

**MINUTES OF A MEETING OF SURREY
HEATH BOROUGH COUNCIL held at
Surrey Heath House, Camberley on
21 February 2018**

+ Cllr Valerie White (Mayor)
+ Cllr Dan Adams (Deputy Mayor)

+ Cllr David Allen	+ Cllr Jonathan Lytle
+ Cllr Rodney Bates	+ Cllr Katia Malcaus Cooper
+ Cllr Richard Brooks	+ Cllr Bruce Mansell
+ Cllr Nick Chambers	+ Cllr David Mansfield
+ Cllr Bill Chapman	+ Cllr Charlotte Morley
+ Cllr Mrs Vivienne Chapman	+ Cllr Alan McClafferty
+ Cllr Ian Cullen	+ Cllr Max Nelson
+ Cllr Paul Deach	+ Cllr Adrian Page
+ Cllr Colin Dougan	+ Cllr Robin Perry
+ Cllr Craig Fennell	+ Cllr Chris Pitt
+ Cllr Surinder Gandhum	+ Cllr Joanne Potter
+ Cllr Moira Gibson	+ Cllr Nic Price
+ Cllr Edward Hawkins	+ Cllr Wynne Price
+ Cllr Josephine Hawkins	+ Cllr Darryl Ratiram
- Cllr Ruth Hutchinson	+ Cllr Ian Sams
+ Cllr Paul Ilnicki	+ Cllr Conrad Sturt
+ Cllr Rebecca Jennings-Evans	+ Cllr Pat Tedder
+ Cllr David Lewis	+ Cllr Victoria Wheeler
+ Cllr Oliver Lewis	- Cllr John Winterton

+ Present
- Apologies for absence presented

50/C Apologies for Absence

Apologies for absence were submitted on behalf of Councillors Ruth Hutchinson and John Winterton.

51/C Minutes

It was moved by the Mayor, seconded by the Deputy Mayor, and

**RESOLVED that the minutes of the meeting of the Council held
on 13 December 2017 be approved as a correct record.**

52/C Mayor's Announcements

The Mayor detailed the events she had attended since the last Council meeting. These included attendance at the nominees' reception of The Queen's Award for Voluntary Service. She emphasised the invaluable work of volunteers in the community, including the volunteers of the Basingstoke Canal whom were

nominated for an award. She also noted the excellent hospitality and food when she visited the Open Day at Camberley Mosque.

Civic events which she also attended included a meeting of the Surrey Heath Employees Retirement Club, the World Professional Dart Championships at Lakeside and various wine tasting events. She also enjoyed numerous seasonal occasions such as Christmas lunches, the Windlesham Pram Race and carol singing at Waitrose and Frimley Park Hospital which she found a particularly humbling experience.

The Mayor announced that her Mayor's Ball would be held on 18 April this year in the Camberley Theatre. The Mayor encouraged Members to attend this charitable event.

53/C Leader's Announcements

The Leader of the Council announced she had attended a summit with the Mayor of London and South East England Councils to discuss the future of housing in the wider London region. She reported that the Mayor of London had stated he intended to meet the increasing demand for housing by increasing the housing supply within the Capital. However she reported the Mayor had invited collaboration on future housing projects with neighbouring boroughs and districts. She stated that the summit also explored future funding of infrastructure within the South East. New potential funding options had been discussed such as use of stamp duty raised on property sales in the South East.

The Leader also reported on discussion at Surrey Leaders' Group meeting regarding transit camps for gypsies and travellers. She informed Members that the Chief Executive would be undertaking further work on the issues of transit sites, including examining evidence from other local authorities where transit sites had been introduced.

The Leader also referred to the 100 year anniversary of women first getting the vote. In addition she emphasised the significance of the overall widening of the franchise to include non-landowning men.

54/C Council Tax and Budget 2018/19

The net cost of services for 2018/19 at £11,349,000 represented an increase of £561,864. This was as a result of

- one off items funded from reserves for grounds maintenance and waste contract implementation;
- an increase in payroll costs due to investment in staffing and pay increases driven by inflation;
- reductions in grants from Surrey County Council in particular for waste which have had to be absorbed;
- increases in costs driven by inflation and the fall in sterling; and
- some of these increases had been offset by increases in income, particularly from property.

In relation to Employees costs, Members were advised that reference to employment of staff to manage the Council's new functions, such as property, and to generate income had been included in the report in error and related to 2017/18. This did not however affect the budget calculations.

