

Nolan Principles of Public Life:**Selflessness / Integrity / Objectivity / Accountability / Openness / Honesty / Leadership**

To: MEMBERS OF THE STRATEGY & RESOURCES COMMITTEE
Councillors Elias (Chair), M.Cooper (Vice-Chair), Botten (Vice-Chair), Bourne, Caulcott, Davies, Duck, Langton, Lee, Milton, Pursehouse and Sayer

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01883 722000

Substitute Councillors: Jones and Jecks

C.C. All Other Members of the Council

16 November 2020

Dear Sir/Madam

**STRATEGY & RESOURCES COMMITTEE
TUESDAY, 24TH NOVEMBER, 2020 AT 7.30 PM**

The agenda for this meeting of the Committee to be hosted from the Council Offices via Zoom is set out below. If a member of the Committee is unable to attend the meeting, please notify officers accordingly.

Should members require clarification about any item of business, they are urged to contact officers before the meeting. In this respect, reports contain authors' names and contact details.

If a Member of the Council, not being a member of the Committee, proposes to attend the meeting, please let the officers know by no later than noon on the day of the meeting.

Yours faithfully,



Jackie King
Acting Chief Executive

AGENDA**1. Minutes of the meeting held on the 8th October 2020 (Pages 5 - 12)**

To confirm as a correct record

2. Apologies for Absence (if any)**3. Declarations of Interest**

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- (i) any Disclosable Pecuniary Interests (DPIs) and / or
- (ii) other interests arising under the Code of Conduct

in respect of any item(s) of business being considered at the meeting. Anyone with a DPI must, unless a dispensation has been granted, withdraw from the meeting during consideration of the relevant item of business. If in doubt, advice should be sought from the Monitoring Officer or his staff prior to the meeting.

- 4. To deal with questions submitted under Standing Order 30**
- 5. Corporate Improvement Plan update (Pages 13 - 38)**
- 6. Q2 corporate performance and risk report (Pages 39 - 50)**
- 7. Finance report - period 6 (Pages 51 - 80)**
- 8. Flexible use of capital receipts (Pages 81 - 86)**
- 9. Corporate Debt Policy (Pages 87 - 100)**
- 10. Climate Change Action Plan Report (Pages 101 - 116)**
- 11. Feedback from the Task and Finish Group on Committee reports (Pages 117 - 120)**
- 12. Discretionary Test and Trace Grant - adoption of policy (Pages 121 - 138)**
- 13. Investment Sub-Committee - 23 October 2020 (Pages 139 - 146)**

To receive the minutes of the Sub-Committee's meeting on the 23rd October 2020.
- 14. Chief Officer Sub Committee - 22 October and 13 November 2020 (Pages 147 - 150)**

To receive the minutes of the Sub-Committee's meetings on the 22nd October and 13th November 2020.
- 15. Appointment of Electoral Registration Officer and Returning Officer (Pages 151 - 154)**
- 16. CIL spending review and funding statement (Pages 155 - 174)**
- 17. Any other business which, in the opinion of the Chair, should be considered as a matter of urgency**
- 18. Motion to move into Part 2**

R E S O L V E D – that members of the press and public be excluded from the meeting for the following items of business under Section 100A (4) of the Local Government Act 1972 (as amended) on the grounds that:

- (i) they involve the likely disclosure of exempt information as defined in the paragraphs detailed below of Part 1 of Schedule 12A of the Act; and
- (ii) for the items the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Item Nos.	Nature of Exempt Information
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19 & 20 Paragraph 3 (“*Information relating to the financial or business affairs of any particular person (including the authority holding that information”*)).

19. **CIL bid- Grange Meadow** (Pages 175 - 178)
20. **Freedom Leisure - verbal update**

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TANDRIDGE DISTRICT COUNCIL STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 8th October 2020 at 4.00pm via Zoom.

PRESENT: Councillors Elias (Chair), M.Cooper (Vice-Chair), Botten (Vice-Chair), Caulcott (Minute 151 only), Davies, Duck, Langton, Lee, Pursehouse, Sayer, Bloore (in place of Milton), Jones (in place of Caulcott) and Lockwood (in place of Bourne for Minute 151 only)

ALSO PRESENT: Councillors Allen, Connolly, Farr, Fitzgerald, Mills, Morrow, N.White, Orrick, Parker and Wren

APOLOGIES FOR ABSENCE: Councillor Bourne and Milton

147. MINUTES OF THE MEETING HELD ON THE 22ND SEPTEMBER 2020

The minutes of the meeting held on the 22nd September 2020 were agreed.

148. DECLARATIONS OF INTEREST

The following Councillors declared non-pecuniary interests in minute 143 below.

- Councillor Cooper (wife is current member of Freedom Leisure)
- Councillor Bloore (current member of Freedom Leisure)
- Councillor Morrow (current member of Freedom Leisure)

149. TO DEAL WITH ANY QUESTIONS SUBMITTED UNDER STANDING ORDER 30

Six questions had been submitted. Five from members of the public and one from Councillor M. Cooper.

Question from Dawn Dawkes

The following question was read out behalf of Dawn Dawkes (she was unable to attend the meeting).

"Please can you tell me when the pool at village health club, Caterham will be open? It had been a godsend for my mental health and physical exercise the last 2 years. I suffer from Achilles tendinitis and calf problems and cannot do a lot of the exercise classes or use the gym, so I used the pool for swimming probably 4 to 5 days a week. I am a fully paid up Premier member, and although I see that De Stafford is opening the timings before 8:30 am and after 7 pm are not suitable for myself or a lot of people."

A lot of people are suffering from mental health because of the virus and are really needing a 'get away', and this getaway is a little swim for some!!'

Paul Smith, the Interim Transformation Lead, responded (at the request of the Chairman) as follows:

"The Leisure provider Freedom Leisure has taken the decision to not reopen the Village Health Club. Information provided from Freedom Leisure indicates that this is due to the size of the facilities and that usage would be significantly limited due to social distancing thus making it unprofitable at this stage.

The deStafford facility is not owned by Tandridge District Council and any facilities provision is a matter between Freedom Leisure and DeStafford School."

