infrastructure Feasibility Study Fund</b></li> </ul>
<b>Reason for Recommendation</b>	<b>LWCIP's are blueprints to increase walking and cycling routes. They have benefits in terms of modal shift, health, and well-being of residents especially as we move into COVID-19 recovery and beyond and reducing the impacts of climate change.</b>

## 1. Key issues

- 1.1 The Council declared a Climate Emergency in October 2020 resulting in an increased focus on environmental and sustainability issues. Environmental issues have been set out as a new corporate priority and the Capital Strategy (2021-2026), as agreed by Council on 25 February 2021, has a "green" focus. There is also the ongoing work of the Climate Change Task Group which continues to look at promoting green measures for the Council and residents

to undertake. In terms of sustainability the task group has highlighted the need to reduce carbon emissions and is looking at ways of encouraging residents to cycle and walk to a greater extent with benefits in both reducing carbon emissions and improving health and wellbeing.

- 1.2 Therefore, the proposal for Spelthorne to develop, in conjunction with Surrey County Council, Local Walking and Cycling Infrastructure Plans (LWCIP) (Appendix 1) is a positive move to reducing carbon emissions. LWCIPs provide blueprints of walking and cycling routes within an area that have been assessed as meeting Department of Transport (DfT) standards. They are linked to the Local Transport Plan 4 which Surrey are currently developing. This will be focused on 'avoiding' the need to travel, 'shifting' to lower energy consumption travel (including walking and cycling) and 'improving' efficiency of networks and reducing vehicle emissions. The LWCIP's will complement the work which is being done as part of the review of the Local Plan. The Local Plan is looking at what additional infrastructure is required because of future growth, and what form it should take (with a move away from the car to more sustainable forms of transport).
- 1.3 The LWCIP's are considered essential for all areas within Surrey, but it has been proposed these are developed on a cluster and corridor basis as opposed to a simple borough boundary basis. The cluster and corridor approach prioritises areas where there is a natural desire line for walking and cycling and where take up is likely to be higher.
- 1.4 Surrey County Council have approached Spelthorne to be involved in producing a LWCIP, which will provide a Borough wide study of possible options for cycling and walking and because of links to the River Thames Scheme there are opportunities to be evaluated which would allow connectivity for walking and cycling from Runnymede, through Spelthorne to Elmbridge. As a result, the first tranche of work proposed on the LWCIPs will take place in Runnymede and Elmbridge followed by us as outlined in Appendix 2.
- 1.5 The key outputs of a LWCIP plan are: -
  - A prioritised network plan for walking and cycling across the Borough with preferred routes and core zones for further development (these do not all need to be delivered and can be "as required" depending on the funding secured)
  - A prioritised programme of infrastructure improvements for future investment (capital investment)
  - To make the case to LEPs' and government departments for future funding for walking and cycling infrastructure
- 1.6 Cabinet need to be aware that in order to deliver the LWCIP future capital funds will be required over the next 5 to 10 years from the Council (match funding). The actual amounts will depend on the scale and number of schemes identified by the feasibility study (see financial section) and until the initial work is complete the overall potential cost can only be indicative.
- 1.7 There are considerable benefits to improving walking and cycling in the Borough both in terms of achieving climate change targets and improving the health and wellbeing of Borough residents.

- 1.8 The study would also add to the work of the Wider Staines Sustainable Transport Package of schemes which aims to improve walking, cycling and bus patronage in the wider Staines areas as part of measures to encourage modal shift from private car use. As a Council we put in £365,000 of CIL money to part fund Phase 1 of a three-phase package costing in total £4.95M. Phase 1, currently nearing completion, focuses particularly on footpath and cycling route improvements in Staines, Stanwell, and Ashford North. This phase improves sustainable travel options between Heathrow and Staines town centre, enabling the area to reach its latent growth potential. The overall package also enhances links to Staines town centre. The LWCIP could identify options to extend routes to other parts of the Borough.