Investment in property had enabled the Council to maintain services and a balanced Budget for 2018/19. Overall there was no general savings target required this year and none of this year's New Homes Bonus would be needed to support revenue expenditure. However the financial forecast had identified further challenges in future years driven by Council funding being taken by Government, inflation and the capital programme.

Members noted that no reduction was proposed in the special grant to parishes to compensate them for the change to the tax base due to the introduction of the Local Council Tax Support Scheme.

It was reported that the Section 151 Officer had determined that a surplus of £3,000,000 could be declared on the Collection Fund for the year. Of this, £2,242,200 would be paid to Surrey County Council, £378,300 to the Police and Crime Commissioner, with the remaining £379,500 to this Council. This would be used to support the Budget for 2018/19.

The Council could expect to receive £863,886 in New Homes Bonus for 2018/19. Of this £251,603 had been generated by the increase in the tax base over 2017/18. The Government had committed to retaining New Homes Bonus as an incentive in the future although its value might well decline over time.

It had been determined that items totalling £816,390 of expenditure should be funded from reserves relating to community grants, transformation costs, grounds maintenance for SANGS, grounds and playgrounds maintenance, family support and the Joint Waste Contract.

Special expenses reflected the cost of providing services to non-parished areas which in parished areas were funded by a parish precept. The charge was billed as a separate item to non-parished areas in a similar way to a precept in parished areas.

In December 2017, the Government had announced that the referendum trigger for Council Tax for Districts for 2018/19 would be set at 3% or £5 whichever was the higher.

It was noted that Surrey County Council had decided to levy a precept of just under 6% taking advantage of its ability to levy an additional social care precept of 3% on top of its Council Tax limit of 3%.

All reserves and provisions were considered appropriate and supportive of future expenditure requirements. Revenue Reserves (including earmarked reserves) were projected to be around £18m at 31 March 2019. However the Council had no capital reserves which meant that all capital expenditure had to be funded through borrowing.

In respect of the General Fund Working Balance, a risk calculation indicated that a minimum balance of £2m was needed to provide financial cover for day to day cash flow and any financial emergencies which might occur during the financial year.

It was noted that a number of fees and charges had been increased and had been approved in accordance with the Financial Regulations.

The Council was required to consider a financial forecast which predicted the Council's finances over the short and medium term. This year had proved to be especially difficult as the Government had given no indication as to the level of Local Government funding beyond 2019/20.

The forecast assumed that there would be no radical changes to services or income save for the impact of inflation. In addition large capital projects had also been ignored, since it had been assumed that they would at the very least be self-financing and therefore not impact on the Council's Service Budget. The Council had invested significantly in property during 2016/17 and this had resulted in good returns which now supported services. Although these investments were not risk free, further investment would be required if future funding gaps were to be addressed.

The continuing trend of reducing Government funding coupled with inflation meant that the Council had yet another £1.3m to find within the forecast period. In fact during this period the Council was likely to become a net contributor to Government funds due to the negative grant. The Council had pursued a policy of increasing income rather than cutting services to balance the Budget. If, however, this was not possible then service reductions coupled with a cessation of the Council's capital investment plans, or a closer collaboration with a neighbouring Council might be required to ensure that the Budget remained in balance.

Having no capital receipts meant that the Council would need to continue to borrow to fund its capital aspirations. If these projects were not in themselves self-financing then the interest and Minimum Revenue Provision have to be covered.

The Council's Chief Financial Officer confirmed he was satisfied that the preparation of the 2018/19 estimates had been undertaken with rigour and due diligence and provided the appropriate level of resources to meet forecast service requirements whichever Budget option was adopted. He also reported that the Council's Reserves, Provisions and the General Fund Working Balance, supplemented by the Revenue Capital Reserves were at such levels to meet all known future expenditure requirements and fund any unforeseen or urgent spending which might arise.

The Chief Financial Officer drew attention to the risks within the budget particularly around the reliance on income to fund services and the continuing need to make further savings and/or income, as shown by the Medium Term Financial Forecast, if services were to be maintained in to the future.

