

Public

MINUTES OF THE SPELTHORNE BOROUGH COUNCIL

Minutes of the Council Meeting of Spelthorne Borough Council held in the Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames on Thursday, 23 February 2017 at 7.30 pm

Present:

Councillors:

M.M. Attewell	P.C. Forbes-Forsyth	A.J. Mitchell
C.B. Barnard	M.P.C. Francis	S.C. Mooney
R.O. Barratt	C.M. Frazer	J.M. Pinkerton OBE
I.J. Beardsmore	N.J. Gething	O. Rybinski
J.R. Boughtflower	A.L. Griffiths	D. Saliagopoulos
S.J. Burkmar	A.C. Harman	J.R. Sexton
R. Chandler	I.T.E. Harvey	R.W. Sider BEM
C.A. Davis	N. Islam	R.A. Smith-Ainsley
S.M. Doran	A.T. Jones	B.B. Spoor
S.A. Dunn	J.G. Kavanagh	H.A. Thomson
Q.R. Edgington	V.J. Leighton	H.R.D. Williams
K. Flurry	M.J. Madams	

Apologies: Apologies were received from Councillors S. Capes, T.J.M. Evans and D. Patel and Miss Sue Faulkner, Vice-Chairman of the Members' Code of Conduct Committee.

Councillor A.E. Friday, The Mayor, in the Chair

317/16 Minutes

It was proposed that the minutes of the Council meeting held on 22 December 2016 were agreed as a correct record, subject to:

Minute 277/16 relating to the minutes of the meeting held on 20 October 2016 being amended to read, by the inclusion of the words in italics, as follows:

"The minutes of the Council meeting held on 20 October 2016 were agreed as a correct record *subject to the replacement of the words, 'gave the following response to the supplementary question' with 'gave the following subsequent, written response to the supplementary question' in all of the supplementary responses provided to Councillor Edgington at Minute 249/16 on his general questions*"

Councillor P.C. Forbes-Forsyth requested that it be noted that she was given incorrect advice at the meeting held on 22 December 2016 when she was disqualified from taking part in the vote on the Motion at Minute 292/16, due to her absence from the Council Chamber during part of the debate.

Mr Michael Graham, the Council's Monitoring Officer, offered to consider the comments that had been made at the meeting and write to all councillors to provide advice on attendance in a meeting before voting. He advised that the Mayor proceed to the vote on agreement of the minutes of the meeting held on 22 December 2016.

Resolved that the minutes of the Council meeting held on 22 December 2016 were agreed as a correct record, subject to:

Minute 277/16 relating to the minutes of the meeting held on 20 October 2016 being amended to read, by the inclusion of the words in italics, as follows:

"The minutes of the Council meeting held on 20 October 2016 were agreed as a correct record subject to the replacement of the words, 'gave the following response to the supplementary question' with 'gave the following subsequent, written response to the supplementary question' in all of the supplementary responses provided to Councillor Edgington at Minute 249/16 on his general questions"

In accordance with Standing Order 22.4, Councillor I.J. Beardsmore, S.A. Dunn, Q.R. Edgington, P. Forbes-Forsyth, D. Saliagopoulos, J. Sexton and B.B. Spoor requested that their individual votes against the motion be recorded.

318/16 Disclosures of Interest

There were no disclosures of interest.

Following this item the Mayor dealt with Item 16. Motions, (see Minute 334/16) in view of the interest in this item by members of the public attending the Council meeting.

319/16 Announcements from the Mayor

The Mayor announced that since the last meeting of this Council he had held two successful fundraising events in support of his charities: a film show at Shepperton Studios and twilight racing in the Royal Box at Kempton Park. He thanked all those who helped arrange these functions and those members of the Council who supported him.

He announced some forthcoming events: a Rhythm and Blues Evening at Sunbury Cricket Club on March 10th and the Masquerade Ball at the Runnymede Hotel on April 8th.

He commended the good work done by Mr Nigel Drury, Community Connector for Spelthorne and mentioned the invaluable communication tool he produces for local organisations in the voluntary sector called "Community Connections".

320/16 Announcements from the Leader

The Leader made the following announcements:

He expressed his thanks and gratitude, and those of the Cabinet, to Councillor Jean Pinkerton OBE who would be standing down from the Cabinet from the Annual Council meeting in May 2017 as she was Deputy Mayor designate. He welcomed two new Cabinet colleague designates, Councillors Olivia Rybinski and Mark Francis.

He advised that the closing date for Windfall Grants was extended to 21 March 2017. The grants of £20,000 per ward had been made available for councillors to benefit their wards due to the Council's property acquisition success.

Councillor Harvey announced to the Council the forthcoming retirement of the Chief Executive, Roberto Tambini, after 39 years in Local Government, 11 of those being with Spelthorne. He thanked Mr Tambini for all his years of service to the Borough.

