

COUNCIL MEETING

13 April 2016

ADDENDUM TO THE COUNCIL MINUTE BOOK

- | | | |
|-----|---|------------------------|
| 4a. | Planning Applications Committee - 7 April 2016 | (Pages 3 - 10) |
| 6. | Performance and Finance Scrutiny Committee - 23
March 2016 | (Pages 11 - 22) |
| 10. | Audit and Standards Committee - 31 March 2016 | (Pages 23 - 26) |

Minutes of a Meeting of the Planning Applications Committee held at Council Chamber, Surrey Heath House on 7 April 2016

+ Cllr Edward Hawkins (Chairman)
+ Cllr David Mansfield (Vice Chairman)

+ Cllr David Allen	+ Cllr Katia Malcaus Cooper
+ Cllr Richard Brooks	+ Cllr Robin Perry
- Cllr Nick Chambers	+ Cllr Ian Sams
+ Cllr Mrs Vivienne Chapman	+ Cllr Conrad Sturt
- Cllr Colin Dougan	+ Cllr Pat Tedder
- Cllr Surinder Gandhum	+ Cllr Victoria Wheeler
+ Cllr Rebecca Jennings-Evans	+ Cllr Valerie White

+ Present
- Apologies for absence presented

Substitutes: Cllr Paul Ilnicki (In place of Cllr Colin Dougan)

In Attendance: Michelle Fielder, Jonathan Partington, Andrew Crawford and Gareth John.

52/P Minutes

The minutes of the meeting held on 7 March 2016 were confirmed and signed by the Chairman.

53/P Application Number: 15/1043 - 34 Curley Hill Road, Lightwater GU18 5YH

This application was for conversion of garage to habitable space, erection of a two storey rear extension following demolition of existing extension and conversion of roof space to provide habitable space. (Amended Plans Rec'd 11/02/2016), (Additional information received 17/2/16)

This application would normally have been determined under the Council's Scheme of Delegation, however, at the request of a local ward councillor it had been called in for determination by the Planning Applications Committee.

The Committee noted that a letter of objection had been sent to all Members prior to the meeting and were advised of the following update:

1. *The letter of complaint referred to has been dealt with as a stage one complaint and a response issued on 15 March 2016.*
2. *The matter of the missing consultee response from Windlesham Parish has been investigated by the Technical Services Team Leader who advises that only one response has been received (dated 4/3/2016) and this is publically available.*
3. *There are 9 letters of objection to the proposal and two letters of support. The Parish Council comments are reported as an objection at paragraph 5.2 of the committee report in line with Council procedures.*

4. *The summary of objections in the committee report at 6.3 should include a reference to the proposal's impact on the privacy of No.32 as this was raised in a letter of objection rec'd 24/2/2016. This omission does not, however, affect the validity of the officer assessment as the proposal's impact on the privacy of the occupiers of No.32 is considered in full in the committee report.*
5. *Appendix 2 – repeats a list of applications the author considers comparable to the current application. However, as Members are aware, each application has to be assessed on its own merits. Moreover, amenity considerations are site specific and as such just because an extension was considered to be harmful in one location does not mean that the same extension would be harmful in another. In addition, officers are of the opinion that none of the applications listed as being 'comparable' are materially similar to the current application.*
6. *The comments made in respect of para 7.3.7 are noted, however the officer's assessment is considered appropriate.*
7. *The comments made in respect of para 7.4.3 are noted – for the avoidance of doubt this para refers to the side elevation facing the shared boundary with No.32. With regards to Appendix 3 – the diagrams and details provided are noted, however the two storey element of the extension is set a minimum of 4.3m from the shared boundary with No.32 and this, as set out in the officer's report, is considered acceptable.*
8. *The comments made in respect of para 7.4.4 and Appendix 5 are noted. It should be noted that while a document titled 'sun survey' was submitted with the previous application this was not a full survey or report, however*
9. *With regards to concerns about the impact of the proposal on a bedroom window, the reports cite existing windows on the rear elevation. In addition, the visibility of a proposal is not indicative that it would be harmful.*
10. *With regards to the comments about Para 7.5.3 – the impact on an un-adopted road is not a material consideration and is a private matter.*
11. *The format of the committee report and the citation and reference of national and local policies is in accordance with Council procedures and follows that of all other reports prepared for consideration by the Planning Applications Committee. The Committee Report is considered to address all material considerations and policy constraints.*

*It is noted that the wording of proposed **condition 6** could be more specific and as such it is recommended that this is **amended** as detailed below:*

6. *Other than for the first floor terrace shown to front elevation of the development hereby approved (above the ground floor cloak, hallway, re-treat/media room), the roof areas of the dwelling hereby permitted shall not be used as a balcony, roof garden or similar amenity area without the grant of planning permission from the Local Planning Authority.*

Reason: To ensure that the development does not affect the amenity of existing properties by overlooking in accordance with Policy DM9 of the Surrey Heath Core Strategy and Development Management Policies 2012.

