

Minutes of the Meeting of the FINANCIAL STRATEGY ADVISORY GROUP held at the Council Chamber, Epsom Town Hall on 26 September 2025

PRESENT -

Councillor Neil Dallen (Chair); Councillors Kate Chinn, Alex Coley, Liz Frost and Clive Woodbridge

In Attendance: Councillor James Lawrence

Absent: Councillor Peter O'Donovan

Officers present: Cagdas Canbolat (Director of Corporate Services (S151)), Sue Emmons (Chief Accountant) and Tony Foxwell (Senior Surveyor)

5 DECLARATIONS OF INTEREST

No declarations of interest were made by councillors regarding items on the agenda for the meeting.

6 MINUTES OF THE PREVIOUS MEETING

The minutes of the Financial Policy Panel meeting held on 27 June 2025 were agreed as a true record to be signed by the Chair.

7 2024/25 TREASURY MANAGEMENT OUTTURN

The Group received a report presenting the Council's treasury management performance in 2024/25.

Members discussed the following issues:

- The purpose of the interest equalisation reserve; whether its current level is appropriate; falling interest rates and cash balances and their impact on treasury management income; and the amount of treasury management income budgeted for within the 2025/26 budget.
- The nature of the Council's cashflow, peaks and troughs and how this influences the way in which the Council utilises the different forms of investments available, such as fixed-terms deposits, money market funds and its interest-bearing account.

- How the Treasury Management Strategy governs how officers can invest Council funds.
- The drop in level of investments from £23.2m in March 2024 to £19.8m in March 2025 and how this can be seen in the decrease in the balance of useable reserves in the Council's 2024/25 Statement of Accounts.

Following consideration of the above matters and the report's contents, the Group moved to consider the report recommendations, which were agreed as follows:

- (1) Receive the report on the Council's treasury management performance in 2024/25;**
- (2) Receive the 2024/25 prudential indicators.**

8 INITIAL CAPITAL PROPOSALS 2026/27

The Group received a report presenting the initial proposals for the 2026/27 Capital Programme and seeking guidance as to which of them should be worked into detailed proposals for further consideration in November 2025.

Members discussed the following issues:

- What constitutes capital expenditure.
- The current year's capital programme and whether any grant funding would need to be returned if schemes are not delivered in time.
- Members requested that at its January 2026 meeting, Environment Committee consider releasing the capital budget for Alexandra Rec Dojo back to the capital programme, as it is understood that the spend to save criteria has now fallen away.
- Whether the review of reserves to be considered by this Group in November may identify additional funds to support the capital programme.
- Members then considered each proposal in turn and made the following comments:

Epsom Playhouse – Replacement of Auditorium Air Conditioning and controls

To be progressed to detail stage but to be combined with the Epsom Playhouse - Replacement boilers and controls scheme to come forward as one detailed proposal.

The Epsom Playhouse – Front of House toilet Refurbishment

To be progressed to the detailed stage.

Epsom Playhouse - Replacement boilers and controls

To be progressed to detail stage but to be combined with the Epsom Playhouse – Replacement of Auditorium Air Conditioning and controls scheme to come forward as one detailed proposal.

Bourne Hall - Replace lift controls

To be progressed to the detailed stage.

Bourne Hall - External Redecorations

This is considered revenue as it is maintenance. Members requested that it is considered for inclusion in the 2026/27 Planned Maintenance Programme to be considered by the Strategy & Resources Committee in January 2026.

Bourne Hall - Replacement of High-level roof covering & insulation

To be progressed to the detailed stage.

Bourne Hall - Bourne Hall Replacement of all heating and ventilation plant/air handling with energy efficient heat pumps

This proposal comprised of two options, both of which were requested to be progressed to the detailed stage. As part of the detailed proposal, Members asked for confirmation as to whether a contribution from Surrey County Council would be available for either scheme.

Ashley Centre Car Park - Level 5 Replacement of Lamp Columns

To be progressed to the detailed stage.

Ashley Centre multi-storey car park - overcoating waterproof membrane

To be progressed to the detailed stage.

Uppermill pond band replacement - Phase 2

To be progressed to the detailed stage.

West Ewell allotments - new fencing

This was considered as revenue as it is maintenance. Members asked officers to look for revenue funding to enable these works to take place.

Stew Ponds removal of silt

Members did not support this proposal progressing to the detailed stage and requested that Environment Committee consider releasing the existing committed capital funding of £150k to the main programme to fund higher priorities. This scheme should be reconsidered in the future should external match funding become available.

Following consideration of the report's contents, the Group moved to consider the report recommendations, which were agreed as follows:

- (1) Provide guidance on which of the initial schemes in the first draft 2026/27 capital programme should be developed for further consideration in November 2025.**

The meeting began at 2.00 pm and ended at 3.31 pm

COUNCILLOR NEIL DALLEN (CHAIR)