Question from Chris Shortman

The following question was read out behalf of Chris Shortman (he was unable to attend the meeting).

"How is it that the [Oxted] pool can reopen for swimming lessons yet remain closed to adult swimmers. If the pool is being heated it must be suitable for Lane swimming as well. I have the following questions:

- figures of c £500k are being put forward as required by Freedom Leisure to reopen the pool. Given the above statement if correct, how can that be justified and as this is a Tandridge community pool run by Freedom Leisure, what steps have TDC taken to verify these requirements?

- given that swimming plays an important part in the fitness of many individuals, both mentally and physically, how can TDC justify granting Master Park £500k for a future project that may benefit a few when there is an immediate need now to resolve COVID 19 issues?

-how is it that Freedom Leisure can offer more swimming lessons as per their Facebook page but not open the pool to adults. Are they serving the community they manage the pool for and what are TDC going to do about getting the balance right?"

Paul Smith, the Interim Transformation Lead, responded (at the request of the Chairman) as follows:

"Information from Freedom Leisure indicates that the cost of extending the pool facilities would be increased and would not at this point be financially viable. This is a business decision taken by Freedom Leisure.

This evening Members will consider what financial support can be reasonably given to Freedom Leisure. Details of the breakdown of the requested financial package will be presented to Members to enable their deliberations.

The funding for the Pavilion at Master Park has not been made from the Council's general revenue budget but from the Community Infrastructure Levy (CIL). This money is ring fenced for infrastructure projects that benefit the community and is raised from a levy on developers. There are strict government regulations on how this is both raised and spent."

Question from Bob Dalziel

The following question was read out on behalf of Bob Dalziel (as he was unable to join the meeting)

"I am a long time member of Tandridge Leisure Pool and usually swim approximately 10k per week at Tandridge Leisure Pool. I am currently a member of Edenbridge Leisure and manage to swim some 7k per week at Edenbridge and am considering joining Edenbridge Piranhas. Please could you explain how it is financially viable for the pool to be heated and cleaned in order for swimming lessons to take place, whilst not viable for lane swimming for members? If the Tandridge Leisure Pool has not been opened for covid -19 safety reasons, please can you explain the significant differences between De Stafford (and Edenbridge for that matter) and Tandridge pool arrangements that prevent Tandridge pool from opening for lane swimming?"

"May I also take this opportunity to point out that my young Grandchildren are deprived of their swimming development which was going well prior to lock down. Please could you explain how young children are going to recover the critical lost weeks of experiencing the swimming pool? If the Tandridge pool is not to open now, what needs to change prior to it opening (or is it closed indefinitely)?"

Paul Smith, the Interim Transformation Lead, responded to the question (at the request of the Chairman) as follows:

"My response to the previous question sets out the response from Freedom Leisure with regards to the extended us of the Pool.

This evening, this Committee will be asked to consider a financial package of support for Freedom Leisure. I would however point out that operational decisions on opening of facilities remain with Freedom Leisure."

Question from Martin Caxton

The following question was read out on behalf of Martin Caxton (as he was unable to join the meeting)

"Please can you tell me why the Oxted leisure centre has not fully opened?

We have a virus that principally threatens the elderly and we should do everything that is possible to protect them. However, there is a long list of other diseases and afflictions that are all queuing up to kill us and we can't just focus on a single one. The leisure centre is important to maintain the health of the community. Healthy people are more likely to fight off this virus than the unhealthy, so it is important that the leisure centre is functioning properly. I would suggest that the swimming needs to be re-opened as soon as possible. I also suggest that the heating and air conditioning needs to be re-instated so that people are not working out in the cold."

Paul Smith, the Interim Transformation Lead, responded to the question (at the request of the Chairman) as follows:

"In March 2020 the Government required that all Leisure centres be closed due to the COVID-19 pandemic. In late July, centres were allowed to reopen but with substantial restrictions regarding social distancing. Many providers have taken a business decision not to reopen in these circumstances as they would in effect be running at a significant loss.

Those companies who provide facilities on behalf of Councils have approached Local Authorities for financial support. This evening this committee will consider what support can be given.

It should however, be borne in mind that all Councils have financial challenges of their own because of COVID and the money that has been spent as well as loss of income means that Councils have limited resources."

Question from Fiona Mcnicol

The following question was read out on behalf of Fiona Mcnicol (as she was unable to join the meeting)

"I have been a supporter and member of Tandridge pool since it opened. Before I retired, I swam every day before commuting to London. Latterly, I've continued to swim daily at a more leisurely pace. The early morning swimmers are a community that support and encourage each other. Many of the swimmers are able to walk to the pool or hop on a bus or train, they don't have to drive as the pool is central to the town. Hence, the pool is popular and well supported.

I believe it would be a great loss to not reopen the pool to general swimmers. I don't understand how it can be financially viable to heat the pool for swimming lessons and not use it for the remainder of the day and evening.

Please explain your reasons for being the only council that has not reopened their swimming pool."

Paul Smith, the Interim Transformation Lead, responded to the question (at the request of the Chairman) as follows:

"Tandridge is not the only Council in the Country, nor indeed the County that has not as yet, provided financial support to the leisure provider. Many councils are needing to weigh up the financial challenges that COVID has bought and balance the need to provide statutory services against the wish to help leisure centre providers. This evening this committee is being asked to decide on what support it can give to Freedom Leisure to assist them."

Question from Councillor M. Cooper

Councillor M. Cooper read out his question

"In answer to Cllr Connolly's question at the last Strategy and Resources meeting held on the 22 September "I am getting very concerned about the amount of officer time and thus taxpayers money being spent on internal procedures." The answer put forward by the officer was "Calculating officer time on this work will in itself will be an exercise which will not add value and take the council forward."

From this statement it is abundantly clear that this council has absolutely no understanding of what we did actually cost the taxpayer. Was the cost of the internal procedures work £10,000 or £100,000 or perhaps many hundreds of thousands of pounds. Apparently, we have no idea! Whilst a council with endless resources may live with this we all know that TDC is in straightened times and that we must husband all of our resources to best effect. Vanity projects and endless rewriting of council procedures cannot be a priority, especially at this time. The intended work on climate change is not Business As Usual and whilst councillors will be asked to agree what we want to see carried out, there will be a series of projects, some of which may be very expensive, which councillors will be asked to approve. How can councillors make good decisions on this area without proper information?