*It is also recommended that permitted development rights for further extension or alterations to the property be removed. An **additional condition (10)** is proposed below:*

10. *Notwithstanding the provisions of Class A, Part 1, Schedule 2 of the Town and Country Planning (General Permitted Development) Order 2015 (or any subsequent Order updating or re-enacting) there shall be no further extensions or alterations to the dwelling.*

Reason: To ensure a satisfactory form of development in the interests of character and amenity and to comply with Policy DM9 of the Core Strategy and Management Policies 2012, the Lightwater Village Design Statement and the NPPF.

Members expressed concerns in relation to the proposed development in that it was considered an overdevelopment, overbearing, out of character with surrounding properties, loss of amenities to neighbouring properties, including loss of sunlight and the size/bulk of the proposed building.

The officers had recommended that the application be approved. However, after consideration, the Members felt that the application should be refused due to the size and bulk of the property proposed and it being out of character with surrounding properties.

Resolved that application 15/1043 be refused on the grounds of size, bulk and character.

Note 1

It was noted, for the record, that Councillors Rebecca Jennings-Evans and Valerie White had received written and e-mailed correspondence on the application and had been present at a presentation given to Windlesham Parish Council.

Note 2

As the application triggered the Council's Public Speaking Scheme, Mr Michael Dornan spoke in objection.

Note 3

There was no proposer or seconder on the officer's recommendation to approve the application with conditions, as amended.

Note 4

Voting in favour of the recommendation to approve the application:

Councillor Richard Brooks.

Voting against the recommendation to approve the application:

Councillors David Allen, Mrs Vivienne Chapman, Edward Hawkins, Paul Ilnicki, Rebecca Jennings-Evans, David Mansfield, Robin Perry, Ian Sams, Conrad Sturt, Pat Tedder, Victoria Wheeler and Valerie White.

Note 5

The recommendation to refuse the application was proposed by Councillor Rebecca Jennings-Evans and seconded by Councillor Valerie White.

Note 6

In accordance with Part 4 Section D paragraph 18 of the Constitution, the voting in relation to this application was as follows:

Voting in favour of the recommendation to refuse the application:

Councillors David Allen, Richard Brooks, Mrs Vivienne Chapman, Edward Hawkins, Paul Ilnicki, Rebecca Jennings-Evans, David Mansfield, Robin Perry, Ian Sams, Conrad Sturt, Pat Tedder, Victoria Wheeler and Valerie White.

54/P Application Number: 15/1100 - Hawk Farm, Church Lane, Bisley, Woking, GU24 9EA

This application was for the retention of two storey rear extension, single storey rear extension to garage and alterations to the garage roof; and, installation of a flue to the main roof at the rear.

The application would normally have been determined under the Council's Scheme of Delegation, however, at the request of Councillor Mansfield it had been called in for determination by the Planning Applications Committee.

Members were advised of the following update:

Correction to paragraph 7.6.1 – The development is not CIL liable. Therefore, delete informative 1 on page 40.

Resolved that application 15/1100 be approved subject to the conditions as set out in the report of the Executive Head – Regulatory.

Note 1

It was noted for the record that Councillor Richard Brooks had been lobbied by the applicants and that Councillor David Mansfield had attended a number of meetings of the Parish Council at which the application had been addressed, but had observed only.

Note 2

The recommendation to approve the application was proposed by Councillor Richard Brooks and seconded by Councillor Conrad Sturt.

Note 3

In accordance with Part 4 Section D paragraph 18 of the Constitution, the voting in relation to this application was as follows:

Voting in favour of the recommendation to approve the application:

Councillors David Allen, Richard Brooks, Mrs Vivienne Chapman, Edward Hawkins, Paul Ilnicki, Rebecca Jennings-Evans, Robin Perry, Ian Sams, Conrad Sturt, Pat Tedder, and Valerie White.

Voting against the recommendation to approve the application:

Councillors David Mansfield and Victoria Wheeler.

