

**Minutes of a Meeting of the
Performance and Finance Scrutiny
Committee held at Surrey Heath House
on 12 July 2017**

+ Cllr Jonathan Lytle (Chairman)
+ Cllr Katia Malcaus Cooper (Vice Chairman)

+ Cllr David Allen	+ Cllr Robin Perry
+ Cllr Nick Chambers	+ Cllr Chris Pitt
+ Cllr Bill Chapman	- Cllr Joanne Potter
+ Cllr Edward Hawkins	+ Cllr Wynne Price
+ Cllr Paul Ilnicki	- Cllr Darryl Ratiram
+ Cllr David Lewis	+ Cllr Victoria Wheeler
+ Cllr Oliver Lewis	

+ Present

- Apologies for absence presented

Substitutes: Cllr Ian Sams, for Cllr Daryl Ratiram

In Attendance: Cllr Mrs Vivienne Chapman, Cllr Moira Gibson and Cllr Alan McClafferty.

1/PF Chairman's Announcements

The Chairman welcomed Members and Officers to the meeting and in particular welcomed Councillor Moira Gibson, the Council Leader, who had agreed to attend for discussion on the Council's performance in the previous year and Councillor Katia Malcaus Cooper in her first meeting as Vice-Chairman.

The Chief Executive was on leave, but had recorded a message as an introduction to the Performance report and this would be played prior to discussions thereon.

The Chairman thanked those Members who had submitted written questions in advance of the meeting and encouraged the Committee in this respect as it would enable much fuller responses at meetings.

2/PF Minutes

The minutes of the previous meeting, held on 22 March 2017, were agreed and signed by the Chairman.

3/PF Performance 2016/17 - End of Year Report

The Committee considered a report summarising the performance of the Council against corporate objectives, priorities and success measures for the period 1 April 2016 to 31 March 2017.

The report had been introduced, through a recorded presentation, by the Chief Executive and the Council Leader, Councillor Moira Gibson and the Executive

Head of Transformation, Louise Livingston, had attended to address Members' questions and comments.

Councillor Moira Gibson highlighted the following in response to questions submitted by Councillor Robin Perry:

- (i) Purchased Properties - Net Returns – The net returns on property investments, after all payments of capital and interest was:
 - a) JPUT – 2.1% (% agreed as properties were part of the regeneration programme)
 - b) St George's – 2.73%
 - c) Albany Park – 5.12%

Whilst there had been reports in the press on Councils engaging in risky investment, this Council had taken a cautious approach, ensuring good value to residents, whilst continuing to be risk averse.

- (ii) Rental Income - St George's was £55k above target and Albany Park was £18k above. So far, Town Centre rentals were currently below target. Net returns were up due to lower than expected costs.
- (iii) Finance - £17.4m of borrowing had come from the Public Works Loan Board (PWLB). The Council had, on the strong advice of its Treasury advisors, Arling Close, taken out short term loans at competitive rates and substantially lower than those offered by the PWLB. In the longer term, the Council would move towards more sustainable borrowing, but current arrangements represented best value.
- (iv) Ashwood House – Whilst, at first sight, it may appear that the Council was selling the lease of Ashwood House at below the purchase cost, in fact, the lease being granted, to allow housing units to be built, was for the upper floor office space only and did not include the ground floor retail space. The proceeds of the sale would be used to enhance the public realm, particularly in the vicinity of Ashwood House.

The focus on leasing the retail premises would be on occupation after the works carried out by Berkley Homes to the upper floors and the resulting disruption had been completed.

In respect of other Member questions, the following responses were given:

- (i) Car Park Charges – Whilst there were a number of models used by neighbouring Boroughs, each responded to different circumstances, including the levels of commuting. Car park charges in the Borough had not increased for some years and the Council was looking to remain competitive. The Executive, at previous meetings, had agreed a major refurbishment of both the Mall (20 June 2017) and the adjoining car park 11 July 2017).

Further consideration may be necessary on the completion of the refurbishment, which would include the introduction of more wide bays. In the meantime, any Member suggestions on how to increase the usage would be considered.

- (ii) Grass Verges – There was a balance to be reached between public expectations on the number/quality of grass cuts and the use of weed killers, against the desire to encourage wildlife and recognise funding restraints.