He also thanked two officers, Linda Norman and Ryan Maslen who were leaving Spelthorne and wished them well in their new roles.

Finally, he informed the Council that the Cabinet had decided to end the positive Legal Services partnership with Reigate and Banstead Borough Council, preferring to re-establish Spelthorne's own in-house service to give us a strong platform from which to pursue our property investment and housing portfolio ambitions.

321/16 Announcements from the Chief Executive

There were none.

322/16 Questions from members of the public

The Mayor reported that, under Standing Order 14, one question had been received from a member of the public and he invited Mr Paul West to ask his question.

Question from Mr Paul West of Ashford

“Could the Leader kindly confirm if every single, current, councillor lives within Spelthorne and name those borough councillors who do not live within Spelthorne?”

Response from Councillor Ian Harvey, Leader of the Council

“Thank you for your question, Mr West.

All members of Spelthorne Borough Council live within Spelthorne with the exception of Councillor Howard Thomson, who has very recently moved to an address outside of the borough. Cllr Thomson continues to work closely with the local community, support local organisations and campaign on local issues. At the time of his election he lived in Ashford. However Labour County Councillor Robert Evans, Divisional Member for Stanwell and Stanwell North lives in Weybridge, outside of Spelthorne, and has lived there since before he was elected to represent this Division in Spelthorne.

Contact details for all Borough and County Councillors are available on our website.”

323/16 Petitions

There were none.

324/16 Treasury Management Strategy Statement 2017/18

The Council considered the recommendation of the Cabinet from its meeting held on 25 January 2017, on the Treasury Management Strategy Statement for 2017/18

The proposed Strategy represented an appropriate balance between risk management and cost effectiveness.

Resolved to approve the Treasury Management Strategy Statement for 2017/18.

325/16 Revenue Budget 2017 - 2018

The Council considered the recommendation of the Cabinet on the detailed Revenue Budget for 2017-18 and the proposed Council Tax for 2017-18. The Mayor referred councillors to the Budget Book (green cover) and the updated report circulated in the supplementary Council agenda, reflecting the decisions and recommendations made by the Cabinet on 22 February 2017, including the precepts being levied by Surrey County Council and the Surrey Police.

The Mayor asked the Council to agree, in accordance with Standing Order 20.4, that the respective Budget speeches of the Group Leaders may each exceed 10 minutes in length if necessary.

Resolved to agree that the respective Budget speeches of the Group Leaders may each exceed 10 minutes in length if necessary.

The Leader of the Council, Councillor I.T.E. Harvey and the portfolio holder for Finance, Councillor H. R. Williams, made a joint statement on the Budget and the Council Tax and moved and seconded the recommendations on the detailed Budget for 2017-18 as set out in the report circulated in the supplementary Council agenda. The Leader of the Liberal Democrats, Councillor I.J. Beardsmore, then made a statement.

Although the formation of the UKIP party had not been formally notified to the Chief Executive prior to the meeting, the Mayor used his discretion to allow the Leader of UKIP, Councillor D. Saliagopoulos to make a statement on the Budget.

In response to a query from Councillor K. Flurry about the amount of write-offs agreed in 2016-2017, Councillor H. Williams agreed to provide a written response.

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

The Mayor adjourned the meeting at 10pm to allow councillors and officers a five minute comfort break.

Upon reconvening, and as the Council was close to having sat for three hours, it was moved, seconded and **agreed** to suspend Standing Orders and continue with the remaining items of business on the agenda.

At the conclusion of the debate on the Revenue Budget, the Mayor explained that it was a legal requirement to record in the minutes of the proceedings the names of the persons who cast a vote for the decision or who abstained from voting.

The voting was as follows:

FOR (25)	Councillors I.T.E. Harvey (Leader); A.C. Harman (Deputy Leader); M.M. Attewell; C. Barnard; R.O. Barratt; J. Boughtflower; R. Chandler; C.A. Davis; M.P.C Francis, A.E. Friday (Mayor); N. Gething; A.L. Griffiths: N. Islam; A. Jones; J.G. Kavanagh; V.J. Leighton (Deputy Mayor); M.J. Madams; A.J. Mitchell; S.C. Mooney; J.M. Pinkerton; O. Rybinski; R.W. Sider; R.A. Smith-Ainsley; H. A. Thomson and H.R. Williams.
AGAINST (9)	Councillors I.J. Beardsmore; S. Doran; S.A Dunn; Q.R. Edgington; K. Flurry; P. Forbes-Forsyth; D. Saliagopoulos; J. Sexton and B. Spoor.
ABSTAIN (1)	S. Burkmar

Resolved that:

