

# Review Board

**Wednesday 4 February 2009 7.30pm**

**Council Chamber  
Civic Offices, Addlestone**

## Members of the Review Board

Councillors P B Tuley (Chairman), H W Meares (Vice Chairman), D A Cotty, A J Davis, P A Francis, Mrs L M Gillham, R N Jones, A M Moore and A P Tollett

## AGENDA

### Notes:

- 1) Any report on the Agenda involving confidential information (as defined by section 100A(3) of the Local Government Act 1972) must be discussed in private. Any report involving exempt information (as defined by section 100I of the Local Government Act 1972), whether it appears in Part 1 or Part 2 below, may be discussed in private but only if the Review Board so resolves.
- 2) The relevant 'background papers' are listed after each report in Part 1. Enquiries about any of the Agenda reports and background papers should be directed in the first instance to **Mr J Gurmin, Committee Section, Administration and Leisure Department, Committee Section, Runnymede Civic Centre, Station Road, Addlestone (Tel Direct Line: 01932 425624). (Email: [john.gurmin@runnymede.gov.uk](mailto:john.gurmin@runnymede.gov.uk)).**
- 3) Agendas and Minutes are available on a subscription basis. For details, please ring Mr B A Fleckney on 01932 425620. Agendas and Minutes for all the Council's Committees may also be viewed on [www.runnymede.gov.uk](http://www.runnymede.gov.uk).
- 4) In the unlikely event of an alarm sounding, members of the public should leave the building immediately, either using the staircase leading from the public gallery or following other instructions as appropriate.

## **LIST OF MATTERS FOR CONSIDERATION**

### **PART I**

#### **Matters in respect of which reports have been made available for public inspection**

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### **PART II**

#### **Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.**

- a) Exempt Information  
(No reports to be considered under this heading)
- b) Confidential Information  
(No reports to be considered under this heading)

1. FIRE PRECAUTIONS

The Chairman will read the Fire Precautions which set out the procedures to be followed in the event of fire or other emergency.

2. NOTIFICATION OF CHANGES TO REVIEW BOARD MEMBERSHIP

3. MINUTES

To confirm and sign the Minutes of the Review Board held on 4 December 2008 (attached at Appendix 'A') as a correct record.

4. APOLOGIES FOR ABSENCE

5. DECLARATIONS OF INTEREST

If Members have an interest in an item please record the interest on the form circulated with this Agenda and hand it to the Legal Representative or Committee Administrator at the start of the meeting. A supply of the form will also be available from the Committee Administrator at meetings.

Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when attending the meeting. Members need take no further action unless the item in which they have an interest becomes the subject of debate, in which event the Member must leave the room if the interest is personal and prejudicial.

Members may wish to note Part 2 of the Code of Conduct for Members (pages 387 to 389) which sets out the definitions of personal and prejudicial interests.

Members' attention is drawn to Paragraphs 11 and 12 of the Code of Conduct which relate to prejudicial interests arising in relation to overview and scrutiny committees. These paragraphs read as follows:-

**“Prejudicial interests arising in relation to overview and scrutiny committees**

11. You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where –
- (a) that business relates to a decision made (whether implemented or not) or action taken by another of your authority's committees, sub-committees, joint committees or joint sub-committees; and
  - (b) at the time the decision was made or action was taken, you were a member of the committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

**Effect of prejudicial interests on participation**

12. (1) Subject to sub-paragraph (2), where you have a prejudicial interest in any business of your authority –
- (a) you must withdraw from the room or chamber where a meeting considering the business is being held –
    - (i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
    - (ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;

Unless you have obtained a dispensation from your authority's standards committee
  - (b) you must not exercise executive functions in relation to that business; and

(c) you must not seek improperly to influence a decision about that business.

- (2) Where you have a prejudicial interest in any business of your authority, you may attend a meeting (including a meeting of the overview and scrutiny committee of your authority or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise”.

6. SUSTAINABLE COMMUNITIES ACT – FURTHER REPORT (DAL)

1. **Purpose of Report**

1.1 **To report further on various issues relating to the Sustainable Communities Act raised by the Board at its last meeting.**