55/P Application Number: 77/0405/3 - Hawk Farm, Church Lane, Bisley, Woking GU24 9EA

This application was for the Non Material Amendment to planning permission SU/77/0405 (erection of a nursery manager's dwelling and garage) to allow the repositioning of windows, altered location for the front door and canopy.

This application would normally be determined under the Council's Scheme of Delegation, however, at the request of Councillor Mansfield it has been called in for determination by the Planning Applications Committee.

Resolved that application 77/0405/3 be approved subject to the conditions as set out in the report of the Executive Head – Regulatory.

Note 1

It was noted for the record that Councillor Richard Brooks had been lobbied by the applicants and that Councillor David Mansfield had attended a number of meetings of the Parish Council at which the application had been addressed, but had observed only.

Note 2

The recommendation to approve the application was proposed by Councillor Conrad Sturt and seconded by Councillor Richard Brooks.

Note 3

In accordance with Part 4 Section D paragraph 18 of the Constitution, the voting in relation to this application was as follows:

Voting in favour of the recommendation to approve the application:

Councillors David Allen, Richard Brooks, Mrs Vivienne Chapman, Edward Hawkins, Paul Innicki, Rebecca Jennings-Evans, Robin Perry, Ian Sams, Conrad Sturt, Pat Tedder, and Valerie White.

Voting against the recommendation to approve the application:

Councillors David Mansfield and Victoria Wheeler.

56/P Application Number: 16/0055 - 7 Tekels Way, Camberley GU15 1HX

This application was for erection of a single storey detached building with flat roof in rear garden to be used as an annexe to main dwelling. (Amended plans rec'd 03/03/16).

This application would normally be determined under the Council's Scheme of Delegation, however, at the request of a local ward councillor it has been called in for determination by the Planning Applications Committee.

Members were advised of the following update:

It has been brought to officers' attention that the GIS map on page 59 of the committee papers incorrectly defines the application site and does not extend to its full depth.

*A proposed **amendment to condition 4** is detailed below:*

4. *The development hereby approved shall be occupied only as residential accommodation ancillary to the use of the dwelling currently known as 7 Tekels Way and shall not be used as an independent residential unit or business premises (other than as a home office for the sole use of the occupiers of 7 Tekels Way).*

Reason: To ensure that the dwelling remains in single family occupation and does not give rise to harmful impacts upon the Thames Basin Heaths Special Protection Area, infrastructure, character, amenity or parking provision in accordance with Policies DM9, CP11, CP12 and CP14 of the Surrey Heath Core Strategy and Development Management Policies Document 2012 and the National Planning Policy Framework.

Members expressed concern that the permissions proposed would not sufficiently prevent subletting or subdivision in the future. To further strengthen the conditions recommended by the officers, it was proposed that the following additional conditions be incorporated:

- (i) No subletting or subdivision, with usage limited to those ancillary purposes for 7 Tekels Way only; and
- (ii) Further Class E permitted development rights be removed.

Resolved that application 16/0055 be approved subject to the conditions as set out in the report of the Executive Head – Regulatory, with the inclusion of the following additional conditions:

- (i) No subletting or subdivision, with usage limited to those ancillary purposes for 7 Tekels Way only; and**
- (ii) Further Class E permitted development rights be removed.**

Note 1

It was noted for the record that Councillor Edward Hawkins had been approached concerning the application by residents of adjoining streets.

Note 2

The recommendation to approve the application, as amended, was proposed by Councillor David Allen and seconded by Councillor Richard Brooks.

Note 3

In accordance with Part 4 Section D paragraph 18 of the Constitution, the voting in relation to this application was as follows:

Voting in favour of the recommendation to approve the application:

Councillors David Allen, Richard Brooks, Mrs Vivienne Chapman, Paul Ilnicki, Robin Perry, Ian Sams, Conrad Sturt, and Victoria Wheeler.

Voting against the recommendation to approve the application:

Councillors Edward Hawkins, Rebecca Jennings-Evans, David Mansfield, Pat Tedder and Valerie White.

Chairman

This page is intentionally left blank

**Minutes of a Meeting of the
Performance and Finance Scrutiny
Committee held at Surrey Heath House
on 23 March 2016**

- + 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 Innicki | + 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 Rebecca Jennings-Evans and Cllr Valerie White

In Attendance: Andrew Crawford, Daniel Harrison, Julia Hutley-Savage and Katie Jobling

36/PF Apologies for Absence

Apologies for absence were received from Councillors Dan Adams, Bill Chapman and John Winterton. Councillor Valerie White substituted for Councillor Bill Chapman and Councillor Rebecca Jennings-Evans substituted for Councillor Dan Adams. Councillor John Winterton was fulfilling Mayoralty commitments.

