

**Minutes of the Corporate Policy and Resources Committee
5 July 2021**

Present:

Councillor L. E. Nichols (Chairman)
Councillor J.R. Sexton (Vice-Chairman)

Councillors:

C.F. Barnard	N. Islam	O. Rybinski
V.J. Leighton	S.A. Dunn	S.M. Doran
R.J. Noble	A. Brar	I.J. Beardsmore

Apologies: Councillors J.R. Boughtflower, J. McIlroy and V. Siva

In Attendance: Councillors C. Bateson and R.D. Dunn

209/21 Minutes of former Committees

The minutes of the Cabinet meeting held on 19 May 2021, the Ordinary meeting of the Overview and Scrutiny Committee held on 23 March 2021, and the Extraordinary meeting of the Overview and Scrutiny Committee held on 7 April 2021 were agreed as a correct record.

210/21 Disclosures of Interest

There were none.

211/21 Terms of Reference - Corporate Policy and Resources Committee

The Committee **resolved** to note its Terms of Reference.

212/21 Nominations for Development Sub-Committee

The Committee noted that since the publication of the agenda, the Environment and Sustainability Committee had resolved to nominate Councillors J. Doran (Labour) and R. Smith-Ainsley (Independent Spelthorne Group) to sit on the Development Sub-Committee.

The Committee further noted that the United Spelthorne Group had expressed their wish for Councillor Helen Harvey to take the seat allocated to the United Spelthorne Group, and Liberal Democrat Green Group had expressed their wish that Councillor Lawrence Nichols take the seat allocated to the Liberal Democrat Green Group.

The Chairman informed the Committee that the Conservative Group were entitled to three seats on the Development Sub-Committee and that no nominations had been received. The Chairman asked if the Committee had any further nominations to make and in response it was proposed by Councillor Barnard, and seconded by Councillor Islam, that Councillor Noble be nominated. Councillor Noble accepted the nomination.

The Chairman explained that the Committee had three nominations before them and, although this was two short, it would not prevent the nominations being considered by Council or the Sub-Committee from meeting, as the Sub-Committee would be quorate if one quarter (two members) were present at meetings of that Sub-Committee.

Resolved that;

1. the following three Councillors were nominated by the Corporate Policy and Resources Committee for membership of the Development Sub-Committee:

Councillor Helen Harvey
Councillor Lawrence Nichols
Councillor Robert Noble

2. the Committee's nominations, together with those from the Environment and Sustainability Committee would be determined by Council at their meeting on 15 July 2021.

213/21 Appointments to Outside Bodies for 2021-22

The Committee considered nominations for representatives to be appointed to outside bodies as set out in Appendix 1 to the report.

The Committee noted that the annual appointment of representatives to Outside Bodies helps the Council fulfil its community engagement role.

In response to members' questions, the Principal Committee Manager confirmed that the positions highlighted in Appendix 1 were vacant, that the Committee could take nominations for those positions should any members wish to put themselves forward, and that if those positions were not filled the Committee could consider nominations at a later date provided nominations were received and the item was added to the agenda.

There were no further nominations from Committee members.

Resolved to appoint those representatives to the Outside Bodies as shown at Appendix 1 until June 2022.

214/21 Establishment of Task Group

This Committee considered the establishment of an investigatory task and finish group, the Waterfront Inquiry Review Group.

The Committee heard from the Group Head of Corporate Governance, who summarised the report and explained the recommendations.

In response to members' questions the Group Head of Corporate Governance confirmed that the Committee would need to agree the membership of the Review Group and drew the Committees attention to Appendix A.

The Committee agreed with the proposed membership of four members from the Corporate Policy and Resources Committee, one to be the Leader of the Council and the following nominations were received:

Councillor C. Barnard

(proposed by Councillor J. Sexton, seconded by Councillor I. Beardsmore)

Councillor R. Noble

(proposed by Councillor N. Islam, seconded by Councillor V. Leighton)

Councillor I. Beardsmore

(Proposed by Councillor C. Barnard, seconded by Councillor S. Doran)

Councillor J. Sexton

(proposed by Councillor I. Beardsmore, seconded by Councillor C. Barnard)

Councillor I. Beardsmore informed the Committee that he wished to forfeit his nomination to enable Councillor J. Sexton to sit on the Review Group.

