

**Minutes of the Corporate Policy and Resources Committee
20 February 2023**

Present:

Councillor J.R. Boughtflower (Chairman)

Councillors:

M.M. Attewell	S.A. Dunn	R.J. Noble
I.J. Beardsmore	T. Fidler	J.R. Sexton
M. Beecher	S.C. Mooney	
J.T.F. Doran	L. E. Nichols	

22/23 Apologies and Substitutes

20 February 2023 Meeting

Apologies were received from Cllrs Barratt, Mitchell and Rybinski.

Cllr Gething attended as substitute for Cllr Mitchell and Cllr Harvey attended as substitute for Cllr Rybinski.

21 February 2023 Carry Over Meeting

Apologies were received from Cllrs Barratt, Doran, Fidler, Mitchell, Mooney, Noble, Rybinski, Sexton and Siva.

Cllr Harvey attended as substitute for Cllr Rybinski, Cllr Saliagopoulos attended as substitute for Cllr Sexton.

23/23 Disclosures of Interest

Cllr Fidler advised that he was related to a member of staff at the Council and therefore would not be taking part in the debate or voting on Item 13, Pay Award 2023/24 nor Item 15, Pay Policy Statement 2023/24.

Cllrs Attewell, Mooney and Sexton advised that they were Surrey County Councillors.

24/23 Minutes

The minutes of the meeting held on 16 January 2023 and carried over to 23 January 2023 were agreed as a correct record of proceedings.

25/23 Questions from members of the Public

There were none.

26/23 Exclusion of Press and Public

It was proposed by Councillor Fidler and Seconded by Councillor Dunn and **resolved** that the public and press be excluded during consideration of the following items, in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) because it was likely to disclose information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in being able to undertake even-handed negotiations and finalising acceptable contract terms:

Item 5 – Procurement Service Plan

Item 6 – Assets Service Plan

27/23 Service Plan - Procurement

The Committee considered the Procurement Service Plan

The Committee **resolved** to note the Procurement Service Plan and to approve the growth bid.

28/23 Service Plan - Assets

The Committee considered the Assets Service Plan.

The Committee had concerns over the number of projects on the Capital Programme that had been outstanding for a long period of time and suggested that the projects be put into low, medium or high categories so that the Committee would be able to have a better understanding of what each project was.

The Committee **resolved** to agree the Assets Service Plan.

The meeting came out of the closed session to consider items 8 to 17.

29/23 Treasury Management Strategy 2023/24

The Committee considered the Treasury Management Strategy 2023/24 Report which is a statutory requirement upon the Council.

The Committee **resolved** to make a recommendation to Council that they:

1. Approve the proposed Treasury Management Strategy for 2023/24 as set out in the report; and
2. Note the Treasury Management Practices (TMP) and Schedules

30/23 Reserves Policy 2023/24

The Committee considered the Capital & Revenue Reserves Strategy.

The Committee were advised that the second recommendation in the report needed to be amended to reflect that the Outline Budget analysis now indicated that Council would require net funding of £5,900.000 million as an appropriation from the Sinking Funds reserves for 2023-24 as opposed to the figure of £6,519,900 quoted due to savings having been identified.

The Committee **resolved** to note the following:

1. That by successfully implementing a prudent approach to developing its Sinking Funds, Spelthorne Borough Council has the highest ratio of usable (cash backed) revenue reserves to Net Revenue Expenditure (NRE) of any District or Borough Council in England,
2. That subject to Council approval, the Outline Budget analysis indicate that Council will require net funding of £5,900,000 from the Rent Equalisation Reserve (Sinking Funds) – (RER) in 2023/24 and £3,125,300 in 2024/25. From 2025/26 the five year planning cycle currently indicated that the /council would return to making net contributions to the RER,
3. That based on the Medium Term Financial Strategy (MTFS) Council must look to bridge the £1.24m per annum net contribution deficit from Knowle Green Estates caused by the height restrictions and adverse movements in interest rates and building cost inflation; and
4. The forecast projections for the reserves from 2022/23 to 2024/25, as set out in Appendix D of the report.

31/23 Sinking Fund Policy

The Committee considered the Sinking Fund Policy as at February 2023.

The Committee were advised that this was a strategic policy document, not an operational policy. As such, whilst the policy set out the principles of the Sinking Fund it would need to be led by Councillors. The report outlined the purpose of the Sinking Fund as:

- a) To minimise risk and protect the Council's Revenue Budget and Council taxpayers from exposure to unplanned short terms dips in income,
- b) To ensure that the Council build sufficient cash backed reserves to provide future options at each property, including:
 - i) Refurbishments (net of dilapidations)
 - ii) Development of a Council owned site
 - iii) Repayment of PWLB Loans in the event of a tenant default

It was suggested by the Committee that any future risks should be identified in order to ensure that the correct amount of funds were held within the Council's Sinking Fund.

The Committee agreed that under 1.5 of the report 'Payment from the Sinking Fund, for unplanned items that occur, could include', a third category should be added that would incorporate provision for Major Works on Council owned investment assets.