2. Background Information

- 2.1 At its last meeting on 4 December 2008, the Board noted a report on the content and implications of the Sustainable Communities Act 2008, and considered further action which might be taken.
- 2.2 The Board noted that the Sustainable Communities Act 2007 had originated as a private Members’ Bill but had achieved a broad measure of support. Under Section 2 of the Act, the Secretary of State for Communities and Local Government had to invite local authorities to make proposals which they considered would contribute to promoting the ‘sustainability’ of local communities, which was defined as encouraging the improvement of the economic, social or environmental wellbeing of the local authority’s area, or part of it. Proposals had to be submitted to the Local Government Association (who were acting as the Secretary of State’s “Selector”), by 31 July 2009.
- 2.3 The Board noted the schedule to the Act (attached at Appendix ‘B’) which lists the matters to which local authorities have to have regard in putting forward proposals. These included the provision of local services, the use of local goods and materials, the local jobs market, local sustainable energy measures, traffic, and various other matters of relevance to the local economy, jobs, housing and recycling. The Act also required the Secretary of State to make arrangements for the production of ‘local spending reports’. These were reports on expenditure by defined public bodies, in a particular area for a specific period.
- 2.4 The Government had issued some indication of its likely approach to decisions on short listed proposals. Proposals were more likely to succeed if they were specific about the action required of central Government and also were not already within the powers of local authorities (including powers for the promotion of wellbeing in Section 2 of the Local Government Act 2000). The Government did not regard the Act as a route to agreeing additional public expenditure, either at national or local level, and so a particularly strong case would need to be made in support of any proposals that required this. The guidance, however, had been written before recent Government initiatives aimed at stimulating the economy. It remained to be seen whether the Government would endorse any such measures at a purely local level, apart from in exceptional circumstances. As with all public policies, the Government would assess proposals taking into account their broad cost benefit, including in relation to areas or groups. Proposals of an area or group nature were more likely to succeed and the Government would also take into account its existing policy positions for which it was publicly accountable.
- 2.5 The Act specifically made it clear that proposals might include a request for transfer of functions from one person or body to another, provided that the authority had consulted both the person or body currently exercising the functions, and the person or body to whom it was proposed that the functions be transferred. In the case of level crossing downtimes in the borough, it would not be feasible for the Council to take on the functions of Network Rail. It might be possible to use the Act, (subject to further research on this), to change the focus of Network Rail away from purely concentrating on safety to having to achieve less barrier downtime at level crossings in the borough, because of the adverse impact that this was having on the local community. One of the ways of achieving less downtime would be to construct bridges or tunnels, but currently BAA Airtrack, as part of its latest consultation, was indicating that this was not feasible.

- 2.6 If the Council was interested in putting forward proposals, adequate staff time would be required to develop the ideas, consider their justification and workability, and to put a case forward to the Selector. In addition to having regard to the guidance issued by the Secretary of State, the authority had to establish a panel adequately representing local persons, consult that panel about a proposal, and try to reach agreement with it. However, if the authority took reasonable steps to do this, but no representatives of the panel became involved, that this did not invalidate proposals put forward by the local authority. This work would need recruitment, administration, and liaison. Both Members and Officers would be involved, as well as the members of the panels. Accordingly, a serious bid for powers would be a significant undertaking that might divert work from other activities, at a time when the Council was having to reduce its expenditure.
- 2.7 The Board considered whether there was sufficient prospect of benefit to the area to justify the setting up of local panels (or using existing local bodies to constitute a panel), and to spend Officer and other resources in investigating and working up proposals. The Board considered that there was some potential for the Act to be used to further the aims of the Runnymede community and a number of local authorities acting collectively. Further work was, however, needed to identify topics which might be progressed.
- 2.8 The Board resolved that an informal Member Working Group be set up to discuss possible issues which could be put forward under the Act. The Working Group would report to the Review Board and would receive Officer support as necessary.
- 2.9 As it was mindful of the Council's financial position, the Board agreed that there should be no expenditure other than Officer time required to assist the Working Group and to prepare reports on issues related to the Act at this stage as set out below, while the various possibilities were being explored.
- 2.10 The Board agreed that Officers should report on action taken under the Act by other local authorities nationally and by neighbouring boroughs.
- 2.11 The Board also agreed that Officers should report further on whether the Act could be used to put pressure on Network Rail to reduce barrier down times in Egham and Addlestone, or if some other form of legislation could be used to further this aim and the possibility of collective action under the Act by a number of local authorities. Officers are looking into these possibilities and will report further to the Board.
- 2.12 The Board agreed that, in the event that a decision was taken to put forward a proposal under the Act, Officers should report further to a future Board meeting on the estimated expenditure which would result.
- 2.13 The remainder of this report examines the issue set out in paragraph 2.10.