It was moved by Councillor Moira Gibson and seconded by Councillor Richard Brooks and

Resolved

- (i) to note that under delegated powers the Executive Head of Finance calculated the amount of the Council Tax Base as 37,540.62 (Band D Equivalent properties) for the year 2018/19 calculated in accordance with the Local Government Finance Act 1992, as amended;**
- (ii) to note expenditure totalling £816,390 be charged directly to reserves;**
- (iii) to note that an increase in Council Tax above 3% was deemed to be “excessive” by Government;**
- (iv) to note the level of Minimum Revenue Provision required;**
- (v) to note the impact of the Business Rates Pilot and the previous authority given to the Executive Head of Finance to finalise the agreement;**
- (vi) to note that the Council receives no Revenue Support Grant;**
- (vii) to note that there is no reduction in the grant given to Parishes for the Local Council Tax Support Scheme;**
- (viii) to note that a Council tax surplus of £3,000,000 was being declared;**
- (ix) to note the comments in respect of the robustness of the 2018/19 Budget and the adequacy of the Council’s reserves, provisions and the General Fund Working Balance;**
- (x) to note the comments in respect of the financial forecast in respect of the Budget gap and the potential impact on the future financial sustainability of the Council;**
- (xi) to note that of the Council’s Budget requirement, £180,000 be a special expense relating to the non-parished area of the Borough;**
- (xii) to resolve that the Executive Head of Finance be authorised to finalise and enter into the Surrey Business Rates Pilot;**
- (xiii) to resolve that the Budget Requirement for 2018/19 be £11,058,943 as set out in Annex A;**

- (xiv) to resolve that the Council Tax Requirement for the Council's own purposes for 2018/19 be £7,974,387 as set out in Annex A and;
- (xv) to resolve that the Council Tax for 2018/19 (excluding special expenses and Parish precepts) be set at £212.42 for a Band D property being an increase of £6.12 for a Band D taxpayer compared to 2017/18.

Note: In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote was taken. The following Members voted in favour of the decision: Councillor Dan Adams, Rodney Bates, Richard Brooks, Nick Chambers, Bill Chapman, Vivienne Chapman, Ian Cullen, Paul Deach, Colin Dougan, Craig Fennell, Moira Gibson, Edward Hawkins, Josephine Hawkins, Paul Ilnicki, Rebecca Jennings-Evans, David Lewis, Oliver Lewis, Jonathon Lytle, Katia Malcaus Cooper, Bruce Mansell, David Mansfield, Alan McClafferty, Charlotte Morley, Max Nelson, Adrian Page, Robin Perry, Chris Pitt, Joanne Potter, Nic Price, Wynne Price, Darryl Ratiram, Ian Sams, Pat Tedder, Victoria Wheeler, Valerie White.

The following Member voted against the decision: Councillor David Allen.

55/C Setting of Council Tax 2018/19

Having determined its Council Tax Requirement for 2018/19, the Council was now required formally to approve the Council Tax for the area taking into account precepts received from Surrey County Council, Surrey Police and Crime Commissioner and the Parishes.

In approving the Council Tax for 2018/19, the Council noted that the Executive, on 5 December 2017, had approved the draft Council Tax base for 2018/19 but delegated the final setting of the base to the Executive Head of Finance. The tax base had been set at 37, 540.62 Band D equivalent properties

Resolved

1. to note that the Council Tax Base for 2018/19 calculated in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:
 - a) for the whole Council area as 37,540.62 (Item T in the formula in Section 31B of the Local Government finance Act 1992, as amended (the "Act")); and
 - b) for dwellings in those parts of its area to which a Parish precept relates as in Table B below.

Bisley	1,587.78
Chobham	1,969.27
Frimley and Camberley	23,871.57
West End	2,020.58

Windlesham

8,091.42

being the amounts calculated by the Council in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.

2. that the Council Tax requirement for the Council's own purposes for 2018/19 (excluding parish precepts and special expenses) is £7,974,387
3. that the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Act:
 - a) **£57,072,345** being the aggregate of the amounts which the Council estimates for the items set out in Section 31(A)2 of the Act taking into account all precepts issued to it by Parish Councils.
 - b) **£48,348,068** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - c) **£8,724,277** being the amount by which the aggregate at 7(a) above exceeds the aggregate at 7(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - d) **£232.40** being the amount at 7(c) above (Item R), as divided by Item T (5(a) above) calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
 - e) **£749,890** being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per para 1 above)
 - f) **£212.42** being the amount at 7(d) above less the result given by dividing the amount at 7(e) above by Item T (1(a) 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 in those parts of its area to which no Parish precept relates.
4. to note that the County Council and the Police Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Surrey County Council Basic Precept

