

**Minutes of the Meeting of the STRATEGY AND RESOURCES COMMITTEE held on
21 June 2016**

PRESENT -

Councillor Eber Kington (Chairman); Councillor Neil Dallen (Vice-Chairman);
Councillors Richard Baker, Omer Kokou-Tchri, Keith Partridge and Clive Woodbridge

Absent: Councillor Kate Chinn and Councillor Mike Teasdale

Officers present: Frances Rutter (Chief Executive), Simon Young (Head of Legal and Democratic Services), Fiona Cotter (Democratic Services Manager), Judith Doney (Head of Revenues and Benefits) (For item 92), Lee Duffy (Head of Financial Services), Shona Mason (Head of Human Resources and Organisational Development) (For items 89 to 100), Michael Smith (Chief Accountant) and Peter Wells (Benefits Manager) (For item 92)

89 QUESTION TIME

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

90 DECLARATIONS OF INTEREST

Disclosable or potential disclosable pecuniary interests were declared by Councillor Eber Kington and Councillor Omer Kokou-Tchri respectively in relation to Item 9 on the Agenda (Horton Chapel)

91 MINUTES OF PREVIOUS MEETING

The Minutes of the Meeting of the Strategy and Resources Committee held on 17 November 2015 and 27 January 2016 and the Minutes of the Special Meeting of the Strategy and Resources Committee held on 8 December 2015 were agreed as a true record and signed by the Chairman.

92 LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18

The Committee received and considered a report which set out options for the Local Council Tax Support Scheme for 2017/18. The options were:

- a) to continue with the current scheme for a further year which would not necessitate a public consultation; or
- b) consider increasing the percentage minimum payment on the current scheme between 5% and 10% for the 2017/18 financial year which would

necessitate a public consultation, the results of which could be reported to the November meeting of this Committee.

The report highlighted that the Council would only retain 11% of any additional income received from reducing the level of Council Tax Support provided. A reduction in Council Tax Support could see an increase in the demand on the hardship fund which was fully funded by this Council and increasing the financial burden for families might cause additional pressure on homelessness budgets if families were unable to meet their financial obligations. As at the date of the meeting, £25,000 had been included within next year's projections and around £15,000 had been allocated during 2015/16.

In view of the information available, the Committee agreed to continue with the current Local Council Tax Support Scheme for a further year which did not necessitate a public consultation.

93 FINAL ACCOUNTS 2015/16

A report was presented to the Committee which summarised the Council's financial performance for 2015/16 and which sought approval to the Annual Governance Statement for 2015/16. In particular, the Committee was asked to note the carry forward of capital provision for schemes where costs would be incurred in 2016/17.

The Committee was informed that, as at the date of the meeting, the surplus on the General Fund for 2015/16 had increased from the £62K set out in the report to £67K and the Working Balance as at 31 March 2016 was £3,171K. This latest position had been reported in the set of papers setting out the General Fund Summary Position, major budget variances and capital expenditure position for 2015/16 issued to all councillors the previous week.

The following points were noted:

- The difference of £900k in relation to CIL was a result of the timing of invoices and not a shortfall in anticipated income: the receipt of certain CIL monies was staged and the draft accounts were required to reflect the actual position;
- The Annual Governance Statement was due to be reported to the Audit, Crime and Disorder Committee on 28 June 2016. In the absence of the Chairman on the particular date signature was required, the Vice Chairman would be signing off this legal document on his behalf;
- Increased costs in relation to on-street parking were a result of a reduction in income rather than an increase in expenditure

Having noted the excellent job done by officers in producing a balanced budget against a difficult financial backdrop, the Committee:

- (1) Received the report on financial performance for 2015/16;

- (2) Agreed the Annual Governance Statement (circulated separately to the Agenda);
- (3) Noted the carry forward of provision of £2,065,000 for capital schemes to be added to the 2016/17 capital programme;
- (4) Agreed that delegated authority be granted to the Head of Finance in consultation with the Vice Chairman of Strategy and Resources Committee to make any amendments to the draft Annual Governance Statement.

94 TREASURY MANAGEMENT: YEAR END PERFORMANCE 2015/16

The Committee received and considered a report which reviewed the Council's treasury management performance for 2015/16 and which sought changes to the treasury management strategy.

Whilst Officers understood members' concerns about financial institutions, the Council did not invest directly in them. Aberdeen Asset Management was a sterling fund. The Council did not have access to many of these and required security and liquidity above yield. The Council was moving money into one year fixed bonds which were currently all earning above 1% and was currently considering investment in property.

The Head of Finance took the opportunity to clarify all the reserves held by the Council which totalled £25million.

The Committee:

- (5) Received the report on the Council's treasury management performance for 2015/16;
- (6) Approved the actual 2015/16 prudential indicators

95 PLANNED MAINTENANCE PROPOSALS 2016/17

The Committee received and considered a report (marked to follow on the Agenda and circulated separately to members) which requested the allocation of the planned maintenance budget for 2016/17 to the schemes proposed in the report.

