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Tuesday, 21 July 2015

To: The Members of the **Performance and Finance Scrutiny Committee**  
(Councillors: David Allen (Chairman), Wynne Price (Vice Chairman), Dan Adams, Bill Chapman, Edward Hawkins, Paul Ilnicki, Oliver Lewis, Jonathan Lytle, Alan McClafferty, Max Nelson, Robin Perry, Chris Pitt, Darryl Ratiram, Victoria Wheeler and John Winterton)

**In accordance with the Substitute Protocol at Part 4 of the Constitution, Members who are unable to attend this meeting should give their apologies and arrange for one of the appointed substitutes, as listed below, to attend. Members should also inform their group leader of the arrangements made.**

Substitutes: Councillors Rodney Bates, Rebecca Jennings-Evans, Katia Malcaus Cooper, Ian Sams and Valerie White

Dear Councillor,

A meeting of the **Performance and Finance Scrutiny Committee** will be held at Surrey Heath House on **Wednesday, 29 July 2015 at 7.00 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

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## AGENDA

	<b>Pages</b>
<b>1 Apologies for Absence</b>	
<b>2 Chairman's Announcements</b>	
<b>3 Minutes</b>	<b>3 - 10</b>
To confirm and sign the minutes of the Performance and Finance Scrutiny Committee held on 11 June 2015 (copy attached).	
<b>4 Scrutiny of Portfolio Holders</b>	<b>11 - 14</b>

<b>5</b>	<b>Review of Reserves and Provisions</b>	<b>15 - 38</b>
<b>6</b>	<b>Working Groups</b>	
	To consider the establishment of any task and finish working groups.	
<b>7</b>	<b>Work Programme</b>	<b>39 - 42</b>
	To consider a work programme for the Committee for the remainder of 2015/16.	

**Minutes of a Meeting of the  
Performance and Finance Scrutiny  
Committee held at Council Chamber  
on 17 June 2015**

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- + Cllr David Allen (Chairman)  
+ Cllr Wynne Price (Vice Chairman)
- |                         |                         |
|-------------------------|-------------------------|
| + Cllr Dan Adams        | + Cllr Max Nelson       |
| + Cllr Bill Chapman     | + Cllr Robin Perry      |
| - Cllr Edward Hawkins   | + Cllr Chris Pitt       |
| + Cllr Paul Ilnicki     | + Cllr Darryl Ratiram   |
| + Cllr Oliver Lewis     | + Cllr Victoria Wheeler |
| + Cllr Jonathan Lytle   | + Cllr John Winterton   |
| + Cllr Alan McClafferty |                         |
- + Present  
- Apologies for absence presented

Substitutes: Cllr Valerie White

In Attendance: Andrew Crawford, Cllr Ruth Hutchinson, Robert Fox, Sarah Groom, Julia Hutley-Savage, Katie Jobling, Karen Limmer, Kelvin Menon, Sarah Parmenter and Richard Payne

**1 Chairman's Announcements**

The Chairman welcomed Members to the first meeting of the Committee and thanked the newly elected Councillors for attending the pre-meeting briefing. He referred Members to additional documents which were available on their Tablets and in hard copy, to assist in developing the work programme for the ensuing year.

**2 Minutes - 25 March 2015**

The minutes of the Scrutiny meeting of the previous Performance and Audit Scrutiny Committee, held on 25 March 2015, were agreed and signed by the Chairman. Members agreed a vote of thanks to the Chairman of the previous Performance and Audit Scrutiny Committee, John May.

**3 Scrutiny of Portfolio Holders - Transformation**

Councillor Colin Dougan, the Transformation Portfolio Holder, provided an outline of the work streams within his portfolio. As part of his briefing, and in response to Members' questions, he noted the following:

Building Control – Despite private inspectors being able to provide building control inspections, the Council continued to carry out 70% of inspections in the Borough.

Business and Community Development - The Council had recently developed an Economic Development Strategy with a significant action plan, focussing on inward investment. This included a new service provided jointly with Base Point and the Surrey Chambers of Commerce aimed at making free business start-up clinics for new businesses in the Borough. The Council had also been instrumental in re-invigorating the Yorktown and Watchmoor Business Association and establishing the Frimley Business Association.

Corporate Property – The Council own and managed a number of properties, including the Depot, the Arena, the freehold of the Mall and Atrium and a number of buildings leased to community groups. Nearly 20% of Surrey Heath House was occupied by external users, notably Surrey Police, Surrey Heath Clinical Commissioning Group, Surrey County Council, with the Department for Works and Pensions having agreed to lease part of the Ground Floor. Each organisation paid rent, reducing the burden on Council Tax Payers.

In response to a Member's concerns on usage, it was confirmed that Pembroke House, which was owned by the Council, had ceased to be occupied in 2003 and following substantial fire damage in 2008, had been exempted from Business Rates.

Freedom of Information/Data Protection – The Council had seen a significant increase in Freedom of Information requests during the previous year, though the bulk of these were business rates enquiries from commercial concerns which carried no charge, but were used for commercial purposes.

ICT – One of the main recommendations of the Digital Services Working Group was that Members should use Tablets to access agendas and minutes which would result in savings on paper. Members' e-mails had also been migrated to the Cloud. In addition to the introduction of a new telephone system, the Council was working on an upgrade to its web site.

Internal/External Service Review – The Council had recently undergone a peer review by members and officers of the Local Government Association (LGA). The LGA had subsequently submitted a very positive report and most of their recommendations had already been implemented ahead of a further visit in November 2015. Internal reviews had been carried out on a number of projects, notably including the Joint Waste Project.

Key Projects/Partnerships/Regeneration – The Council's top priority was the redevelopment of the A30 London Road Frontage. In addition, the Council had ongoing projects involving the Land East of Knoll Road (LEKR), plus the development of Pembroke House on the Frimley Road. The Council had recently bought St Georges, a light industrial site next to the Toolshop building, off the Frimley Road, which the Council already owned, and Ashwood House, on Pembroke Broadway.

The LEKR project involved the landowners (this Council, Surrey County Council, Surrey Police and Portesbery School) investigating their aspirations for the site, but the Council's top priority remained the London Road Frontage.

