

**Minutes of the Meeting of the STRATEGY AND RESOURCES COMMITTEE held on
17 April 2018**

PRESENT -

Councillor Eber Kington (Chairman); Councillor Clive Smitheram (Vice-Chairman); Councillors Michael Arthur MBE (as nominated substitute for Councillor Humphrey Reynolds), Tony Axelrod, Kate Chinn, Neil Dallen, Hannah Dalton, Omer Kokou-Tchri, Mike Teasdale and Clive Woodbridge

In attendance: Ms. Sarah Ironmonger, Associate Director and Mr. Ade Oyerinde, Manager, Grant Thornton LLP (For item 53)

Absent: Councillor Humphrey Reynolds

Officers present: Kathryn Beldon (Chief Executive), Damian Roberts (Chief Operating Officer), Amardip Healy (Chief Legal Officer), Rod Brown (Head of Housing and Community), Mark Shephard (Head of Property and Regeneration), Gillian McTaggart (Head of Corporate Governance), Brendan Bradley (Chief Accountant), Sam Beak (Leisure Development Manager) (For items 51-55), Tony Foxwell (Senior Surveyor) (For items 51-55) and Fiona Cotter (Democratic Services Manager)

51 QUESTION TIME

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

52 DECLARATIONS OF INTEREST

In the interests of openness and transparency the following declaration was made by member of the Committee in respect of the following item:

Horton Country Park - Change of Use

Councillor Neil Dallen, Other Interest: Former scout leader and the scouts had used the premises.

53 EXTERNAL AUDIT PLAN FOR 2017/18

(Ms. Sarah Ironmonger, Associate Director, Mr. Ade Oyerinde, Manager, Grant Thornton UK LLP, in attendance)

The Committee received and considered a report that set out the approach to be taken by the Council's external auditors, Grant Thornton, to the audit of the accounts for 2017/18.

Ms. Ironmonger highlighted the significant risks stated on pages 5 and 6 of the audit plan. She stated that two of the risks identified were standard and prevalent across all audits conducted by the external auditor but that two of the risks had been identified for particular attention as areas that could affect the materiality of the Council's financial statements. She further highlighted that in reaching their conclusion regarding Value for Money, Grant Thornton would update their understanding of the Council's governance and financing arrangements in respect of investment acquisitions via its wholly owned company. The challenge in meeting the tight timescales in regard to the statutory deadline for the publication of the Council's audited accounts was again stressed.

The report highlighted that the Council's wholly owned subsidiary, Epsom and Ewell Property Investment Company, had a separate external auditor, the Epsom based firm Williams & Co. Elements of the financial statements of EEPIC Homes, including the PPE investment were material to the financial statements of the Council. The Committee was assured that Grant Thornton would perform sufficient work to enable them to gain assurance that the Council's group financial statements were not materially misstated. It was noted that plans were being put in place to establish a Shareholder Sub Committee.

Accordingly, the Committee endorsed the External Audit Plan Year ended 31 March 2018.

54 EPSOM CEMETERY EXTENSION

The Committee received and considered a comprehensive report that provided an update on the current position of the Epsom Cemetery extension and that sought approval for the Council to exercise its compulsory purchase making powers (CPO) to acquire land to extend the cemetery.

Officers would continue to seek a negotiated outcome for the purchase of the land but the Council was prepared to make use of compulsory purchase powers to secure the land to meet the need for burial space in the Borough for a further twenty-five years or so, if necessary.

The Committee:

- (1) Noted the progress to date;
- (2) Agreed the submission of a planning application for the proposed extension of Epsom Cemetery prior to the completion of the purchase of the land;
- (3) Approved the appointment of a specialist consultant to:
 - a) Undertake the necessary works to enable a planning application to be submitted;
 - b) Complete the tender process for the build contractor and oversee the completion of the works;