37/PF Chairman's Announcements

The Chairman welcomed Councillor Richard Brooks, the Finance Portfolio Holder and reminded Members of the areas under the remit of his Portfolio. He also welcomed Councillor Paul Deach, Daniel Harrison, the Executive Head of Business, who would respond to Members' queries on follow-up data from the previous meeting and Kelvin Menon, who was attending to assist in consideration of the areas of work covered by the Finance Portfolio.

The Chairman reported on discussions with the Council Leader on the need to focus on the quantitative and qualitative aspects of scrutiny and in particular, ensuring an understanding of the matters to be scrutinised prior to the meeting at which they would be considered. He highlighted, in particular, the following:

- (i) If there were outstanding issues arising from consideration of any items, the Committee should adjourn the meeting to a future date rather than close it;
- (ii) When the Committee identifies an issue to bring to the attention of the Executive, a specific resolution was needed to refer that item;

- (iii) If the Committee wished to consider a matter further, it needed to clearly indicate this at the meeting; and
- (iv) The Committee needed to develop better ways of addressing the issues within its remit.

One way to get a better grasp of the issues facing the Committee would be to establish a confidential Slack Group.

Slack was a group messaging app which operated through mobile phones, tablets and computers. Using a Slack Group would allow Members to discuss, in a closed confidential site, in real time, matters which the Committee was planning to scrutinise, enabling Members to be better informed on what questions to ask, what information to seek and what issues to focus on.

Members would be able to consider matters within the Committee's purview in greater depth, through real time discussion, messaging, participating or just viewing. The data sets to be considered would only be accessible to the Group.

The Group's considerations could inform the Committee's requirements and officers could then be tasked, with a minimum of 2 weeks before the Committee agenda publication date, with producing reports which would assist committee deliberations, inform the work programme and allow proper scrutiny.

The Chairman proposed establishing a Slack Group, including the Council Leader, who had already agreed to join, all Committee Members and Substitutes, plus 2 officers (Committee Legal Representative and Democratic and Electoral Services Officer). The Group would be moderated by the Chairman and Members would be invited to join by the moderator, accessing the Group through their own passworded links.

The Committee would continue to consider matters at the planned meetings, but, through Member participation in the Slack Group, would be better informed and prepared for those discussions and the material presented could be informed by the Group's deliberations, giving the Committee the opportunity to achieve more and give better support to the Executive function.

The Committee noted certain Members' concerns in terms of the setting up of a Slack Group and in more general terms, whether any changes were needed to the Committee's terms of reference.

It was proposed by Councillor Edward Hawkins, seconded by Councillor Wynne Price and

Resolved, that a Task and Finish Group be established to consider the Committee's terms of reference and to draft proposals for any changes, to be referred to the Executive and Council for further consideration.

Note: Councillors David Allen, Edward Hawkins, Rebecca Jennings-Evans, Oliver Lewis, Jonathan Lytle, Alan McClaferty, Max Nelson, Robin Perry, Chris

Pitt, Wynne Price, Darryl Ratiram, Victoria Wheeler and Valerie White voted in favour of the motion. Councillor Paul Ilnicki abstained.

38/PF Minutes

The Committee noted certain Members' concerns in respect of accuracy, what should be included and the emphasis given in Minutes 28 & 29/PF, in particular with respect to the minuting of the Committee position on the responses of the Portfolio Holder during the scrutiny of his portfolio and consideration of the Parking Strategy report.

Resolved, that the minutes of the previous meeting, held on 27 January 2016, be approved.

Note: Councillors David Allen, Edward Hawkins, Oliver Lewis, Jonathan Lytle, Alan McClaferty, Max Nelson, Robin Perry, Wynne Price, Darryl Ratiram and, Victoria Wheeler voted in favour of approval of the minutes. Councillor Paul Ilnicki, Rebecca Jennings-Evans and Valerie White abstained. Councillor Chris Pitt voted against approval.

39/PF Update from the Executive Head of Business

The Executive Head of Business, Daniel Harrison, attended the meeting to provide an update from the previous meeting and to address any questions thereon.

Members thanked Mr Harrison for the comprehensive briefing notes which were circulated prior to the meeting.