## **2. Options analysis and proposal**

- 2.1 Not to participate in the feasibility study could limit opportunities for meeting climate change and health and wellbeing targets in the Borough by not encouraging walking and cycling. All other Councils across Surrey are being programmed in to LWCIPs in one of four phases. If we decided not to proceed at this stage, we could potentially ask to be put in a later phase. However, the opportunity of linking in with the River Thames scheme would be lost (it is time critical as a feasibility study needs to be in place outlining routes as part of the Development Consent Order for the scheme). This would be to the detriment of our residents if a study is put forward for other boroughs who are affected, and not ours.
- 2.2 It is recommended that funding is set aside for both phase 1 and phase 2 works. Participating in the feasibility study would develop plans which could be implemented in the future, funds allowing, to improve residents' health and well-being by encouraging cycling and walking and reducing use of the car thus reducing emissions and contributing to climate change targets

## **3. Financial implications**

- 3.1 There are two options for funding, the Green Initiatives Fund and the Surrey Infrastructure Feasibility Study Fund,

### Green Initiatives Fund

- 3.2 The first option for funding is the Green Initiatives Fund of £250,000 which was agreed by Council on 25 February 2021. This fund can be used for a whole range of green measures and the LCWIP clearly fits into the spend category.
- 3.3 Phase 1 of the DfT LCWIP is likely to cost around £60k. The County Council is looking for Spelthorne to fund a third of the cost for this element (£20k) to be spent summer 2021, with the rest being paid for by SCC. It is recommended that the Council's contribution of £20k is financed from the Green Initiatives Fund.

### Surrey Infrastructure Feasibility Fund

- 3.4 The second option is the Feasibility Fund. Councils in Surrey collectively needed to develop infrastructure feasibility studies so bids can be made for full project funding when bidding rounds become available. It ensures there are dedicated resources to develop a robust pipeline of schemes.

- 3.5 The fund has a gearing ratio of 1:0.86. For every £1 which Spelthorne Borough Council invest in the fund the Council will receive £1.86 for scheme development due to investment from Surrey County Council and Enterprise M3 LEP (EM3). The fund will help Spelthorne Borough Council work with neighbouring local authorities, Surrey County Council and the LEP.
- 3.6 The Feasibility Fund was agreed by Cabinet on 17 July 2019, and a sum of £210k was ring fenced for the fund. It is a one-off sum, not a rolling commitment. Control of the spend is retained by Spelthorne. Overall there is £390k available with the monies from Surrey and the LEP. Phase 2 is between £200 and 300k for the feasibility, economic assessment, and business case development (spend autumn 2021). Again, Spelthorne would need to fund 50% of this It is recommended that the Fund finances £175k relating to the production of a LCWIP for phase 2.
- 3.7 Phase 2 may identify schemes requiring investment, which could cost overall a minimum £7-8M, ranging up to a maximum of £20M over the 10-year life of the plan. There is an expectation that Spelthorne would need to contribute capital match funding in the order of £2m to 5m. This assumes that Spelthorne contribute 25%, the County contribute 25% and the remaining 50% comes from central government grants. The 50/50 split between central and local government is standard on all capital development projects However, Cabinet need to be aware that if, for example, we look for funding from the Levelling Up Fund there is a risk that the funding from Central Government could be as low as 25%, and we and Surrey would be expected to fund the remainder. In that case, the worst-case scenario if we were to commit fully to a programme costing £20m would be £7.5m. It is worth bearing in mind however that the LWCIP will be deliberately designed so that it can be 'chunked' up into smaller elements so that Councils can prioritise their spend if they cannot commit to the whole plan.
- 3.8 The potential future spend on delivering the LCWIP should hopefully be known by the time Council have to agree the Capital Strategy 2022 - 2026 next February. At that point, Council would need to consider the level of spend, and when it is likely to come forward, bearing in mind the Plan has a 10-year lifespan.
- 3.9 The CIL pot is likely to have several calls on it but at the time the plan comes forward, there may be scope for the County to bid for CIL funding to deliver some elements. The Council could also consider allocating some of the CIL money each year to funding pot for LWCIP schemes as they could be part of the required infrastructure to support the development of the Borough.

#### **4. Other considerations**

- 4.1 Any walking and cycling opportunities would provide benefits to all residents through providing a safer environment for all residents to walk or cycle. Funding of schemes also needs to be monitored to ensure their development is not to the detriment of ongoing maintenance of the highway and also that highways funds are available to maintain any new routes. Schemes developed under the LWCIP programme would have to undertake an equality and diversity impact assessment to ensure they are not discriminatory.

#### **5. Sustainability/Climate Change Implications**



5.1 The proposed scheme encourages modal shift resulting in reduced car emissions, thus improving air quality, and reducing carbon emissions. In terms of sustainability encouraging walking and cycling will improve the health and well-being of residents.

**6. Timetable for implementation**

6.1 Appendix 2 indicates the likely timelines.

**Background papers:**

**Appendices:**

**Appendix 1 Local Infrastructure and Walking Infrastructure Plans**

**Appendix 2 Proposed programme for the feasibility studies.**

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## WHAT IS AN LCWIP?