- (4) Agreed that the costs of the planning consultant are met from the current capital allocation for this project;
- (5) Authorised, if necessary, the use of compulsory purchase making powers pursuant to section 121 of the Local Government Act 1972 to acquire land shown edged on the plan attached at Annexe 1 of the report ("Order Land") for the purposes of extending Epsom Cemetery for burials ("the scheme");
- (6) Delegated to the Chief Operating Officer, in consultation with the Chief Legal Officer authority to take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Order ("the Order") including but not limited to, the following steps:
 - a) the publication and service of all relevant notices and to support the presentation of the Council's case at any public inquiry;
 - b) service of a new requisition for information (in accordance with section 16 of the Local Government Act 1972) on the reputed owner and other parties that may have an interest in the land as part of the preparatory steps associated with the making and promotion of a CPO;
 - c) approving terms of the acquisition of legal interests by agreement, including for the purposes of resolving any objections to the CPO;
 - d) all necessary steps to resolve any compulsory purchase compensation claims, including, if necessary, by way of making (or responding to) a reference to the Upper Tribunal (Land Chamber);
 - e) to retain an/or appoint external professional advisers and consultants to assist in facilitating the promotion, confirmation and implementation of the Order, the settlement of compensation and any other claims or disputes.

55 PLANNED MAINTENANCE 2018-19

A report was presented to the Committee that noted progress and changes to the current planned maintenance programme and sought approval for the 2018/19 programme of proposed works.

The report highlighted that the Property Maintenance Reserve stood at £402,000 as at 1 April 2017. During 2017/18, a sum of £129,000 had been released from the reserve principally to fund completion of the outstanding items from the 2016/17 programme. An underspend of £27,000 was forecast for 2017/18, giving a projected reserve balance of £300,000 as at 31 March 2018.

There was provision of £210,000 for planned maintenance within the approved 2018/19 revenue budget. The proposed schemes for 2018/19 collectively exceeded the approved 2018/19 budget by £70,000. If approved, the funding of

this shortfall from the Property Maintenance Reserve would reduce the projected reserve balance to £230,000.

The Committee:

- (1) Noted the current position/progress on the planned maintenance programme;
- (2) Noted the changes made to the programme under authority delegated to Officers;
- (3) Authorised the carry forward of unspent budget in 2017/18 to 2018/19
- (4) Authorised Officers to proceed with the 2018/19 proposed planned maintenance works;
- (5) Authorised virement from the property reserve to fund the shortfall for 2018/19.

56 INCOME GENERATION AND ENTERPRISE PLAN

The Committee received and considered a report setting out a new Generation and Enterprise Plan for the Council. The report had been prepared in the context of significant continued cuts in Government funding and the proposed approach would have a key role in enabling the Council to be more financially self-sufficient.

The Chairman highlighted that this approach would be aligned to the Council's strong public service ethos and was also about understanding the needs of residents' and providing services residents' wanted.

The report highlighted four specific workstreams that had been identified and the services that would be targeted in a phased four-year plan.

It was noted that, at the present time, this did not include the provision of building services but this was not ruled out as a possibility in the future as the Council's commercial portfolio grew. It was acknowledged that this was a challenging process in terms of resources and outcomes. It would involve cultural change and Officers would be open to opportunities that might present themselves to share best practice or work in partnership with other organisations as they presented themselves. Discussions had already taken place with Aylesbury Vale District Council to draw on their experience and the Council was currently in the process of recruiting a Marketing Manager to underpin the work needed to maximise current and future market opportunities.

The Committee approved the approach to income generation and enterprise set out in the report.

57 ALLOCATION OF LOCAL SPENDING ELEMENT OF THE COMMUNITY INFRASTRUCTURE LEVY (CIL 15%)

A report proposing a process to determine the governance system for allocating the local spending element of the Community Infrastructure Levy (CIL 15%) was considered by the Committee.

It was proposed to reactivate and expand the former Civic Investment Fund, to be renamed as the Borough Investment Fund, (to focus on smaller public realm improvements), and to introduce a new Community Infrastructure Fund, eventually enabling communities, supported by councillors to bid for funding projects in their area.

The Committee welcomed the proposals in the report regarding interim arrangements, particularly for the allocation of the Community Infrastructure Fund, as monies within this element of CIL were growing. For 2018/19, it was proposed that a Member Panel would review bids to the Community Infrastructure Fund and allocate funds on the basis of priority, scored against the proposed matrix set out in Annexe 1 to the report.

A further report would be brought back to the Committee in April 2019 with details of the permanent methodology for the allocation of funding in future years and an update on the monies spent in 2018/19.