The Committee asked that the operational milestones, as outlined in 1.8 of the report be included within the final recommendations.

The Committee **resolved** to note:

- 1) The Sinking Fund Policy, which will be reviewed every five years or earlier in the event of a material emergency, as defined in 1.3 of the report,
- 2) The Sinking Fund is to cover unplanned short-term issues, to minimise risk, protect the Council's Revenue Budget and Council Taxpayers from exposure to short term dips in rental income and build sufficient cash backed reserves to provide the Council with future options, which may include funding refurbishments (net of dilapidations) development and or sale of any of the current property portfolio.; and
- 3) As a benchmark, Officers would suggest to the Committee the following operational milestones, until the Committee confirms its strategic objectives, having ensure that each year, the Council receives £10.8m net towards funding frontline services, affordable housing and regeneration programme:
 - a) The first milestone should be to accumulate Sinking Fund balances of at least £37m to ensure that the Council would be able to repay the loans in light of a major catastrophe,

- b) In fourteen years' time, the Sinking Fund balance could be in the order of approximately £60m, to be available for further investment into our existing investments assets; and
- c) Put an average net payment of £3.5m per annum into the Sinking Fund reserve.

32/23 Fees & Charges 2023/24

The Committee considered the Fees and Charges Report 2023/24 that sought approval and a recommendation to Council that they should be agreed.

Committee advised that the increase shown in the report for Meals on Wheels was incorrect as it was previously agreed at a meeting of the Community and Wellbeing Committee that there would be no increase. The Committee were advised that this would be amended before the report was presented to Council. The Committee also agreed that the proposed increase in the Junior football bookings was to be rejected so that the fees would remain the same as they were for 2022/23.

The Committee agreed to go into a private session to discuss the fees and charges in greater detail.

It was agreed that the fees and charges in respect of Houses of Multiple Occupation (HMOs) would be reviewed to ensure that they were in line with other Local Authorities. An item is to be put on the Committee's Forward Plan and a report is to be brought back to this Committee in July 2023.

The Committee **resolved** to agree to recommend to Council that they approve the Fees and Charges Report subject to the above amendments having been made.

In line with Standing Order 5.1 of the Council's Constitution, it was proposed by Councillor Nichols and seconded by Councillor Beardsmore that the meeting extend beyond three hours. The Committee agreed to the meeting continuing beyond the three hours.

33/23 Capital strategy 2023 to 2024

The Committee considered a report on the Capital Strategy for 2023 to 2024.

The Committee **resolved** to make a recommendation to Council that they approve the following:

1. The Capital Strategy as set out in the report,
2. That all development and investment projects, along with all significant projects follow the previously approved business case governance process as set out in the report,
3. That no financing sources, unless stipulated in regulations or necessary agreements, are ring fenced,

4. The Council plans to continue its use of capital receipts to fund the costs of eligible proposals (subject to full business cases for each project),
5. The financing of the Capital Programme and revenue implications as set out in this report; and
6. The financing of the Capital Programme being delegated to the Corporate Policy & Resources Committee to provide sufficient flexibility to allow for the most effective use of Council resources.

34/23 Capital Programme 2023/24 to 2026/27

The Committee considered the Capital Programme 2023/24 to 2026/27 report.

The Committee **resolved** to recommend that Council approve the proposed Capital Programme for 2023/24 to 2026/27.

35/23 Pay Award 2023/24

Councillor Fidler removed himself from the Chamber whilst this item was discussed as he had previously declared an interest.

The Committee considered a report on the pay award for 2023/24.

The Committee **resolved** to recommend to Council that the 2023/24 pay award is approved as follows:

1. A consolidated payment of £1925 per full time equivalent (FTE) to all scale points including personal salary; and
2. An increase of 3.5% (average percentage increase) to those allowances that increase annually with the pay award.

36/23 Detailed Budget 2023/24

The Committee considered the Draft Detailed Revenue Budget for 2023/24.

The Chief Accountant advised that the miscellaneous figures that appeared on previous reports presented to Committees had now been looked at and all figures over £5,000 had been allocated to appropriate cost codes.

The Committee were advised that growth bids had been submitted for two additional posts. One post was within Legal Services for a Legal Assistant that had been approved by the Administrative Committee and one within the Joint Enforcement Team (JET) for an Administrator that had been approved by the Neighbourhood & Enforcement Committee. The Group Head of Neighbourhood Services had subsequently advised that she was withdrawing her bid for an additional post. The Committee agreed that the Legal Assistant

post would provide support for a large number of departments across the Council and were advised that the Chief Accountant would liaise with Cost Centre Managers to see where savings could be made to fund this post.