Councillor Dougan agreed to draw the Corporate Property Team's attention to Ward Councillors' concerns over the condition/ future viability of the shopping mall in Heatherside and whether or not there were opportunities to purchase and improve the site.

Budgets – with the exception of licence costs, expenditure on budgets within the Portfolio were either on or under target.

**Resolved, that the presentation be noted.**

#### **4 2014/15 End of Year Performance Report**

The Transformation Team Manager presented a report on the Council's performance against the targets set in the 2014/15 Annual Plan. She noted that the Council had met 83% of Corporate Key Priorities and 91% of all service milestones, with 85% of performance indicators having reached or exceeded their targets.

The Council's Key Priorities were:

1. To deliver an improved Camberley Town Centre for the benefit of the Borough;
2. Working with partners to make Camberley a destination of choice with improved transport in the Borough;
3. Securing the future of local public services in Surrey Heath through a variety of strategies; and
4. Delivering with partners the sustainable Community Strategy priority action plans to improve community safety, transport, health, children and young people and economic wellbeing.

Although the Council had reached or exceeded many targets, some, such as developing Camberley Rail Station or the Library, which involved or were in the ownership of other organisations, had to be aspirational.

Whilst recognising that where targets were easily achieved, this could be because more stretching targets were needed, members were informed that the Transformation Team acted in the challenger role to push targets. Some of the targets, notably in digital communication, were probably unrealistically high and would need to be re-assessed.

During consideration, Members raised the following:

- (i) Benchmarking – Consideration should be given to benchmarking, both against like organisations and in terms of residents' levels of satisfaction. In terms of the Contact Centre targets and in particular, the red areas, the Corporate Portfolio Holder would be asked to address these in her presentation to the Committee's 2 December 2015 meeting.

- (ii) Transport – There was a need to maintain pressure on Network Rail for more direct fast trains from Camberley to London. However, Members also recognised that improving transport links extended beyond rail services and the Town Centre. It was suggested that the targets should be expanded to include improved links from the Villages. The Regulatory Portfolio Holder would attend the Committee’s next meeting, on 29 July 2015.
- (iii) Web Site – It was noted that free web management software had been used as part of the ongoing upgrade to the Council’s web pages. Members sought a breakdown of the overall costs of the recent upgrade.
- (iv) Car Parks – Members reported a lack of reliability in the current car park payment packages in Camberley Town Centre and noted a query on the town centric focus to the exclusion of the rest of the Borough. This would be raised with the Business Portfolio Holder at the Committee’s 27 January 2016 meeting.
- (v) Leisure Leases – Members requested an e-mailed update on outstanding leisure leases.
- (vi) Waste Collection - The Joint Waste Project involved this and 4 other Councils with contracts due to end in similar timescales, tendering with a view to achieving significant economies of scale. Consideration was being given to issuing a 10 year contract with a clause for a possible further 5 years. The Community Portfolio Holder would be invited to attend the meeting on 30 September 2015.
- (vii) Finance – Members welcomed the changes in the investment strategy to allow greater scope for placement of investments, including into property, but noted a request for more quantifiable targets. The Finance Portfolio Holder and the Council Leader would attend the Committee’s 23 March 2016 meeting.
- (viii) Community Events – Members welcomed the success of the recent Engagement Event covering Bisley and West End, organised by the Surrey Heath Partnership. A further event was planned for later in the year, though the venue had still to be clarified.
- (ix) Targets - The Committee requested further information on those performance indicators which had missed predetermined deadlines and why.

**Resolved, that the report be noted and**

- (i) electronic updates be provided on performance indicators which have missed predetermined deadlines; and**
- (ii) Portfolio Holders be asked to address the points raised above during their presentations to future meetings, including the reasoning behind any deadlines missed.**

## **5 Expenditure on Professional Advisors**

The Committee considered a report detailing expenditure over £500 on professional advisors for the year to 31 March 2015. The vast majority of the money spent had been used to “buy in” specialist services for areas such as planning and property management, with £500,000 being allocated in the previous year towards advice and work related to the Camberley Town Centre Development.

In response to Members’ questions, the Executive Head of Finance explained measures taken in selecting external professional assistance and ensuring value for money. The Council bought in services from other Authorities with necessary skill sets, but also provided arboricultural and drainage expertise to others.

**Resolved, that the report be noted.**

## **6 Working Groups**

The Chairman informed Members that there was provision in the Committee’s terms of reference to set up task and finish groups to target specific pieces of work. He referred to the work done by the Performance and Audit Scrutiny Committee on attracting inward grants.

## **7 Committee Work Programme - 2015/16**

The Democratic Services Officer reported that, under Part 4 of the Constitution, Committees were expected to agree their work programme for the ensuing year at the last meeting of the previous year. The exceptions were in election years and when a new committee was formed, both of which applied.

The Executive Head of Finance had drafted a possible work programme based on each meeting being themed on a Portfolio and services under each.

Following consideration of options and where possible, linking reports to Portfolio responsibilities, the Committee agreed a work programme for 2015/16, as attached at Annex A.

**Resolved, that the Committee Work Programme for the remainder of the municipal year, as attached at Annex A, be agreed.**

Chairman





## ANNEX A

## ANNEX A

**PERFORMANCE AND FINANCE SCRUTINY COMMITTEE  
WORK PROGRAMME 2015/16**

<b>DATE</b>	<b>TOPIC</b>	<b>OFFICER</b>
<b>29 July 2015</b>		
1	Scrutiny of Portfolio Holders - Regulatory	Andrew Crawford
2	Update report on the work of the Housing Team	Jenny Rickard
3	Reserves and provisions	Sarah Parmenter
4	Progress on Surrey Heath Partnership Projects	Sarah Groom
5	Committee Work Programme	Andrew Crawford
<b>30 September 2015</b>		
1	Scrutiny of Portfolio Holders - Community	Andrew Crawford
2	Update on Emergency Planning and Business Continuity	Tim Pashen
3	Update on the Joint Waste contract	Tim Pashen
4	Update on Independent Living	Tim Pashen
5	Air Quality Monitoring	James Robinson
6	Annual Report on the Treasury Management	Katie Jobling
7	Committee Work Programme	Andrew Crawford
<b>2 December 2015</b>		
1	Scrutiny of Portfolio Holders - Corporate	Andrew Crawford
2	Half Year Treasury Management Report	Katie Jobling
3	Half Year Finance Report	Katie Jobling
4	Report on Equalities	Belinda Tam/Sarah Groom
5	Report on Complaints and Report of the local Government Ombudsman	Lyn Smith
6	Committee Work Programme	Andrew Crawford

