

**Minutes of the Corporate Policy and Resources Committee
7 February 2022**

Present:

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

Councillors:

| | | |
|-------------------|---------------|-------------|
| C.F. Barnard | S.M. Doran | S.C. Mooney |
| J.R. Boughtflower | S.A. Dunn | O. Rybinski |
| A. Brar | N. Islam | V. Siva |
| S. Buttar | V.J. Leighton | |

Apologies: Councillors I.J. Beardsmore and R.J. Noble

In Attendance: Councillors C. Bateson, M. Beecher and R.D. Dunn

19/22 Minutes

The minutes of the meeting held on 19 January 2022 were agreed as a correct record.

20/22 Disclosures of Interest

There were none.

21/22 Questions from members of the Public

There were none.

22/22 Ward Issues

There were none.

23/22 Capital Programme 2022/23

The capital bids, as reviewed by service committees, were examined. Each service committee would be responsible for reviewing specific proposals as and when proposed projects moved forward.

The Committee recommended that the Capital Programme for 2022/23 to 2025/26 be approved by Council on 24 February 2022.

24/22 Fees and Charges 2022/23

There was a need to review the inflationary increase to fees and charges, following the announcement that inflation was currently at 5.4%. The Community Wellbeing and Housing Committee had recommended that fees and charges for services that provided for vulnerable people (such as meals on wheels and community centres) not be increased. A 0% increase for such services had therefore been included in the proposed detailed budget.

The Committee recommended that the Fees and Charges for 2022/23, as set out in appendices A and B, be approved by Council on 24 February 2022, subject to the following amendments:

- That the discretionary charges (6 in total) relating to junior bookings for football in the borough's recreation grounds kept at 2021/22 rates.

25/22 Pay Award 2022-23

The continuing recruitment and retention pressures, particularly for professional and management roles, were highlighted. The conflation of lower pay scales, following previous enhanced pay awards for these grades, was also contributing to recruitment challenges. This was because postholders with more responsibility were receiving minimal additional pay in comparison to those they were responsible for.

The possibility of providing an enhanced pay offer to staff on scales 1 - 5 was discussed. The additional cost of this was expected to be around £32k.

It was noted that as Spelthorne had opted to withdraw from national pay negotiations, a further review of pay may be necessary when the result of national discussions was known. This was to ensure that Spelthorne was as competitive as possible with staff pay, particularly because of its proximity to better paying authorities.

The Committee recommended that a 2% pay award for all staff (including personal salaries and apprenticeships) be approved by Council on 24 February 2022.

The Committee recommended that a further 0.5% pay award for staff on scales 1-5 be approved by Council on 24 February 2022, at an additional estimated cost of approximately £33,000 (funding for which was to be provided through adjustments to the proposed fees and charges).

26/22 Detailed Revenue Budget 2022/23

The proposed Revenue Budget was reviewed. There was robust discussion about the growth bids that had been reviewed by service committees, and whether some of the proposals represented best value for money.

The Committee recommended that Council on 24 February 2022 agree:

1. A 2.4% increase on Band D for the Spelthorne Borough Council element of the Council Tax for 2022/23. Moreover:
 - a. That the revenue estimates as set out in Appendix 1 be approved.
 - b. That, as set out in the report, no money be appropriated from General Reserves in support of Spelthorne's local Council tax for 2022/23.
 - c. That the Council Tax base for the year 2022/23 be 40,703 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. That the Council's Local Council Tax Support Scheme with the current rules and regulations be continued.
3. That the complete disregard of war pension / armed forces pension income from benefit calculations be continued.
4. The growth and savings items as set out in appendices 2 and 3, subject to the following amendment:
 - a. The growth item relating to the appointment of an administrator to the Joint Enforcement Team be included in the revenue budget for a period of one year.
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 sections 25 and 26 of the Local Government Act 2003.
6. The Council Tax Base for the whole council area for 2021/22. [Item T in the formula in Section 31b (3) of the local government Finance Act 1992, as amended (the "act")] be 39,016 band D equivalent dwellings and calculate that the Council Tax requirement for the Council's own purpose for 2022/23 is £210.05 Per Band D equivalent dwelling.
7. That the following sums be calculated by the Council for the year 2022/23 in accordance with Section 31 to 36 of the Local Government Act 1992:

| | | |
|---|-------------|---|
| A | 120,398,577 | Being the aggregate of the amount which the council estimates for the items set out in Section 31A (2) of the Act considering all precepts issued to it by Parish Councils. |
| B | 111,848,852 | Being the aggregate of the amount which the Council estimates for the items set out in Section 31A (3) of the Act. |
| C | 8,549,725 | 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 (4) of the Act, as its Council Tax requirement for the year. |
| D | 210.05 | 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 | 210.05 | 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 its area to which no Parish precept relates. |

8. That the following amounts be calculated for the year 2022/23 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 |
|--------|--------|--------|--------|--------|--------|--------|--------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 140.73 | 161.74 | 186.94 | 210.05 | 258.36 | 304.57 | 350.78 | 420.10 |

27/22 2022/23 to 2024/25 Funding Support for KGE

This item was withdrawn from the agenda for this meeting.