There was confusion over who was responsible for cutting various grass areas and where the funding came from. It was recognised that there could be economies of scale if all parties combined their grass cutting, but, it was for others, such as Parish Councils, to consider the options that best suited their organisations.

It would be helpful to have a borough-wide questionnaire on grass cutting. Members needed to be aware of the need to have resident support for any major policy changes in this area.

It was suggested that a task and finish group be established to consider all aspects of grass cutting, including the frequency of cuts, resources and funding, plus the levels of weed killer usage.

Councillor Bill Chapman agreed to consider chairing the task and finish group if the Committee decided to establish one.

- (iii) Princess Royal Barracks – Whilst it was recognised that any development on the site might be delayed by upwards of 5 years, there would be a great deal of hostility within any area to any developments involving large numbers of new housing units. This was, however an issue across South East England and that was the level at which any resolution would need to be found.

The level of housing for Surrey Heath was a matter for inclusion in the Local Plan and would be part of the considerations of the Local Plan Working Group. It would not be appropriate to have a task and finish group in addition to the Working Group. Issues around shortages of housing for people under 40 would be addressed through the Local Plan.

- (iv) Events – Although the Council drove some events in the Town Centre, most were organised or supported by Collectively Camberley. The Wider Management Team was considering options for events in the wider Borough, but it was recognised that there may be a reluctance from within communities to have events organised from the centre.
- (v) Planning Appeals – Although 2 recent planning appeals had gone against the Council, there had to be occasions when it was right and necessary to overturn officer recommendations. The cost of these particular appeals would be part of consideration by the Executive at a future meeting, but these would be met from the Regulatory budget.

Members noted that following a court ruling in Lewes, in East Sussex, all development in parts of East Sussex would cease until the matter was resolved. Officers were monitoring developments.

- (vi) Pembroke House – It was noted that there were now 2 Pembroke Houses in close proximity to each other. The residential home, Pembroke House had been so named after the Council owned building. However, it was likely that, when the work on the House and flats was completed, a different name would be agreed for that complex.
- (vii) Waste Contract – There were a number of measures by which the performance of the Waste Contract was assessed. There may have been a drop in standards after the loss of the contract by the current provider, but comparators were in place and it was expected that the new contract would generate both savings and an enhanced service.
- (viii) Play Areas – The Executive Head of Business would be asked to provide a schedule for work to play areas in the Borough.

Resolved, that

- (i) **the report be noted; and**
- (ii) **That a Task and Finish Group be established to consider grass cutting and the use of weed killers.**

4/PF Finance Report - End of Year 2016/17

The Executive Head of Finance presented a high level view of the Council's financial performance for the year 2016/17. This report had previously been presented to the Council's Executive.

The report highlighted significant variances against budgets. The figures listed included controllable costs only. Costs relating to asset charges and pensions, which would form part of the overall financial outturn, had been excluded.

Overall the Council had had a successful year with controlled spending in many areas and additional income. In addition, there had been surpluses on Business Rates and Council Tax which would benefit the Council in future years.

A report would be submitted to the Audit and Standards Committee in September with audit comments attached.

The Executive Head of Finance reflected on the position of the Capital Budget, treasury investments, borrowing and the different types of debtors. In particular, he reported that £122.8m had been allocated to capital expenditure, of which £121.8m had been spent on property acquisitions.

The Council had £10.3 million of investments, but would be reducing these to limit the Council's borrowing exposure. The reduction in interest returns would be offset

by a reduction in interest payments against borrowing. £119m of loans had been taken out to allow property acquisitions, of which £17.4m had been made up longer term loans from the Public Works Loans Board, with the remainder made up from shorter term loans from other Local Authorities.

In respect of variances and in response to Members' questions, Mr Menon noted that:

- (i) Car Parks – Income had not reached that target set due to roadwork issues.
- (ii) Camberley Theatre – The Theatre was still in deficit, but had substantially improved and was moving towards a realistic budget.

Resolved, that the report be noted.

5/PF Presentation - Changes to Services to Older People

Darren Williams, the Community Services Partnership Manager, gave a presentation on the Community Services Partnership between this Council and Runnymede Council, which covered an ever-increasing range of jointly developed and provided services in the community.

The priorities of the Partnership were to continue to develop and enhance services, provided in both Boroughs, ensuring that these were sustainable during financial strictures, and using a long term partnership model, to identify new service options which would benefit residents and generate income.