Whilst we can budget for Business As Usual work based on previous years activities, I feel it is vital that before councillors are asked to agree any new project that i) we need to precisely define what we intend to achieve, ii) we need a proper plan with full definition of resources and timescales and iii) a cost/benefit analysis. How else can councillors take properly considered decisions without such information?

Secondly, lately we have seen a much better statement of the council's financial position. It is a difficult one! In future we must be able to monitor the progress and cost of any particular project, ideally on a month by month basis to match the much improved provision of financial information, otherwise how can councillors make decisions on whether particular projects should be paused or even stopped if financial considerations require action?"

Paul Smith, the Interim Transformation Lead, responded to the question (at the request of the Chairman) as follows:

"Good governance is there to ensure that the Council acts lawfully and with probity. Governance is by its nature Business as Usual.

When the Council moved into a position of no overall control it became necessary to review its approaches to governance to otherwise risk the Council being unable to make decisions and thus having an element of paralysis.

Events that took place in 2019 also called into question the effectiveness of Governance within the council at all levels and it was necessary to seek a review of governance which was commissioned with member approval. The outcome of this review by the Centre for Public Scrutiny was that a number of changes needed to be made to ensure safe and proper governance. This has been the focus of the internal work. The majority of this work has been carried out by existing employed officers and therefore the cost has been an opportunity cost whilst officers have been doing this and de prioritising other work.

It is fair to say that aside from the mechanics of the necessary governance changes it has been necessary to effect cultural changes amongst officers and members to enable these new ways of working. This is still a work in progress and members will be aware of the challenges.

With regards to climate change, the Council declared a Climate Emergency in February 2020 and therefore action plans which are bought to committee are necessary to support this policy.

The Council is in a challenging financial position and one where some very difficult decisions will need to be made. In order to make these decisions members will always be presented with the full financial implications. Furthermore, under the new approaches for budget monitoring members will be receiving meaningful and regular information."

Councillor M. Cooper asked the following supplementary question.

Climate Change will bring forward new things, that's fine, will we have full financial statements about any of these individual items that are brought forward so that councillors can understand what they're going to cost, what they're going to do, and what they're going to achieve? Because without that, we're wasting our time really. Potentially, we're spending money on anything."

Councillor Elias responded to the supplementary question.

"I assume that we keep tabs on the cost of new projects anyway and the decision to declare a Climate Emergency was unanimous by this council or almost unanimous last February so it's something that is now imbedded in all our committee reports as members will have noted. Quite often it's a question of just bringing it to the public's attention- things that we are doing already. For example, in the newbuild council housing programme we automatically take into account the latest techniques that save energy and so on. Although we were a bit late for Bronzeoak which was pointed out recently because these projects have such a long lead time. It is something that is very much or uppermost on our mind and it's often not something that will involve actual extra expenditure. It's just a question of tweaking what we're doing already but then there may be instances where we may have to spend money. In which case, I'm sure it will be brought to committee in the normal way as part of our scrutiny of such projects."

150. STREAMLINING THE PROCESS FOR APPROVING THE COUNCIL'S ANNUAL STATEMENT OF ACCOUNTS

A report was presented to the Committee regarding streamlining the process for approving the Council's annual statement of accounts. It highlighted that in previous years, two committees had been involved in the process for considering the Council's final accounts for preceding year and the associated external audit. This had involved two meetings (one for Strategy & Resources and another for Overview & Scrutiny) often in the same week leading up to the statutory deadline for publishing the approved accounts with a duplication of reports. Officers had identified a need to eliminate the duplication by enabling the process to be dealt with exclusively by the Audit & Scrutiny Committee.

RECOMMENDED – that the following delegated powers 'to resolve' be transferred from the Strategy & Resources Committee to the Audit & Scrutiny Committee:

- approval of the Council's annual statements of accounts; and
- issues arising out of the financial audit of the accounts.

151. FREEDOM LEISURE - FINANCIAL SUPPORT THROUGH THE COVID 19 EMERGENCY

The Committee had resolved to move into confidential session for this item in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

RECOMMENDED – that

- A. senior officers enter into negotiations with freedom leisure with the aim of securing the future of leisure facilities in the district whilst cognisant of the financial situation of the Council;
- B. responsibility be delegated to the Chairman of this committee and the group leaders to agree a package not exceeding the equivalent of 12 months' rent (*see note below*);
- C. any financial support to be conditional on the immediate full re-opening of the Tandridge Leisure Centre swimming pool, in alignment with government guidelines; and
- D. written reports on the progress of negotiations be provided to this Committee on a regular basis.

NOTE: at the Full Council meeting on 22nd October 2020, recommendation B above was amended as follows:

"responsibility be delegated to the Chairman of this committee and the group leaders Interim Chief Finance Officer & Section 151 Officer, in consultation with the Chairman of this committee and the group leaders, to agree a package not exceeding the equivalent of 12 months' rent."

Rising 6.50 pm

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Strategy & Resources Committee Tuesday, 24 November 2020

Corporate Improvement Plan update

Report of:	Paul Smith Interim Transformation Lead PSmith@tandridge.gov.uk –
ELT Lead	Jackie King Acting Chief Executive jking@tandridge.gov.uk
Publication status:	Open
Wards affected:	All
Recommendations:	That the Committee note the progress made to date.
Appendices:	Appendix A – summary of progress
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Background

- 1.1 At its meeting on 9th July 2020 this Committee approved a Corporate Improvement Plan. This set out a number of measures necessary to take the Council forward particularly in the light of the COVID emergency.
- 1.2 Subsequently on 28th July this Committee also approved a Strategic Plan for the District. This set out the overall programme for the Council until 2023. An update on progress made on the Improvement Plan ('the Plan') will be submitted to this Committee in March 2021.

2. Progress to date

- 2.1 Members will be aware that much of the progress on the Plan had been delayed due to the need to focus on the Council's response to the COVID emergency.
- 2.2 Although the emergency is still very much ongoing, it has now been possible to progress many of the actions set out in the Plan. Appendix A sets out a summary of progress.