A Briefing Evening for members had been arranged on 3 May 2018 to provide members with guidance on bidding against the £250,000 allocated to the Community Infrastructure Fund in 2018/19. It was noted that infrastructure had a broad definition in the context of CIL and the session was intended provide clarification on what bids would meet the criteria and how the bids will be evaluated.

The Committee agreed:

- (1) An interim proposal for the governance arrangements of the CIL 15% (local spend) for 2018/19 through two funds: the Community Infrastructure Fund and the Borough Investment Fund as outlined in section 3 of the report;
- (2) To the establishment of a Panel to evaluate and agree bids comprising of the Chairman of the Strategy and Resources Committee, Chairman of the Community and Wellbeing Committee, one additional member from the Strategy and Resources Committee (Councillor Hannah Dalton) and a substitute (Councillor Tony Axelrod)
- (3) That authority be delegated to the Head of Corporate Governance to agree the projects to be awarded funding from the Community Infrastructure Fund based on the recommendations of the Panel;
- (4) That a further report be brought back to the Committee by April 2019 to determine a permanent scheme for the governance arrangements of CIL 15%.

58 UTILISATION OF CIL BALANCES

The Committee received and considered a report that sought approval of the use of Community Infrastructure Levy (CIL) funding to finance two infrastructure projects: the expansion of Epsom Cemetery and extending the life of Lower Mill Weir.

It was noted that improvements to the Lower Mill Weir had been a priority project completed in 2016/17 and funded by £117K from capital receipts. It was confirmed that the Council had received external advice that retrospective application of CIL monies was acceptable and that a reasonable period to consider retrospective funding was 2 to 3 years. CIL was a relatively new source of funding and the Committee was assured that retrospective funding was likely to be in exceptional circumstances going forward.

The report highlighted that the current balance of uncommitted funds held for local infrastructure was £3.71 million and recommended the use of a total of £771K in respect of these projects. This would reduce the balance to £2.94 million. A further report on the Agenda was seeking an additional £60k of CIL funding for additional paving works to complement Plan E, which, if approved, would reduce the balance of uncommitted funds to £2.88 million.

Appropriate use of CIL would reduce the pressure on the use of capital receipts. After financing the projects in the 2018/19 Capital Programme and taking into account £250K committed to date in 2019/20, the balance of uncommitted capital receipts would stand at £2.16 million. Further projects identified as priorities in the 2019/20 Capital Programme would reduce this balance further. The Medium Term Financial Strategy required the Council to maintain a minimum balance of uncommitted capital receipts of £1 million.

Accordingly, the Committee approved the use of CIL funds to finance the Epsom Cemetery Extension and improvements to Lower Mill Weir.

59 FUNDING FOR PAVING IN FRONT OF THE PLAYHOUSE

A report was presented to Committee that sought an additional contribution of £60,000 to extend the refurbishment of paving across the Borough Council owned forecourt to The Playhouse and the adjacent footway in order to improve the quality and appearance of the public realm in this area and enhance the approach to the theatre.

The report highlighted that The Playhouse forecourt would need to be re-paved at some time in the near future in any event. This had been brought into sharper focus with the film festival set to take place at The Playhouse in October 2018. There was sense in carrying out the work whilst contractors were engaged on the adjacent highway and designing it to blend with the new refreshed public realm in the town centre. The funding for the proposal met with requirements of CIL.

The surface finish referenced in the report was questioned but it was confirmed that it was the intention that it would match that agreed for the rest of the town centre and already partly laid in South Street. It was further confirmed that the necessary consents to carry out the works would be given as part of the contract with payment upon satisfactory completion of the works.

Accordingly, the Committee approved the allocation of £60,000 of Community Infrastructure Levy funding for the paving of The Playhouse forecourt and adjacent footway (as indicated on the plan attached to the report) to a specification matching that of South Street and around the Playhouse junction.

60 COMMUNITY SAFETY AND ENFORCEMENT PLAN

The Committee received and considered a report that set out a proposal for a more effective and co-ordinated approach to the Council's community safety role, including tackling anti-social behaviour and environmental crime in the Borough.

The report highlighted the significant benefits of taking a more co-ordinated approach to enforcement and community safety and the Chairman highlighted, in particular, the important benefit in a small authority of the multi-skilled approach.

The strengthening of formal arrangements for multi-agency working to promote the priorities for Epsom and Ewell, particularly through the Community Safety Partnership and the Joint Action Group, was welcomed.