<b>DATE</b>	<b>TOPIC</b>	<b>REPORT AUTHOR</b>
<b>27 January 2016</b>		
1	Scrutiny of Portfolio Holders – Business	Andrew Crawford
2	Update on the Car Parks Strategy	Leigh Thornton
3	Update on the Theatre Performance to end December	Leigh Thornton
4	Regulation of Investigatory Powers Act 2000	Jessica Hooton-Harris
5	Committee Work Programme	Andrew Crawford
<b>23 March 2016</b>		
1	Scrutiny of Portfolio Holders - Leader and Finance	Andrew Crawford
2	Third Quarter Finance Report	Katie Jobling
3	Corporate Risk	Kelvin Menon
4	Committee Work Programme 2014/15	Andrew Crawford

**Title: Scrutiny of Portfolio Holders -  
Regulatory**

Portfolio	Regulatory
Ward(s) Affected:	All

**Purpose**

**To provide a background for the scrutiny of the Regulatory Portfolio Holder as part of the scrutiny of Portfolio Holders.**

**Background**

1. The Executive considered, at its meeting on 20<sup>th</sup> October 2009, a referral report from the Performance and Audit Scrutiny Committee in respect of a change of the Committee work programme to incorporate the scrutiny of portfolio holders.
2. Whilst accepting the Committee recommendations, the Executive also agreed that it would be useful for the Executive to review the progress made by the Scrutiny Committee in relation to achieving the objectives identified in their annual work programmes.
3. The Executive agreed (minute 073/E of 2009/10 refers) that:
  - (i) the change to the (then) Policy and Audit Scrutiny Committee work programme to incorporate the scrutiny of portfolio holders' performance in relation to capital spend elements and specific financial strategies be agreed; and
  - (ii) progress against the targets set in the work programmes of the scrutiny committees be reviewed by the Executive at a future meeting and the Chairmen of those Committees be invited to attend.
4. Councillor Charlotte Morley, the Regulatory Portfolio Holder has been invited to attend this meeting for the portfolio holder scrutiny. A breakdown of the areas within the portfolio holder's purview are attached at Annex A.

**Proposal**

5. It is proposed that a period of 30 minutes is allocated to a question and answer session involving the Regulatory Portfolio Holder, with further time allocated for Committee deliberations.

**Resource Implications**

6. The Committee emphasised at previous meetings that it was not intended that officers would be called to address the issues covered, though key officers may attend to assist the Portfolio Holder. As such, the only resource implications would be the commitments of the individual portfolio holders, in this case, Regulatory, and any Committee Member preparation time.

**Options**

7. There are no options attached to this report.

Recommendation

8. The Committee is advised to allocate thirty minutes to a question and answer session with the Regulatory Portfolio Holder and to allow further time thereafter for deliberations.

Background Papers: None

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Head of Service: Richard Payne

**REGULATORY PORTFOLIO**

- Development Control
- Drainage
- Land Charges and Technical Support
- Planning Policy & Conservation
- Private Sector Housing Enforcement
- Housing

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**REVIEW OF RESERVES AND PROVISIONS**

Portfolio:	Finance
Ward(s) Affected:	All

**Purpose**

**To enable members to review the criteria for maintaining individual Reserves and Provisions, following the closure of the 2014/15 accounts and to make recommendations to the Executive as appropriate.**

Background

1. The Council's Reserves and Provisions are reviewed by officers whilst preparing the annual financial statements.
2. Members are asked to consider whether the criteria for maintaining a specific reserve or provision is appropriate and if it is whether the amount put aside is adequate or not.
3. Provisions are required for any liability of uncertain timing or amount that have been incurred. They are recognised when:
  - The local authority has a present obligation (legal or constructive) as a result of a past event;
  - It is probable that a transfer of economic benefit will be required to settle the obligation; and
  - A reliable estimate can be made of the amount of the obligation
4. Reserves are amounts set aside for specific policy purposes and balances which represent resources set aside for purposes such as general contingencies and cash flow management. Generally they are:
  - A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing - this forms part of general reserves
  - A contingency to cushion the impact of unexpected events or emergencies - this also forms part of general reserves
  - A means of building up funds, often referred to as earmarked reserves, to meet known or predicted requirements.

Current Position

5. All of the Council's the Reserves and Provisions are listed in Annex A. This also shows the balances as at the 31<sup>st</sup> March 2014 and 2015 together with a projected balance as at 31<sup>st</sup> March 2016.

Annex B include details on each reserve and provision such as any restrictions, approval process, monitoring and revenue impact. It also includes a rationale for the level of fund retained if appropriate.

6. Any individual revenue reserves deemed to be no longer required after taking account of medium and longer term financial risks are released back to the Council's General Fund.
7. No discretionary interest will be added to any reserves and provisions in 2015/16 in order to meet the Council's budgetary requirements.
8. The Capital Receipts Reserve, which arises from the sale of assets, can only be used to purchase new capital assets and cannot be taken to General Fund.
9. Currently reserves are invested to generate interest returns to support the budget although the return achieved is only 1.59%. The level of reserves retained by Councils will become more important going forward as the level of volatility in Council finances increases due to various funding changes.
10. In order to assess the adequacy of unallocated general reserves the Council needs to take account of the strategic, operational and financial risks facing the authority.

#### Proposals

11. The Committee is recommended to propose to Executive that all reserves and provisions and associated criteria remain unchanged.

#### Options

12. The Committee may accept, reject or amend the proposals

#### Recommendation

It is RECOMMENDED that the Committee proposes to Executive that all reserves and provisions and the associated criteria remain unchanged.