3 Key Achievements

- 3.1 Although the appendix sets out progress on the Plan as a whole it is worth drawing Members attention to some of the key achievements:

Governance

- 3.2 Following the independent report by the Centre for Public Scrutiny, a number of key recommendations have been implemented as well as other pieces of effective governance. This includes, a forward plan approach to committee work, second vice chairs for policy committees and also improved internal officer governance with an effective ELT and Departmental Leadership Team structure in place.
- 3.3 Member training is now underway. In addition, a new Member briefing programme has been introduced before each committee meeting. The first briefing in October on car parking was both well attended and Member feedback was positive.

Performance & Risk

- 3.4 The approach and methodology to performance and risk has been revised and a new template is now in use. All Committees have received at least one of the new reports and these have been well received. Performance and risk is a standing item on all Officer leadership meetings and is being closely monitored and updated.

Financial Recovery

- 3.5 Since her appointment the S151 Officer has changed the team's approach to financial management with the introduction of a finance business partner model. This has put finance at the heart of decision making and is already bringing rewards. The budget gap for this year has significantly closed and continues to do so. Work is now under way to produce a balanced budget for 2021/22 with committee workshops having taken place during October.
- 3.6 MHCLG have given highly positive feedback on progress and no longer wish to closely monitor progress but will be on hand for support if needed.

Complaints

- 3.7 A new complaints policy has been introduced and a much tighter grip on complaints is now in place with a rapid escalation to senior Officers if complaints are not responded to. Performance in this area has improved.

Shared Services

- 3.8 Although this work is slightly behind schedule, this is due to the Council needing to respond to the Unitaries proposal submitted by Surrey County Council in July. The Council was a key player in the districts and boroughs responses and in September a successful seminar on the matter was attended by over 50 district and county council members as well as Parish Council Chairs.

4. Monitoring Progress

4.1 Further reports will be submitted to this committee on progress. The next update will be submitted in March 2020 by which time the council's budget will be approved.

5. Financial / risk implications

5.1 There are no specific financial implications arising from this report. Specific actions will, where appropriate be subject to a sound financial business case and will be funded from existing resource envelopes.

6. Legal implications

6.1 The Plan is a non-statutory plan, but it is of central importance for the Council in determining its priorities. There are no direct legal implications from the Plan. Any legal issues arising from implementing the commitments in it will be explored and reviewed by the legal team.

6.2 Section 3 of the Local Government Act 1999 also requires best value authorities, including the Council, to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The development of the actions in the plan, together with their delivery and subsequent monitoring will contribute to the way in which the best value duty can be fulfilled. Monitoring reports to Committees and actions arising from those reports will help to demonstrate that the Council has undertaken activity to satisfy the statutory duty.

7. Equality impacts

7.1 The high-level priority outcomes within this plan are informed by an understanding of local communities and their needs. As significant new actions to address these priority outcomes are approved, they will each be subject to impact assessments to consider potential positive or negative impacts.

8. Climate change impacts

8.1 There are no direct implications arising from this report.

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Appendix A – Corporate Improvement Plan

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
1	Strategic plan	Develop strategic plan, member level performance and risk framework: <ul style="list-style-type: none"> ○ Review draft with new administration ○ Strategy and Resources Committee ○ Full Council 	<ul style="list-style-type: none"> • May 2020 • Jun 2020 • Jul 2020 	Heather Wills	Process stalled due to inability to convene face-to-face meetings with all Councillors.	Reconvene workshop with all Group Leaders to draft a final Strategic Plan that considers the new post COVID world	<ul style="list-style-type: none"> • Jul 2020 	Complete
		Develop and implement officer level performance and risk framework	<ul style="list-style-type: none"> • Jun 2020 	Heather Wills	Final version now completed, to be reviewed once strategic plan complete	Officers to use as part of regular suite of management tools	<ul style="list-style-type: none"> • Complete, to be reviewed 	• Complete
2	Governance	Governance review	<ul style="list-style-type: none"> • Mar 2020 	Lidia Harrison	Process stalled due to inability to convene face-	Verbal report provided to the three Party Leaders (Cllrs	<ul style="list-style-type: none"> • Jul 2020 	Complete

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Presentation of findings of first phase of review			to-face meetings with all Councillors.	Elias; Sayer; Botten) by CfPS, briefing for all Members and senior Officers scheduled for 1/7/20		Blue: Complete
		Develop action plan and start implementation	• May 2020	Lidia Harrison		Following this an action plan will be developed along with a training and development plan	• Sep 2020	Green: On target
		Audit and whistleblowing Review and ensure effective implementation of whistleblowing policy	• Apr 2020	Jackie King	Policy drafted but not rolled out yet as the dispersed workforce has presented a challenge to deliver the right kind of	Process for roll out and training to be worked out now social distancing measures are clear and risk assessments	• Jul 2020	Green: On target

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind deadline but corrective actions in place Red: Behind deadline significant issues
					training around this.	have been carried out.		
		Audit programme Review audit programme outputs and prepare action plan	• Jun 2020	Grant Miles	Audit programme slipped but now back on track.	Management actions are being completed for each of the audit reports.	• Jul 2020	Ongoing and on target
		Member Development Develop member development programme	• Apr 2020	Chailey Gibb with support from associate d external resource if required	Development programme has continued to be worked up however no training has taken place.	Programme of online training to be developed to accommodate current working environment.	• Sep 2020	A number of development sessions have taken place inc effective meetings for all; chair/vice training; working effectively with officers. Programme will be agreed at Standards committee in early 2021

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Member Induction Implement member induction programme	• May – Oct 2020	Chailey Gibb with support from associated external resource if required	Not required as May Election was postponed	Have programme ready for May 21 and examine what items might be brought forward for existing Members	• Ongoing	Will be organised to be ready for 2021 Elections
3	Financial recovery plan	Develop draft recovery plan	• Apr 2020	Grant Miles	Work started and additional focus on financial expenditure has been ongoing due to increased financial risk as a result of COVID. Monthly reports to Government are being submitted and CEx and CFO	Working Group with Members to be set up to provide a further in-depth review of financial position and what actions can be taken to mitigate further risks. Awaiting announcements from MHCLG re	• July 2020	New approach to budget monitoring in place. Budget gap significantly closed for 2020/21 and work underway for 2021/22 budget. MHCLG satisfied with progress