### 3. Report

#### 3.1 Action Taken Under The Act By Other Local Authorities

- 3.1.1 Various local authorities have asked their Officers, Executives or specially appointed working groups to look into ways in which the Act might be used. Examples are set out below.
- 3.1.2 Amongst Surrey authorities, Surrey Heath Borough Council at its December 2008 meeting noted that the Act allowed local authorities to argue for the transfer of public money and functions from central to local control and that the type of issues which would qualify under the Act as promoting sustainable communities would be improving the local economy, protecting the environment, promoting social inclusion, and encouraging participation in civic and political activity. The Council requested the Council's Executive to explore and consider the ways in which the Council could use the Sustainable Communities Act. Given the current economic climate, the Council requested the Council's Executive to give consideration to proposing two issues in particular. The first proposal was that the Secretary of State might be asked to give local authorities the power to use fiscal incentives to encourage supermarkets, or other stores, to source a stated percentage of locally grown or made goods, for sale locally. The second proposal was that the Secretary of State might be asked to develop a strategy to enable Councils to promote local energy schemes.

- 3.1.3 A report to Waverley Borough Council's Executive in October 2008 on the Act observed that over the last year the Borough had seen a number of pressures on local services such as post offices, community shops, payphones and train ticket offices. The Act allowed communities the chance to lodge suggestions for sustaining these services in the future. One local suggestion that had been raised by the community, via a local meeting, was for business banking at post offices, which would strengthen the post office's role in the community. Waverley had a tradition of local initiatives to sustain existing services such as community run shops and a public house which was run by local residents. The report also concluded that the Council needed to be careful not to raise people's expectations about what could be delivered in practical terms, given that it would have no control over what eventually happened to any proposals put forward. The Executive decided that a "light touch" approach should be adopted in taking forward the Act and that Officers should review how to generate and shortlist any ideas for consideration by the selector and how this would fit into a wider community engagement approach for Waverley.
- 3.1.4 Elmbridge Borough Council's Information Bulletin welcomes the "bottom up" approach of the Act (i.e. the idea that local people devise proposals) and states that saving local post offices, ending fuel poverty and helping to promote local produce and local jobs could all be promoted under the Act. The Sustainable Elmbridge Working Group has been asked to monitor the development of the Act.
- 3.1.5 Kingston upon Thames Council resolved in December 2008 to welcome the provisions of the Sustainable Communities Act 2007 and to confirm that the Council should "opt in" to the Act. Officers were requested to report back with detailed proposals and costings for the establishment of a Community Panel under the Act. In due course the Council's Neighbourhood Committees would be invited to give thought to proposals for consideration by the Community Panel, once established. Final decisions on proposals to be put forward to the Selector would be made by the Executive. Lewes District Council supported the principles contained in the Act at its Council meeting in December 2008. The Council has established a cross-party working group of five Councillors led by the Leader of the Council for the Community to guide the Council's activities and report to each meeting of the Council on what had been achieved and what was proposed as the next stage of work.
- 3.1.6 A November 2008 report to Richmond-upon-Thames Council's Cabinet (which will be receiving a report back on the Act) suggested that the following were examples of proposals which might be put forward under the Act:-
- i) keeping essential community services such as post offices and public houses open;
  - ii) promoting small businesses by increasing the percentages of rate relief which they could receive;
  - iii) promoting renewable energy;
  - iv) regarding crime, refocusing interventions on local preventative measures;
  - v) the acquisition of powers to absorb Business Link Funding in order to achieve wider economic development objectives;
  - vi) a more central role for the local authority in the delivery and funding of a localised welfare system;
  - vii) local authorities and Primary Care Trusts being allowed to appoint joint posts;
  - viii) the responsibility for post – 19 skills, training and apprenticeships being devolved to local authorities.
- 3.1.7 Other topics which have been suggested for proposals in other areas are seeking action on affordable housing, promoting local jobs, reducing the scarcity of doctors and dentists, helping small independent shops and seeking to avoid "clone streets" (i.e. where all the retailers in an area are from a small number of national and international companies).
- 3.1.8 A number of local authorities, including Brighton and Hove and Southampton, (both of which have agreed to receive further reports back on the Act), have noted that local authorities might act together to put proposals to Government. The Local Works Coalition, (a coalition

of over 90 national organisations which has campaigned for 5 years to see the Act become law), have stated that joint suggestions by a number of authorities would be harder for the Government to refuse. They also suggest that the requirement in the Act for local spending reports should mean that local authorities would know how much extra money they could access if they sought transfer of functions from central to local control.

**OFFICERS' RECOMMENDATION that –**

**the Board considers**

- i) which topics might be put forward as proposals, for further consideration by the Working Group; and**
- ii) whether there are any issues which might be the subject of a joint proposal from a number of local authorities, including Runnymede, for further consideration by the Working Group.**

**(TO RESOLVE)**

Background Papers

Committee and Information Bulletin papers relating to the local authorities referred to in the report  
Local Works Coalition website  
Brighton and Hove Green party website

7. PROGRESS REPORT ON ENFORCEMENT OF PLANNING CONTROL (DAL/DTS)

Attached at Appendix 'C' is the progress report on enforcement of planning control as at 26 January 2009.

