

**Minutes of a Meeting of the Executive
held at Surrey Heath House on 7
November 2017**

+ Cllr Moira Gibson (Chairman)

+ Cllr Richard Brooks	+ Cllr Josephine Hawkins
+ Cllr Mrs Vivienne Chapman	+ Cllr Alan McClafferty
- Cllr Colin Dougan	+ Cllr Charlotte Morley
+ Cllr Craig Fennell	

+ Present

- Apologies for absence presented

In Attendance: Cllr Bill Chapman, Cllr Robin Perry and Cllr Chris Pitt

55/E Minutes

The minutes of the meeting held on 3 October 2017 were confirmed and signed by the Chairman.

56/E Mid-Year Performance Report

The Executive reviewed a report which summarised the performance of the Council for the first 6 months of the year against the corporate objectives, priorities and success measures laid out in the Annual Plan for 2017/2018. The Executive commented favourably on the positive performance of the Council and on the excellence of the Annual Plan itself.

RESOLVED to note the 2017/2018 Mid-Year Report.

57/E Allotment Sand and Gravel Charity – Funding Request – Playground at Princess Royal Barracks, Alma Gardens, Deepcut

The Executive was informed that an application had been made to the Allotments Sand and Gravel Charity by Princess Royal Barracks, Deepcut for a grant of £30,051 towards the cost of a new community playground at Alma Gardens, Deepcut.

Members were reminded that the Allotment Sand and Gravel Charity had been established following the sale of a piece of land for £100,000 and was administered by the Council as the Trustee. The terms of the Charity Scheme required that the capital received from the sale of the land must be retained. However the Council had previously agreed that any interest received should be allocated.

The application met the terms of the Charity in that the site was within the previous Urban District of Frimley and Camberley and related to public open spaces and recreation grounds.

Whilst the application had been endorsed and supported by the Surrey Heath Military Covenant Group, it was noted that the facilities would be used by both civilian and military young people.

The total project cost was £84,000. To date £53,949 had been raised from the Military Covenant Grant Scheme and a Defence Infrastructure Organisation contribution. The new facilities were expected to last for 30 years and a commitment had been given by the Defence Infrastructure Organisation to provide the ongoing maintenance.

RECOMMENDED to Full Council that

- (i) a grant be made from the Allotment Sand and Gravel Charity (No 252731) in the sum of £30,051 to the Princess Royal Barracks to provide a new playground; and**
- (ii) the Chief Executive be authorised to allocate funding relating to this project.**

58/E Response to the DCLG consultation on Planning for the Right Homes in the Right Places

The Department of Communities and Local Government (DCLG) had issued for consultation a document 'Planning for the right homes in the right places'. This document included proposals which impacted on the Borough. These were:

- a standard method for calculating local authorities' housing need;
- a statement of common ground to improve how local authorities worked together to meet housing and other needs across boundaries;
- making the use of viability assessments simpler, quicker and more transparent; and
- increasing planning application fees in those areas where local planning authorities were delivering the homes their communities needed.

RESOLVED to agree the response to the DCLG consultation on Planning for the Right Homes in the Right Places, as set out at Appendix 1 of the agenda report.

59/E Annual Report on the Treasury Management Service and Actual Prudential Indicators for 2016/17

The Executive received the annual report summarising treasury management performance during 2016/17 and demonstrating compliance with the Prudential Indicators.

Members were reminded that the Council was heavily dependent on investment income to support its current revenue expenditure. Although treasury income returns had decreased slightly in 2016/17, this had been against a backdrop of a continuing low interest rate environment nationally coupled with the redemption of investments to repay borrowing.

On the advice of the Council's Treasury advisors the Council, in order to take advantage of low interest rates, had continued to borrow short term from other public bodies rather than longer term from the Public Works Loans Board (PWLB). The Council's advisors had indicated that although interest rates were unlikely to increase significantly within the next 2 years, the Council should seek to fix for the longer term so to minimise interest rate risk.

Although the PWLB offered easy access to funds it did not necessarily offer the lowest rates for longer term borrowing and rates could only be fixed on the day they were borrowed. The Council had been advised that potentially the market was able to offer better rates as local authorities were viewed favourably and that they were in the market to offer a fixed rate borrowing option for a time in the future. This would mean that the Council would be able to continue to take advantage of low short term rates but be able to minimise the risk of rate rises in the future. Although going to market would have an initial cost this would be more than recovered in interest savings over the life of the loan. It was therefore proposed that treasury consultants be engaged to go to market and that the costs involved be met savings.

RESOLVED

- (i) to note the report on Treasury Management including compliance with the 2016/17 Prudential Indicators; and**
- (ii) that Treasury Consultants be appointed by the Executive Head of Finance in consultation with the Chief Executive to negotiate borrowing opportunities with other providers with the cost being funded from interest savings.**

RECOMMENDED to Full Council that compliance with the Prudential Indicators for 2016/17 be noted.

60/E 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 1 of Schedule 12A of the Act as set out below:

Minute	Paragraph(s)
61/E	3
62/E	3

61/E Performance of the Major Property Acquisitions

Members received a report on the performance of the Council's major property acquisitions.

In relation to The Square and associated town centre properties, the quarterly report received for the period from April to June 2017 had shown that gross rents were ahead of budget and that this was likely to continue for the remainder of the

year. The Centre had been rebranded in September and as at 30th June, the vacancy rate had been just under 5%, with almost 99% of rent due being collected.

The Council's Land and Property Board had reviewed the position for redevelopment of the London Road Block in current market conditions and a report with proposals for its redevelopment would be presented to a future meeting of the Executive.

The Development Agreement in relation to Ashwood House and Pembroke House had now been exchanged. By comparison with the agreed business case for this investment, the capital receipt received was more than the original estimate due to the fact that the final design now included additional flats. In addition to this capital receipt, the Council would also receive a contribution towards the planning costs and a projected CIL payment towards SANGS provision. Whilst there were further financial commitments for the Council in respect of Public Realm works and the removal of the ramp from the car park, these would be funded out of the proceeds of sale.

In the 6 months to 30th September, the rent income for St Georges Industrial Estate had exceeded the budget. As at the end of September, the estate had been 95% full and the Council's agents were working on letting the empty units. In the same period, the rent income for Albany Park had also exceeded the budget and the estate was now 100% occupied.

The Executive was advised that 2 other recent potential acquisitions had not proceeded. It was the nature of property investment that not every property investigated would be purchased as it was necessary to ensure that only those investments which represent good value and a low investment risk were eventually purchased.

The Council was working with agents to investigate other potential acquisitions within the Council's economic area to support regeneration and financial returns.

RESOLVED to note the performance of major property acquisitions.

62/E Review of Exempt Items

The Executive reviewed the reports 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 the report at Agenda Item 10 – Performance of the Major Property Acquisitions remain exempt but that Minute 61/C be made public.

Chairman