1. the growth and savings items as set out in the report's appendices be approved;
2. the Council tax base for the whole council area for 2017-18.[Item T in the formula in Section 31b(3) of the Local Government Finance Act 1992, as amended (the "act")] should be 38.908.60 band D equivalent dwellings and the Council tax requirement for the Council's own purpose for 2017-2018 is £192.44 Per Band D equivalent dwelling;
3. a 2.7 % or (£5) increase in the Spelthorne Borough Council element of the Council tax for 2017-18 be approved. Moreover:
 - a) the revenue estimates as set out in Appendix 1 of the report be approved.
 - b) no money, as set out in the report, is appropriated from General Reserves in support of Spelthorne's local Council tax for 2017/18.
 - c) the council tax base for the year 2017/18 is 38,908.60 band D equivalent dwellings calculated in accordance with regulation 3 of the Local Authorities (Calculation of Council tax base) Regulations 1992, as amended, made under Section 35(5) of the Local Government Finance Act 1992, be agreed;
4. that the following sums be now calculated by the Council for the year 2017/18 in accordance with Section 31 to 36 of the Local Government Act 1992.

A	71,540,160	Being the aggregate of the amount which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
B	64,052,589	Being the aggregate of the amount which the Council estimates for the items set out in Section 31A(3) of the Act
C	7,487,571	Being the amount at 3(c) above (Item R), all divided by Item T (2 above) calculated by the Council in accordance with Section 31B(1) of

		the Act, as the basic amount of its Council tax for the year (including Parish precepts)
D	192.44	Being the amount at 3(c) above (item R), all divided by item T(2 above) calculated by the Council in accordance with Section 31B(1) of the act, as the basic amount of its Council Tax for the year (including Parish precepts)
E	0	Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.
F	192.44	Being the amount at 3(d) above less the result given by dividing the amount at 3 (e) above by Item T(2 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings on those parts of its area to which no Parish precept relates.

5. that the following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011.

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
128.29	149.68	171.06	192.44	235.20	277.97	320.73	384.88

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

6. that the Council agrees to continue the Council's Local Council Tax Support Scheme with the same rules and regulations as was agreed for the 2014/15 scheme;
7. that the Council agrees to continue the complete disregard of war pension /armed forces pension income from benefit calculations; and
8. that it be noted that for the year 2017/18 Surrey County Council and Surrey Police and Crime Commissioner have stated the following amounts in precepts issued to Spelthorne Borough Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

Precepts issued to the Council

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Surrey County Council	887.70	1035.65	1183.60	1331.55	1627.45	1923.35	2219.25	2663.10
Surrey Police	149.71	174.67	199.62	224.57	274.47	324.38	374.28	449.14

9. that, having calculated the aggregate in each case above the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, hereby sets the amounts as the amounts of Council tax for the year 2017/18.

The Council has determined that its relevant basic amount of Council Tax for 2017/18 is not excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992.

As the billing authority, the council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2017/18 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

326/16 Capital Programme 2017-2018

The Council considered the recommendation of the Cabinet from its meeting held on 22 February 2017, on the Capital Programme for the period 2017-18 to 2020-21 and the Prudential Indicators for 2017-18 to 2020-21.

Resolved to:

1. approve the Capital Programme for 2017-18 to 2020-21 and
2. approve the Prudential Indicators for 2017-18 to 2020-21.

327/16 Pay Policy Statement 2017-2018

The Council considered the recommendation of the Cabinet from its meeting held on 22 February 2017 on the Pay Policy Statement 2017-2018.

The Pay Policy Statement set out the Council's policies on a range of issues relating to the pay of its workforce, particularly its senior staff and the lowest paid employees, including:

- Remuneration of its Chief Officers
- Remuneration of its lowest paid employees
- The relationship between the remuneration of its Chief Officers and the remuneration of those employees who are not Chief Officers
- The publication of and access to information relating to remuneration of Chief Officers.

Resolved to:

1. approve the Pay Policy Statement 2017-2018 and
2. approve amendments to the Pensions Policy Statement.

328/16 Appointment of External Auditors

The Council considered the recommendation of the Audit Committee on the appointment of external auditors.

Resolved to agree that the Council opts in to the appointing person arrangements made by Public Sector Audit Appointments.

329/16 Report from the Leader of the Council

The Leader of the Council, Councillor I.T.E. Harvey, presented the reports of the Cabinet meetings held on 25 January 2017 and 22 February 2017 which outlined the matters the Cabinet had decided since the last Council meeting.

330/16 Report from the Chairman of the Audit Committee

The Chairman of the Audit Committee, Councillor M.J. Madams, presented her report which outlined the matters the Committee had decided since the last Council meeting.

331/16 Report from the Chairman of the Licensing Committee

The Chairman of the Licensing Committee, Councillor R.W. Sider, presented his report on a successful prosecution of a taxi driver.