**(FOR INFORMATION)**

Background Papers

None

8. STRATEGIC PROPERTY MAINTENANCE (DTS)

1. Purpose of Report

1.1 **To report on the Council's strategic property maintenance programme and to explain larger variations in budgets.**

2. Background Information

2.1 At the Housing & Community Services Committee on 14 January, concerns were raised about variations in budgets relating to maintenance of Council-owned property. The Committee requested that a report be brought to the Review Board to look at this issue.

2.2 The Council has a varied property portfolio held for different purposes. There is the Council housing stock, properties used for operational purposes such as the Civic Centre, Chertsey depot, leisure facilities and day centres and a range of properties held for strategic planning purposes which are let to others and generate income.

2.3 Prior to 2002, there was a multiplicity of management and maintenance arrangements for these, involving staff from Housing & Community Services, Leisure, Building Services and Property management staff.

2.4 It was decided to simplify this by bringing the main portfolio under a single maintenance and improvement contract supervised by Building Services. This was aimed at achieving economies of scale, objective and technically based priority and expenditure and more cohesive management control.

2.5 The Council housing stock was considered for inclusion, but its needs are different and experience has shown that a range of smaller, local contractors give a timely and

cost-effective service. For example, a local tradesman can easily repair a domestic boiler, but that serving a building such as Chertsey Hall requires altogether different expertise. Many of the Council's leased properties have requirements for tenants to maintain them.

- 2.6 The intention of strategic property maintenance was to have a five-year rolling programme which dealt with both planned and reactive maintenance. All properties were surveyed to ascertain their condition and works were identified as Category 1 (urgent), Category 2 (medium term) and Category 3 (longer term).
- 2.7 Medium and longer term maintenance identified items such as redecoration or boiler replacement depending on a reasonable interval or lifetime expectation. It was always envisaged that this programme could vary either by slippage or being brought forward, depending on the rate of expenditure in other areas, including reactive maintenance. Reactive maintenance is that dealing with urgent or unexpected works.
- 2.8 Following a tendering process, the contract was let in March 2003. However, over the following five years, retaining contractors proved very difficult. Combining the works for a number of properties in a single contract was aimed at achieving economies of scale and attracting larger contractors. This was only partly successful in that only medium sized contractors submitted bids, the contract being too small to attract the largest contractors.
- 2.9 The other key issue that was underestimated by contractors was the ability to recruit and retain local trades-people. Experience elsewhere was that this could be done relatively easily, but in this part of the Home Counties they found that there were huge skills shortages and hence those with requisite skills were only available at a substantial premium.
- 2.10 Perhaps surprisingly, contractors also raised concerns about the level and detail of checking that Runnymede staff undertook in terms of materials and prices for individual jobs. This continued due to concerns about overcharging, but when contractors improved their administrative and professional support, the need for this was reduced.
- 2.11 The five years of the contract have therefore seen disruption caused by contractors giving notice and negotiations to find replacement contractors for both short and long term periods. This has added to the variations in expenditure year on year. Not only have the expected variations occurred with urgent works being brought forward and planned maintenance deferred to compensate, but there have also been periods in between contractors, or before they were fully operational, where works were limited and expenditure therefore, low.
- 2.12 Budget and expenditure over the five years of the contract has therefore been as set out in the table below:

|          | 2003/04<br>£ | 2004/05<br>£ | 2005/06<br>£ | 2006/07<br>£ | 2007/08<br>£ | 2008/09<br>£ |
|----------|--------------|--------------|--------------|--------------|--------------|--------------|
| Estimate | 604,100      | 1,058,500    | 629,700      | 617,700      | 500,100      | £450, 600    |
| Outturn  | 345,582      | 878,982      | 482,466      | 588,812      | 487,458      | £511,000     |

*Note 2008/09 outturn is an estimated total.*

- 2.13 In the above table, the estimate line includes the carry forward of underspends from preceding years, so it would be misleading to total the figures shown. However, the total estimate for the first five years of the contract was approximately £2,900,000 and this compares to actual expenditure of £2,800,000, representing a saving of around £100,000. This more than offsets the likely additional expenditure in the current financial year.
- 2.14 During 2008, consideration was given to the best way of continuing the strategic maintenance programme to achieve quality workmanship, timeliness of response and value for money as well as the ability to retain a contractor for the full term of the contract. As this work was continuing, for the 2008/09 financial year the budget was simply based on expenditure carried out in the previous financial year rather than a more detailed assessment of likely expenditure.
- 2.15 A report was taken to the November 2008 meeting of the Economic Development Committee explaining that agreement had been reached in principle to partner with Spelthorne Borough Council. This was felt to be able to offer a larger contract which would not only attract a

wider range of contractors, but also a keener price. There would also be mutual economies in terms of supervision and managerial costs for both authorities.