The Committee:

- (1) Approved the approach set out in the report to deliver a more effective and co-ordinated approach to the Council's community safety role;
- (2) Delegated to the Chief Operating Officer, in consultation with the Chairman of the Strategy and Resources Committee, authority to seek external funding on behalf of the Council to help underpin this work.

61 REGISTRATION OF COUNCILLORS AS DATA CONTROLLERS

A report was presented to the Committee informing members that the Information Commissioner's Office (ICO) had advised that the nature of work undertaken by councillors was such that they needed to consider whether they should be registered individually as Data Controllers. The report accordingly recommended registration of all councillors and that the Council would meet the cost of such registration as appropriate.

The report highlighted that based on an annual fee for a maximum of 38 councillors, the annual cost to the Council would be £1,520 per annum and that this could be met from within existing budgets.

There were currently four dual-hatted Borough and County Councillors and the costs and responsibility for registration were met by the County Council. Some councillors might be registered individually as data controllers in respect of their

work outside the Council. In these cases, the councillor would need to add their role as councillor to their registration. It was not proposed for the Council to meet the cost of registration in those cases as the fee was dependent on the nature of the main registration. However, should anything change such that the councillor no longer required their own registration, the Council would meet the cost of registration.

Accordingly, the Committee agreed that:

- (1) All councillors should be registered as Data Controllers;
- (2) The registration fee for individual registration should be met from Council funds if a councillor was not already registered as a Data Controller in a capacity other than as a councillor or if they cease being a dual hatted member.

62 RIPA POLICY

The Committee received and considered a report setting out changes to the Council's Policy and Guidance on Lawful Surveillance.

It was stressed that this policy related to covert surveillance and that going out-and-about to observe the night-time economy in the town centre, for example, was not covered by the requirements of the policy.

Subject to the amendment of a typo in paragraph 20, line 4, from "the" to "be", the Committee approved the amended "Policy and Guidance on Lawful Surveillance".

63 HORTON COUNTRY PARK - CHANGE OF USE

The Committee received and considered a report that considered a proposal from the Gauntlett Boxing Club (an existing Council tenant at the Harrier Centre in Poole Road Recreation Ground) to open an additional facility in Horton Country Park.

It was clarified that the necessary planning application had been approved but that, in accordance with the Council's Asset Management Plan, this Committee was required to approve any change of use to Council property.

The report highlighted a number of benefits to the proposal, not in the least investment in a Council owned property asset without risk to the Council.

Accordingly, the Committee:

- (1) Approved the proposed change of use of part of the New Room, Horton Country Park to a boxing club (Use D) (For the purpose of the avoidance of doubt, this permission was an independent requirement to the requirement for planning permission from the Council acting in its separate capacity as the Local Planning Authority);

- (2) Authorised the Head of Property and Regeneration, in consultation with the Chief Legal Officer, to conclude negotiations with the Gauntlett Boxing Club for a new commercial lease as they think fit.

64 INTERIM HOMELESSNESS STRATEGY

The Committee received and considered a report seeking approval of an Interim Homelessness Strategy.

The Strategy was intended to meet the Council's legal duty to publish a Homelessness Strategy in accordance with the Homelessness Act 2002 in the light of the fact that the new Homelessness Reduction Act 2017 was due to introduce significant changes to how local housing authorities managed homelessness with a far greater emphasis on preventing homelessness.

The Council was about to embark on a substantial review of homelessness within the Borough culminating in a further report to committee later in 2018/19 setting out a more definitive strategy for this area incorporating the requirements of the 2017 legislation.

The Committee approved the Interim Homelessness Strategy.

65 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Strategy and Resources Committee held on 1 February 2018 were agreed as a true record and signed by the Chairman.

66 EXCLUSION OF PRESS AND PUBLIC

The Committee resolved to exclude the Press and Public from the meeting. This was in accordance with Section 100A (4) of the Local Government Act 1972. It was 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.

67 RENT SETTING FRAMEWORK FOR PRIVATE SECTOR LEASING (PSL) SCHEME

The Committee approved the rent-setting framework for the Private Sector Leasing Scheme.

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

68 PROPERTY DISPOSAL UPDATE

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 9.10 pm

COUNCILLOR EBER KINGTON (CHAIRMAN)