332/16 Report from the Chairman of the Overview and Scrutiny Committee

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

333/16 Report from the Chairman of the Planning Committee

The Chairman of the Planning Committee, Councillor R.A. Smith-Ainsley, presented his report which outlined the matters the Committee had decided since the last Council meeting. He reminded the members of upcoming seminars on Planning Committee procedures and encouraged their attendance.

334/16 Motions

In view of the interest in this item by the public attending the meeting, the Mayor advised that he would bring this item forward and deal with the Motion immediately after Item 3 on the agenda, Disclosures of Interest, had been dealt with.

In accordance with Standing Order 17 the Council had received a written Notice of Motion.

Councillor S. Doran moved and Councillor I.J. Beardsmore seconded the following motion:

“That Spelthorne Borough Council request that the new Fire Station proposed by Surrey County Council to be built at Fordbridge Roundabout, has two pumps/appliances/fire engines each fully manned by trained Fire Fighters whole time (full time at all times, 24hrs a day, 7 days a week). To do otherwise would seriously endanger and disadvantage the lives and property of the residents of Spelthorne, which is an area of high demand for both Fire and Rescue Services and one of elevated risks due to many factors.”

Councillor I.T.E. Harvey moved and Councillor R.A. Smith-Ainsley moved the following amendment to leave words out of the motion (as shown by strikethrough):

“That Spelthorne Borough Council request that the new Fire Station proposed by Surrey County Council to be built at Fordbridge Roundabout, has two pumps/appliances/fire engines. ~~each fully manned by trained Fire Fighters whole time (full time at all times, 24hrs a day, 7 days a week).~~ To do otherwise would seriously endanger and disadvantage the lives and property of the residents of Spelthorne, which is an area of high demand for both Fire and Rescue Services and one of elevated risks due to many factors.”

Copies of the amendment were circulated to everyone at the meeting.

The mover of the original motion, Councillor S. Doran accepted the amendment and therefore the following substantive motion was put to the vote:

“That Spelthorne Borough Council request that the new Fire Station proposed by Surrey County Council to be built at Fordbridge Roundabout, has two pumps/appliances/fire engines. To do otherwise would seriously endanger and disadvantage the lives and property of the residents of Spelthorne, which is an area of high demand for both Fire and Rescue Services and one of elevated risks due to many factors.

Resolved:

that Spelthorne Borough Council request that the new Fire Station proposed by Surrey County Council to be built at Fordbridge Roundabout, has two pumps/appliances/fire engines. To do otherwise would seriously endanger and disadvantage the lives and property of the residents of Spelthorne, which is an area of high demand for both Fire and Rescue Services and one of elevated risks due to many factors.”

The Mayor adjourned the meeting for five minutes to allow the public who so wished, to leave the meeting.

335/16 Questions on Ward Issues

There were no questions on Ward issues.

336/16 General questions

The Mayor reported that one general question had been received, in accordance with Standing Order 15, from Councillor D. Saliagopoulos and invited her to ask her question.

Question from Councillor Saliagopoulos

“Would the Leader confirm that there are plans in place to enhance the Lammas Park in Staines - as he is aware, the loss of the children's railway is a real blow to users of the Park: I have been contacted by many residents in Staines Village about this.”

Response from Councillor Ian Harvey, Leader of the Council

“The operators of the leased facilities in the Lammas indicated to us early last year that continuing to operate the crazy golf and train was no longer financially viable for them and they would not be renewing their licence to operate. Terms of the licence required the operators to remove their equipment before leaving the site; this is not yet complete as the ground needs to be made good but should be complete in the next couple of months. Officers responsible for this service are looking for a temporary solution to cover this year and ensure that park users continue to enjoy the facilities on offer at this very popular location. Subject to Cabinet approval this year,

officers will then be seeking potential suppliers for a more permanent replacement of suitable recreational equipment within the Lammas Park.”

If there are any other relevant points you wish to make I would invite you to speak to the portfolio holder, Cllr Gething.

Councillor Ian Harvey and Councillor Williams

COUNCIL TAX SPEECH 2017

Cllr Harvey

Mister Mayor – I am pleased and honoured to present on behalf of the Conservative administration the Budget Report for the Municipal Year 2017-18, which, as result of our successful efforts to substantially improve the Council's income base through acquisition of commercial assets, is a positive budget focused on investing in our staff who deliver our services, investing in maintaining our assets to support service delivery and addresses statutory pressures such as housing.

As pulling together the Budget is a team effort involving both officers and Cabinet members I would like, with your permission Mister Mayor, to break from normal tradition and allow the Finance Portfolio Holder to present the more purely financial elements of the speech.

Along with Councillor Williams I will to give Members an understanding of the context we have been operating in, our approach to this milestone new budget, and the achievements in this first year of my office as your Leader.

