

**Minutes of the Meeting of the STRATEGY AND RESOURCES COMMITTEE
held on 24 March 2015**

PRESENT-

Councillor Neil Dallen (Chairman); Councillor Clive Woodbridge (Vice Chairman); Councillors Sheila Carlson (as nominated substitute for Councillor Dan Stevens), Alison Kelly, Christine Long, Humphrey Reynolds, Mike Teasdale and David Wood

Absent: Councillors Darren Dale and Dan Stevens

In attendance: Ms. Valerie Walwyn, MSc, (Chief Executive, SurreySave Credit Union)

Officers present: Frances Rutter (*Chief Executive*), Kathryn Beldon (*Director of Finance and Resources*), Fiona Cotter (*Democratic Services Manager*), Lee Duffy (*Head of Financial Services*) (for items 90 to 95), Judith Doney (*Head of Revenues and Benefits*) (for items 90 to 93) and Simon Young (*Head of Legal and Democratic Services*)

- 90** QUESTIONS FROM THE PUBLIC. No questions were asked or had been submitted by members of the public.
- 91** MINUTES. The Minutes of the Meeting of the Strategy and Resources Committee held on 27 January 2015 were agreed as a true record and signed by the Chairman.
- 92** DECLARATIONS OF INTEREST. In the interests of openness and transparency, a declaration was made in respect of item 5 on the Agenda (Performance Management) as set out below the relevant Minute.
- 93** SURREYSAVE CREDIT UNION. The Committee received a short presentation from Ms. Valerie Walwyn, MSc, (Chief Executive, SurreySave Credit Union) which provided a flavour of the organisation's work.

SurreySave was a not-for-profit financial co-operative and community bank providing affordable loans and offering ethical investment opportunities. The organisation specifically aimed to help the financially excluded who could not access standard high street banking. The organisation consisted of a small core team supplemented by volunteers. The majority of business was conducted on-line or via the telephone although there were some outreach locations.

Ms. Walwyn stressed that the key was treating people as individuals, granting loans to people who otherwise might pay more for them whilst encouraging individuals to save and to continue that habit beyond the loan repayment term. All loans were subject to affordability and credit checks and the Union offered confidential direct deduction from an individual's pay packet or direct debit from their bank account. Loan interest rates were capped at 3% per month. Ms. Walwyn acknowledged that this was not the most preferential rate on the market but the organisation had a duty

not to put their clients' money at undue risk. It was a difficult balancing act – the organisation strove to help individuals if it could but would not take undue risk. The current return on savings was 1.5% on an instant access account. The Union was also working in partnership with CredEcard to offer a pre-paid visa card. Ms. Walwyn stressed that the services provided by SurreySave were not suitable for everyone. The Union could not give financial advice but signposted the CAB and StepChange as organisations which could do so.

It was noted that the Department of Work and Pensions had invested in the modernisation of Credit Unions. SurreySave would be fully automated by next year and would be able to operate in real time.

Accordingly, the Committee agreed to support the SurreySave Credit Union by:

- (1) Providing a grant of £6,000 per year for the next 3 years, to be funded from the New Homes Bonus Reserve;
- (2) Approving the Action Plan set out at Annexe 1 to the report.

The grant would enable outreach work to be undertaken within the Borough and it was noted that Sam Barclay, the Benefit Team Leader, who had already had some contact with SurreySave on behalf of financially vulnerable benefit recipients, would be appointed as the Council's SurreySave champion.

94 PERFORMANCE MANAGEMENT 2014/15: PROGRESS REPORT THREE AND PROVISIONAL TARGETS FOR 2015/16. The Committee received the third Performance Management Progress report for 2014/15, providing information regarding progress towards its targets and considered its actions/targets for the period 2015/16.

It was noted that of its remaining 20 actions for 2014/15, seven had been achieved, six were on target and six had not been met. It was noted that the Committee was being requested to delete action EV2 ("to support the business partnership in developing and monitoring an annual work program") because ways of engagement with local businesses were being reviewed.