- 2.16 The intention is that Runnymede's existing contractor will take over reactive maintenance in Spelthorne as well as Runnymede for 2009/10. During this year, Building Services staff from Runnymede will survey the property portfolio for both Boroughs and assess the need for prioritised planned maintenance. Additional resources will be engaged to undertake the Spelthorne surveys and they will meet the costs. This will then form the basis of a new four year tender for a revised contractual arrangement for planned and reactive maintenance for both Boroughs from 2010/11 onwards.
- 2.17 This means that in 2009/10, staff undertaking the survey work will be unable to progress planned maintenance in Runnymede and this is likely to result in some £77,400 of savings. (see paragraph 3.4 below). Reactive maintenance and safety checks such as to electrical appliances, utilities and legionella surveys will continue to be undertaken.

### 3. Report

- 3.1 It is understood that the particular item that caused concern to the Housing & Community Services Committee was expenditure during this financial year at The Orchard Day Centre in Chertsey. This budget has changed in the year as follows:

|                      | <u>Original<br/>Budget</u> | <u>Revised<br/>Budget</u> |
|----------------------|----------------------------|---------------------------|
| Planned works        | 10,500                     | 54,500                    |
| Reactive Maintenance | 3,400                      | 4,400                     |

- 3.2 This was mainly due to three major items of expenditure: the replacement of the lift (£27,613); replacement of existing fire alarm (£8,642) and also carrying out chemical cleaning to combat legionella (£1,100). To meet these costs, monies were vired from other budgets.
- 3.3 As indicated in paragraph 2.13 above, the overall property maintenance budget in 2008/09 was based on actual expenditure the previous year rather than a detailed survey of likely requirements and this was allocated on a nominal basis across property in the budget book (properties such as day centres and leisure facilities have individual pages in the Budget Book). The intention was always that additional expenditure in some areas would be vired from underspends in other nominal allocations.
- 3.4 It is also the case that an increase in expenditure in one year will be offset by underspend in another. Therefore, the increase in expenditure in 2008/09 (£60,400 above base budget, as set out in paragraph 2.12 above), is more than offset by the expected reduction in expenditure in 2009/10 of £137,800, which represents the £77,400 referred to in paragraph 2.17 above.

### 4. Conclusion

- 4.1 The original intention of the strategic property maintenance contract was to spread expenditure over at least a five year timeframe and include flexibility in bringing forward or delaying planned maintenance depending on cash flow and expenditure on reactive maintenance.
- 4.2 Inherent in this is that greater expenditure in one year will be offset by under spending in another. This process has been complicated by changes in contractors and periods where work being undertaken was less than anticipated.
- 4.3 The discussions with Spelthorne regarding partnering have meant that the contract has not been re-tendered within the originally envisaged timescale, but the potential advantages of partnership working outweigh that delay. This has however meant that the budget for 2008/09 was based more crudely, on past expenditure, rather than a detailed analysis of likely planned maintenance.
- 4.4 This has quite understandably raised queries in a relevant Service Committee which properly seeks to maintain adequate control over expenditure nominally within its area of control.

- 4.5 This is a complex area but it is hoped that this report goes some way to explaining that, in overall budgetary terms, the increased expenditure in the strategic property maintenance budget in 2008/09 will be more than offset by savings in 2009/10.

**OFFICERS' RECOMMENDATION that –**

**the Board considers:**

- i) **the explanation in the report of the operation of the strategic property maintenance contract and whether any additional information is required; and**
- ii) **whether it wishes to make any recommendations to either the Economic Development or Corporate Management Committees in relation to the strategic property maintenance contract.**

**(TO RESOLVE)**

Background Papers

None stated

9. EXCLUSION OF PRESS AND PUBLIC

If the Review Board is minded to consider the foregoing reports in private session, it is the

**OFFICERS' RECOMMENDATION that -**

**where appropriate, the press and public be excluded from the meeting during the discussion of the report(s) under Section 100A(4) of the Local Government Act 1972 on the grounds that the report(s) in question would be likely to involve disclosure of exempt information of the description specified in appropriate paragraphs of Part I of Schedule 12A of the Act.**

**(TO RESOLVE)**

**PART II**

**Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection**

a) Exempt Information

(No reports to be considered under this heading)

b) Confidential Information

(No reports to be considered under this heading)