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
					are in regular dialogue with MHCLG. Group Leaders have been briefed and S&R Committee will be briefed on 9/7/20.	financial support.		
		Scope options appraisal for shared services	• Jul 2020	Paul Smith	Provisional discussions have taken place with Group Leaders and CEx.	Agree with Members that this is a direction of travel that would be supported albeit with recognition that the Council has no formal mandate to drive this agenda and any results would be predicated on	• Ongoing but initial scoping to be carried out by Sep 2020	Work under way Terms became reframed following unitary announcements. All districts working together via KPMG to look at collaborative working options

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
						willing participation from Members and other authorities.		
						Agree new timetable for review with members and in light of current financial situation. MHCLG advice on investment policy awaited		
4	People plan	Recruitment and retention Permanently recruit Monitoring Officer Permanently recruit s151 officer	• Jun 2020 • Mar 2020 • Apr 2020	Grant Miles/ Alison Boote Jackie King	Review stalled due to capacity Interim staffing model put in place mid-March as existing Dir People was on long-term sick leave.	Discussion with the three Party Leaders (Cllrs Elias; Sayer; Botten) is taking place regarding some of these roles: the Chief	• Sep 2020 • Jul 2020	Timetable agreed with Members and revised Strategy and Policy to be presented to Investment Sub Committee in January 2021. Monitoring officer appointment made Arrangements with SCC in place for seconded S151 officer

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Permanent appointment of Chief Executive Develop and implement long-term staffing model	<ul style="list-style-type: none"> Jun / Jul 2020 Mar 2020 onwards 		This Officer resigned early June, and as a consequence the Council will need to revisit its staffing model in light of this change and the financial position.	Executive will now take the lead and progress the longer term filling of statutory roles in conjunction with COSC as appropriate		Arrangements in hand to appoint a permanent CEO. Consultations on organisation realignment underway. Staff Conference briefed
		Organisational development Develop and introduce Values and Behaviours Complete and adopt People Plan (including mechanisms for	<ul style="list-style-type: none"> Apr 2020 Apr 2020 onwards 	Jackie King & Paul Smith	Work has stalled due to pandemic however engagement with staff continues to ensure that they receive key messages	This work will now be progressed. The Council is in continuous improvement mode: the staffing model will reflect this, ensuring that	<ul style="list-style-type: none"> Ongoing 	Values & Behaviours drafted for Officers and members Revised engagement protocols for Staff Conference drafted and to be discussed

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
Page 24		<p>ongoing staff engagement)</p> <p>Review HR policies, contracts, procedures and benefits</p> <p>Implement actions arising from staff survey</p>	<ul style="list-style-type: none"> • Apr 2020 onwards • Jun 2020 		<p>and that they have a voice and are heard.</p> <p>The work from home model was implemented as soon as the impact of COVID was understood and prior to formal lockdown. The workforce has responded very well to new ways of working and to being redeployed to service the COVID response.</p>	<p>resources are focused on key service delivery areas whilst also satisfying government requirements for ongoing support to the COVID pandemic.</p>		<p>with Staff Conference in December</p> <p>Policy review underway but additional capacity being sought</p> <p>New homeworking policy agreed and implemented</p>

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Leadership Develop and implement leadership development programme, including: <ul style="list-style-type: none"> ○ Culture shift ○ Management team ○ Top team (senior management with senior political leadership) ○ Championing diversity 	<ul style="list-style-type: none"> • Jun 2020 	Elaine Jackson/ Heather Wills	Culture shift is already happening, and staff have demonstrated excellent team working and resilience throughout this period. No formal training or development has taken place however this needs to be brought forward now to assist Officers to succeed in their roles.	Develop leadership programme that incorporates learning from governance review and reflects the fact that some Members and Officers are newly appointed.	<ul style="list-style-type: none"> • Sep 2020 	Work delayed on overall programme, but some Leadership development activity has commenced – including new approaches to governance. Revised date - 31 December 2020
		Pay and reward Agree actions to address any	<ul style="list-style-type: none"> • Jul-Aug 	Jackie King	Audit programme is	Develop management actions for	<ul style="list-style-type: none"> • Sep 2020 	Equal Pay Audit work completed

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		issues arising from Equal Pay Audit (Strategy and Resources Committee) Agree actions to address any issues arising from Payroll Audit (Strategy and Resources Committee)			slightly behind.	consideration by Strategy & Resources Committee	<ul style="list-style-type: none"> • Aug 2020 	and next audit due in 2022 Management Actions agreed and all due to be implemented by 31/12.20
		Health and wellbeing Mental Health First Aiders Wellbeing toolkit for managers Review Community Safety capacity	<ul style="list-style-type: none"> • Jun 2020 • Jun 2020 • Jun 2020 	Jackie King	<p>Progressing and training has taken place for Mental Health First Aiders.</p> <p>Impact of COVID on</p>	<p>Further training and publicise this once training is complete.</p> <p>Further review to be undertaken</p>	<ul style="list-style-type: none"> • July 2020 <p>Oct 2020</p>	Complete

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
	Theme	Action	When	Lead	Impact of COVID	Next Action	Target Date	
		Review Health & Well-being capacity			staff to be considered			
5	ICT/ digital strategy	Develop a digital strategy, to include: <ul style="list-style-type: none"> ○ Identification of required outcomes and benefits ○ Relevant good practice ○ Infrastructure, security and resilience requirements ○ Capacity, expertise 	<ul style="list-style-type: none"> • Apr 2020 • May 2020 	Melanie Thompson	<p>Review has been delayed due to access to key staff – this is now complete.</p>	<p>Review Digital Strategy report and turn into an action plan that can deliver the efficiency savings that good use of IT can deliver.</p> <p>This will include how the governance of this work will be embedded.</p>	<ul style="list-style-type: none"> • Sep 2020 	Target date is revised to December 2020 to allow for the work on the IT BCP & Disaster Recovery to be completed