The Committee did not identify any issues which required action over and above that set out in the Progress Report but the view was expressed that a number of the targets for 2015/16 related to day-to-day tasks in which the Council would be engaged as a matter of course and ought to be more challenging:

- **Targets around Economic Vitality:** It was queried whether there was an opportunity to identify targets in relation to the provision of additional parking for Town Centre. Officers would be looking at setting a target around Town Centre Management and targets around the phasing and initial phasing of Plan E would be on-going. It was confirmed that a significant amount of work went into the promotion of Epsom with the Gatwick Diamond around business growth and retention.
- **Targets around Managing Resources:** it was suggested that there were issues around the new management structure, such as staff training, which ought to be considered as well as difficult issues around the financing of backlog maintenance.

- **Targets around Safer and Stronger Communities:** it was accepted that the target in relation to Horton Chapel functioning as a community centre by the end of 2015/16 was ambitious
- **Targets around Sustainability:** Whilst these targets were measurable, factors such as the weather, meant that their achievement was not necessarily within the Council's control and Officers were of the opinion that further significant efficiency savings in this area would be difficult to realise

Accordingly, it was agreed:

- (1) to delete action EV2 ("To support the business partnership in developing and monitoring an annual work program") as ways of engagement with local businesses are being reviewed;
- (2) that the formulation of targets for 2015/16 as discussed at the meeting be delegated to the Chief Executive in consultation with the committee

Note: In the interests of openness and transparency, Councillor Eber Kington declared that he owned a property in the vicinity of Horton Chapel but that, in the context of the item, he did not consider that it could be regarded as affecting is consideration of the item.

95 TREASURY MANAGEMENT. The Committee received and considered the updated Treasury Management Strategy Statement 2015/16 to 2017/18.

Accordingly, the Committee approved:

- (a) the Capital Prudential Indicators and Limits for 2015/16 to 2017/18 contained within the Treasury Management Statement (Section 2);
- (b) the Treasury Management Strategy 2015/16 to 2017/18 and the treasury Prudential Indicators contained within it (Section 3);
- (c) the Investment Strategy 2015/16 contained within the Treasury Management Strategy Statement (Section 4);
- (d) the treasury management practices as set out in Appendix 2 to the Treasury Management Strategy Statement; and

It was agreed to **recommend** the adoption of the updated Treasury management Strategy Statement 2015/16 to 2017/18.

96 MEMBERS MOBILE PROJECT. The Committee received and considered a report setting out the business case for this project and whether resources could be released to commence it.

The Committee was informed that not only would this project modernise the Council's business processes and improve and standardise support to its elected Members but that savings would be achieved through the reduction in the Council's printing, paper, and postage costs, and streamlining and automating processes. It was noted that

the provision of Wi-Fi was part of a wider (revenue) project which would see Wi-Fi installed in the Council venues which was due to be undertaken next year. The Members ICT reference group had requested that consideration also be given to providing Wi-Fi within the Town Hall and the reception areas if the budgetary provision allowed.

Whilst it was acknowledged that change was difficult, the Committee welcomed the proposals. The proposals did not take away the current ability to access the Council's network from a computer terminal or to print documents if necessary. VPN access would still be possible on home desktops. The current range of solutions (which included members receiving some or all of the following IT related services: additional phone lines, blackberries, broadband connections and printers) would be rationalised and an allowance paid to all members instead. Guidance would be sought from the Independent Remuneration Panel about the technicalities of making such a payment. However, the intention was to pay this as a part of the Basic Allowance. The Member ICT Reference Group felt that an allowance of £150 per year would be sufficient to enable a councillor to cover their costs in terms of IT/Telephony services, given that an electronic tablet would also be provided although some reservations as to whether or not this was the appropriate level were expressed and it was hoped that all councillors would be able to put their views forward on this matter.

The report further highlighted that it was important that arrangements in respect of the summons to meetings be lawful, but was considered that proper arrangements could be made to ensure this and that this does not represent a risk to the validity of any Council or Committee meetings. If the project was to proceed as intended, Members needed to agree that they would receive documents electronically. If they were not prepared to do so, the projected savings would need to be adjusted.