The partnership arrangements had been achieved through the use of key shared posts, whilst retaining local operational leads, development of a more flexible and robust structure and the close involvement of both Authorities in the development and provision of current and new services in the community.

Work had been undertaken to re-brand existing services and to develop and alter services to better meet the needs of the community. Meals at Home had changed to a fully choice based menu, a number of exciting new options were being considered for Community Transport, including services to the Villages, which did not currently exist in any form. The upgraded and re-branded services were showing a significant increase in demand.

Current facilities, such as the Windle Valley Centre were being refurbished/ upgraded and new services, such as GPS tracking, care-call and crisis respite day care had been introduced.

With many further planned developments and improvements in the pipeline, the Service was also focussing heavily on sustainability and ongoing risk factors, which included staff and resources capacity, health and safety requirements and funding/resources.

Members welcomed the very positive developments and partnership arrangements to provide new and enhanced community services across the Borough.

Resolved, that the report be noted.

6/PF Update on Emergency Planning and Business Continuity

The Executive Head of Community, Tim Pashen introduced a report on Emergency Planning and Business Continuity. He reported that, for the past 12 months, Applied Resilience, a public service mutual company, had provided services on behalf of the Council, and introduced Nick Moon and Jonathan Russell, from Applied Resilience, both of whom had previously been emergency planning officers in Local Government.

The Council had a number of responsibilities under the Civil Contingencies Act 2004, to ensure that the Council could deal with rapidly increased demands for services caused by emergencies, enable continuity of critical services in the face of major disruption and to support the emergency services in a major incident environment.

In Surrey, a Surrey Local Resilience Forum (SLRF) had been formed, including statutory, commercial and voluntary bodies, to deliver good practice in emergencies and an appropriate training regime for all participants

With the assistance of Applied Resilience, the Council had been focussing, in the previous 6 months, on enhancing and improving the Borough Emergency Centre, strengthening Business Continuity and recruiting further Incident Liaison Officers.

In response to Members' questions, Nick Moon and Jonathan Russell explained that, in an emergency, the main responsibilities lay with the emergency services, supported by other agencies including councils. The Council would have a much greater role in the recovery period, in the aftermath of an emergency. The main area in which Members could assist in an emergency would be in informing and re-assuring residents.

Nick Moon agreed to produce a 'crib sheet' for Members including a definition of the various levels of emergency and Members roles in the event of, during and in the aftermath of an incident or emergency.

In terms of business continuity, the Council had been advised by Applied Resilience, that further measures would be needed to develop a more robust plan. Work was well advanced to ensure strong resilience and business continuity, going forward.

Noted, that

- (i) The Borough Emergency Centre Plan had been developed and approved by the Council's Corporate Management Team;**
- (ii) Service Level Business Continuity arrangements had been reviewed, with Corporate Level arrangements to be exercised and then updated, based on the discovered outcomes;**

- (iii) **The Council's resilience and capacity to respond to incidents in Surrey Heath was being developed through the recruitment and training of Incident Liaison Officers from internal staff.**

7/PF Waste Action Plan

The Committee considered a report on the Surrey Heath Waste Action Plan 2015 – 2020. This Council had engaged Amey as its new waste collection contractor in a contract signed in May 2017, the contract to commence at the end of the current waste collection contract. At the same time, the Council had signed an inter-Authority contract with Elmbridge Borough Council, Mole Valley District Council, Woking Borough Council and Surrey County Council. This Council would be the Administrating Authority for the contract.

Elmbridge was the first area in which the new contract commenced and following a few teething problems whilst the contract was bedded in, it appeared to be working well. The new contract was expected to provide a high quality and improved service, whilst savings of £2 million would be accrued across the Partnership, with a projected saving to this Council of £330,000.

In terms of Borough output, although the percentage had dropped from 63.7% to 62.4%, Surrey Heath continued to be the best performing Council in Surrey for recycling and composting and was the 4th highest performing Council in the Country. The percentage reduction was due to recyclables being rejected due to contamination.

It was noted that flat dwellers generally presented less recycled waste than house dwellers, due to the physical difficulty in getting a full range of collection schemes in blocks of flats, but Surrey Waste Partnership officers were considering options for improvement.