Background Papers: None

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<b>GENERAL FUND CAPITAL AND REVENUE BALANCES 2014 TO 2016</b>			
<i>Status: Performance &amp; Finance Scrutiny Committee</i>	ACTUAL	ACTUAL	ESTIMATED
<i>29-Jul-15</i>	BALANCE	BALANCE	BALANCE
	<b>31-Mar-14</b>	<b>31-Mar-15</b>	<b>31-Mar-16</b>
	£000	£'000	£000
<b>CASH-BACKED CAPITAL RECEIPTS</b>	2,063	809	0
<b><u>Earmarked Revenue Reserves :</u></b>			
Affordable Housing	0	316	316
Atrium Public Art	12	13	13
Atrium S106 Agreement	367	341	311
Blackwater Valley & Developer Contributions	137	106	90
Chewing Gum Machine (S106)	13	13	11
Chobham and Town Team Partnership	6	5	4
Community Fund (2002)	355	329	299
Commuted Sums	786	691	600
Crime and Disorder Partnership	125	122	39
Deput Village Centre (Commuted Sums - Leisure Service)	375	377	377
Heatherside Multi - Use Games	43	39	35
Insurance Reserve	218	217	217
Land Drainage	384	384	329
Local Land Charges Revocation Fund	25	25	0
New Burdens Funding	49	130	100
Old Dean Toddlers Playground	20	20	19
Personalisation and Prevention Partnership Fund	70	44	0
Planning S106 Agreements	135	134	134
Planning Tariff Contributions	405	459	459
Recycling Equisation Fund	206	206	206
Remediation Fund	45	45	45
Repairs and Maintenance Fund	1842	1915	1815
Safer Surrey Heath	7	0	0
SANGS (Suitable Alternative Natural Green Space)	887	1500	1500
Surrey Family Support Programme	247	158	72
Windle Valley Wellbeing Centre	60	0	0
<b>Sub-Total Earmarked Revenue Reserves</b>	<b>6,819</b>	<b>7,589</b>	<b>6,991</b>
<b><u>Revenue Reserves :</u></b>			
Capital Fund	9,704	9,367	8,967
General Fund Working Balance	2,415	3,761	1,053
<b>Sub-Total Revenue Reserves</b>	<b>12,119</b>	<b>13,128</b>	<b>10,020</b>
<b>REVENUE RESERVES AND PROVISIONS</b>	<b>18,938</b>	<b>20,717</b>	<b>17,011</b>

<b>Fund</b>	<b>AFFORDABLE HOUSING</b>
<b>Purpose of Fund</b>	Fund set up from Developers contributions where they are unable to provide Affordable Housing at their site to enable SHBC to provide Affordable Housing elsewhere.
<b>Movement within year</b>	Developer Contributions received and credited to the reserve
<b>Restrictions of Use</b>	The fund can only be used for the purpose stated above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 316,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 316,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Regulatory
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	There is a formula for the calculation of the provision, but not for the actual contributions. Contributions are agreed on a scheme by scheme basis with the Regulatory Officers
<b>Criteria for calculating annual contribution</b>	N/A – from external contribution
<b>Proposal</b>	N/A – from external contribution
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>ATRIUM PUBLIC ART</b>
<b>Purpose of Fund</b>	Fund for the construction and installation of the Atrium Public Art together with on-going maintenance and insurance costs. This fund receives interest on an annual basis
<b>Movement within year</b>	No maintenance was been required on the art. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	The fund can only be used for the purpose agreed under the S106 Agreement
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 13,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 13,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Finance
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	The fund is meant to be adequate enough for on-going maintenance and costs.
<b>Criteria for calculating annual contribution</b>	N/A – from external contribution
<b>Proposal</b>	N/A – from external contribution
<b>Impact on Revenue Budget</b>	Use of fund supports revenue expenditure but reduces investment income.

<b>Fund</b>	<b>ATRIUM S106 AGREEMENT</b>
<b>Purpose of Fund</b>	Fund set up from the Developer Contributions for Town Centre Management Improvements. This fund receives interest on an annual basis
<b>Movement within year</b>	Expenditure incurred for CCTV and new litter bins for Camberley Town Centre. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used in accordance with the S106 Agreement
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 341,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 311,000
<b>Approval of Spending</b>	Delegated to Chief Executive – Executive 26 January 2010
<b>Monitoring</b>	Chief Executive
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A - from external contributions
<b>Criteria for calculating annual Contribution</b>	N/A – from external contributions
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>BLACKWATER VALLEY &amp; DEVELOPER CONTRIBUTIONS</b>
<b>Purpose of Fund</b>	Committed sum held to meet the annual maintenance costs and refurbishment of the recreational facilities at Crabtree Park and Mytchett Recreation Ground.
<b>Movement within year</b>	Expenditure on improvements to, and the maintenance of, Crabtree Park and Mytchett Recreation Ground. Crabtree Park had part of it's skating equipment replaced
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 106,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 90,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Business
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A
<b>Criteria for calculating annual Contribution</b>	N/A
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	Eliminates impact on revenue budget of maintenance costs but use of fund reduces investment income

## ANNEX B - cont

## ANNEX B -cont

<b>Fund</b>	<b>CHEWING GUM MACHINE (S106)</b>
<b>Purpose of Fund</b>	Fund set up from S106 contribution from the Atrium Development, (Executive 6 May 2009 184/E refers), for the replacement of the chewing gum machine after 4 years and parts and consumables over the 8 year life of the extended street cleansing contract. This fund receives interest on an annual basis
<b>Movement within year</b>	Minimal expenditure on maintenance of the machine. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund is set aside for the purpose above and is therefore restricted in accordance with the S106 Agreement
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 13,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 11,000
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Executive Head of Community
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	N/A.
<b>Criteria for calculating annual contribution</b>	N/A
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income