During the last twelve months the Administration and senior officers have successfully acquired the BP International Campus, beating major UK and international institutional players along the way. This was the largest ever single commercial acquisition by a UK council. In so doing we have generated a net additional income stream of approximately £4m per annum to replace lost grants from central government. This has been further increased by our more recent acquisition of Elmbrook House. These acquisitions mean that despite 2017-18 being the first year in which this Council will receive no general Revenue Support Grant from the Government and despite a cut in our New Homes Bonus Grant and funding reductions from Surrey County Council with respect to recycling, we are able to put forward a balanced budget, strengthening our resources and

service delivery capacity. **For the first time since the 1990s, we are putting forward a balanced budget without any use of reserves.**

So my apologies to my colleagues across the Chamber for giving them one less angle with which to respond to this speech!

We have not only managed to avoid significant frontline service reductions, but we are investing in staff, assets, and addressing frontline service pressure areas. In fact the budget contains £2.5m of growth. The main areas of investment in this budget relate to Staffing, Assets and Housing which I will now say a bit more about before describing the context of the Budget:

Staffing – one of the first things I addressed that my predecessor had inexplicably stalled was to ask my colleague Cllr Colin Barnard to urgently analyse and restart our Towards a Sustainable Future senior management restructure. My Administration completed the process of replacing Heads of Service with a smaller number of Group Heads. This exercise delivered savings in excess of those originally planned.

Without retaining skilled and dedicated staff we cannot deliver our services to our residents. In recent years in a number of professional services we have even lost staff to smaller neighbouring councils.

To tackle this, the Administration is moving the Council back to a Local Pay negotiation regime which will enable us to become a little bit more competitive. We are also building into the Budget £200k for market supplements to be targeted at services which are struggling to retain or recruit staff. We are investing additional budget to strengthen our skills and resources in our Legal and Asset Management teams. This will in turn, help us to grasp further opportunities to acquire appropriate income-generating assets.

Assets As previously mentioned, we are investing £150k to build up internal asset management skills. I am also keen to look after our assets. So we are building in an additional £250k into the planned asset management budget to begin to address decades' worth of under investment in the maintenance of assets. We are spending £457k from revenue to refurbish the Elmsleigh

Centre lifts, thereby protecting the valuable income stream this asset provides for the Council.

Housing – we are building in additional budget of nearly £300k to ensure that we are able to address external pressures arising from statutory changes. We also have to absorb the anticipated loss of £300k income per annum as a result of the beginning of the roll out of Universal Credit.

Despite generating additional rental income of approximately £4.4m per annum and delivering staffing efficiencies we continue to face the prime challenge of ensuring the Council's financial viability. The options open to us continue to focus around maximising value from assets, generating new income streams and delivering services in new and more efficient ways. My Administration will continue to pursue these activities in a business-like manner.

I would now like to pass over to Cllr Howard Williams Portfolio Holder for Finance to explain the finer details of this proposed Budget for 2017-18.

Cllr Williams

Like most of the UK public sector and particularly local government, this Council is facing a challenging financial future. 2017-18 will be the first year for which we do not receive general grant. We face the possibility of having to make a negative grant payment of £750,000 in 2019-20. The New Homes Bonus funding pot has been reduced nationally by a third, with a reduction of £300k in 2017-18 in our allocation. We anticipate this will fall further each year for the next three years. These factors reinforce the need for us over the next two years before 2019-20 to continue to seek-out opportunities to generate additional ongoing income streams and deliver further service efficiencies.

In 2016, the Government extended to all shire districts and borough councils the ability to increase council tax by the greater of 2% or £5 on a Band D council tax per year. In our case a £5 increase equates to a 2.7% increase.

Given the pressures we are under, including the knowledge that in 2019-20 we face the prospect of negative grant of £750,000, we are after careful

consideration protecting our taxbase by proposing an increase of 2.7% or £5 on a band D property for 2017-18.

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

Interest rates continue to remain at historically low levels and, with current economic uncertainties, are likely to continue at these levels for a while longer. The UK Base rate is currently just one quarter of one percent. Compared to this, on our core investments, we earned last year an average of 5% whilst maintaining a sensible approach to risk. Our diversified investment strategy, on which I am working with officers and our advisers to help shape and further improve, has continued to do well.

An average rate of return of 5% is excellent compared to the 0.5% many councils continue to accept.

Whilst it is true that the 2016-17 Budget had anticipated the realisation of a significant capital receipt on the Bridge Street site, we were ultimately unable to complete the deal on acceptable terms. So, we will take the time to address residual issues relating to the site and identify the best way of developing the site whilst seeking to maximise the Council's stake in any future development. This means we will be looking at options involving the Council developing the site itself or through a joint venture.

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

We are conscious that in Spelthorne many businesses will see significant rises in their business rates bills in April as a result of the national revaluation. We will work hard to explain these changes to businesses. Unfortunately this Council will keep none of the additional business rates generated.