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		<p>and governance required to deliver</p> <ul style="list-style-type: none"> ○ Requirements for ongoing revenue/capital resourcing <p>Adopt strategy</p>						
6	Other statutory responsibilities	<p>Data protection</p> <p>Develop assurance mechanisms to ensure that data is managed and guarded lawfully by the Council and its contractors</p>	<ul style="list-style-type: none"> • Sep 2020 	Lidia Harrison	<p>Work ongoing to improve data management.</p>	<p>Data Protection Officer (DPO) now appointed and review under way. Information Governance Board set up and led by DPO. Audit work reviewed, and action plan being developed.</p>	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Work ongoing • Latest work is to review any data held by third parties on servers outside of the UK

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Emergency planning (EP)/ business continuity: Review and update processes and procedures	• May 2020	Jackie King	Full implementation of EP and Business continuity during COVID.	Once COVID operational response is complete "a lessons learned" review will be undertaken and an impact report completed. Recovery phase started.	• Ongoing	• Work ongoing and under constant review in light of Government announcements
		Safeguarding: Review processes and procedures, ensure safeguarding audit compliance Deliver staff training	• Jun 2020 • Sep 2020	Jackie King	Safeguarding key priority during COVID pandemic.	Update Council policies and procedures including nominated leads. Roll-out training for staff and re-engage with Surrey-MASH	• Aug 2020 • Ongoing	Policy updates ongoing Safeguarding training completed

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Deliver member training	<ul style="list-style-type: none"> Dec 2020 			Identify Councillor who can be nominated "Safeguard lead"	<ul style="list-style-type: none"> Oct 2020 	
		Health and safety (H&S): Identify senior responsible officer	<ul style="list-style-type: none"> Mar 2020 	Alison Boote	No impact	<p>Officer now identified and operationally responsible.</p> <p>Complete</p>		
		Carry out H&S Audit	<ul style="list-style-type: none"> Mar 2020 			Ongoing implementation of recommendations	<ul style="list-style-type: none"> Ongoing 	
		Implement action plan	<ul style="list-style-type: none"> Ongoing 					
		Equalities and diversity (E&D): Develop corporate E&D plan	<ul style="list-style-type: none"> Jul 2020 	Jackie King	COVID Impact on BAME communities highlights the need to have	Set up E&D forum and engage with staff to drive agenda forward	<ul style="list-style-type: none"> Start Jul 2020 	

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		<p>Review HR policies and practice</p> <p>Design and implement E&D performance monitoring</p> <p>Conduct member and officer training</p> <p>Review service delivery against corporate equalities and diversity objectives</p>	<ul style="list-style-type: none"> • Jul 2020 • Aug 2020 • Sept 2020 • Dec 2020 		good practices and processes in place to ensure the Council is inclusive and welcoming.		<ul style="list-style-type: none"> • Jul /Aug 2020 • Jul /Aug 2020 • Sep 2020 • Dec 2020 	<p>being sought for policy work</p> <ul style="list-style-type: none"> • New date for completion 31 December 2020

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
7	Planning service	Team development/mentoring	<ul style="list-style-type: none"> • Apr 2020 	Charlotte Parker	<p>Increased planning applications and enquiries.</p> <p>Decision on Local Plan by Planning Inspector delayed</p>	<p>Stabilise resourcing – temporary and permanent appointments have been made but new model of resourcing to be developed</p> <p>Agree Planning Protocols</p>	<ul style="list-style-type: none"> • Jul 2020 • Jul 2020 	<ul style="list-style-type: none"> • Staffing model stabilised and member engagement on local plan ongoing • Significant improvement in performance
		Performance management	<ul style="list-style-type: none"> • Apr 2020 			<p>Agree Statement of Community Involvement & Development Management Charter</p> <p>Reintroduce Pre-Application Service</p>	<ul style="list-style-type: none"> • Nov 2020 • Completed 	<ul style="list-style-type: none"> • SCI Complete • DMC to go to Planning Policy committee in March 2021

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
						Improve Pre-application advice and develop online support	• Nov 2020	
		Identify capacity to deliver strategic plan priorities for economic development	• Jun 2020		Increased focus required	Develop resource model and action plan	• Aug 2020	Delay in commencement due to COVID and BAU priorities. Resource model being investigated through Surrey Wide collaboration. New date of 31/3/2021
8	Enabling and assuring improvement	Partnership working: Initial stakeholder engagement with partners to gather views	• Complete	Elaine Jackson	Partnership Boards were stood down. The Council is no longer taking part in	Boards are now being set up again and each one will need to be considered in light of COVID with potential	• Ongoing	• Work ongoing and support to be provided as boards are re-established. • Tandridge remains a part

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Local Partnership Board Maintain, resource and enhance where appropriate partnership working in relation to: <ul style="list-style-type: none">o Community safetyo Wellbeing prescription serviceso Health and wellbeingo Gatwick and Gatwick Diamondo Business Improvement Districts	<ul style="list-style-type: none">• May 2020 onwards• May 2020 onwards		Gatwick Diamond.	new terms of reference and deliverables. Further reporting once information is known.		of Local Resilience partnership arrangements
		Corporate peer challenge: Complete self-assessment	• Oct 2020	Elaine Jackson	Planning of the assessment	Discuss timing of this with LGA	• TBC	• On hold

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		Peer team on site Publish report and agree action plan Review progress			has been postponed.			
		Learning from complaints: Adopt new complaints policy, including process for learning from complaints	• Jun 2020	Jackie King	Slight delay in roll-out of new policy and procedure.	Policy roll-out completed, process for learning is being worked through.	• Sep 2020	Complete
9	COVID Impact	Plan To be developed but to include: Ongoing response to Covid pandemic to support vulnerable people Economic Recovery Programme	• July 2020	ELT	n/a	Develop plan	• Jul 2020	• Complete but ongoing in light of wave 2

	Theme	Action	Original target date	Lead	Impact of COVID	Next action	Target date for next action	RAG Blue: Complete Green: On target Yellow: Behind Deadline but corrective actions in place Red: Behind deadline significant issues
		<p>Learning from process and Impact report including Emergency response and Business Continuity</p> <p>Staffing model for continuous improvement that also addresses needs identified in Covid response</p> <p>Impact on Staff</p> <p>Impact on building occupancy</p>						

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Agenda Item 6

Strategy & Resources Committee Tuesday, 24 November 2020

Quarter 2 Corporate Performance and Risk Report

Report of:	William Mace Performance Specialist wmace@tandridge.gov.uk
ELT Lead	Jackie King - Executive Head of Corporate Resources jking@tandridge.gov.uk
Publication status:	Open.
Ward affected:	All.
Recommendations:	That the Quarter 2 2020/21 corporate performance and risks be noted.
Appendices:	Appendix 'A' – Strategy & Resources Quarter 2 2020-21 Performance and Risks.
Background papers defined by the Local Government (Access to Information) Act 1985	None.