<b>Fund</b>	<b>CHOBHAM AND TOWN TEAM PARTNERSHIP</b>
<b>Purpose of Fund</b>	A ring fenced fund set up in 2012/13 to hold grant funds from the DCLG for the use of Chobham BEE to support the economic vitality of the village. These funds do not belong to Surrey Heath. The Council is a custodian and approved the expenditure.
<b>Movement within year</b>	Expenditure for Festive Lights for Christmas 2014
<b>Restrictions of Use</b>	This fund can only be in accordance with the DCLG conditions
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 5,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 4,000
<b>Approval of Spending</b>	Executive Head of Finance
<b>Monitoring</b>	Executive Head of Finance
<b>Proposed changes to policy</b>	None can be made as the fund is ring fenced
<b>Criteria for calculating fund requirement</b>	A one off contribution made by the DCLG in 2012/13
<b>Criteria for calculating annual contribution</b>	A one off contribution made by the DCLG in 2012/13
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>COMMUNITY FUND (2002)</b>
<b>Purpose of Fund</b>	Fund set up in 2002/03 to make grants to community based organisations. The fund is split into the four categories of Projects, Pedestrian Safety, Reserve and Environmental Bursary. Although it is estimated that £75,000 of this will be spent each year all grants are made are subject to Executive approval.
<b>Movement within year</b>	Expenditure for community grants, as approved by the Executive. All applications are considered and recommendations are made to the Executive to Approve, Amend or Reject
<b>Restrictions of Use</b>	The Executive can amend or remove any restrictions as it sees fit.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 329,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 299,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Fund commitments updated with each report to the Executive.
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	A one off contribution made from General fund in 2002/03
<b>Criteria for calculating annual Contribution</b>	A one off contribution made from General fund in 2002/03.
<b>Impact on Revenue Budget</b>	None – grants should not have any direct revenue implications for the Council however use of fund reduces investment income.

<b>Fund</b>	<b>COMMUTED SUMS</b>
<b>Purpose of Fund</b>	Funds contributed by developers for the maintenance of open spaces and recreational amenities e.g. playground equipment to cover their annual maintenance and eventual refurbishment. Executive Report 12 March 2013, minute 105/E Refers approving an increase to the capital program to finance capital improvements to leisure facilities on various sites for which sums have been received. Interest has been credited to this account for 2014/15.
<b>Movement within year</b>	Expenditure on Frimley Lodge Park, Camberley Park and Upland Road Play Area. Minor works to Clearsprings and Deanside
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 691,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 600,000
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Executive Head of Business
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – from external contributions.
<b>Criteria for calculating annual Contribution</b>	N/A – from external contributions.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	Reduces the cost of maintenance in the revenue budget but use of fund reduces investment income

<b>Fund</b>	<b>CRIME AND DISORDER PARTNERSHIP</b>
<b>Purpose of Fund</b>	Fund set up in 2000/01 to finance Community Safety activities of mutual benefit to the whole partnership set up under the Crime and Disorder Act 1999 e.g. Safety Campaigns and Your Sanctuary (Domestic Abuse Support)
<b>Movement within year</b>	The Safer Surrey Heath Partnership has been merged with this fund, resulting in the net Expenditure on the fund totalling £3,000 during 2014/15. There is approval for £83,000 of spend during 2015/16 Executive 24/02/15 minute 106/E refers
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 122,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 39,000
<b>Approval of Spending</b>	The partners in the Responsible Authorities Group of Surrey County Council, North West Surrey Police and this Council who approve all spend on schemes.
<b>Monitoring</b>	Chief Executive / Transformation Team Manager
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None.
<b>Criteria for calculating annual contribution</b>	None.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None - grants should not have any direct revenue implications for the Council however use of fund reduces investment income

<b>Fund</b>	<b>DEEPCUT VLLAGE CENTRE (COMMUTED SUMS -LEISURE SERVICES)</b>
<b>Purpose of Fund</b>	Sum set aside to provide for maintenance of Deepcut Village Centre. This fund receives interest on an annual basis
<b>Movement within year</b>	No expenditure incurred. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 377,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 377,000
<b>Approval of Spending</b>	Executive Head of Business
<b>Monitoring</b>	Executive Head of Business
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None
<b>Criteria for calculating annual contribution</b>	None
<b>Impact on Revenue Budget</b>	Prevents future maintenance costs being charged to revenue but use of fund reduces investment income

<b>Fund</b>	<b>HEATHERSIDE MULTI-USE GAMES</b>
<b>Purpose of Fund</b>	To provide a fund to cover future maintenance of this facility This fund receives interest on an annual basis
<b>Movement within year</b>	Expenditure on repairs and new equipment for the area. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 39,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 35,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Business
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None.
<b>Criteria for calculating annual contribution</b>	None.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income,



<b>Fund</b>	<b>INSURANCE RESERVE</b>
<b>Purpose of Fund</b>	Comprises a sum set aside in connection with the run-down of Municipal Mutual Insurance (MMI) and the potential contribution towards costs. This is likely to crystallise in the near future due to a supreme court judgement. It also available for risk management and to cover uninsured losses
<b>Movement within year</b>	Expenditure on a minor insurance claim within the borough
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 217,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 217,000
<b>Approval of Spending</b>	Executive Head of Finance
<b>Monitoring</b>	Monitoring statement of Insurance Reserve Risk Management spend versus commitments reported via the Members' Information Bulletin twice a year.
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	Municipal Mutual (MM) provides a twice yearly statement of Payments/Recoveries and estimated Outstanding Claims. MM's Finance Director advised the Council's liability may last until 2024.
<b>Criteria for calculating annual contribution</b>	No budgeted contributions to be budgeted.
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	The fund means any claims made should not fall on revenue but use of fund reduces investment income

<b>Fund</b>	<b>LAND DRAINAGE</b>
<b>Purpose of Fund</b>	To finance un budgeted land drainage schemes
<b>Movement within year</b>	No expenditure incurred within the year. There is Executive approval, July 2014, for expenditure to be incurred and this will be during 2015/16
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 384,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 329,000
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Executive Head of Regulatory
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None.
<b>Criteria for calculating annual contribution</b>	None.
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None but without the fund any significant drainage costs would fall on revenue and use of fund reduces investment income.

**Additional information for Land Drainage from the Executive held on 22 July 2014****Minute 33/E Refers**

The Executive considered a proposed Drainage Works Programme for 2014/15. The work schedule contained works that were undertaken regularly as a maintenance responsibility and project works which were more involved both in complexity and duration.