In response to a Member query, Mr Harrison reported that an external agency sourced advertising for roundabouts on behalf of the Council. The income generated from 5 roundabouts in the Borough was £7,000 per annum. A report had been considered on the previous evening by the Executive, proposing that this Council take responsibility for all roundabouts and verges in the Borough. This could potentially generate further advertising income.

Resolved, that the update be noted.

40/PF Scrutiny of Portfolio Holders - Finance Portfolio

Councillor Richard Brooks referred Members to the elements of his brief as Finance Portfolio Holder, those being:

- Audit and Investigations;
- Finance;
- Legal Services;
- Procurement; and
- Revenues and Benefits.

In response to Members' questions, the following was highlighted:

- (i) Financial Settlement – The Council was operating in an environment where central funding would continue to reduce until 2020, when there would be a negative grant position. Whilst investment had previously generated funding of £1.5 million, the current level was £200,000.
- (ii) Property – The Council had invested in property with recent purchases of the St Georges Industrial Estate and Ashworth House.

St Georges Industrial Estate - In terms of income, the Industrial Estate would generate rent of approximately £500,000 per annum. Interest on the loan was fixed at 3% over 50 years and would cost £260,000 per annum with management costs at £68,000, leaving an annual return of £174,000 or 2.1%.

Ashworth House - Whilst Members noted issues in relation to BHS renegotiating its rent across all sites, this would not have an immediate impact on Ashworth House, with contingencies in place and development potential in the upper floor.

- (iii) New Homes Bonus – Concern had been expressed on the use of this bonus to underpin Council Tax, particularly since it could cease in 3 years' time. The Portfolio Holder noted that while some Councils used 100% of the Bonus for that purpose, this Council allocated only 50%.
- (iv) Resources - The Council had reduced staff from 280 full time equivalents (FTEs) to 220. A number of services were shared, such as procurement with Woking Borough Council. The Council had already rented part of Surrey Heath House and other resources to organisations including Surrey County Council, Surrey Police, the Surrey Heath Clinical Commissioning Group and Job Centres Plus, part of the Department for Work and Pensions. Other similar opportunities were being explored.
- (v) Savings Targets – The Council continued to achieve its saving targets, year on year, despite reduced central funding and internal resources. The annual budget had been the subject of detailed consideration by a Star Chamber.
- (vi) Corporate Overheads – The Council was controlled by CIPFA regulation on how it covered corporate overheads. Whilst it was not clear what percentage these were of overall expenditure, costs included management, ICT, floor space, the Contact Centre, legal and financial support and democratic and electoral services. The total cost of corporate overheads stood at £4.829 million.

Members sought further clarification on overheads as a percentage of overall expenditure and the basis of the allocation of corporate overheads, noting that the Camberley Theatre and Arena Leisure Centre Working Group had previously expressed concerns at the level of the allocation of overheads to the Theatre.

The Executive Head of Finance had recently completed a review which demonstrated income generated against costs across all services. He agreed to circulate the review outcomes to Committee Members.

- (vii) Benchmarking – The Council had previously had a more formal benchmarking process with other Authorities, but, whilst it was still possible to benchmark in areas such as Treasury Management, different ways of allocating central costs and resource limitations made it difficult to compare like with like.
- (viii) Subsidies – The current subsidy level across all community facilities was £100,000 per annum. The Executive Head of Business was carrying out a review of all subsidies to community facilities. It was vital, given limited resources, that the Council ensured that subsidies gained maximum benefit to the community.
- (ix) Lobbying – The Council had regular meetings with Michael Gove MP and lobbied the Local Government Association and the Department for Communities and Local Government (DCLG). As a result, the DCLG were proposing to use this Council as an exemplar on property purchase and the Government had taken measures to mitigate the impact of cuts in the Settlement allocated to the Borough.

Resolved, that

- (i) The Executive be advised to urgently consider establishing a Task and Finish Group to consider subsidies;**
- (ii) The Executive Head of Finance be asked to circulate to Members the outcomes of his review of the allocation of corporate costs to front facing departments; and**
- (iii) The Executive Head of Business be asked to circulate, when available, the outcomes of his review into subsidies allocated to community organisations.**

41/PF Quarterly Financial Report

The Committee received a report on the position of the Council Finances, as at 31 December 2015, focussing in particular on Revenue, Treasury and Capital.

The Senior Accountant indicated that this report represented the 3rd Quarter position for the Council's finances. After meeting the annual savings target of £250,000, the Council was predicted to end the year £14,000 under budget, which represented just over 0.1% of the overall net revenue budget.