1. Executive Summary

- 1.1 The appendix to this report contains data on the Committee's key performance indicators and risks for Quarter 2 2020/21, to enable the Committee to monitor how the Council is delivering the services for which it is responsible.
- 1.2 The performance indicators and risks in Appendix A were previously reported in the Strategy & Resources Delivery Plan 2019/20. However, as the corporate delivery plans came to end in March 2020, and whilst we arrange Councillor consultation workshops on performance and risk, this interim report has been produced to provide the Committee with up-to-date data.

2. Background

- 2.1 The Council previously reported its performance and risk data across its four service committees via committee delivery plans. These plans came to an end in March 2020, with a view that their replacement would be formulated as part of the process to create the Council's new Strategic Plan. However due to the Covid-19 epidemic, progress on the performance reporting aspect of the plan has been delayed, in that the workshops for Councillors to provide their feedback on performance and risk reporting are still to be arranged. Consequently, this report has been generated to provide this Committee with relevant performance and risk information, whilst the Council's performance and risk reporting process is reviewed.

3. Performance and risk data

- 3.1 See Appendix A for the corporate performance data and risks for Quarter 2 2020/21.
- 3.2 Please note that wherever possible the most recent performance data has been included in Appendix A, regardless of whether it technically falls into the reported quarter. However, due to the committee report timelines, whereby the final opportunity for report edits is fourteen working days before the committee, and that corporate reporting occurs one month in arrears, there may be occasions where data is not available in time for the committee report. In these cases, the data will be provided in the next scheduled report.

4. Climate Change implications

- 4.1 This report contains no proposals that would impact on the Council's commitment to climate change.

5. Equality implications

- 5.1 This report contains no proposals that would disadvantage any particular minority groups.

6. Any other corporate implications where applicable

- 6.1 None.

7. Comments of the Chief Finance Officer

- 7.1 Costings for projects are individually costed as projects come forward and monitored throughout the life of the project. It is possible that the impact of Covid-19 will add additional costs to projects and delay the speed of implementation.

- 7.2 The key risks, their likelihood, impact and mitigation are identified in the Risk section of the appendix.

8. Comments of the Head of Legal Services

- 8.1 As the Council is accountable to the community, it is also important that it is able to demonstrate it is monitoring and managing performance effectively. The review will assist elected Members to examine performance indicator targets that this Committee are responsible for. It will highlight which ones have not been achieved, the reasons why, the decisions taken on what, and if any, action is needed to bring key activities or indicators back on track to meet the targets set. If performance is not managed effectively by the Council at both Committee and management level, there is a risk that the Council will not achieve its stated priorities and outcomes.

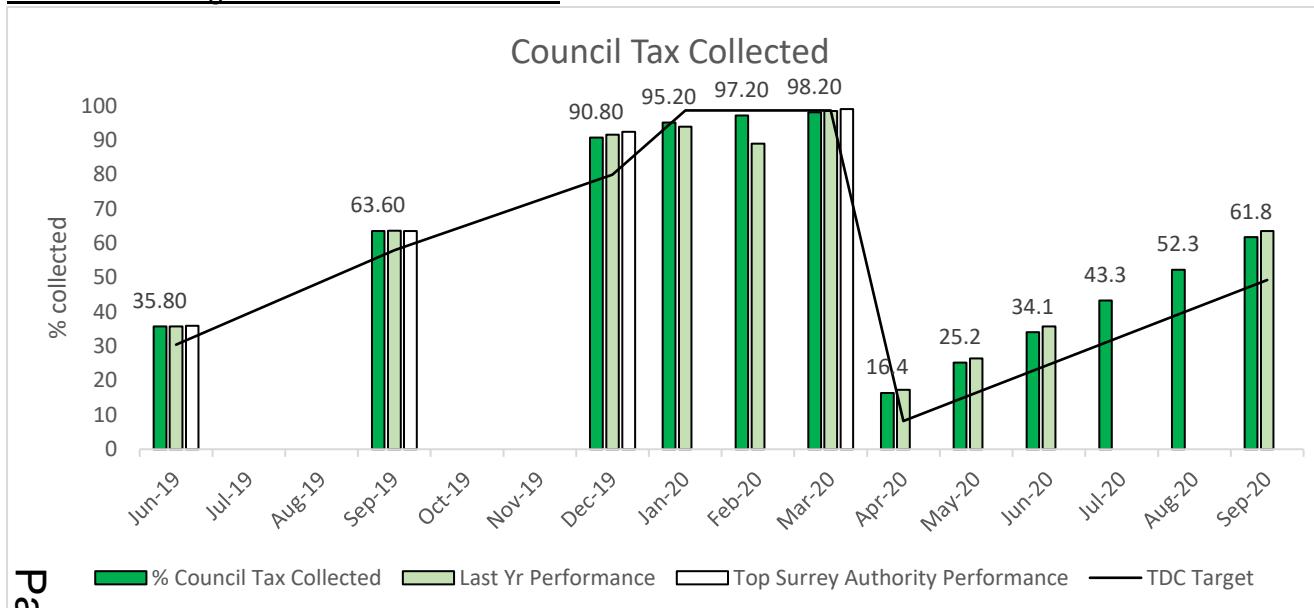
9. Conclusion

- 9.1 It is recommended that the Committee note the corporate performance and risks for Quarter 2 2020/21.

