

## **BOROUGH OF REIGATE AND BANSTEAD**

### **EXECUTIVE**

Minutes of a meeting of the Executive held at the New Council Chamber - Town Hall, Reigate on 18 October 2018 at 7.30 pm.

Present: Councillors M. A. Brunt (Leader), R. H. Ashford, Mrs. N. J. Bramhall, J. E. Durrant, K. Foreman, A. C. J. Horwood, E. Humphreys and T. Schofield.

Also present: Councillors Mrs. R. Absalom, M. S. Blacker, G. R. Curry, J. M. Ellacott, J. C. S. Essex, Dr. L. R. Hack, N. D. Harrison, J. P. King, R. Michalowski, R. C. Newstead, Mrs. R. S. Turner, S. T. Walsh and C. T. H. Whinney.

#### **46. MINUTES**

**RESOLVED** that the Minutes of the Executive meeting held on 13 September 2018 be approved as a correct record and signed.

#### **47. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor G.J. Knight, Deputy Leader and Executive Member for Housing and Benefits.

#### **48. DECLARATIONS OF INTEREST**

None.

#### **49. SINGLE USE PLASTICS**

Councillor A.C.J. Horwood, Executive Member for Neighbourhood Services, introduced a report in response to a motion tabled by Councillor Curry, seconded by Councillor Coad, at a meeting of Full Council on 26 July 2018. It was explained that many single use plastics could not be recycled and were therefore either sent to landfill, disposed of by incineration or exported for processing and disposal abroad.

It was noted that for many years campaigns to encourage a reduction in the use of single use plastics had been undertaken by Local Authorities, Government Agencies, industry bodies and environmental campaign groups. However, it was recognised that a recent BBC series (Blue Planet 2) had really captured the attention of the public and that as a result there was an opportunity for Local Authorities to take the lead on eliminating the use of single use plastics.

Councillor Horwood informed the Executive that the report of the Strategic Head of Neighbourhood Services set out how the Council would actively seek to eliminate single use plastics from its buildings, assets and facilities and how it would encourage contractors and service suppliers to do the same. It was noted the Council would work closely with other Surrey Councils, as members of Surrey Waste Partnership, to develop a campaign aimed at businesses and residents to raise awareness of single use plastics and to provide advice about the use of alternative materials and solutions wherever practical.

It was also highlighted that the Council would develop a public rating system to help local businesses promote the elimination of single use plastics whenever practical. It was explained that this voluntary scheme would highlight local businesses and organisations that were doing the most to reduce their plastic consumption and increase their recycling rates.

Following the Executive Member's introduction a number of issues were considered, including:

- The need for the Council to take immediate action, to progress forward thinking measures, to address concerns raised by local residents.
- The definition of single use plastics i.e. plastic that could only be used once before being thrown away or recycled. For example, plastic bags, pens, straws, coffee stirrers, and water bottles.
- Plastic packaging in the food system, including suggestions that would need to be actioned by supermarkets.
- The importance of raising awareness of single use plastics, including work taking place across the Surrey Waste Partnership.
- The financial, legal, equalities and communication implications, set out in Sections 17 to 25 of the report.
- The fact that there was cross-party support for the recommendations set out in the report.
- The importance of keeping up to date with Government advice and legislation.
- The suggestion that the voluntary public rating system should be piloted in a town first, before rolling this out across the borough.

During the discussion both the Leader of the Council and the Executive Member for Neighbourhood Services responded to questions.

**RESOLVED** that:

- (i) The Council actively seeks to eliminate the use of single use plastics, from its buildings, assets and facilities and seeks alternative, reusable, compostable or recyclable solutions (actions described in paragraph 10 of the Report of the Strategic Head of Neighbourhood Services).
- (ii) Council contractors and service suppliers be encouraged to eliminate the use of single use plastics wherever suitable alternative materials are available.
- (iii) The Council, in liaison with Surrey Waste Partnership, develops a campaign aimed at residents and businesses within the borough to raise awareness of the impact of single use plastics and the alternative solutions.
- (iv) A voluntary public rating system be developed, for local businesses that promotes the elimination of single use plastics whenever practical.