The Council was currently under budget on wages, after the vacancy margin and it was predicted that an underspend of £40,000 would be achieved by year end, with wages being the same, in cash terms as they were ten years ago.

Whilst some departments had predicted that income targets may not be met, these would be offset by reductions and additional income elsewhere.

The Capital spend had been high in 2015/16. Of the total programme of £19.773 million for the year, £17.458 million had been spent to date, of which, almost £17 million had been spent on property acquisition, funded through borrowing from the Public Works Loans Board and/or the Local Enterprise Partnership.

Sundry debts, which included all debts other than those related to benefits, totalled £739,000, an increase of £133,000 on the previous Quarter. £338,000 of this debt related to quarterly rents due.

At £611,000, Housing Benefits debt was down £32,000 on the previous Quarter.

Members sought clarification on the following:

- (i) Although the Council had over-achieved against overall savings targets and whilst recognising that some variances will be cyclical, Members queried why there continued to be large variances against financial targets?
- (ii) Whilst the report indicated that savings of £250,000 had been achieved, the tables reported an adverse outcome of £246,000 on corporate savings. Was this adverse because the savings were in addition to those targeted or not achieved?
- (iii) There was a large increase reported in debtors, but no guidance on whether this was a positive or negative outcome;
- (iv) 90% of Council staff were at the top of their grades. Why was this?
- (v) When did the Council previously carry out a skills, capability and capacity review?
- (vi) In terms of capital loans, what rate of interest did the Council pay and over what period?

The Committee noted that staffing was under constant review, particularly in relation to comparisons with other authorities and the possibility of sharing staff with other Councils. It was noted that, in the past 10 years, the number of support staff had been reduced as technology improved, but there continued to be areas of Council work, notably in Planning, where recruiting difficulties were experienced.

Resolved, that

- (i) **the Executive Head of Finance be asked to provide more qualitative data on**
 - **Large variances against individual savings targets;**
 - **The current level of debtors in comparison to previous years; and**

- **The interest rates on capital loans.**
- (ii) **The Executive Head of Transformation be asked to provide explanations on:**
- **The current position where 90% of staff were on the top increment of their grades;**
 - **When the Council last carried out a skills, capability and capacity review.**

42/PF Regulation of Investigatory Powers Act 2000 - Annual Report on Authorisations

The Committee noted that, during the municipal year 2015/16, there had been no authorisations, reviews or renewals under RIPA for the carrying out of direct surveillance. Members highlighted other options that would negate the need for RIPA authorisations, including magistrates' orders, noting that the council had yet to use RIPA since it had been in place.

Noted, that there were no authorisations for directed surveillance granted during the 2015/16 municipal year.

43/PF Work Programme

The Democratic and Electoral 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.

The Committee noted that meetings had been scheduled for:

15 June 2016;
28 September 2016;
7 December 2016; and
22 March 2017.

It was recognised that, in the run-up to the European Union Referendum, in addition to staff being diverted to electoral processes, the Council Chamber would be utilised for Postal Vote processes. As such, it was proposed that the meeting scheduled for 15 June be postponed to 6 July 2016. It was also noted that Surrey County Council elections would be held in May 2017 and that the timetable of meetings should reflect the commitment of Council officers and other resources to that election process.

The Committee agreed, in principle, to a work programme based on the previous year, subject to more detailed consideration through the Slack Group and confirmation at the first meeting of the new municipal year.

Resolved, that

- (i) **The Committee meeting scheduled for 15 June 2016 be re-arranged to 6 July 2016; and**
- (ii) **The Committee Work Programme for the municipal year 2016/17, listed below, be agreed in principle, subject to confirmation at the Committee's 6 July 2016 meeting.**

DATE	TOPIC	OFFICER
6 July 2016		
1	Scrutiny of Portfolio Holders	Andrew Crawford
2	End of Year Performance – 2015/16	Sarah Groom
3	Update on Work of Housing Team	Clive Jinman
4	Progress on Surrey Heath Partnership Projects	Sarah Groom
5	Expenditure on Professional Advisors	Kelvin Menon
6	Task and Finish Groups	Lead Officer
7	Committee Work Programme	Andrew Crawford
28 September 2016		
1	Scrutiny of Portfolio Holders	Andrew Crawford
2	Review of Reserves and Provisions	Kelvin Menon
3	Update on Emergency Planning and Business Continuity	Tim Pashen
4	Update on the Joint Waste contract	Tim Pashen
5	Update on Independent Living	Tim Pashen
6	Air Quality Monitoring	James Robinson
7	Task and Finish Groups	
8	Annual Report on the Treasury Management	Kelvin Menon
9	Committee Work Programme	Andrew Crawford
7 December 2016		
1	Scrutiny of Portfolio Holders	Andrew Crawford
2	Half Year Treasury Management Report	Kelvin Menon
3	Half Year Finance Report	Kelvin Menon

