

**Minutes of the Meeting of the FINANCIAL POLICY PANEL held on 6 December
2016**

PRESENT -

Councillor Eber Kington (Chairman); Councillors Richard Baker, Graham Dudley, Omer Kokou-Tchri, Barry Nash, Keith Partridge and Vince Romagnuolo

Absent: Councillor John Beckett

Officers present: Kathryn Beldon (Director of Finance and Resources), Brian Thompson (Interim Head of Financial Services), Mark Shephard (Head of Property), Lesley Shields (Senior Accountant) and Fiona Cotter (Democratic Services Manager)

13 DECLARATIONS OF INTEREST

No declarations of interest were made by councillors regarding items on the Agenda.

14 MINUTES

The Minutes of the Meeting of the Financial Policy Panel held on 27 October 2016 were agreed as a true record and signed by the Chairman.

15 PLANNED MAINTENANCE UPDATE

The Panel received a report which reviewed progress in relation to the Planned Maintenance Programme and adjustments to that programme.

The Panel was reminded of the recent approval by Council of a Property Acquisition Fund and the Head of Property informed members that he would be reviewing the Asset Management Plan and looking to regularise property maintenance.

The Schedule of works appended to the report set out the current position regarding spend and commitments for the year to date. The total proposed spend on schemes of £399,000 included £156,000 of works in progress or works not started brought forward into 2016/17. The latter works were to be funded by drawdown from the property maintenance reserve. The balance on this reserve as at 1 April 2016 had been £239,000.

The report highlighted that budget virements had been made to cover a shortfall in the cost of works to the roof at Bourne Hall and for urgent health and safety works to the lift shafts at the Town Hall of £15,000 and £10,000 respectively.

The shortfall in relation to the roofing works had been covered by cancelling a planned refurbishment of the top pavilion in Alexandra Recreation Ground and using unspent monies from the water mains replacement at the same Recreation Ground. The urgent lift works had been covered by a virement from the property maintenance reserve. It was confirmed that, as a result, taking into account the drawdown of £156,000 referred to above, the property maintenance reserve currently stood at £81,000.

Accordingly, having received the progress report on the Planned Maintenance Programme, the Panel noted changes made to the programme by Officers in accordance with authority delegated to them.

16 CAPITAL PROGRAMME 2017/18

The Panel received and considered a report which sought guidance on the preparation of the draft capital programme for 2017/18 and on funding to be released for capital investment.

The report highlighted that the Capital Member Group had reviewed bids for 2017/18 of £2.589 million and recommended progression of bids totalling £1.249 million (as summarised in Annexe 3 to the report). It was confirmed that the legal responsibility for the maintenance of closed churchyards rested with the Borough Council and that the reference to the use of grants for externally funded schemes in paragraph 3 of the report referred to funding received from the Government to provide disabled facilities grants. It had been assumed that the Council would be receiving £535,000 for this purpose in 2017/18.

It was noted that current receipts from the administration of the Community Infrastructure Levy would be earmarked for financing Phase 1 of Plan E and subsequent phases and the potential Kiln Lane Link Road. £476,009 had been earmarked for Plan E Phase 1 and at least £1 million had been provisionally allocated for the Kiln Lane scheme. A clearer picture of how much CIL currently remained uncommitted would emerge following subsequent meetings of the Joint Infrastructure Group.

It was confirmed that the IT equipment to be replaced at a cost of £70k as part of the £250k ICT programme of work was equipment owned by this Council and would not impact on the shared service with Elmbridge. The Panel was reminded that the Council had recently approved an ICT Digital Strategy which aimed, inter alia, to continue to ensure that the Council was flexible and agile in providing services with mobile working increasing in importance.

The proposed core programme to be funded from capital reserves was as follows:

Scheme/Funding from Capital Reserves	£'000s
Installation of LED Lighting Various Sites	21
ICT Programme of Work	250

Scheme/Funding from Capital Reserves	£'000s
ICT - Legal Case Management System	20
Container Replacement Programme	68
Improvement Works (Depot Rd) & Pay Machines (Depot Rd & Upper High St) Car Parks	174
Rosebery Park Pond Refurbishment	110
Total proposed capital programme 2017/18 funded from reserves	643

It was further proposed that a scheme to refurbish the tennis and basketball courts at Alexandra Recreation Ground at an estimated cost of £46,000 be included in the capital programme to be funded from outdoor sports facility S106 funding from various developer contributions.

Finally, in ensuring the capital reserves did not fall below £1 million, the report highlighted that the waste strategy containers project (£50,000) had been fully funded over two years – 2016/17 (£25,000) and 2017/18 (£25,000) - from the operational services Repairs and Renewals fund.

Accordingly, the Panel recommended that, based on the advice of the Capital Member Group, the following Capital Programme for 2017/18 should be presented to Council in February 2018:

- (1) Prioritised schemes totalling £714,000 to be added to the capital programme and funded from capital reserves (£643,000), S106 developer contributions (£46,000) and revenue reserves (£25,000), subject to the relevant policy committees receiving and approving project appraisals;
- (2) Schemes totalling £535,000 to be included in the capital programme, subject to external funding sources and subject to support for the scheme appraisals by the relevant policy committees.

The meeting began at 7.30 pm and ended at 8.01 pm

COUNCILLOR EBER KINGTON (CHAIRMAN)