Members considered proposed projects in Chobham and Lightwater which could be undertaken following receipt of DEFRA funding, with additional funds required being met by the Drainage Reserve.

The Executive was reminded that the Drainage Reserve Fund had originally been set up to respond to significant emergencies. It was reported that some of the reserve funds had recently been used for joint projects with other parties but it was considered that, in future, any such proposals should receive authorisation by the Executive prior to the submission of the funding bid.

**Resolved, that**

- (i) the proposed Drainage Works Programme for 2014/15 be approved;**
- (ii) subject to the receipt of a DEFRA grant of up to £70,000, watercourse improvements within Lightwater Village be undertaken, with additional funds of up to £40,000 to be met from the drainage reserve;**
- (iii) subject to the receipt of a DEFRA grant of £20,000, modelling of the SH proposed Chobham Village Flood Alleviation Scheme be undertaken, with additional funds of up to £10,000 to be met from the drainage reserve;**
- (iv) subject to the receipt of a DEFRA grant of £20,000, flood alleviation works around the Chobham North catchment area be undertaken, with additional funds of up to £5,000 to be met through the drainage reserve; and**
- (v) in future, funding bids for all projects requiring external funding for drainage works on third party land where this would also require the Council to part fund from the Drainage Reserve be approved by Executive prior to submission of the funding bid.**

<b>Fund</b>	<b>LOCAL LAND CHARGES REVOCATION FUND</b>
<b>Purpose of Fund</b>	Grant from a DCLG Grant following a legal judgement to finance claims for refunds of Personal Search fees from August 2005 – August 2010
<b>Movement within year</b>	No expenditure incurred within the year. Litigation continues and we are hopeful of a resolution during 2015/16 resulting in this fund being fully utilised.
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 25,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ NIL
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Executive Head of Regulatory
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	The potential cost of claims may exceed this figure
<b>Criteria for calculating annual contribution</b>	N/A
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	The fund reduces the impact of the cost of any potential refunds but use of fund reduces investment income.

## ANNEX B - cont

## ANNEX B -cont

<b>Fund</b>	<b>NEW BURDENS</b>
<b>Purpose of Fund</b>	2012/13 DCLG Funding set aside to allow for additional resources required for the new Council Tax and Housing Benefit regulations that have come into force under the Localism Act. We have also received funding for Community Rights to Challenge and Assets of Community Value.
<b>Movement within year</b>	£90,000 of grant income was received in 2014/15. £10,000 was utilised for EBilling in respect of Council Tax and Business Rates and for ICT's EU Inspire Project. The Inspire Project is continuing during 2015/16.
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 130,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£100,000
<b>Approval of Spending</b>	Executive Head of Finance
<b>Monitoring</b>	Executive Head of Finance
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – external contributions
<b>Criteria for calculating annual contribution</b>	N/A – external contributions
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income

<b>Fund</b>	<b>OLD DEAN TODDLERS PLAYGROUND</b>
<b>Purpose of Fund</b>	Fund set up to finance the revenue costs of future maintenance so that these do not fall on the Council. This fund receives interest on an annual basis
<b>Movement within year</b>	No expenditure was incurred during 2014/15. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used for the above
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 20,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 19,000
<b>Approval of Spending</b>	Executive Head of Business
<b>Monitoring</b>	Executive Head of Business
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – external contributions
<b>Criteria for calculating annual contribution</b>	N/A – external contributions

<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	Prevents costs of maintenance falling on revenue but use of fund reduces investment income.

**ANNEX B - cont**

**ANNEX B -cont**

<b>Fund</b>	<b>PERSONALISATION AND PREVENTION PARTNERSHIP FUND</b>
<b>Purpose of Fund</b>	Funded by Surrey County Council to enable Surrey Heath BC to invest in projects which, through improved efficiency and increased income will benefit the older community
<b>Movement within year</b>	£26,000 transferred from this reserve to fund the shortfall in revenue expenditure during 2014/15 e.g. Assessment Reports, equipment and repairs
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 44,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	NIL
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Community
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – external contributions
<b>Criteria for calculating annual contribution</b>	N/A – external contributions
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>PLANNING S106 AGREEMENTS</b>
<b>Purpose of Fund</b>	Fund set up from Developer contributions collected to fulfil specific financial obligations contained in S106 Agreements and are to be used for specific projects and purposes as detailed in the Section 106 Agreements. This fund receives interest on an annual basis
<b>Movement within year</b>	Minor net expenditure during 2014/15 Executive 24 Feb 2015 minute 109/E refers. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 134,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 134,000
<b>Approval of Spending</b>	Executive Head of Regulatory
<b>Monitoring</b>	Development Control Manager / S106 Officer
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – external contributions
<b>Criteria for calculating annual contribution</b>	N/A – external contributions

<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

ANNEX B - cont

ANNEX B -cont

<b>Fund</b>	<b>PLANNING TARIFF CONTRIBUTIONS</b>
<b>Purpose of Fund</b>	Fund set up from Developer Contributions collected via the Surrey Heath Developer Tariff Scheme for the provision of additional infrastructure projects in the borough in order to mitigate the impact of new development on local infrastructure. A detailed report on the scheme went to the Executive on 3 July 2012. This fund receives interest on an annual basis
<b>Movement within year</b>	Revenue net expenditure transferred into the reserve for 2014/15. Minor expenditure revenue approved for Hammonds Pond and Capital Expenditure for London Road Rec and Camberley Park. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund can only be used for the purpose noted above.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 459,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 459,000
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Development Manager / S106 Officer
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – set by tariff
<b>Criteria for calculating annual contribution</b>	N/A – set by level of tariff
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>RECYCLING EQUALISATION FUND</b>
<b>Purpose of Fund</b>	To mitigate the effect of volatility in prices for recycled materials and to provide a maintenance fund for the depot.
<b>Movement within year</b>	No expenditure incurred within the year
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 206,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 206,000
<b>Approval of Spending</b>	Executive
<b>Monitoring</b>	Executive Head of Community
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A
<b>Criteria for calculating annual contribution</b>	N/A