- Local Cycle and Walking Infrastructure Plan (LCWIP).....“*el-swip*”
- The development of LCWIPs form part of DfT’s current investment strategy for cycling and walking to help deliver the Government’s aim of doubling cycling by 2025
- LCWIPs are a new, strategic approach to identifying cycling and walking improvements required at the local level
- Best practice evidence-led method for local authorities to plan both cycling *and walking* infrastructure.
- Plans enable a long-term approach to developing local cycling and walking networks, ideally over a 10 year period

### **Key outputs of LCWIP plan:**

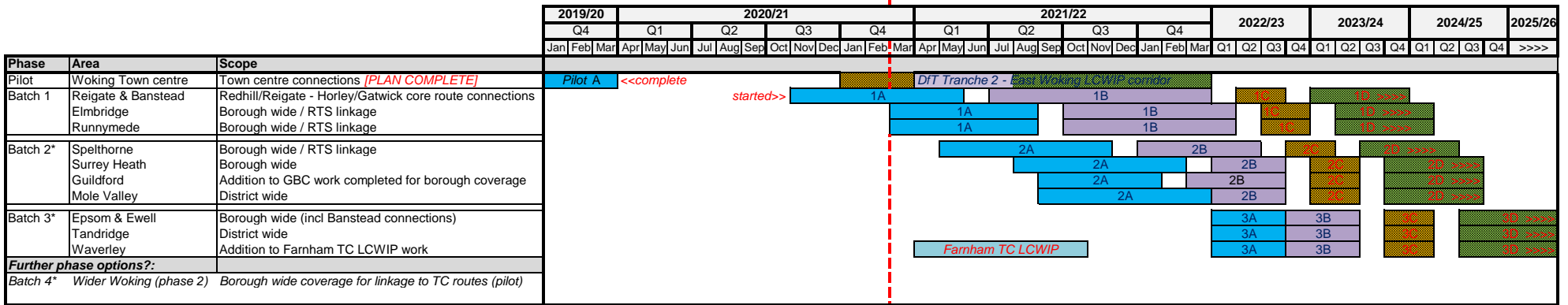
- A prioritised network plan for walking and cycling preferred routes and core zones for further development
- A prioritised programme of infrastructure improvements for future investment
- To make the case for future funding for walking and cycling infrastructure

Further detailed information and guidance on the LCWIP process can be found on the DfT website using the link here: <https://www.gov.uk/government/publications/local-cycling-and-walking-infrastructure-plans-technical-guidance-and-tools>

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LCWIP provisional programme

version: 1.5 10/03/21



\*Batches and timing of each area LCWIP is subject to confirming funding share in agreement with each B/D

**Key / Project stage:**

- #A LCWIP Plan
- #B Feasibility design
- #C Business case / bid for funding *[subject to funding opportunity and area prioritisation]*
- #D Scheme delivery - potential phased approach *[subject to funding]*

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## Urgent actions

### Cabinet 19 May 2021

These are the urgent actions which have been taken since the last Cabinet meeting on 24 March 2021.

The following urgent actions were agreed by the Chief Executive in consultation with the Leader, on the following dates and for the reasons stated. These are not Key Decisions.

<b>DATE</b>	<b>ACTION</b>	<b>REASON FOR URGENCY</b>
<b>25 March 2021</b>	Approve a lease renewal letting in unit 3 Friends Walk, The Elmsleigh Centre, Staines-upon-Thames.	To secure the transaction completion of the letting before the Cabinet or its Sub-Committee was next due to meet
<b>1 April 2021</b>	Agree the simultaneous surrender of an existing lease and approve a new letting in unit 3 Friends Walk, The Elmsleigh Centre, Staines-upon-Thames.	To secure the transaction completion of the letting before the Cabinet or its Sub-Committee was next due to meet
<b>9 April 2021</b>	A new letting in Part 1 <sup>st</sup> floor and improved terms on part ground floor, The Charter Building, Uxbridge.	To secure the transaction completion of the letting before the Cabinet or its Sub-Committee was next due to meet
<b>9 April 2021</b>	Lease variation on part ground floor and part 2 <sup>nd</sup> floor, The Porter Building, Slough	To secure the transaction completion of the letting before the Cabinet or its Sub-Committee was next due to meet
<b>15 April 2021</b>	Agree the simultaneous write-back and deferral of six weeks rent and push back of break option to earliest 6 Jan 2022. 32a, The Elmsleigh Centre, Staines-upon-Thames	To secure the transaction completion of the letting before the Cabinet or its Sub-Committee was next due to meet

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of the Local Government Act 1972.

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