

**Minutes of the Corporate Policy and Resources Committee
27 September 2022**

Present:

Councillor J.R. Boughtflower (Chairman)
Councillor A.J. Mitchell (Vice-Chairman)

Councillors:

M.M. Attewell	R.O. Barratt	L. E. Nichols
I.J. Beardsmore	J.T.F. Doran	R.J. Noble
M. Beecher	S.C. Mooney	J.R. Sexton

Substitutions: Councillors C. Bateson (In place of S.A. Dunn)
H. Harvey (In place of O. Rybinski)

90/22 Apologies and Substitutes

Apologies were received from Councillor Mrs Dunn (substituted by Councillor Bateson), Councillor Rybinski (substituted by Councillor Mrs Harvey), and Councillor Siva.

91/22 Minutes

The minutes of the meeting held on 11 July 2022 were agreed as a correct record.

92/22 Disclosures of Interest

Councillor Attewell declared that she was a councillor and deputy cabinet member at Surrey County Council.

Councillor Mooney declared that she was a councillor and cabinet member at Surrey County Council.

Councillor Sexton declared that she was a councillor at Surrey County Council.

93/22 Questions from members of the Public

There were none.

94/22 Ward Issues

There were none.

95/22 Corporate Risk Management

The key risks highlighted in the risk register were presented to the committee. The risk register had been recently reviewed by the Audit Committee.

Some of the risk mitigation measures utilised multiagency co-operation, such as with tenancy fraud where the Council shared information with partner organisations like A2Dominion. There was discussion about Knowle Green Estates' (KGE) business plan. This would be considered at an upcoming Corporate Policy and Resources Committee, where the non-executive directors of KGE would be invited to attend.

The Committee expressed concerns about corporate capacity and some professional staff choosing to move on from their roles at Spelthorne. Spelthorne's staff turnover was not dissimilar to other local authorities. Difficulty recruiting was in part due to its locality with larger, London Boroughs, who could afford more generous salaries. Spelthorne had tried to mitigate this risk by providing a pleasant working environment for its staff.

There was further discussion about staffing budgets. Some control measures had been introduced to account for the challenging financial situation faced by all local authorities; posts that had not been budgeted for could not be recruited to. The committee challenged whether this arrangement could also apply to any vacant post that had been budgeted for.

It was confirmed that the scores given to each risk had had the mitigation measures factored in. The Committee questioned whether they could be differentiated further, as whilst all were considered to be significant risks, some were less likely than others to occur. It was further suggested that the financial impact of risks be noted next to each one and that reviewing the format of the register should be reviewed. The Committee also requested that chairs of service committees be kept up to date with the Council's risk register.

The Committee noted the significant strategic risks and issues highlighted in the report and Corporate Risk Register, and provided the following feedback to the Audit Committee:

1. That the Audit Committee review its risk monitoring and reporting structure at its meeting on 22 November 2022, with a view to reporting back to the Corporate Policy and Resources Committee on 28 November 2022.

2. That the reference, in the risk register, to delays in political decision making be urgently reviewed as the Committee did not feel that this was appropriate.

96/22 Budget Inflation for Costs, Salaries, Fees and Charges 23/24

The current challenging financial situation that was facing public services nationally, particularly as a result of increasing inflation and interest rates, was highlighted to the Committee. Consequently, budget managers were being asked to identify ways in which savings could be made. It was stated that whilst the use of reserves to balance the Council's budget was possible, doing so required careful consideration.

Committees were currently in the process of reviewing the business plans for services that fell within their remits. The plans contained details of growth bids that were being sought and this would inform the budget setting process that was due to begin in the near future.

There was a discussion about whether a 'blanket' savings target should be imposed on all council departments. Officers advised that a more structured approach to identifying savings was preferable at this time, particularly because there was a working group of officers tasked with identifying opportunities to make savings, but that the 'blanket' approach would remain an option if it was required.