<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

ANNEX B - cont

ANNEX B -cont

<b>Fund</b>	<b>REMEDATION FUND</b>
<b>Purpose of Fund</b>	Fund set up to cover the remediation costs of land damaged by traveller incursions.
<b>Movement within year</b>	No expenditure incurred within the year
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 45,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 45,000
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Executive Head of Regulatory.
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	Further funding may be required to cover various issues at traveller sites subject to Executive approval.
<b>Criteria for calculating annual contribution</b>	N/A.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	Prevents costs of remediation being charged to revenue but use of fund reduces investment income

<b>Fund</b>	<b>REPAIRS AND MAINTENANCE FUND</b>
<b>Purpose of Fund</b>	Fund to cover on going repairs and renewals and property maintenance costs. The Repairs and Renewals Fund has been closed and the balance merged with the Property Maintenance Fund to create this new reserve. Executive Approved 18 Feb 2014 Minute 88/E refers
<b>Movement within year</b>	The PPM revenue budget was under spent by £73,000 so a transfer was made to the reserve for the funds to be used at a later date
<b>Restrictions of Use</b>	The Executive can amend or close the fund
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 1.915m
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 1.815m
<b>Approval of Spending</b>	Executive Head of Finance
<b>Monitoring</b>	Estates and Asset Manager
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None
<b>Criteria for calculating annual contribution</b>	There is an annual budget of £130,000 for property maintenance. Any underspend is then transferred to this fund.

<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

**ANNEX B - cont**

**ANNEX B -cont**

<b>Fund</b>	<b>SAFER SURREY HEATH</b>
<b>Purpose of Fund</b>	Funding is received from the Home Office, and others, which is allocated by way of a grant to partner and other organisations to fund community safety projects e.g. Neighbourhood Watch and CCTV.
<b>Movement within year</b>	The fund has been merged with Crime and Disorder due to the minimal balance, at the Transformation Team Managers request.
<b>Restrictions of Use</b>	This reserve can only be used for the above purpose.
<b>Balance at 31<sup>st</sup> March 2015</b>	NIL
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	NIL
<b>Approval of Spending</b>	The Executive
<b>Monitoring</b>	Chief Executive / Transformation Team Manager
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None.
<b>Criteria for calculating annual contribution</b>	None.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None directly but use of the fund reduces investment income



<b>Fund</b>	<b>SANGS (SUITABLE ALTERNATIVE NATURAL GREEN SPACE)</b>
<b>Purpose of Fund</b>	Planning tariff contributions to finance the provision and maintenance of SANGS for SPA mitigation for perpetuity. This fund receives interest on an annual basis
<b>Movement within year</b>	2014/15 saw the creation of a new designated space, Clewborough House. Net income has been transferred to the reserve in respect of Chobham Place Woods, Hawley Meadows and Clewborough House, with net expenditure being transferred out of the reserve in respect of Swan Lakes. Interest has been credited to this account for 2014/15.
<b>Restrictions of Use</b>	This fund is restricted to the purpose above.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 1.5m
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 1.5m
<b>Approval of Spending</b>	Executive Head of Regulatory
<b>Monitoring</b>	Planning Policy and Support Manager / S106
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	N/A – set by Tariff
<b>Criteria for calculating annual Contribution</b>	N/A – set by tariff
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	The council has agreed to maintain the SANGS in perpetuity so the reserve is required to fund this obligation. Use of fund reduces investment income.

## ANNEX B - cont

## ANNEX B –cont

<b>Fund</b>	<b>SURREY FAMILY SUPPORT PROGRAMME</b>
<b>Purpose of Fund</b>	Funding is received from SCC to deliver the Troubled Families Project locally and SHBC are working jointly with Runnymede BC for the period to March 2015
<b>Movement within year</b>	Revenue expenditure funded from this reserve for 2014/15. Grant income was received, but due to the success for the programme there was a shortfall on the revenue spend. There is approval for £86,000 of spend during 2015/16 Executive 24/02/15 minute 106/E refers
<b>Restrictions of Use</b>	This reserve can only be used for the above purpose.
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 158,000
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 72,000
<b>Approval of Spending</b>	Executive Head Regulatory Services
<b>Monitoring</b>	Family Support Officer
<b>Proposed changes to policy</b>	None
<b>Criteria for calculating fund requirement</b>	None
<b>Criteria for calculating annual contribution</b>	None
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income.

<b>Fund</b>	<b>WINDLE VALLEY WELLBEING CENTRE</b>
<b>Purpose of Fund</b>	Initially funded by SCC to provide support for people living in Surrey Heath who are in need of advice, information and assistance in relation to confusion, memory and dementia. The funding will be used in 2014/15 for the building works required for the centre
<b>Movement within year</b>	The fund was fully utilised for the building works as above
<b>Restrictions of Use</b>	The fund can be amended or closed by Executive
<b>Balance at 31<sup>st</sup> March 2015</b>	£ NIL
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ NIL
<b>Approval of Spending</b>	Executive Head of Community
<b>Monitoring</b>	Executive Head of Community
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None
<b>Criteria for calculating annual</b>	None

<b>contribution</b>	
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	None directly but use of fund reduces investment income

**ANNEX B - cont**

**ANNEX B –cont**

<b>Fund</b>	<b>CAPITAL FUND</b>
<b>Purpose of Fund</b>	Revenue funds put aside to fund future capital expenditure in line with council policy. As approved by Executive £250,000 of this fund will be used to fund the Transformation Budget 2014/15. This fund also includes unspent new homes bonus payments
<b>Movement within year</b>	£337,000 was transferred to the GFWB, £250K as above and £87K for revenue expenditure Exec Sept 2013 Minute 40/E refers. There is approval for £300,000 of spend during 2015/16 Executive 24/02/15 minute 106/E refers
<b>Restrictions of Use</b>	The fund can be amended or closed by Executive
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 9.367m
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 8.967m
<b>Review</b>	The Council will be unable to fund its capital expenditure from Capital receipts within the next year and this fund will be needed to maintain that program.
<b>Approval of Spending</b>	Executive / Executive Head of Finance
<b>Monitoring</b>	Chief Executive / Executive Head of Finance
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	None.
<b>Criteria for calculating annual contribution</b>	A transfer can be made each year from the Repairs & Renewals Fund equal to expenditure incurred but charged to capital. This is to compensate for the additional unplanned use of capital reserves and thus maintain the capital balances.
<b>Proposal</b>	None
<b>Impact on Revenue Budget</b>	None.