Resolved;

1. to establish the Waterfront Inquiry Review Group with the terms of reference set out in the report at Appendix A;
2. to establish the Councillor membership of the Review Group to be four members from the Corporate Policy and Resources Committee, one member to be the Leader of the Council. The members proposed, seconded and agreed were:

Councillor C. Barnard

Councillor R. Noble

Councillor J. Sexton

Councillor L. Nichols

3. in consultation with the Review Group, to authorise the Chief Executive to finalise the terms of reference for the inquiry which are to be based upon the terms of reference set out in the report at Appendix B;
4. in consultation with the Review Group, to authorise the Chief Executive to amend the terms of reference as considered appropriate as the inquiry develops or as recommended by the investigator;
5. in consultation with the review group, to authorise the Chief Executive to appoint the investigator; and

6. in consultation with the Review Group, to authorise the Chief Executive to appoint any replacement investigator if the original investigator appointed can no longer act.

215/21 Assets Portfolio Working Group

The Committee were asked to consider the establishment of an Asset Portfolio Working Group.

Before inviting the Property Development Manager to present the report the Chairman drew the Committee's attention to the membership of the Working Group as detailed in Appendix 1 at page 3 of the supplementary agenda, where the membership was suggested to be as follows:

Five members to include:

- The Chair of the Development Sub-Committee;
- The Vice Chair of the Development Sub Committee; and
- Three other members appointed by the Corporate Policy and Resources Committee, with at least one from the Development Sub Committee and the other two members to be drawn from other committees to ensure there is councillor experience and expertise covering assets, finance, and housing.

The Chairman advised that as the membership of the Development Sub-Committee would not be confirmed by Council until 15 July it would not be possible for the Committee to confirm the names of members to sit on the task group today however, if the Committee were in agreement, the Committee could agree to delegate the confirmation of the membership to the Chief Executive in consultation with the Chair and Vice Chair of this Committee.

The Property Development Manager informed the Committee that there had been a weekly rent collection review meeting every Thursday morning since the start of the pandemic, and that the meeting had evolved and became a very useful meeting where Councillors and Officers had worked well together, and that this report was seeking to continue that liaison.

The Chair advised the Committee that he and the Vice Chair had attended the rent review meetings over the last few weeks and found it extremely helpful.

Members noted that the Working Group would ensure close liaison between Councillors and Officers on all matters within the investment, development and municipal portfolios.

Resolved to;

1. agree to set up an Assets Portfolio Working Group;
2. agree the proposed Terms of Reference as detailed in Appendix 1;
3. confirm the membership of the group as detailed in Appendix 1;

4. delegate the appointment of members to sit on the Assets Portfolio Working Group to the Chief Executive in consultation with the Chair and Vice Chair of the Corporate Policy and Resources Committee;
5. confirm the frequency of the group meetings as detailed in Appendix 1.

216/21 Treasury Management Strategy Outturn report

The Chairman drew the Committee's attention to the erroneous inclusive of the word 'strategy' in the item's title. The item should have read "Treasury Management Outturn report".

The Committee considered the report and the verbal summary delivered by the Deputy Chief Accountant.

In response to members' questions, the Deputy Chief Accountant explained that funds have been provided by central government to assist the Council with its COVID response and recovery but, that at present, there was no clear indication of how long support would continue or how much would be provided.

The Deputy Chief Executive and S151 Officer confirmed that councils continued to have a good dialogue with Ministry for Housing, Communities and Local Government (MHCLG), who continued to ask for monthly returns to see if COVID-19 funding was required. He further confirmed that there would be a Government Spending Review in the Autumn.

The Chairman asked if a more graphical representation could be provided with the report in future, so that it was easier for members to understand and compare performance over time. The Committee agreed this would be helpful and the Deputy Chief Executive and S151 Officer confirmed he would be able to provide a graphical format in future.

Resolved to note the treasury outturn position for 2020/21 and the challenging context of the financial environment in global markets in the face of the COVID-19 pandemic, which pushed down both investment returns and borrowing costs.

217/21 Recovery Action Plan

The Committee reviewed the contents of the Recovery Action Plan report and Appendices. The Committee noted that the plan focussed on how the Council will lead and assist with the wider-borough recovery under five key areas:

1. Supporting Community Recovery
2. Supporting Economic Recovery
3. Supporting Green Recovery
4. Keeping People Informed, and
5. Delivering Key Services.

The Committee agreed that a lot of work had been completed but there was a lot still needed to be done and queried how outcomes would be measured. The Deputy Chief Executive explained that regular updates would be brought before this and the other Committees and members' comments and feedback would be welcomed.

The Committee queried if there was enough officer capacity to complete the recovery works and acknowledged that the Management Team kept an eye on the situation and redeployed officers where necessary. Members of the Committee acknowledged that, in some circumstances, councillors could assist officers with the recovery actions.

Resolved to note the contents of the Recovery Action Plan report and Appendices.