**Reason for decision:** To respond to the public's desire to do more to combat the pollution caused by single use plastics, to protect the local environment and to encourage responsible waste management by, wherever possible, eliminating single use plastics.

**Alternative options:** To do nothing or await the outcome of Government advice and legislation before attempting to reduce the use of single use plastics.

**50. OVERAGE DUE IN RESPECT OF SITE IN BLACKBOROUGH ROAD, REIGATE**

Councillor T. Schofield, Executive Member for Finance, introduced a report recommending the settlement of an outstanding overage matter between the Council and Raven Housing Trust.

The Executive Member for Finance explained the Council had sold the former Blackborough Road Depot site at auction to Goldcrest Homes, a private housing developer, in 2006. It was noted that the site was sold with outline planning permission and was subject to overage provisions relating to intensification of development. Councillor Schofield went on to explain that Goldcrest Homes subsequently obtained planning permission for an alternative scheme and, in 2009, marketed the site with the benefit of new planning permission. The site was acquired by Raven Housing Trust.

In response to questions, it was highlighted that:

- The site was subject to some relatively onerous overage obligations which related to intensification of development based on the original planning permission.
- The strict application of these overage provisions resulted in a payment that was disproportionate to the additional development that was comprised in Raven's scheme. Furthermore, the provisions did not envisage that the site would be delivered for affordable housing.

The Executive was informed that as a result the overage obligations had been reviewed. It was noted that the revised settlement was still commercial but was also proportionate and reasonable, recognising that Raven Housing Trust was a key partner for the Council in the delivery of affordable housing.

During the discussion a variety of matters were considered and it was noted that full details of the overage provisions, the calculations and proposed settlement had been set out in the exempt Part 2 report of the agenda.

**Clerk's note** – *At this point in the meeting agenda item 5 (Overage Due in Respect of Site in Blackborough Road, Reigate) was adjourned so that the exempt information, agenda item 11 (Exempt Business) and 12 (Overage Due in Respect of Site in Blackborough Road, Reigate – Exempt), could be considered ahead of making a decision.*

**Clerk's note** – *The minutes of the meeting reflect the order of business listed on the published agenda, not the order taken during the meeting.*

During the exempt discussion, a number of issues were considered, including questions about the Council's partnership working relationship with Raven Housing Trust. In response, the Leader of the Council highlighted the importance of partnership working and confirmed he would be meeting with representatives from Raven Housing Trust to establish how more affordable housing would be delivered

across the borough. It was suggested that the Leader of the Council should write to all Members, with an update, once this meeting had taken place.

On conclusion of agenda item 12 the Executive returned to agenda item 5 and;

**RESOLVED** that the Director of Finance and Organisation be authorised to agree settlement of the Blackborough Road overage matter with Raven Housing Trust on the basis of the revised calculation set out in the exempt report contained in Part 2 of the Executive's agenda.

**Reason for decision:** The original overage provisions relating to Blackborough Road were relatively unusual and their strict application resulted in an onerous overage obligation. The proposed settlement, which adopts the principles of the original provisions and reflects the value of the additional accommodation in the completed development, is both commercial and equitable. The settlement also assists in maintaining the Council's working relationship with Raven Housing Trust.

**Alternative options:** To reject the recommendation and require payment based on the strict application of the original overage provisions.

## **51. INTERNAL AUDIT PARTNERSHIP AGREEMENT**

Councillor T. Schofield, Executive Member for Finance, introduced the report and set out the rationale behind the proposal for the Council to enter into a partnership agreement with Southern Internal Audit Partnership (SIAP).

It was noted, following extensive market and quality assurance testing, that the recommended provider offered the best value for money and quality of service.