- | | | |
|---|---|---------------------------|
| 4 | Report on Equalities | Belinda Tam & Sarah Groom |
| 5 | Report on Complaints and Report of the Local Government Ombudsman | Lyn Smith |
| 6 | Task and Finish Groups | Lead Officer |
| 7 | Committee Work Programme | Andrew Crawford |

22 March 2017

- | | | |
|---|----------------------------------|---------------------|
| 1 | Scrutiny of Portfolio Holders | Andrew Crawford |
| 2 | Third Quarter Finance Report | Kelvin Menon |
| 3 | Corporate Risk | Kelvin Menon |
| 4 | RIPA | Julia Hutley-Savage |
| 5 | Task and Finish Groups | Lead Officer |
| 6 | Committee Work Programme 2014/15 | Andrew Crawford |

44/PF Exclusion of the 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 1 of Schedule 12A of the Act as set out below:

Minute Paragraph(s)

46/PF 3

Note: Minute 48/PF is a summary of matters considered in Part II of the agenda, the minutes of which it is considered should remain confidential at the present time.

Councillor Wynne Price (Vice-Chairman) in the Chair

45/PF Exempt Minutes

The exempt minutes of the previous meeting, held on 27 January 2016, were approved and signed by the Chairman.

46/PF Task and Finish Groups

The Committee received a briefing on work to date by the Task and Finish Group and agreed that the group should continue its investigations and report back to the next meeting.

47/PF Review of Exempt Items

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

RESOLVED that Minutes 34/PF and 48/PF remain exempt for the present time.

Chairman

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

Minutes of a Meeting of the Audit and Standards Committee held at Council Chamber, Surrey Heath House on 31 March 2016

+ Cllr Valerie White (Chairman)
+ Cllr Paul Innicki (Vice Chairman)

+ Cllr Rodney Bates
- Cllr Edward Hawkins
+ Cllr David Lewis

+ Cllr Jonathan Lytle
- Cllr Bruce Mansell

+ Present
- Apologies for absence presented

Substitutes: Cllr Ian Sams (representing Cllr Mansell)

In Attendance: Sheena Adrian, Charlotte Goodrich, Neil Hewitson, Karen Limmer, Kelvin Menon, Alex Middleton, Sarah Parmenter and Karen Whelan

12 Minutes

RESOLVED that the minutes of the Audit and Standards Committee meeting be approved as a correct record and signed by the Chairman.

13 Declarations of Interest

There were no declarations of interest.

14 Annual Plan 2016/17

The Committee considered a report setting out the proposed Internal Audit Annual Plan for 2016/17.

The Plan set out the proposed work programme for Surrey Heath's internal audit function for the 2016/17 financial year. The plan had been based on the Internal Audit Strategic Three Year Plan and contained a combination of cyclical annual reviews as well as one off pieces of work and reviews scheduled on a three yearly cyclical basis. The plan was considered flexible enough to meet the ongoing needs of the Council and covered a wide range of services. Progress against the Plan would be reviewed regularly to ensure that it remained achievable. It had been estimated that two full-time auditors would require 522 days to deliver the proposed plan.

Additional resources had been identified to supplement the Internal Audit Team, which was currently working at half strength due to long term staff absence. The additional resource had worked for the Council previously and would take up the post in September/October.

RESOLVED that the 2016-17 Internal Audit Annual Plan be approved.

15 Peer Review

The Committee was given an update in respect of the Local Government Association (LGA) Corporate Peer Challenge which the Council had undertaken in October 2014.

The 2014 Peer Challenge had identified 15 recommendations for the Council and the progress made towards achieving these had been reviewed by an LGA follow up visit in December 2015. The Review Team commended the work of the Council to implement the recommendations identified in 2014 and noted in particular the enthusiasm with which Council staff had engaged with the process. Particular areas of note for the Review Team included: the development of the Wider Management Team and the investment that staff had in the organisation, the development of a revised Town Centre Plan and the development of a strategic approach to property acquisition through the Council's Investment Strategy.