218/21 Corporate Plan - Update

The Committee noted that they were originally due to receive a verbal update on the status of the Corporate Plan, but that a two-page written update had been published in a supplementary agenda on 2 July.

The Deputy Chief Executive delivered a brief presentation (the slide presented is attached to these minutes) and drew the Committee's attention to the two questions the bottom of his written update which were as follows:

1. How Members wish to progress with the development of the proposed priorities and values?
2. How Members wish to work with officers on the development of a new Corporate Plan?

The Chairman stated that he had no issues with the corporate priorities (CARE) but suggested that the Committee may wish to consider adding "Service Provision" which would alter the acronym to CARES. The Committee agreed that they would like service provision to be included as it was important to ensure that service delivery was reviewed.

Members agreed having a common set of values to work with was helpful and needed to be communicated to all Councillors as soon as possible. The Committee agreed it was important to keep things simple and punchy and the proposed priorities and values achieved this.

The Chairman suggested that the Deputy Chief Executive continue to work on the recommendations required to move forward, that he would be happy to liaise with him on the Plan and that the Deputy Chief Executive report back to the Committee as soon as practicable. The Committee agreed that they would like members to work with the Deputy Chief Executive to ensure actions were completed quickly, as the Council needed a Corporate Plan in place as soon as possible.

Resolved;

1. to note the verbal update on the status of the Corporate Plan and the contents of the written updated published in the supplementary agenda;
2. the Committee agreed that the letter S be included in the corporate values so that the acronym will become CARES with the S standing for “service delivery”;
3. that the Deputy Chief Executive progress with the development of the Corporate Plan and report back to the Committee.

219/21 Urgent Actions

The Committee considered the urgent actions taken by the Chief Executive in consultation with the Leader (pre 27 May 2021) and the Chair and Vice Chair of the relevant Committee (post 27 May 2021) since the last Cabinet meeting in May 2021.

The Chairman informed the Committee that he had found the urgent actions he had been asked to comment on to be extremely well presented and informed.

Resolved to note the urgent actions taken by the Chief Executive in consultation with the Leader (pre 27 May 2021) and the Chair and Vice Chair of the relevant Committee (post 27 May 2021) since the last Cabinet meeting in May 2021.

220/21 Forward Plan

The Committee considered the Forward Plan of Committee business.

The Chairman expressed concern over the long gap between some meetings and advised the Committee that there was a possibility that additional meetings may need to be scheduled should the need arise.

Resolved to note the contents of the Forward Plan.

221/21 Exempt Report - Acquisition Report - Property AB

It was proposed by Councillor O. Rybinski and Seconded by Councillor C. Barnard and **Resolved** to move the exclusion of the Press and Public for the remaining items on the agenda in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

The Committee considered an exempt report on the acquisition of Property AB. The Property and Development Manager presented the report and asked the Committee if they were happy to proceed as per the recommendations.

The Chairman asked the Committee to consider whether acquiring properties was something they wanted the Council to continue to do.

The Committee debated the Chairman's question and concluded that, providing any proposed acquisition was viable and any proposed development project could be completed, they would be happy for such acquisitions to be moved forward.

Members expressed the view that some of the delays in completing projects experienced in the past may not be as likely now that the Council had moved to collective decision making under the new Committee system.

Members debated the recommendations in detail, reviewing the potential risks and benefits, and concluded that they were happy to agree the recommendations as set out in the agenda.

Resolved to;

1. approve the commencement of negotiations, by officers, to agree Heads of Terms with the vendor (if possible) on the terms as set out in the main report.
2. require officers to report back to either the Corporate Policy and Resources Committee or, once established, the Development Sub Committee, once negotiations on Heads of Terms have concluded, and for that Committee to determine:
 - a) whether to recommend the acquisition
 - b) the acquisition price
 - c) the capital budget for redevelopment
 - d) all aspects of due diligence to proceed further (if approved), including legal, planning, design, construction, costing, ground conditions, environmental considerations, financial strategy, treasury management strategy, governance, statutory compliance, tenant review and any other issues that may arise during the due diligence process.
3. agree for the Committee agreed above to report to the Corporate Policy and Resources Committee and full Council as required.

222/21 Exempt Report - Ashford Victory Place - Key Decision

The Committee considered an exempt report on Ashford Victory Place.

The Committee discussed the options presented in the report in detail and agreed that it was right that the Council lead the way and ensure that developments were future proofed, as green as possible and provide much needed affordable and key worker housing.

The Committee agreed that option A was their preferred option and acknowledged that their recommendation on this item would need to be

presented to Council on 15 July 2021, due to the value of the required specification enhancements.