<b>Fund</b>	<b>GENERAL FUND WORKING BALANCE</b>
<b>Purpose of Fund</b>	To meet day-to-day cash flow requirements and to provide a general contingency which is used to fund non-budgeted service expenditure requirements, and other unforeseen risks, which were not identified in the budget setting process
<b>Restrictions of Use</b>	Expenditure is subject to Executive/Full Council Approval
<b>Balance at 31<sup>st</sup> March 2015</b>	£ 3.761m
<b>Projected Balance at 31<sup>st</sup> March 2016</b>	£ 1.053m
<b>Review</b>	The GFWB generates interest to support revenue expenditure and also provides a contingency for unexpected fluctuations in income and expenditure.
<b>Approval of Spending</b>	The Executive and full council through the setting of the budget
<b>Monitoring</b>	The Executive Head of Finance, Section 151 Officer, reports to the Performance and Finance Scrutiny Committee and The Executive.
<b>Criteria for calculating fund requirement</b>	The General Fund must be sufficient to cover unforeseen events. A risk analysis is undertaken each year to determine the level required and this was found to be £1.1 m in February 2015.
<b>Criteria for calculating annual contribution</b>	The level of annual contribution or withdrawal is determined annually as part of the budget strategy, taking into account finances available to support General Fund services and the financial target of the working balance.
<b>Proposal</b>	None.
<b>Impact on Revenue Budget</b>	An increase or decrease in this fund has a direct impact on the Council's revenue expenditure.

<b>Fund</b>	<b>CAPITAL RECEIPTS RESERVE</b>
<b>Purpose of Fund</b>	Receipts from sales of council assets used to finance the approved capital programme
<b>Movement within year</b>	Expenditure in line with the approved Capital Programme for 2014/15
<b>Restrictions of Use</b>	This fund can only be used to purchase new capital assets.
<b>Balance at 31st March 2015</b>	£ 809,000
<b>Projected Balance at 31st March 2016</b>	£NIL
<b>Review</b>	The projected balance anticipates the delivery of the approved capital programme in 2014/15. No major capital receipts have been budgeted for in 2014/15.
<b>Approval of Spending</b>	Full Council on the recommendation of Executive
<b>Monitoring</b>	Executive Head of Finance
<b>Proposed changes to policy</b>	None.
<b>Criteria for calculating fund requirement</b>	Reserve should be maintained at a level which meets existing and future capital commitments however future capital spending will need to be funded by borrowing or other reserves
<b>Criteria for calculating annual contribution</b>	None.
<b>Impact on Balances</b>	Any sum available for new capital initiatives will be considered when the corporate capital programme is being prepared.
<b>Impact on Revenue Budget</b>	None but the reduction in the balance will have an effect on investment income. This may be offset by sales of assets in the year

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**Committee Work Programme 2015/16**

Portfolio	Corporate
Ward(s) Affected:	n/a

**Purpose**

**To consider the Committee work programme for the municipal year 2015/16.**

Background

1. The Performance and Finance Scrutiny Committee was appointed by the Council at its Annual Meeting on 20 May 2015.
2. The Committee considered and set a work programme for 2015/16 at its 11 June 2015 meeting.
3. The work programme will develop through the year, to meet new demands and changing circumstances and the Committee will be expected to review its work programme from time to time and make minor amendments as required.
4. One of the tasks given to the Committee is to carry out pieces of work requested by the Council and/or the Executive.
5. The following further meeting have been scheduled for the remainder of the municipal year 2015/16:

30 September 2015  
2 December 2015  
23 March 2016

Officer Comments

6. A review of the Surrey Heath Partnership had been scheduled for this meeting. However, the Partnership falls within the remit of the External Partnerships Select Committee and the Chairman thereof has been asked to consider its inclusion in the Committee agenda. As such, it has been removed from this Committee's work programme.

Proposal

7. It is proposed that Members consider a work programme for the remainder of the municipal year 2015/16.

Resource Implications

11. Subject to any decisions relating the work programme, there are no resource implications which have not already been factored in, with those mainly involving officer time.

Recommendation

12. The Scrutiny Committee is advised to consider a work programme for the remainder of the 2015/16 municipal year.

Background Papers: None

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**ANNEX B****ANNEX B****PERFORMANCE AND AUDIT SCRUTINY COMMITTEE (SCRUTINY)  
WORK PROGRAMME 2015/16**

<b>DATE</b>	<b>TOPIC</b>	<b>REPORT AUTHOR</b>
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**24 September 2014****P&A (Scrutiny)**

1	Scrutiny of Portfolio Holders - Community	Kelvin Menon
2	Financial Accounts Sign Off and External Auditor's ISO 260 Report	Kelvin Menon
3	Annual Report on the Treasury Management Service and Actual Prudential Indicators	Kelvin Menon
4	Committee Work Programme	Kelvin Menon

**5 November 2014****P&A (Scrutiny)**

1	Scrutiny of Portfolio Holders - Corporate	Kelvin Menon
2	Treasury Management Mid-Year Report	Kelvin Menon
3	Finance Report	Kelvin Menon
4	Professional Advisors	Kelvin Menon
5	Committee Work Programme	Kelvin Menon

<b>DATE</b>	<b>TOPIC</b>	<b>REPORT AUTHOR</b>
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**28 January 2015****P&A (Scrutiny)**

1	Scrutiny of Portfolio Holders - Business	Kelvin Menon
2	Corporate Risk Register	Kelvin Menon
3	Certification of Claims and Returns	Kelvin Menon
4	Committee Work Programme	Kelvin Menon

<b>DATE</b>	<b>TOPIC</b>	<b>REPORT AUTHOR</b>
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**25 March 2015**

**P&A (Scrutiny)**

1	Scrutiny of Portfolio Holders – Leader and Finance	Kelvin Menon
2	Third Quarter Finance Report	Kelvin Menon
3	Equalities – End of Year Update	Belinda Tam
4	Committee Work Programme 2014/15	Kelvin Menon

**To be allocated:**