It was noted that the required works, classified on degrees of urgency, amounted to £690k for the year. Having looked at the most urgent of these priorities, the planned programme had been reduced to £322K. However, this value still exceeded the budget available and further reprioritisation led to proposed expenditure of £175k for the reasons set out in the Annexe to the report. In the event that any of the schemes excluded from the plan required emergency work, it was proposed that this would be funded from the property maintenance reserve. It was further noted that the proposed programme included £179K carried forward from 2015/16 for works already approved and looking at the programme in comparison to previous years, Officers considered that it should

be deliverable. A new Head of Property would be commencing employment with the Council in August.

The Committee:

- (7) Authorised Officers to make adjustments to the recommended programme, within the overall budget, as a result of improved estimates becoming available where the adjustment was less than £20K;
- (8) Approved the allocation of the planned maintenance budget for schemes for 2016/17 as follows:
 - Concrete repairs to floors of Ashley Centre Car Park (£10k)
 - External decorations to 92a High Street (£5K)
 - Rerun mains water pipework at Alexandra Recreation Ground (£7K)
 - New boiler and associated works at Auriol Pavilion (£15K)
 - External decoration and window replacement at Cox Lane Centre (£30K)
 - Demolition of Cox Lane Conquest Art building (£10K)
 - Refurbishment of the Gents toilets at Longmead Depot (£15K)
 - Internal and external redecoration of the Harriers Centre (£15K)
 - Structural investigations of Rosebery Park pond (£10K)
 - Works to various walls and fences (£5K)
 - Works to various hard surfaces (£10K)
 - Regulatory works at various locations in relation to remedial electrical works/5 yearly inspections (£13K), remedial works following fire risk assessments (£10K), energy efficiency (£10K) and water efficiency (£10K)

96 REVIEW OF CONTRACT STANDING ORDERS

The Committee received and considered a report which outlined proposals to change Contract Standing Orders (the rules for letting contracts) to reflect the Public Contract Regulations 2015.

In response to a concern regarding the threshold at which contracts were awarded by the relevant Committee, it was noted that there were very few contracts awarded between the thresholds of £500,000 and £750,000. Therefore in practice, the vast majority high value contracts were awarded by the relevant Committee.

Accordingly, the Committee approved the new Contract Standing Orders and recommended to the Council that the Constitution be updated accordingly.

97 HORTON CHAPEL

A report was presented to the Committee which updated members on the community bid process previously agreed by the Committee and which sought guidance on the way forward.

The Committee noted that the report highlighted three parties who had expressed a clear intention to submit a bid but a number of other parties had expressed an interest, most recently the Hindu Mauritian Society. Oasis Church had a track record in developing community facilities but had no firm proposals to date. The most well developed proposal appeared to be that from the Horton Chapel Arts and Heritage Society which was ready to apply for, and in Officer's opinion, stood a very good chance of receiving, Heritage Lottery Funding. However, a first round application was not likely to receive decision until December 2016.

It was proposed that no new expressions of interest be received after the end of June 2016 but that Officers would continue to work with those groups which had done so at that point. It was hoped that Officers would be in a position to report back for a decision regarding a preferred bidder in September.

A set of draft criteria by which competing bids would be assessed was appended to the report and members were invited to provide such comments, formally at the meeting or informally to Officers, as considered appropriate prior to these being finalised.

It was acknowledged that the proposed timetable was tight but it could not be open ended. The proposed timetable was considered realistic and the Council wanted an end to this matter. It was fully accepted that some bids were dependent on external funding and this would be taken into account when assessing them.

The funding currently earmarked for use in relation to the refurbishment of Horton Chapel came from a number of different sources and the report acknowledged that it was important in assessing bids that the Council was mindful of the purposes for which the funding had been allocated and any restrictions on use. However, Officers indicated that the Chapel would be put on the open market if the community bid process did not bear fruit.

Accordingly, the Committee:

- (9) Noted progress so far;
- (10) Considered the draft criteria and process for assessment of bids;
- (11) Agreed that Officers should continue to work with the interested parties who submitted formal expressions of interest by the end of June 2016 and

close the opportunity for other expressions of interest after the end of June.

98 EXCLUSION OF PRESS AND PUBLIC

The Committee resolved to exclude the Press and Public from the meeting in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that the business involved the likely disclosure of exempt information as defined in paragraphs 1, 2, and 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.

99 MINUTES OF THE PREVIOUS MEETING - ICT SHARED SERVICE; LAND IN WEST EWELL; PROCUREMENT

The Minutes of the Meeting of the Strategy and Resources Committee held on 27 January 2016 (considered exempt from publication) were agreed as a true record and signed by the Chairman.

100 PAYROLL SOLUTIONS

The Committee agreed a way forward as set out in the Minutes

Note: The details are considered officially sensitive at this time and the Minute for this item will be exempt from publication.

101 EBBISHAM CENTRE

The Committee agreed a way forward as set out in the Minutes

Note: The details are considered officially sensitive at this time and the Minute for this item will be exempt from publication.

102 LAND AT ASHLEY AVENUE, EPSOM

The Committee agreed a way forward as set out in the Minutes

Note: The details are considered officially sensitive at this time and the Minute for this item will be exempt from publication.

The meeting began at 7.30 pm and ended at 9.02 pm

COUNCILLOR EBER KINGTON (CHAIRMAN)