In response to Members' questions, the Executive Head of Community highlighted the following:

- (i) Food Waste – If food waste was put in the recyclables bin, the recycled waste would not be accepted by the processing companies, However, the vast majority of any food waste which was not correctly processed went into landfill bins;
- (ii) Highway Leaves –The Environment Agency had originally stopped the composting of street leaves due to concerns on toxicity levels. Although the Joint Waste Partnership had subsequently established that the leaves were safe, there had been no agreement on composting this material;
- (iii) Household Batteries – In addition to the many outlets that accepted used batteries, the Councils Waste collection service also accepted these on the small electrical waste collection days; and
- (iv) Publicity – The Council included a double page article on recycling in each issue of Heathscene. Hangers on bins were also used to highlight specific campaigns. As part of the new Joint Waste contract the vehicles used would

promote good practice through their livery and slogans. Messages went out with Council Tax bills and a communications plan was already in place for future campaigning.

Members welcomed the many developments and emphasised the importance of publicity and communications in improving percentage and actual recycling outcomes.

Resolved, that the update be noted and that the Executive Head of Community be advised to investigate further vehicles for communicating the Council's recycling messages.

8/PF Reference to the Executive - Planning Enforcement

The Chairman referred Members to the previous Committee decision to refer its concerns on Planning Enforcement to the Executive. The reference was considered at the 20 June 2017 Executive meeting and the Chairman had taken the opportunity to address the Executive on the Committee's reasoning and proposals.

Following consideration of the report and a detailed explanation from the Chief Executive of measures put in to address difficulties around planning enforcement, the Executive resolved (Minute 5/E refers) to:

- (i) Note the reference from the Performance and Finance Scrutiny Committee on the previous performance of the Planning Enforcement function and its contribution going forward;
- (ii) Note measures to improve the service, going forward and in particular the new involvement of the Corporate Enforcement Team and Contact Centre; and
- (iii) Agree that a further review of the performance of the service be scheduled after 12 months operation with the new measures in place.

Members were mindful that the Committee had supported an increase in staffing levels to address the issues highlighted at the previous meeting. However, the Executive had taken note of recent measures to improve the service, including the use of the Corporate Enforcement Team to support Planning Enforcement and an increasing role for the Contact Centre.

Whilst noting the outcome of the reference to the Executive, the Committee agreed to include a review of Planning Enforcement in June/July 2018.

Resolved, that

- (i) **The outcome of the reference to the Executive on Planning Enforcement be noted; and**
- (ii) **A further review of the Planning Enforcement Service be included on the Committee work programme for June/July 2018.**

9/PF Information Items

The Chairman reminded Members that, in the previous year, the Committee had agreed to receive an annual report, covering areas within its remit where there was little or no change to report and that matters reported should be by exception only.

Members considered reports on:

- (i) Regulation of Investigatory Powers Act 2000 (RIPA) – It was noted that no actions had been authorised under RIPA, in the previous year.
- (ii) Equalities – This item had included both internal and external development and highlighted the Council's recent success in a range of equality awards/qualifications;
- (iii) Air Quality – It had not been possible to bring an update to this meeting and Air Quality would be added to the agenda for the next meeting; and
- (iv) Complaints/Complaints to the Local Government Ombudsman – Members considered that, on balance, this area should be the subject of a full report annually.

Resolved, that

- (i) the report be noted;**
- (ii) Air Quality be the subject of a report to the next meeting; and**
- (iii) Complaints and complaints to the Local Government Ombudsman be reported annually to the Committee as a bespoke item.**

10/PF Task and Finish Groups

Councillor Robin Perry briefed Members on the outcomes of a Member Task and Finish Group established to review the impact of recent Government Benefits reforms on this Council and its residents and to advise this Committee on possible courses of action to mitigate any impacts.

The Task and Finish Group considered that the following changes had impacted on the Council and those in or potentially in receipt of benefits:

- (i) Council Tax replaced by Local Council Tax Support Schemes – April 2013;
- (ii) Social Sector Size Criteria – April 2013;
- (iii) Benefit Cap – July 2013
- (iv) Universal Credit – February 2016;
- (v) Housing Benefit/Council Tax Reduction backdating – April 2016;
- (vi) Withdrawal of Family Premium – May 2016;
- (vii) Changes to Temporary Absence Rules – July 2016;
- (viii) Reduction in benefit cap levels – November 2016; and
- (ix) Further changes to qualifying criteria – April 2017.