Mister Mayor - I would like now to return to the detail of our budget and Council Tax proposals for 2017/18.

After excluding the £31.8m of housing benefits fully funded from government grant, our gross service revenue expenditure will be £27.6m. Deducting £27.6m of specific grants, fees and charges and rental income streams results in a net service expenditure figure of £1,900 or effectively zero. Once we take into account, assumed vacancy turnover savings of £300,000, interest payable of £8.3m and the statutory requirement to set aside amounts of £4.5m to repay loans (known as Minimum Revenue Provision) ,contributions to reserves of £700,000 and investment income of £900,000, our net expenditure next year is projected to be £12.3 million.

Grants principally now in the form of New Homes Bonus of approximately £1.54m and net retained business rates of approximately £3.0m produce external funding of around £4.6m million. This leaves £7.6 million to be met from the Council Tax, which, after taking account of a collection fund surplus of £167,000 and a tax base of 38,909 properties at Band D, will require a Band D Council Tax, for the Borough Council element of the Council Tax, of £192.44 per annum to be levied.

As well as our own very small part of the Band D Council Tax, there will be added the precept from Surrey County Council and the precept from Surrey Police. Like the Council both these organisations have faced a similar decision on council tax levels. Under the new rules announced by the Government, county councils can levy an additional 3% Adult Social Care precept on top of the existing 2% limit in order to raise additional funds towards the cost of adult social care. Surrey Police will increase council tax by 2%. Due to the Adult Social Care pressures, Surrey County Council will be using these additional flexibilities to raise a 3% adult social care precept.

In addition the Surrey County Council administration in response to a funding gap is looking to raise its general council tax element by 1.99%. So the Surrey County Council Band D council tax will be £1,331.55 (a 4.99% increase) and Police £224.59 (a 1.99% increase) which gives a total Band D Council tax of £1,748.56, a 4.3% increase overall. This means the Borough Council share of the total Council Tax bill for residents drops even lower to just 11%. I welcome Surrey County Council's decision not to pursue the option of a 15% increase in their large share of the Council Tax bill, which would have placed a much bigger burden on households in the Borough.

I would now like to pass back to the Leader, Cllr Ian Harvey

[Cllr Harvey](#)

Thank you Councillor Williams.

The Council's priorities of Economic Development, Housing, Clean and Safe Environment and Financial Sustainability have informed the construction of the budget.

We supported the process of setting up a Business Improvement District (BID) for Staines-upon-Thames in a similar way to Guildford, Kingston and Camberley. We are very pleased to note that a substantial majority of the Staines-upon-Thames businesses voted in favour of the BID which will now go live on 1st April and which will generate and reinvest in the town an additional £1.6m over 5 years in initiatives designed to increase footfall and the economic prosperity of town.

By protecting our income base we are ensuring that the Council can continue to maintain the support it provides to the voluntary sector, which by value totals approximately £329,000 per annum.

We strongly value our links with the Voluntary Sector and are very proud to continue to support, despite our funding challenges, this further example of partnership working to help local residents.

We were saddened at the demise of Voluntary Action in Spelthorne but working with our funding partners the County Council and the Clinical Commissioning Group we are working hard to ensure appropriate arrangements are in place to ensure a coordinated approach to maximising the value of volunteers across the Borough is continued.

We are looking to finalise a deal to generate redevelopment of the Ashford Multi-Storey Car Park site providing a capital receipt for the Council, regenerating that part of Church Road whilst being mindful to protect public parking capacity.

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

- We will carry forward provision to enable us to respond if further appropriate commercial asset opportunities arise. We have also built in provision of a further £200 million for potential acquisition of low risk income generating assets if opportunities arise. It is important that we have the flexibility to grasp opportunities whilst interest rates remain relatively low.
- The programme builds in provision for up to £1m to acquire appropriate affordable housing to help ease the Council's housing pressures.
- £7m provision to provide the Council with the ability to reconfigure Knowle Green as part of a masterplan also encompassing the Leisure Centre. This is to enable us to reduce our running costs, facilitate housing but also retain our civic heritage.

It is largely for these reasons that the Capital Programme provision for 2017-18 has been increased to £210.3m.

I am sure you will all agree that our local shopping areas are very important to our residents.

The Council successfully submitted a funding application to Surrey County Council for £120,000 of matched funding for investment in our secondary shopping areas of Woodlands Parade Ashford, Clare Road Stanwell,

Groveley Road Sunbury-on-Thames and Edinburgh Drive Staines-upon-Thames. The delivery of the current projects will be completed in 2017-18. Over the course of the next 3 years Spelthorne will be bidding for a further £230,000 from Surrey County Council which we will match fund to further improve the vitality of our secondary shopping areas.