The Committee **resolved** to recommend to Council that they approve the following:

1. A 2.9% increase on the Spelthorne Borough Council element of the Council Tax for 2023/24. Moreover:
 - a) The Revenue estimates as set out in Appendix of the report be approved.
 - b) No funds, as set out in this report are to appropriate from General Reserves in support of Spelthorne's local Council Tax for 2023/24.
 - c) To agree that the Council Tax Base for the year 2023/24 is 40,551 Band D equivalent dwellings calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, made under Section 35(5) of the Local Government Finance Act 1992.
2. Continuing with Council's Local Council Tax Support Scheme with the current rules and regulations.
3. Continuing the complete disregard of war pension/armed forces pension income from benefit calculations.
4. The growth and savings items as set out in the report's appendices 3 and 4.
5. To note the Chief Finance Officer's commentary in Section 4 of the report on the robustness of budget estimates and levels of reserves under Section 25 and 26 of the Local Government Act 2003.
6. The Council Tax Base for the whole Council area for 2022/23 (Item T in the formula in Section 31b(3) of the Local Government Finance Act 1992, as amended (the 'act')) should be 40,551 Band D equivalent dwellings and calculate that the Council Tax requirement for the Council's own purpose for 2023/24 is £216.14 per Band D equivalent dwelling.

That the following sums be now calculated by the Council for the year 2023/24 in accordance with Section 31 to 36 of the Local Government Act 1992.

A	107,487,700	Being the aggregate of the amount which the Council estimates for the items set out in Section 31A (2) of
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		the Act considering all precepts issued to it by Parish Councils
B	-98,723,000	Being the aggregate of the amount which the Council estimates for the items set out in Section 31A (3) of the Act
C	8,764,700	Being the amount by which the aggregate at (A) above exceeds the aggregate at (B) above calculated by the Council, in accordance with Section 31A (\$) of the Act, as its Council Tax requirement for the year
D	216.14	Being the amount at C above divided by the amount at 5C (above), calculated by the Council in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
E	0	Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
F	216.14	Being the amount at (D) above less the result given by dividing the amount at E above by the amount at 5C (above) calculated by the Council, in accordance with

		Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings on those parts of this area to which no Parish precept relates.
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That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011.

A £	B £	C £	D £	E £	F £	G £	H £
144.09	168.11	192.12	216.14	264.17	312.20	360.23	432.28

7. To agree the growth bid for a Legal Assistant post within Legal Services to provide support and resilience to the Administrative Officer and resource for the Company Secretary role.

37/23 Pay Policy Statement 2023/24

The Committee considered a report on the Pay Policy Statement 2023/24.

The Committee **resolved** to recommend to Council that the Pay Policy Statement 2023/24 be approved.

38/23 Disability Fund Grant Framework Approval

Council considered a report on the Disabled Facilities Grant (DFG) Contractor Framework Approval to commence procurement of a suitable contractor platform.

The Committee were advised that proposed framework would allow for timely access to pre-approved Contractors who meet the criteria in respect of necessary experience and expertise in adaptations at agreed specifications and price. This will provide a quicker, more efficient service to the Borough's residents as currently officers have to obtain three quotes for all works to comply with the requirements of the contracts standing orders that is part of the Council's financial regulations. Key Performance Indicators (KPIs) will be used to monitor the quality and performance of the Contractors on the framework list to ensure that the residents receive the best service possible.

The Committee asked that a report be brought back to them on a periodic basis to monitor how the Contractors are performing against the KPIs.

The Committee **resolved** to make a recommendation to Council that they:

1. Authorise the Group Head of Community Wellbeing and Housing to enter a procurement exercise for a Disabled Facilities Grant Contractor Framework or Dynamic Purchasing system (DPS); and
2. Authorise the Group Head of Corporate Governance to execute the required documentation to conclude either a framework agreement or dynamic purchasing system (DPS) with suitable Contractors as appropriate.

39/23 Forward Plan

The Committee **resolved** to note the contents of the Forward Plan for the business of this Committee.

40/23 Urgent Actions

There were none.

41/23 Exclusion of Public & Press (Exempt Business)

It was proposed by Councillor Dunn and Seconded by Councillor Beardsmore and **resolved** that the public and press be excluded during consideration of the following items, in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) because it was likely to disclose information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in being able to undertake even-handed negotiations and finalising acceptable contract terms:

Item 21 – Integrated Insurance Service – Spelthorne Borough Council and the London Borough of Sutton

Item 22 – Local Authority Housing Fund

42/23 Letting of MSU2, Elmsleigh Centre

This item was not discussed at the meeting following a request from the Development Sub-Committee that further information be provided before a recommendation could be made to the Corporate Policy & Resources Committee.

43/23 Integrated Insurance Service - Spelthorne Borough Council & the

London Borough of Sutton

The Committee considered a report on the proposed Collaboration Agreement for the provision of a full Integrated Insurance Service.

The Committee **resolved** to recommend to Council that the recommendations in the report be approved.

Councillor Saliagopoulos left the meeting at 20:47

44/23 Local Authority Housing Fund

The Committee considered a report on the Local Authority Housing Fund.

The Committee **resolved** to approve the recommendations outlined in the report.