It was noted that the following benefits had not been affected by the Benefits Cap:

- Armed Forces Compensation Scheme
- Armed Forces Independence Payment
- Attendance Allowance
- Carer's Allowance
- Disability Living Allowance (DLA)
- Employment and Support Allowance (if support component in payment)
- Guardian's Allowance

Members highlighted monies that had been made available to mitigate the impact of the various changes and noted the areas where the mitigation could not be applied.

Focussing on local impacts, Members had identified the following key local needs:

- (i) An increase in the number PCs available to welfare benefit applicants, and the number of local locations where access would be possible;
- (ii) An increase in the number of PC and benefit competent advisors who could help applicants complete claim forms;
- (iii) An increase in the number of advisors (must be qualified) who could help with debt counselling;
- (iv) Better local access to short term loans to those left without support between date of claim and date of approval and receipt of grant; and
- (v) An increase in the number of one bedroom properties available for social rent.

Overall, the Task and Finish Group had suggested that the best way to meet the identified needs and address what was an increasing problem, was to facilitate a stronger working relationship with and provide an increased level of financial support to specialist local charities, particularly given the expertise which existed in the community, which could assist in this complex area of work.

Having highlighted the impact of the various measures and possible mitigating actions which could be considered, the Task and Finish Group had proposed that the Committee make appropriate recommendations to the Executive.

After further debate, the Committee agreed to advise the Executive to consider a number of actions which could potentially mitigate the impact of recent measures relating to a range of benefits.

Resolved, that the Executive be advised to consider the following actions, with respect to the impact of benefit changes on Borough residents:

- (i) **Increase the number of locations in the Borough where it would be possible for claimants to complete a claim form and get basic**

advice, and fulfil their obligations regarding making job applications.

- a) That an appeal for “spare” PCs be made to local organisations.
Recommended Action Addressees: SHBC + CAB
- b) That an appeal be made for volunteers who would like to help, and who are able to drive a PC and are willing to undergo basic training re completing Benefit claim forms. – Action: Borough + CAB
- c) That an appeal be made for venues that could host advisory sessions throughout the Borough on a FOC basis, e.g. Pubs in the morning, community centres, churches etc.
Recommended Action addressees: CAB/SHBC
- d) Facilitate the production of YouTube based training modules designed to help applicants understand and complete benefit application forms. (Could possibly be sold to other Authorities.) Recommended Action Addressee: SHBC
- e) A relatively small budget would be required to fund the promotion of the schemes and training and the production of the “How to Complete the XXX benefit claim form or complete a CV” etc.

(ii) Increase the number of locally based qualified advisors:

- a) CAB believes that to meet current demand, that would require a full time Welfare Benefits Specialist (FCA qualified) and part time paid Debt caseworker, they would be supported by the many volunteer advisors at the centre. Total cost circa £38,000pa – CAB have indicated that they could part fund this.
Recommended Action Addressee: SHBC
- b) Frontline do not currently receive any assistance from SHBC – they are financed by donations from local Churches. They could also cope with more cases if they had extra funds. A grant of £4k` was recommended – Recommended Action Addressee: SHBC
- c) Facilitate extra training for existing SHBC staff. Cost to be clarified. Recommended Action Addressee: SHBC

(iii) Establish a much stronger working relationship with Surrey Credit Union and other similar, who are able to offer a much more cost effective short term loan service than commercial operators like Wonga and other pay day schemes. Recommended Action Addressees: SHBC/CAB;

(iv) Lobby our National, Universal Credit and SCC representatives to ensure that they understand the impact of the new changes and hear our suggestions as to how matters could be improved; and

(v) Include, in the Local Plan, a planned increase in the number of one bedroom social housing units.

11/PF Committee Work Programme

The Committee considered a work programme for the remainder of the municipal year.

Members noted that further meetings were scheduled for:

13 September 2017

6 December 2017

21 March 2018

Resolved, that the Work Programme, attached at the Annex to the Officer report, be agreed with the addition of a report on air quality management to the September 2017 meeting and the inclusion of a review of the performance of Planning Enforcement in July/September 2018.

12/PF Vote of Thanks

Members were informed that Mr Andrew Crawford, the clerk to the committee, would shortly be retiring after 15 years' service at the Council.

The Chairman, on behalf of the Committee, thanked Mr Crawford for all of his work for the committee during his time at the Council and wished him well in his retirement.

Chairman