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

My Administration has decided to revert to a local pay award annual settlement process. We are making a two percent pay increase to our staff for 2017-18 (though for 17/18 1% of this comes from the existing National Pay Award agreement and an additional 1% on top of this is being offered). This has been built into the budget.

We are working hard to encourage, retain and grow local business to maximise opportunities with the Economic Development team having done some good work on inward investment and building relationships with businesses.

We coordinated in partnership with other with other Surrey councils a stand at MIPIM 2016 – the UK’s foremost inward investment event in London. This helped further to raise the profile of the Borough. Our display about the BP site acquisition attracted particular interest including from the Secretary of State for Communities and Local Government, Sajid Javid MP.

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

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

Where necessary we will be prepared to make difficult decisions. We believe the re-alignment of our management accountabilities will help improve focus on delivering these objectives.

Mister Mayor, I have rightly majored on our achievements with regard to Financial Sustainability and I would like to now to illustrate briefly some of the achievements we have made within our other priority areas of Economic Development, Housing, and Clean and Safe Environment.

Economic Development

- We have a strong voice in this region's economic development working in partnership with the Enterprise M3 Local Enterprise Partnership (LEP).
- **New Business Start-ups which implies Confidence** In 2015 Staines-upon-Thames was the number 1 town in the whole of the UK for net new businesses per 10,000 population. In October 2016 a similar study was carried out by Local Authority areas.

Spelthorne was identified as the number 6 place in the UK for new businesses with 32 per 10,000 population compared to a UK average of just 12.

- **Airport expansion** - This continues to be a major issue facing the Council, residents and businesses of the Borough. We welcome the decision of the Government to consult on a third runway at Heathrow as its preferred option and this started earlier this month. The Chief Executive and myself are ensuring that the concerns of the Borough are effectively represented. We have made it very clear that whilst such expansion at Heathrow is critical to our local economy, the challenges of noise, air quality, transport, and environmental issues need to be resolved.
- **Housing**
The level of building activity can be a good barometer of the health of a local economy. In the last financial year we saw 308 net additional dwellings constructed - double what was built five years ago. 124 of

these were 'affordable' dwellings.

We also had 438 dwellings under construction and planning permissions for a further 631 dwellings. We are also seeing signs of renewed interest in building further commercial development and heightened activity in the letting of existing prestige office space in Staines Upon-Thames.

- In November our new Landlord Guarantee scheme, designed to increase the supply of private rental accommodation in the Borough went live. Whilst early days I am pleased we have already had a good initial response with three landlords already signed up.
- Last May the Council acquired through its newly created housing delivery company Knowle Green Estates, the emergency accommodation bed and breakfast Harper Hotel. This gives the Council 100% nomination rights to the units in the establishment whereas previously we were in competition with London boroughs. The Council will be undertaking work to improve the standard of the accommodation and to increase the number of units.
- **Churchill** – the Council is progressing an application to develop 3 housing units on the Churchill Hall site to add to the supply of affordable housing.
- **Bugle** – the Council is bringing forward plans to develop market rental units on the existing planning footprint of the Bugle site, with the income generated to be re-invested into emergency and affordable housing. At the same time the hidden jewel of the lake behind the frontage will be properly enhanced and maintained for community benefit.
- For the fourth year running the Budget has incorporated growth to respond to pressures in this area. A practical example being the winter shelter in Staines-upon-Thames which by working with SCC we helped to make happen for a second year running. This not only provides overnight accommodation but has a proven track record through advice and support of helping a significant proportion of the visitors move-on to permanent housing solutions.

Clean and Safe Environment

- We continue to work towards minimising the amounts of residual waste we produce by finding effective ways to increase public participation in recycling. In 2016 we saw a rise in our recycling rate from 45.5% to 47.9%. This is good news and has changed our order of ranking with other Surrey boroughs from 11th to 9th. The increase was mainly attributed to the various recycling campaigns that have been run in the Borough throughout the year. Looking to 2017 we will be introducing a new and improved service to all of our residents which will see recycling, electricals and textiles as a “3 in 1” collection on a weekly basis, with the ultimate aim of reaching the 50% capture rate. We see communication as an essential tool to help our residents find out what they can do to help make a difference to our environment every day and will soon be starting a new campaign focused on the new service.
- The cost of waste disposal continues to rise and it is ever more important that the amount of waste sent to landfill and/or incineration reduces. To achieve this we will continue to work with Surrey County Council and the Surrey Waste Partnership to find ways to reduce these costs to the tax payer.

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

- Progressing the Towards a Sustainable Future programme to ensure that the Council is able to continue to provide the services needed by its residents.
- Maintaining an excellent rate of return on our investments which places us in a good position to reinvest additional capital receipts.
- Transforming the financial position of the Council through the successful acquisition of the BP International Campus.

