

**Minutes of the Meeting of the STRATEGY AND RESOURCES COMMITTEE held on
22 September 2020**

PRESENT -

Councillor Eber Kington (Chairman); Councillor Clive Smitheram (Vice-Chairman);
Councillors Arthur Abdulin, Steve Bridger, Kate Chinn, Nigel Collin, Hannah Dalton,
David Gulland, Colin Keane and Barry Nash

In Attendance: Councillor Bernie Muir; Sarah Ironmonger (Director, Audit) (Grant
Thornton UK LLP) (Items 18-20 only) and Sheena Phillips (Manager, Audit) (Grant
Thornton UK LLP) (Items 18-20 only)

Officers present: Kathryn Beldon (Chief Executive), Damian Roberts (Chief Operating
Officer), Lee Duffy (Chief Finance Officer), Shona Mason (Head of Human Resources
and Organisational Development), Brendan Bradley (Chief Accountant), Danny
Surowiak (Principal Solicitor) and Tim Richardson (Committee Administrator)

18 QUESTION TIME

No questions were asked or had been submitted by members of the public.

19 DECLARATIONS OF INTEREST

The following declaration was made in relation to an item on the agenda:

Local Government Structure in Surrey

Councillor Hannah Dalton, Other Interest: Councillor Hannah Dalton declared
that due to her involvement with the RASSU campaign, she would not participate
in the debate on this item and would not vote upon it..

20 2019-20 STATEMENT OF ACCOUNTS AND AUDIT FINDINGS

The Committee received a report presenting the 2019/20 Statement of Accounts
and Grant Thornton's Audit Findings report following the external audit.

The Committee received a verbal introduction to the report from Sheena Phillips
and Sarah Ironmonger on behalf of Grant Thornton (the External Auditor).

The following matters were considered:

- a) **Emphasis of matter.** The External Auditor informed the Committee that
the audit report would include an emphasis of matter to highlight a
disclosure from the Council's expert valuer relating to a material

uncertainty in the valuation of land and buildings at 21 March as a result of Covid-19. The External Auditor informed the Committee that this was an approach being commonly applied to Councils by external auditors.

- b) **Post balance sheet event provision for Covid-19.** Following a question from a Member, the External Auditor informed the Committee that the Covid-19 pandemic had begun prior to the end of the financial year and that there were disclosures relating to its impact within the financial statements. As such it was not considered to be an “adjusting subsequent event”. The External Auditor was comfortable that the matter had been disclosed within the financial statements in the appropriate manner.
- c) **Deadline for publishing audited accounts.** Following a question from the Chairman with regard to progress toward the publication of the Council’s audited Accounts, the External Auditor informed the Committee that the Council was very much in front group of Councils in Surrey and nationally.

Following consideration, it was resolved unanimously that the Committee:

- (1) **Approved the Statement of Accounts for the year ended 31 March 2020;**
- (2) **Agreed the Annual Governance Statement included within the Statement of Accounts;**
- (3) **Received the Audit Findings for 2019/20;**
- (4) **Agreed the management action in response to the audit recommendations detailed at Appendix A of the Audit Findings report;**
- (5) **Agreed that the Chairman or Vice Chairman of Strategy and Resources Committee and the Chief Finance Officer sign the Letter of Representation on behalf of the Council;**
- (6) **Delegated any further amendments to the 2019/20 Statement of Accounts to the Chief Finance Officer in consultation with the Chairman or Vice Chairman of Strategy and Resources Committee.**

Following the Committee’s decision on this item the Committee requested that its thanks to the Council’s Finance Team be recorded in the Minutes. The Committee congratulated officers on the excellent outcome of the audit and the speed with which they had completed the work, which would likely lead to the accounts being signed-off as one of the very first in England.

21 2021/22 BUDGET TARGETS AND FINANCE UPDATE

The Committee received a report recommending budget targets for 2020/21 and providing an update on financial planning as recommended by the Financial Policy Panel.

The following matters were considered:

- a) **Impact of Covid-19 on the Council's finances.** Following a question from a Member, the Chief Finance Officer informed the Committee that it was difficult to forecast the likely overall impact of Covid-19 on the Council's finances. The Bank of England's forecast of 9.5% reduction in GDP for the year had been used as a base for estimations.
- b) **Wells site.** Following a question from a Member, the Chief Finance Officer informed the Committee that any future development of the Wells site was not included within the figures presented by this report.

Following consideration, it was resolved unanimously that the Committee:

1. **Noted the recommendations of Financial Policy Panel held on 08 September 2020.**
2. **Agreed the following overall budget targets for 2021/22:-**
 - i. **That estimates be prepared including the delivery of savings already identified in the Financial Plan for 2021/22 totalling £336,000.**
 - ii. **That estimates include options to reduce organisational costs by £1,290,000 subject to government grant announcement, in order to minimise the use of working balances and maintain a minimum working balance of £2.5 million in accordance with the medium term financial strategy.**
 - iii. **That at least £210,000 additional revenue is generated from an increase in discretionary fees and charges;**
 - iv. **That a provision for pay award is made of £408,000 that would allow for a 2% cost of living increase;**
 - v. **That a £950,000 contingency is provided for within the 2021/22 budget to mitigate the potential impact of Covid-19 on the Council's finances in 2021/22.**
 - vi. **That officers are tasked in delivering a list of costed options that can be implemented to address any budget shortfall for 2021/22.**
3. **Agreed the budget reporting timetable as set out in section 10 of the report to Financial Policy Panel (Appendix 2).**

4. Agreed that 2020/21's projected deficit be funded as set-out at paragraph 6.7 of the report to Financial Policy Panel (Appendix 2).