Councillor Schofield informed the Executive that the Overview and Scrutiny Committee had considered the report at their meeting on 11 October. It was noted that the Committee had discussed a number of issues relating to cost, capacity and resources and alternative in house provision. It was also highlighted that the Committee had raised questions about the legal status of the Council within the proposed partnership. In response to this, Councillor Schofield provided assurances on the following:

- SIAP service users were invited to be party to a key stakeholder/partnership joint arrangement. It was noted that formal legal requirements in a partnership arrangement were excluded.
- The term "partnership" was used to summarise the operational working arrangement and did not create legal obligations for the Council.
- The Council's obligations related to participation in the Key Stakeholder Board to represent operational interests.
- Hampshire County Council, as "host" for SIAP, had responsibility for the overall service. It was highlighted that no liability for SIAP would be passed to any of its key stakeholders/partners.

During the discussion that followed the Executive Member for Finance responded to various questions on the provision of internal audit services.

**RESOLVED** that:

- (i) With effect from 1 April 2019, the Council be authorised to join the Southern Internal Audit Partnership as a Key Stakeholder / Partner thereby securing market tested, quality assured and value for money Internal Audit services for the Council for a minimum period of five years.
- (ii) The Section 151 Officer, in consultation with the Monitoring Officer, be authorised to enter into the joint working agreement with Southern Internal Audit Partnership.
- (iii) The Section 151 Officer be authorised to represent the Council's interests by becoming a voting member of the Southern Internal Audit Partnership Key Stakeholder Board.
- (iv) Approval be given for exemption from the Council's contract procedures for the reasons outlined in the exempt Part 2 report of the Executive's agenda.

**Reason for decision:** To secure market tested, quality assured and value for money Internal Audit services for the Council for a minimum period of five years.

**Alternative options:** To continue with the current provider or investigate other options.

**52. MARKETFIELD WAY - CONSTRUCTION OF MIXED USE DEVELOPMENT**

Councillor Mrs N.J. Bramhall, Executive Member for Property and Acquisitions, introduced the report setting out the progress that had been made regarding the land assembly, site preparation and pre-letting of retail, leisure and residential components of the Council's regeneration scheme at Marketfield Way in Redhill.

It was noted the Council's Corporate Plan (2015-2020) identified property investment and development as one of its key objectives. It was highlighted that the mixed use scheme at Marketfield Way was the Council's most significant development for the town centre. The Executive was informed that the development would provide a cinema, 153 residential units, restaurants and big box retail. Councillor Mrs Bramhall explained that this would contribute significantly to the vibrancy of the town centre.

In response to questions about the recently held Compulsory Purchase Order Inquiry, it was noted a result was expected by early January 2019 and that the ambition remained to start work on site in the first half of 2019.

During the discussion, a variety of matters were considered and it was noted that full details of the current financial forecasts and an update concerning financial implications had been set out in the exempt Part 2 report of the agenda.

**Clerk's note** – *At this point in the meeting agenda item 7 (Marketfield Way – Construction of Mixed Use Development) was adjourned so that the exempt information, agenda items 11 (Exempt Business) and 14 (Marketfield Way – Construction of Mixed Use Development – Exempt), could be considered ahead of making a decision.*

**Clerk's note** – *The minutes of the meeting reflect the order of business listed on the published agenda, not the order taken during the meeting.*

During the exempt discussion, a number of issues were considered in relation to land assembly, pre-lets, the selection of a main contractor, risk management, the various stages of the project, projected scheme costs and other financial implications. In response to questions, the Director of Finance and Organisation was asked to provide a written briefing note to all Members setting out alternative assumptions to the financial implications (set out in Annex 2 of the exempt Part 2 report) of the consented scheme.