The Committee stressed that recommendations to develop an effective Overview and Scrutiny function and to increase the community leadership function of councillors were ones that could only be taken forward by members. It was therefore essential that all members were encouraged to develop these areas.

The Committee noted the update.

16 Corporate Risk

The Committee considered a report setting out the Council's Corporate Risk Register.

The Corporate Risk Register identified the main high level risks faced by the Council in relation to achieving its objectives and priorities and any mitigating actions that were being taken to control these risks. The register was reviewed and updated on an annual basis.

In relation to identified risk 8, TEEP, the Committee was informed that investigations by the Surrey Waste Partnership had found that the Council's approach to collecting co-mingled recyclates was an appropriate approach that was both TEEP compliant and ensured that value for money was achieved. This work was now being used across the County by other authorities to support their continuance of co-mingled recyclates collections. It was stressed that whilst Surrey Heath Borough Council had responsibility for waste collection responsibility for waste disposal in Surrey lay with the County Council. Consequently it was the County Council who carried any risk associated with changes in commodity prices.

RESOLVED that:

- i. The Corporate Risk Register be approved
- ii. No further mitigation actions be recommended
- iii. The Corporate Risk Register is reviewed by the Audit and Standards Committee in twelve months time.

17 Certification Of Claims and Returns - Annual Report 2014/15

The Committee received a report setting out the outcomes of an external audit of the Council's certification of claims and returns for Housing Benefit during 2014/15.

The Council paid out approximately £20million in Housing Benefits each year and auditing of these accounts was required to ensure that the amounts paid out matched the amounts claimed and that the Council was complying with all the relevant regulations. It was reported that KPMG had issued an unqualified report for the audit.

The Committee noted the report.

18 Update on Financial Statements

Charlotte Goodrich and Neil Hewitson, KPMG, attended the meeting to present the Annual External Audit Report for 2015/16. The report summarised the key findings arising from an audit of the Council's 2014/15 financial statements and a Value for Money judgment on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.

It was reported that, although filing deadlines had been missed, KPMG had issued a clean audit statement on the Council's 2014/15 Financial Statements. The Auditors concluded that whilst the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources and to ensure financial resilience in 2014/15 there had been concerns about the capacity of the Finance Team and the application of core financial controls which had impacted on the Council's financial control and efficiency and productivity during the 2014/15 financial year. Consequently a Qualified (Except for) conclusion in relation to the Council's ability to secure Value for Money was issued.

It was recognised that the introduction of a new financial ledger system on 1 April 2014 had been a challenge for the Council and had had a detrimental impact on the consistency with which financial controls were applied in-year and meant that the monitoring of actual expenditure against budgets did not take place as regularly as it should have done during 2014/15. A number of key recommendations had been identified as a result of the audit and it was expected that addressing these would ensure that future audits had more positive outcomes.

The Auditors thanked all members of staff involved in the audit for their hard work and assistance.

Arising from the Committee's questions and comments the following points were noted:

- Officers had found the new financial ledger system to be much more user friendly than the previous one, which had been over twenty years old, and its structure meant that reporting was now much more streamlined than in the past.

- Many of the issues identified by the audit related to technical matters rather than to the way that money was being handled. In addition, many of the matters that had been scrutinised by the audit had never been subjected to an audit and this had highlighted a significant number of matters that had required addressing.
- Although the deadline for filing the Council's 2014/15 Financial Statements had been missed no penalties could be levied against the Council however it was not considered good practice to miss the filing deadlines.

The Executive Head of Finance acknowledged that the limited resources available had impacted on the implementation of the new financial ledger system and that this had caused negative consequences for the Council. Additional resources had been engaged to assist with the year-end processes and the situation would be reviewed in May 2016. If this review identified the need for ongoing additional resources then these would be identified.

The Committee thanked all those who had been involved in implementing the new financial ledger system and the audit for their work.

RESOLVED that:

- i. the Executive Head of Finance be authorised to sign the Letter of Representation on behalf of the Council
- ii. the audited financial statements for 2014/15 be received
- iii. the financial statements be approved by the Chairman of the Audit and Standards Committee on behalf of the Council

19 Statement of Accounts 2015-16

The Committee received a report providing an update on the work taking place to ensure that the 2015/16 Statement of Accounts is compliant with statutory requirements.

The Committee was informed that although the public had the right to inspect the Council's Statement of Accounts for 30 days before they were signed off the majority of public enquiries on the Accounts were now received via Freedom of Information requests and it was rare for the public to exercise this right.

The Committee noted the report.

Chairman