	Valuation Bands							
Precept	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Basic	872.60	1,018.03	1,163.47	1,308.90	1,599.77	1,890.63	2,181.50	2,617.80
Adult Social Care	68.26	79.64	91.01	102.39	125.14	147.90	170.65	204.78
Total	940.86	1,097.67	1,254.48	1,411.29	1,724.91	2,038.53	2,352.15	2,822.58

Surrey Police and Crime Commissioner

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
157.71	184.00	210.28	236.57	289.14	341.71	394.28	473.14

5. that the Council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2018/19 for each part of its area and for each of the categories of dwellings.

Parish precepts and special expenses

Valuation Band								
	A	B	C	D	E	F	G	H
Part of Area	£	£	£	£	£	£	£	£
Bisley	40.50	47.25	54.00	60.75	74.26	87.76	101.26	121.51
Chobham	26.08	30.43	34.77	39.12	47.81	56.51	65.20	78.24
Frimley and Camberley	5.03	5.86	6.70	7.54	9.22	10.89	12.57	15.08
West End	29.98	34.98	39.98	44.98	54.97	64.96	74.96	89.95
Windlesham	25.17	29.37	33.56	37.76	46.15	54.54	62.93	75.51

Surrey Heath Borough Council

Valuation Bands							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
141.61	165.22	188.82	212.42	259.62	306.83	354.03	424.84

Aggregate of Parish and Surrey Heath Borough Council

Valuation Band								
	A	B	C	D	E	F	G	H
Part of Area	£	£	£	£	£	£	£	£
Bisley	182.11	212.47	242.82	273.17	333.88	394.59	455.29	546.35
Chobham	167.69	195.65	223.59	251.54	307.43	363.34	419.23	503.08
Frimley and Camberley	146.64	171.08	195.52	219.96	268.84	317.72	366.60	439.92

West End	171.59	200.20	228.80	257.40	314.59	371.79	428.99	514.79
Windlesham	166.78	194.59	222.38	250.18	305.77	361.37	416.96	500.35

Total of all Precepts

Valuation Band								
	A	B	C	D	E	F	G	H
Part of Area	£	£	£	£	£	£	£	£
Bisley	1,280.68	1,494.14	1,707.58	1,921.03	2,347.93	2,774.83	3,201.72	3,842.07
Chobham	1,266.26	1,477.32	1,688.35	1,899.40	2,321.48	2,743.58	3,165.66	3,798.80
Frimley & Camberley	1,245.21	1,452.75	1,660.28	1,867.82	2,282.89	2,697.96	3,113.03	3,735.64
West End	1,270.16	1,481.87	1,693.56	1,905.26	2,328.64	2,752.03	3,175.42	3,810.51
Windlesham	1,265.35	1,476.26	1,687.14	1,898.04	2,319.82	2,741.61	3,163.39	3,796.07

- 6. to note that the Council's basic amount of Council Tax for 2018/19 is NOT excessive in accordance with the principles approved under Section 52ZB Local Government Finance Act 1992.**

Note: In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote was taken. The following Members voted in favour of the decision: Councillors Dan Adams, David Allen, Rodney Bates, Richard Brooks, Nick Chambers, Bill Chapman, Vivienne Chapman, Ian Cullen, Paul Deach, Colin Dougan, Craig Fennell, Moira Gibson, Edward Hawkins, Josephine Hawkins, Paul Ilnicki, Rebecca Jennings-Evans, David Lewis, Oliver Lewis, Jonathon Lytle, Katia Malcaus Cooper, Bruce Mansell, David Mansfield, Alan McClafferty, Charlotte Morley, Max Nelson, Adrian Page, Robin Perry, Chris Pitt, Joanne Potter, Nic Price, Wynne Price, Darryl Ratiram, Ian Sams, Pat Tedder, Victoria Wheeler, Valerie White.

56/C Executive, Committees and Other Bodies

- (a) Executive – 9 January 2018 and 6 February 2018

It was moved by Councillor Moira Gibson, seconded by Councillor Richard Brooks, and

Resolved that the open and exempt minutes of the meetings of the Executive held on 9 January 2018 and 6 February 2018 be received and the recommendations therein be adopted as set out below:

- **88/E – Treasury Strategy 2018/19**

Resolved to adopt

- (i) the Treasury Management Strategy for 2018/19 as set out in the agenda report;
- (ii) the Treasury Management Indicators for 2018/19, as set out at Annex C to the agenda report; and
- (iii) the Minimum Revenue Provision policy statement and estimated Minimum Revenue Provision payment table, as set out at Annex F to the agenda report.