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

I would like to thank Councillor Howard Williams but also all other Cabinet Members, as well as the Chief Executive and his Management Team,

especially Terry Collier, his financial colleagues, and indeed all the staff who have assisted in preparing this budget.

I now formally move to the recommendations of the Supplementary Agenda of the Cabinet on 23 February 2017, showing the final version of the original Budget Book at pages 3 to 6 of the agenda, detailing the precepts by the Surrey County Council and Surrey Police and the Band D Council Tax levy for the year 2017-18.

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

From what I have set out in this speech with respect to our achievements over the last year and our approach to ensuring a sustainable future, everyone can see that we are serious when we say ***Spelthorne Means Business.***

Thank you Mister Mayor

Councillor Beardsmore's Budget Speech

This is a strange budget. And I say that as someone who was actively involved in the National PR disaster of the Conservatives Budget at Surrey a couple of weeks ago. Nevertheless I intend to keep my comments quite brief

It is strange because this budget it is dominated by outside circumstances, largely beyond our control. The papers show there are far more risks to our budget from things beyond our control than things we can control. All this set against a background of savage and unprecedent attacks on local government by the Conservative National government. Who have finally been unleashed to make the vicious attacks on local government that was never possible under the coalition.

By the way have any of you seen the latest Tory attacks this time on education. Sunbury Schools alone are set to lose more than £2m or the equivalent of 38 teaching posts.

It is also unusual as it finally answers a decades old question- How long does take for Conservatives to realise that the Liberal Democrats are right. The answer to that is Answer 10 years. That is how long we have been telling you not to keep raiding reserves. Worse than this don't forget Just 20yrs ago we had £50m in the bank. I note the S151 statement records a balance of £14.5m So we have lost approx £1.7m every year for 20 yrs

Yet each year in the budget speech we have been told of the sound financial management by the Conservatives. Given the disreputable. history you can appreciate my scepticism at such statements.

BP has of course been mentioned and I have always said this was a good deal and I see nothing to change that opinion. But longer term even that is not good enough and we are facing a debt of 725k in year 2019/2020. Frustratingly that is nothing to do with Spelthorne's management of the finances but rather a punitive tax on us the Conservative Government because this is the money they are forcing us to pay them. Our 'Negative Allocation'

As I said this is a budget dictated by outside forces.

I welcome the fact that we are coming off the National pay standards and some of the money we have made from BP being passed onto staff in the form of a modest improved pay offer, as well as helping to address long standing recruitment problems.

We have gone for the maximum tax rise possible which is 50% above the current inflation rate an inflation rate that is at its highest for two years (By the way these figures are taken from the governments own office of statistics web site- the same one that tells you the true number of how many cars there are in Ashford Town) maybe Spelthorne needs me to give them the link.

However Question is Will our residents be all be getting a pay rise to compensate? For a tax rise 50% above inflation

Now of course I understand the logic of going for a rise 50% above inflation. As it helps future proof the tax base. The basic issue is of course the brutal Tory government we have to future proof against. Notwithstanding that I think given the savage cuts our residents are facing from the Tory run Surrey now was NOT the time to join in hammering our residents as well. We are led to believe we have a sound and strong finance base- so why wasn't some of that soundness passed on to our residents- Oh of course we have to defend ourselves against a Tory government who are taking $\frac{3}{4}$ of a million from us in a couple of years time.

We are trying to invest in social housing. I recognise this the first Tory administration in a long while who is least taking the problem seriously and I will publicly support their efforts to cure the problem. But where I come from Prevention is better than cure. I accept this administration is at least attempting to be thinking and planning for a secure medium and long term future for the Boro but if so then prevention is the only option for this problem.

That of course means dealing with spineless and disgraceful way our planning department rolls over and plays dead on this issue. Anyone who was at the disgrace of a planning meeting dealing with Brooklands last week knows exactly what I mean. And before anyone jumps up and whitters on about our LDF and government rules.

Well it just proves again how rubbish our LDF is, more importantly I suggest they look at some of our neighbouring authorities who somehow avoid being a blatantly ripped off as we are.

As I said I was at the infamous Surrey budget meeting two weeks ago, followed by this one.

In all honesty both scathing indictments of local governance. And while both were down to whole sale failings by Conservative administrations I still retain enough integrity to be embarrassed by having had to be involved with them. Let's hope things will be better in the future

And the future is what it is all about. The future for all our residents. So while I will fully support in the short term any efforts to cure the problem of social housing provision I will say this unequivocally that if you are serious about the future-prevention is the only serious option not cure.

What people need to understand is that social housing is crucial to the health of the Boro. Many of our support workers rely on social housing. People need to understand the real infrastructure threat is the human infrastructure our key workers. If we provide for them the future is one of serious problems. It actually also makes long term financial sense. Question is are you up for it?

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