Accordingly the Committee approved:

- (1) The business case for the Members Mobile project and agreed to the release of the capital monies during 2015/16;
- (2) That, on implementation, all Members be provided with Electronic Tablet Devices in order to support their need for convenient access to agenda, Council e-mails and the Council Website and Intranet;
- (3) That the Independent Remuneration Panel, be asked to review the Basic Allowance for Members, to reflect the replacement of the current support arrangements for broadband and phone lines, which will cease as soon as practicable after the allowance is increased;
- (4) There be phased implementation of the Modern.gov system for all Policy Committees from 29 September 2015 with full implementation from 14 January 2016;
- (5) That Members approve the procurement of the Committee Management Software System, Modern.Gov via the use of a framework agreement;
- (6) The Citrix Solution, or equivalent solution approved by the Director of Finance & Resources, following consultation with Members ICT Reference Group (see recommendation 9 below), be progressed for Mobile email and mobile device management for Members;

- (7) That the Modern.Gov 'Restricted App' be included in the procurement to enable mobile devices to view confidential and restricted (that is, "Part 2") information, subject to appropriate security being in place;
- (8) Each Member of the Council be asked to agree that with effect from April 2016 all Council and Committee papers be delivered electronically via the Modern.Gov app.
- (9) That Members approve the creation of a Members ICT Reference Group for the duration of the project, which should be politically balanced, and comprise five members.

- 97** LONG GROVE PARK EXTENSION TO BMX/SKATE FACILITY. The Committee received and considered a report which, subject to the decision of the Leisure Committee on 17 March 2015, sought approval to use up to £80,000 uncommitted S106 contributions for Outdoor Sports Facilities from the West Park development to deliver enhanced recreational facilities in Longrove Park.

Having noted that the Leisure Committee had fully supported the proposals which supported a number of the Council's Key Priorities and offered new and improved facilities for young people, the Committee approved the use of up to £80,000 uncommitted S106 contributions for Outdoor Sports Facilities from the West Park development to deliver the project. The report highlighted that this funding had a specific condition that it could only be used on outdoor sports facilities within 2 miles of the West Park Development and so the options available to use this money were restricted. Long Grove Park was within the 2 mile radius and therefore met this condition.

- 98** ALLOCATION OF THE BACKLOG MAINTENANCE BUDGET 2015/16. The Committee received and considered a report which outlined the progress which had been made in relation to the approved programme for 2014/15 and which sought approve to the 2015/16 programme.

The report highlighted that the approved budget for 2014/15 stood at £439,000 but that the estimated outturn was likely to be around £264,000. The forecast underspend of around £175,000 had arisen as a result of the diversion of resources to deal with the fire and flooding emergencies at Ewell Court House and Bourne Hall. In the normal course of events, there was a presumption that unspent monies would be returned to reserves. However, there was still a need for expenditure on the outstanding schemes.

Accordingly it was recommended that the unspent monies on the schemes set out in Annexe 1 to the report be carried forward to 2015/16 to be funded from the property maintenance reserve (£140,000) and S106 funding (£35,000 - £20,000 off which still needed formal approval from Rosebery Housing Association).

As part of the budget preparation process, Officers had carried out a review of upcoming maintenance requirements. The results accorded with the 2002 condition surveys of its property stock undertaken by the Council and revealed a requirement to invest £750,000 to £1,000,000 per annum in this stock over the next ten years. It was therefore proposed as a short term expedient measure to allocate an additional £90,000 from the backlog maintenance reserve to support additional investment in 2015/16.

The report highlighted that the property maintenance reserve which stood at £250,000 as at 1 March 2014, was forecast to stand at £39,000 as at 1 April 2016 if the recommendations set out in the report were agreed.

The report further highlighted that two proposed schemes at Nonsuch for 2015/16 were dependent upon joint funding from the London Borough of Sutton and that there was currently no provision in the latter's 2015/16 budget for the works.

Members were also reminded that, in regard to the works at the Ebbisham Centre, in addition to the £50,000 for ventilation and fan coils replacement in this proposed programme of works, there was also £100,000 for replacement of chillers included in the capital programme for 2015/16.