On conclusion of agenda item 14 the Executive returned to agenda item 7 and:

**RECOMMENDED that Full Council amend the Capital Programme to resource Stage 3 and Stage 4 of the Marketfield Way project subject to stage 3 and Stage 4 meeting the financial parameters set out in the financial projections provided in the exempt report in Part 2 of the Executive agenda.**

**RESOLVED that:**

- (i) The progress in relation to land assembly, site preparation and the pre-letting of retail, leisure and residential components of the scheme be noted.
- (ii) The Director of Finance and Organisation be authorised, in consultation with the Director of Place Services, the Executive Member for Property and Acquisitions, the Leader and the Deputy Leader, to progress Stage 3 and Stage 4 of the Marketfield Way project, in accordance with the strategy set out in the Executive reports dated 26 February 2015, 23 March 2017 and updates set out in this report, and bring forward the development, retaining the commercial elements and pre-selling the residential flats to a private rented sector operator/residential investor.
- (iii) The Director of Finance and Organisation be authorised, in consultation with the Director of Place Services, the Leader, Deputy Leader and Executive Members for Finance and Property and Acquisitions, to progress the Marketfield Way project in accordance with the updated financial parameters set out in the exempt report in Part 2 (Option 1) of this agenda.
- (iv) The Director of Finance and Organisation be authorised, in consultation with the Director of Place Services, the Leader, Deputy Leader and Executive Members for Finance and Property and Acquisitions to agree terms, seal and complete a construction contract or enabling contracts with construction contractors, subject to construction costs being in accordance with the updated financial parameters set out in the exempt report in Part 2 (Option 1) of this agenda.

**Reason for decision:** To obtain authority to proceed with stages 3 and 4 of the project, subject to meeting the criteria for the permitted scheme as set out in the exempt Part 2 report of the agenda, to secure maximum regeneration benefits for Redhill whilst retaining income streams for reinvested in the provision of Council services.

**Alternative options:** To investigate an alternative proposal for the development of the site, or for the Council not to progress with the development and to seek an independent funding source to do so through purchase of the site, or to do nothing and not regenerate Redhill town centre.

## **NOTE**

On conclusion of the Marketfield Way item, the Leader of the Council informed the Executive that John Reed, Head of Property, was leaving the Council for a new job. On behalf of the Council, the Leader placed on record his thanks to Mr Reed for his help and support across many projects.

### **53. PROPERTY ACQUISITIONS**

There was no business to be considered under this agenda item.

### **54. STATEMENTS**

None.

### **55. ANY OTHER URGENT BUSINESS**

None.

### **56. EXEMPT BUSINESS**

**RESOLVED** that members of the press and public be excluded from the meeting for agenda items 12, 13, 14 and 15 under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and (ii) the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

### **57. OVERAGE DUE IN RESPECT OF SITE IN BLACKBOROUGH ROAD, REIGATE (EXEMPT)**

Councillor T. Schofield, Executive Member for Finance, introduced the exempt information in relation to the calculations and proposed settlement for an outstanding overage matter between the Council and Raven Housing Trust. During the discussion a wide range of issues were considered, including the importance of partnership working and the need to deliver more affordable housing across the borough.

**RESOLVED** that the exempt information in relation to overage due in respect of a site in Blackborough Road, Reigate be noted.

### **58. INTERNAL AUDIT PARTNERSHIP AGREEMENT (EXEMPT)**

**RESOLVED** that the exempt information in relation to the Internal Audit Partnership Agreement be noted.

### **59. MARKETFIELD WAY - CONSTRUCTION OF MIXED USE DEVELOPMENT (EXEMPT)**

Councillor Mrs N.J. Bramhall, Executive Member for Property and Acquisitions, introduced the exempt information in relation to Marketfield Way, Redhill. During the

discussion, a number of issues were considered in relation to land assembly, pre-lets, the selection of a main contractor, risk management, various stages of the project, projected scheme costs, other financial implications and the process for delegated decision making.

**RESOLVED** that the exempt information in relation to Marketfield Way, Redhill be noted.

**60. PROPERTY ACQUISITIONS (EXEMPT)**

There was no exempt business to be considered under this agenda item.

The Meeting closed at 8.54 pm