28/22 Capital Strategy 2022 to 2027

The proposed Capital Strategy was presented to the committee. A key change was the inclusion of a 50-year forecast, which had been introduced because of the Council's significant number of long term investments. The

document was still in draft form and would be considered by Council at its meeting on 24 February 2022.

The committee welcomed the changes and asked that regular monitoring be undertaken by the Corporate Policy and Resources, and Audit Committees as appropriate. Discussions would be had with the Council's Internal Audit team to ensure that the strategy had reference to the Council's Risk Strategy and associated Risk Register.

The Committee:

1. Recommended that the Capital Strategy as set out in the report (subject to various highlighted elements of the Strategy being completed), be approved by Council on 24 February 2022.
2. Agreed that all development and investment projects, along with all significant projects, follow the previously approved business case governance process as set out in section 8 of the report.
3. Agreed that financing sources, unless stipulated in regulations or necessary agreements, not be ring-fenced.
4. Agreed that the council plan to continue its use of capital receipts to fund the revenue costs of eligible proposals (subject to a full business case for each project).
5. Agreed the financing of the capital programme and revenue implications as set out in section 13 of the report.
6. Agreed the financing of the capital programme being delegated to the Corporate Policy and Resources Committee to provide sufficient flexibility to allow for the most effective use of Council resources.

29/22 Treasury Management Strategy Statement

The Committee:

1. Recommended that the Treasury Management Strategy Statement be agreed by Council on 24 February 2022.
2. Noted the updated Treasury Management Practices (TMP) and Schedules.

30/22 Capital and Revenue Reserves Strategy

It was noted that whilst the Council had a generally healthy level of reserves, a significant proportion of the Council's reserves could only be used for specific purposes. Holding a robust strategy was therefore important.

The Committee noted:

1. The Council approach (as referenced in Capital Strategy and Reserve Strategy reports) of modelling on a fifty year basis but with more detailed focus and scrutiny on the first twenty years on a rolling basis of

sinking fund reserves to continue to strengthen Council's earmarked reserves position.

2. That by successfully implementing the above approach, Spelthorne Borough Council had the highest ratio of usable revenue reserves to Net Revenue Expenditure (NRE) of any district or borough council in England.
3. That subject to Council approval, the Outline Budget analysis indicated that Council would make a £2,988,286 net contribution to the rent equalisation reserve (sinking funds).
4. That due to the successful redevelopment of the West Wing for affordable rental units, the Council should explore the feasibility of moving the Council's offices to take advantage of the new hybrid working era by redeveloping the remaining two wings and improve the Council's carbon footprint.
5. That the Council remained on track to build up its reserves to protect services and the interests of residents of the Borough.
6. Officers would review and produce a 50-year sinking fund strategy, with a particular focus on the next five years, for consideration as part of the 2023-24 budget setting process.

31/22 Recovery Action Plan

Each service committee was responsible for monitoring elements of the Recovery Action Plan relevant to their areas of interest. Outcomes on the various workstreams were monitored.

The Committee noted the update on the Recovery Action Plan.

32/22 Update on Proposed Transactional Financial Service Partnership

It was hoped that the shared service would provide resilience, particularly in the context of a challenging recruitment environment. The lessons learnt from previous attempts to share services with other authorities would be applied to this workstream. The project had also been divided into phases to ensure that either authority could withdraw if it was found that the arrangement was not working for them.

It was noted that the shared service would require some initial investment but that it also had the potential to deliver significant early savings on software costs. A new, more cost effective management structure likely to follow once the service had been established, although this was contingent on the first phase of the project being successful.

The Committee agreed that work on the proposed partnership proceed in accordance with the process set out in the officer's report, subject to:

1. The proposed date of operation being as soon as reasonably practicable, to enable sufficient time to develop strong proposals.

2. The final proposal, once formulated by the Collaborative Opportunities Working Group, being considered by the Corporate Resources and Policy Committee.

33/22 Forward Plan

The forward plan was noted.

34/22 Urgent Actions

The Committee noted that a nomination had been made to attend the Queen's garden party.

35/22 Urgent business

There was none.