For the purposes of the 2016/17, and future budgets, Officers would review the level and format of budgets for backlog maintenance together with the funding of these programmes and that, as part of this process, Officers would work in year to develop and apply a criteria based approach for determining the inclusion of schemes in the backlog programme of works, either as part of an annual programme or inclusion as a additional emergency works in year.

Accordingly, the Committee:

- (1) Noted progress in relation to the 2014-15 programme, including adjustments in accordance with the powers delegated to officers;
- (2) Authorised the carry forward to 2015-16 of any unspent sums on the following schemes (which currently stood at £175,000): external decorations to the Town Hall; external repairs and decoration of windows at the Cox Lane Centre; asbestos test, labelling and removal; contingency (£13,000) for emergency works which had arisen during the 2014/15 financial year; refurbishment of the top pavilion in Alexandra Recreation Ground, car park resurfacing in Ewell High Street and path repairs on the Longmead and Watersedge estates;
- (3) Agreed an increase in the backlog maintenance base programme from £210,000 to £300,000 in 2015-16;
- (4) Approved the 2015/16 programme as follows, subject to any decision on the Ebbisham Centre being brought back to the Committee:

Scheme	£000s	Comment
Energy efficiency	10	Minor works to improve energy consumption.
Longmead Depot	30	Repairs to concrete and repainting
Ebbisham Centre	20	Upgrade to ventilation in the zone. Needed because additional equipment has been installed by the soft play operator (the Council receives additional income).
Asbestos surveys	5	Inspection, testing remedial works and removal
Ebbisham Centre	30	Fan coil replacement in EEBC areas. The Fan coil units provide both heating and cooling. Cooled air is supplied from the chillers located on the roof of the building which are programmed for replacement in 2015/16 as a capital scheme.

Scheme	£000s	Comment
Fire risk assessments	10	Various sites and including remedial works
Alec main pavilion	30	Damp proofing works
Town Hall	20	Kitchen refurbishments
Various sites	5	Remedial electrical works
Walls and fences	20	Emergency works to walls and fences
Hard surfaces	30	Including High Street Ewell car park.
Nonsuch	50	Resurfacing of main car park
Nonsuch	20	Windows repairs and redecorations
Contingency	20	May be supplemented from property maintenance reserve.
Total	300	

- (5) Authorise Officers to make adjustments to the recommended programme, within the overall budget, as a result of improved estimates becoming available where the adjustment is less than £20,000;
- (6) The Chief Executive in consultation with the chairman of the committee be authorised to approve any new scheme which is prioritised during the year where the cost is in excess of £20,000 subject to the total cost of all works being contained within the overall budget provision.

99 MINUTES OF THE FINANCIAL POLICY PANEL: 3 FEBRUARY 2015. The Committee received the Minutes of the February meeting of the Financial Policy Panel.

The Committee noted that the Panel had received an update on the preparation of the budget for 2015/16, progress made on the property specific objectives for 2014/15 contained within the Asset Management Plan and review of this plan including objectives for 2015/16. The advice of the Panel on the presentation of the budget had been included in the Budget and Council Tax Report submitted to Council last month.

100 WRITE OFFS OVER £20,000. The Committee received, considered and agreed a report which sought the approval to write off a national non-domestic rate debt totalling £26,370.06.

The Committee noted that the Council had recently reviewed its debt collection policy and took a robust approach to recovering all debt.

101 OUTSTANDING REFERENCES. The Committee received and noted the outstanding references to officers as at 24 March 2015.

102 EXCLUSION OF PRESS AND PUBLIC. The Committee passed a resolution 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 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 outweighs the public interest in disclosing the information.

103 THE LIVING WAGE. A report was presented to the Committee (considered exempt from publication).

The decision of the Committee is set out in a separate minute (considered exempt from publication).

104 TREE RELATED CLAIMS – PROGRESS REPORT. The Committee received and noted a report (considered exempt from publication) which updated Members in relation to the number of outstanding tree related claims.

It was noted that the new working arrangements meant that the risks associated with tress were being more effectively managed and this was reflected in insurance claims. It was further noted that, if there were to be a sustained reduction in claims, and the value of those claims, there could be a reduction in premiums at some point in the future.

The meeting began at 19.30 hours and ended at 21.31 hours

NEIL DALLEN
Chairman