The Committee discussed whether a general review of the council's staffing structure was required, in particular for middle and upper tier posts.

There was discussion about the cost of living challenges that were being faced by residents. It was confirmed that a package of support was being worked up, with a view to considering it at the meeting on 28 November 2022.

The Committee agreed the following budget assumptions for 2023/24, which would result in an estimated budget deficit of £1.27m, requiring savings to be made in accordance with paragraph 3.6 of the report:

1. Salaries 5%
2. Costs 3%
3. Fees & Charges
 - a) 5% Concessionary
 - b) Charge the maximum allowed for statutory fees and charges.

The Committee also asked the Chief Executive to present, at the Corporate Policy and Resources Committee on 28 November 2022, a proposed process for reviewing the Council's staffing and management structure.

97/22 Q1 Capital Monitoring Report

There was clarification made in relation to the transposition of the budgets for 91-93 High Street Staines and Tothill Car Park.

It was reported that rising interest rates would lead to some challenging decisions for the Council's capital projects. The Committee queried the reporting for some projects, stating that until a building had been commissioned, they were assets not in the purview of service committees. It was requested that the responsibility for functions be reviewed.

Clarification was sought on what constituted projects that had not progressed, as mentioned in paragraph 7.1 of the officer's report. Examples of such projects would be provided outside the meeting. The impact of delays on some assets related projects on the revenue budget was highlighted.

The Committee noted the (£8.6m) underspend on capital expenditure against its Capital Programme provision as at 30 June 2022.

98/22 Q1 Revenue Monitoring Report

It was proposed by Councillor Bateson, seconded by Councillor Beardsmore and **resolved** that the duration of the meeting be extended in accordance with Standing Order 38.2.

There was clarification made in relation to the Benwell 1 and Benwell 2 projects, where the loans had been recorded the wrong way round.

The adjusted presentation of the report was explained to the Committee. There was pressure on the sinking funds for some assets, but this was generally in line with previous projections. There were negligible bad debts for Knowle Green Estates and Spelthorne Direct Services.

The Committee noted the Q1 position for the 2021/22 revenue budget as at 30 June 2022.

99/22 Corporate Peer Review Challenge Update

The Committee noted the report and the progress made with preparing for the Local Government Association (LGA) Corporate Peer Challenge, subject to repeating requests to include specific sections in the report relating to "leadership", "culture" and "morale", pending clarification from the LGA as to whether the existing themes already sufficiently covered these elements.

100/22 Surrey Delivery Board Update

There was debate about the recent developments and proposals emerging from Surrey County Council (SCC).

Concerns were raised about the intentions of SCC, particularly due to recent decisions around the cessation of joint committees and the contract for

maintaining public spaces (such as grass cutting) not being renewed. It was felt that there had been minimal engagement with Spelthorne about these decisions.

Contrary views were expressed, during which it was felt that SCC was attempting to undertake meaningful engagement with district and borough councils across Surrey, as well as residents. It was hoped that Spelthorne would use these opportunities to communicate its views to SCC.

The report was noted.

101/22 Recovery Action Plan

Due to the limited time remaining to transact the business of the meeting, councillors were asked to direct written questions on the report to the Deputy Chief Executive.

102/22 Forward Plan

The forward plan of Committee business was agreed, subject to the inclusion of the following items:

1. Review of the Sinking Fund Policy at the meeting on 28 November 2022.
2. Knowle Green Estates Annual Report and refreshed Business Plan at the meeting on 28 November 2022 (with KGE Directors requested to attend the meeting).
3. Proposed process for reviewing the Council's staffing and management structure at the meeting on 28 November 2022.

103/22 Urgent Actions

The urgent action was noted.

104/22 Exclusion of Public and Press

This item was deferred to the 10 October 2022.

105/22 Update on Council Developments

It was requested that future reports incorporate information on the cost of inaction on Council developments.

Further consideration of this item was deferred to the 10 October 2022.