



Ministry of Housing,
Communities &
Local Government

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Andrew Pritchard
Chief Executive
Runnymede Borough Council

19 December 2024

Runnymede Borough Council Best Value Notice expiring 19 December 2024

Dear Andrew,

Thank you for your letter of 6 November 2024 regarding the non-statutory Best Value Notice (“Notice”) issued to Runnymede Borough Council on 19 December 2023. As you know, this Notice was a formal notification that the department had concerns regarding the council's significant debt, which poses capacity challenges, and the council's reliance on commercial income to support both core and discretionary services. The Notice requested that the council engage with the department to provide assurance of its progress against the recommendations set out in the Chartered Institute for Public Finance and Accountancy (CIPFA) review and its ability to manage these risks. Thank you for the regular and constructive engagement that you and your officer team have had with the department since the Notice was issued.

We recognise the council's work to deliver against the six key recommendations from CIPFA's capital review, including formalising a moratorium on new commercial investment, developing its approaches to risk and investment reporting, and improving officer capacity and capability. We are pleased to see that the council has used the BVN as an opportunity to self-reflect and invite external scrutiny and challenge, assessing organisational culture and adherence to the Best Value Duty, commissioning an external review of the council's companies, and undertaking a Corporate Peer Challenge (CPC) with the Local Government Association. We also note the council's commitment to publishing the CPC report and a corresponding action plan at pace, ahead of the expiry of the BVN.

In light of the above and based on the available evidence, ministers are reassured as to Runnymede Borough Council's capacity to comply with its Best Value Duty under the Local Government Act 1999 and the Notice will not be reissued at this time.

Whilst we are not renewing the Notice, the department remains concerned about the significant debt held by the council and the risk this carries. As a result, we expect the

council to continue leading its own improvement journey and taking steps to reduce and manage its overall debt. I ask that the council keeps engaging openly with the department about this, on at least a quarterly basis for the time being.

Should the department deem it necessary to seek further assurance through a Best Value Notice in future, based on the available evidence, a further Notice will be issued. The Secretary of State also holds statutory powers under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of Best Value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. A failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using these powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the department's engagement on these. A copy of this letter will therefore be published on GOV.UK, in line with the Best Value Notice previously issued to the council. I encourage you to make a copy of this letter available on the council's website, and to share it with Full Council and your Standards and Audit Committee.

A member of my team will be in touch with you to discuss future engagement. I look forward to receiving updates on your continued progress.

Yours sincerely,

Suzanne Clarke
Deputy Director, Local Government Finance