- **89/E – Corporate Capital Programme 2018/19 – 2020/21**

Resolved that

- (i) the new capital bids for £8.584m, as set out at Annex A to the agenda report, for 2018/19, be approved and incorporated into the Capital Programme;
- (ii) the Prudential Indicators, as set out below and explained at Annex D to the agenda report, including the MRP statement, for 2018/19 to 2020/21 in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities 2011, be approved.

Prudential Indicator	2018/19 Estimate d £000	2019/20 Estimate d £000	2020/21 Estimate d £000
Capital Expenditure	8,584	2,270	630
Capital Financing Requirement	150,000	150,000	148,000
Ratio of net financing costs to net revenue stream	5.14%	2.61%	2.65%
Incremental impact of investment decisions on Band D council Tax	1.61	9.40	0.43
Operational Boundary	185,000	185,000	185,000
Authorised Limit	190,000	190,000	190,000

- **97/E – Pay Policy Statement 2018/19**

Resolved that the Surrey Heath Borough Council Pay Policy Statement 2018/19, as attached at Annex A to the agenda report, be approved

(Note: The recommendations of the Executive at Minute 87/E – General Fund Estimates 2018/19 were dealt with at Minute 54/C.

- (b) Planning Applications Committee – 14 December 2017, 11 January 2018 and 8 February 2018

It was moved by Councillor Edward Hawkins, seconded by Councillor David Mansfield, and

Resolved that the minutes of the meetings of the Planning Applications Committee held on 14 December 2017, 11 January 2018 and 8 February 2018 be received.

- (c) Performance and Finance Scrutiny Committee - 6 December 2017

It was moved by Councillor Katia Malcaus Cooper, seconded by Councillor Edward Hawkins, and

Resolved that the minutes of the meetings of the Performance and Finance Scrutiny Committee held on 6 December 2017 be received.

- (d) Joint Staff Consultative Group – 18 January 2018

It was moved by Councillor Josephine Hawkins, seconded by Councillor Charlotte Morley and

Resolved that the minutes of the meeting of the Joint Staff Consultative Group held on 18 January 2018 be received and the recommendation therein be adopted as set out below

Resolved that the revised Constitution of the Joint Staff Consultative Group, as set out at Annex A to the agenda report, be agreed.

- (e) External Partnership Select Committee – 13 February 2018

It was moved by Councillor Robin Perry, seconded by Councillor Daryl Ratiram and

Resolved that the minutes of the meeting of the External Partnership Select Committee held on 13 February 2018 be received.

57/C Leader's Question Time

The Leader responded to a question asking how the Council could encourage higher turnouts in local government elections. She noted that borough councils provided services which every resident used, notably refuse collection, but stated there were continuing difficulties with engaging electors. She indicated that she welcomed any ideas from Members on ways to encourage electors to vote in local government elections.

58/C Motions

It was moved by Councillor Rodney Bates and seconded by Councillor Victoria Wheeler that

"This Council notes with sadness that there are many children within the borough that are experiencing poverty including a third of all children within Old Dean. As a result, this Council requests officers bring forward a report to the Executive within the next 6 months outlining practical steps that the Council could consider in order to help address this issue in partnership with others."

In accordance with Procedural Rule 12.6, it was proposed by the Mayor and seconded by the Deputy Mayor and

Resolved that the motion be referred without discussion to the Executive for consideration and report within 6 months.

59/C Exclusion of Press and Public

In accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the ground that they involved the likely disclosure of exempt information as defined in the paragraphs of Part 3 of Schedule 12A of the Act as set out below:

<u>Minute</u>	<u>Paragraphs</u>
51(a)/C (part)	3
60/C	3

60/C Review of Exempt Items

The Council reviewed the minutes which had been considered at the meeting following the exclusion of members of the press and public, as they involved the likely disclosure of exempt information.

Resolved that

- (i) Minute 84/E remain exempt until further notice; and**
- (ii) Minute 99/E remain exempt until the completion of the lease negotiations;**

Mayor