22 LOCAL GOVERNMENT STRUCTURE IN SURREY

The Committee received a report seeking approval of the Council's financial contributions towards a joint fund with Surrey Boroughs and District Councils to investigate future local government options.

An amended copy of the report had been published as a supplement to the agenda and replaced the copy of the report included in the original agenda pack.

The following matters were considered:

- a) **Purpose of funding.** Following a question from a Member, the Chairman informed the Committee that the proposed funding contribution would be made to a joint Surrey Borough and Districts Councils fund which would investigate all local government structure options. The contribution would not be ring-fenced to consider only two-tier options.
- b) **Proposed amendment: removal of words "enhanced two tier working"**. Councillor Kate Chinn proposed and Councillor David Gulland seconded an amendment to the recommendation included within the report to remove the words "enhanced two tier working".

Following consideration the Committee resolved to reject this amendment with 2 Members voting for it, 5 Members voting against it, 1 Member abstaining and the Chairman and Councillor Hannah Dalton not voting. Councillor Hannah Dalton declared that she was not able to vote on this matter due to a declared interest, and accordingly did not vote on this amendment.

Following consideration, the Committee resolved with 7 Members in favour, 1 Member against and the Chairman and Councillor Hannah Dalton not voting to:

- (1) approve a contribution of up to £10,000, funded from the Corporate Projects Reserve towards a joint Surrey Borough and Districts Councils fund to investigate future local government options which could include new ways of working post-pandemic, proposals for shared service delivery at Borough and District level and enhanced two tier working.

23 LOCAL GOVERNMENT ASSOCIATION COMMUNICATIONS REVIEW ACTION PLAN

The Committee received a report providing details of the Communications & Engagement Strategy and Action Plan.

The following matters were considered:

- a) **Costings for actions.** Following a question from a Member, the Committee was informed that there were no costs associated with the

Strategy. Officers anticipated that any costs from the Action Plan would be delivered within the existing budget. If there was a need for additional resources to implement actions a report and supporting business case would be presented to the Strategy and Resources Committee for approval.

- b) **Further LGA support.** In response to a question from a Member, the Head of HR and Organisational Development informed the Committee that following the LGA's review, the Council had appointed an expert interim officer to give advice and provide support in the review of recommendations provided by the LGA. Further support from the LGA had not been sought, but this would be kept under review.
- c) **Impact and outcomes of themes identified within the Strategy and Action Plan.** Following a question from a Member, the Head of HR and Organisational Development informed the Committee that the themes detailed within the Strategy would be expanded upon to provide further information regarding their anticipated impact and outcomes.
- d) **Responsible parties and detailed actions within Action Plan.** A Member requested that further information be added to the Action Plan detailing the responsible officer/party for actions and how actions would be completed. It was noted that the Head of HR and Organisational Development would contact the Councillor following the meeting to discuss the further information required.

Following consideration, it was resolved unanimously that the Committee:

- (1) **Approved the Communications & Engagement Strategy and Action Plan.**

24 EPSOM & EWELL BOROUGH COUNCIL'S DIVERSITY, EQUITY & INCLUSION FRAMEWORK

The Committee received a report providing details of the Council's working draft Diversity, Equity and Inclusion Framework.

The following matters were considered:

- a) **Councillor training.** The Committee noted that it was intended to provide Councillors with training and a Members' Briefing session with regard to the Diversity, Equity and Inclusion Framework. It was also noted that Officers would look into the possibility of providing unconscious bias training to Councillors.
- b) **Requirements upon business partners and contractors.** A Councillor asked whether the Council placed requirements on its contractors and business partners which provided services on its behalf with regard to equality, diversity and inclusion matters. As the relevant officer had lost connection to the meeting at this time, it was noted that a written

response would be provided to all Members of the Committee and the Councillor in attendance with regard to this matter following the meeting.

- c) **Covid-19 Risk assessments.** Following a question from a Member, the Head of HR and Organisational Development informed the Committee that the Council had undertaken a significant amount of work across its buildings and set up a task group to review Covid-secure arrangements at Council venues. In relation to staff, the Council was working closely with its occupational health provider.
- d) **Thanks to the Head of Digital and Service Transformation and staff – accessibility of Council website.** The Committee expressed its thanks to the Head of Digital and Service Transformation and her team for their work to make the Council's website meet the legislative requirements of accessibility of public websites.

Following consideration, it was resolved unanimously that the Committee:

- (1) **Approved the working draft Diversity, Equity and Inclusion Framework.**
- (2) **Agreed that the three themes could go out to public consultation.**

25 MINUTES OF PREVIOUS MEETING

The Minutes of the Special Meeting of the Strategy and Resources Committee held on 2 July 2020, Minutes of the meeting of the Committee held on 28 July 2020 and Restricted Minutes of the meeting of the Committee held on 28 July 2020 were agreed as a true record, and the Chairman was authorised to sign them.

26 EXCLUSION OF PRESS AND PUBLIC

Under Section 100(A)(4) of the Local Government Act 1972, the Committee passed a resolution to exclude the public from the meeting for Part Two of the Agenda on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended) and that pursuant to paragraph 10 of Part 2 of the said Schedule 12A the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

27 SUPPORT WITH REOPENING LEISURE SERVICES

The decision for this item is recorded in a separate (not for publication) restricted Minute.

The meeting began at 7.00 pm and ended at 8.36 pm

COUNCILLOR EBER KINGTON (CHAIRMAN)