Resolved to;

1. agree specification changes sought by Planning Committee prior to submitting revisions to the Local Planning Authority (LPA) with option A, the preferred option, agreed by the Committee.
2. note that Assets will finalise contract terms and build-costs with the contractor. Execution of their contract is subject to planning, and Full Council approval due to the value of the specification enhancements agreed above.

223/21 Exempt Report - COVID-19 recovery support for Leisure Centre Operators- amendment to Deed of Variation - Key Decision

The Committee considered an exempt report and its appendices on financial support for the Borough's Leisure Centre operator.

The Committee noted that on 24 March, Cabinet had approved a financial support package to enable the reopening of the Council's Leisure Centres from 12 April 2021 and that at the end of a three-month period a review would be undertaken to determine what, if any, further funding would be provided and, if so, at what level.

The Committee acknowledged that at this stage additional financial support was not being sought, that the leisure centre had not drawn down on all of the funds available, and by extending the timescale for the drawing down from that support, up to the capped amount, the Council would have more time to understand the impact of any relaxation measures on social distancing rules announced by government earlier in the evening, which would come into effect from 19 July 2021.

In response to members' questions the Deputy Chief Executive and S151 Officer confirmed that the level of support provided to date was in line with what other authorities had provided. He also advised members that the Council had received government grant funding that had been specifically provided to give financial support to the Leisure Centres.

In response to further questions, the Deputy Chief Executive and S151 Officer explained that the Committee could resolve to agree to extend support further into the future if they were minded to do so, but there was the possibility that additional funds might be sought by September 2021.

The Committee queried the dividends that Sports and Leisure Management (SLM) had paid to their Directors, commenting that significant amounts had been paid prior to the pandemic. The Deputy Chief Executive and S151 Officer explained that this point had been raised by the Cabinet at their March 2021 meeting and a commitment had been sought from SLM to ensure this would

not happen during the period whilst SLM are seeking COVID-19 funding support from the Council.

The Committee agreed that the Council's Leisure Centres were important for the health and wellbeing of the Borough's residents and that it was vital they were able to remain open whilst activity levels recover from the impact of the COVID-19 pandemic.

Resolved to approve an amendment to the Deed of Variation, extending the timescale for the cap on the cash support, from the end of June to now cover until the end of September 2021.

224/21 Exempt Report - Proposed Award of Leisure Centre Contractor contract - Key Decision

The Committee received a detailed exempt report on the proposed award of the Leisure Centre construction contractor contract.

The Committee noted that a Public Contracts Regulations (PCR) 2015 compliant tender process had been undertaken inviting bids on a Joint Contracts Tribunal (JCT) two stage Design and Build basis. This process had concluded, and a preferred contractor had been identified.

In response to members' questions, the Property Development Advisor informed the Committee that there was a current market risk of materials inflation that could increase costs on completion of the first stage of the Pre-Construction Services Agreement (PCSA). However there was a 2% inflation allowance in the budget approved by Full Council in October 2020 to mitigate potential impacts. He further advised that a lot of the design detail had been completed so there were limited gaps where costs could increase.

In response to further questions the Property Development Advisor confirmed that this would be the first 'wet and dry' Passivhaus Leisure Centre in the UK but that Passivhaus was not new and was common in Europe.

The Chairman asked the Property Development Advisor about the preferred bidder's previous successes. The Property Development Advisor confirmed that the bidder had experienced some issues competing their first Passivhaus project but had learnt from that and completed two subsequent projects successfully. He confirmed that he was confident that the preferred bidder understood the process.

A member expressed concern that bidders were asked to provide social value details as part of the tender process but acknowledged that this was a requirement of the procurement regulations.

Resolved to:

1. approve the award of a Pre-Construction Services Agreement (PCSA) to the preferred bidder identified in the report as the main contractor for the construction of the proposed new leisure centre;
2. recommend to Council the approval of the expenditure for this appointment.

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Corporate Plan update

■ Corporate Plan 2016 – 2019

Priorities:

- Housing
- Economic development
- Clean and Safe Environment
- Financial Sustainability

■ Previous Values:

- Accountability
- Self-reliance
- Community
- Opportunity
- Tradition

■ Proposed CARE priorities:

- **C**ommunity
- **A**ffordable Housing
- **R**ecovery
- **E**nvironment (Climate Change)

■ Proposed Values:

- **P**ride in our Council, communities and borough
- **R**esponsive and flexible
- **O**pen and accountable
- **V**alue for money
- **I**ntegrity
- **D**ependable
- **E**mpowering

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