----- end of report -----

APPENDIX A – Strategy & Resources Performance Charts

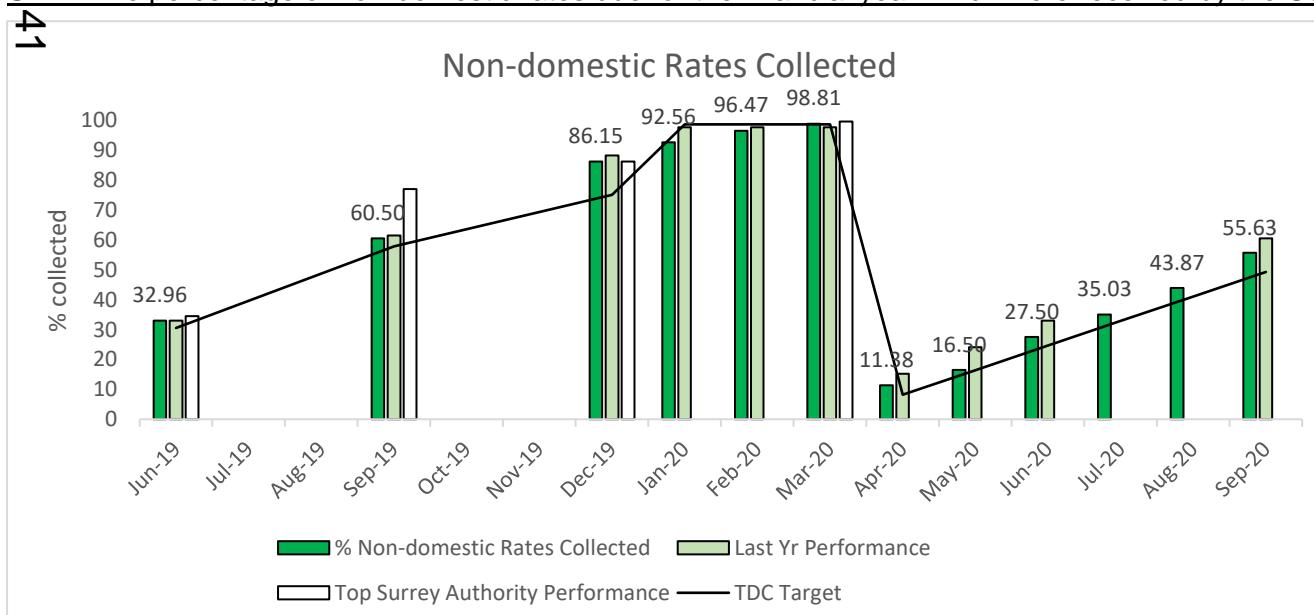
SR1 - Percentage of Council Tax collected



Performance Summary

- Collection performance is 12.48% above the increasing monthly target which at the end of September stood at 49.32%. Performance remains down by 1.8% compared to the same period in 2019/20 with a collection rate at that stage of 63.6%.
- Additional resourcing options are being explored to ensure the continuation of this trend in performance.
- Target: 49.32% (monthly, cumulative).

SR2 - The percentage of non-domestic rates due for the financial year which were received by the Council

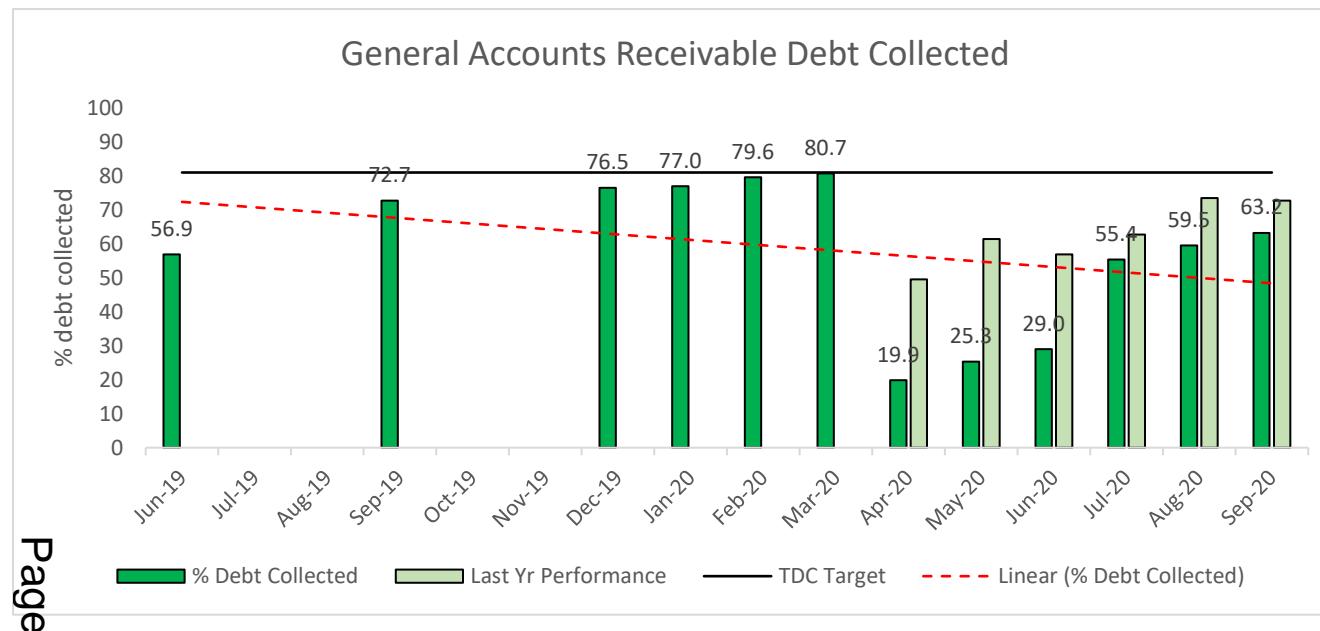


Performance Summary

- Collection performance is 6.37% above the increasing monthly target which at the end of September stood at 49.26%. Performance is down by 4.87% compared to the same period in 2019/20 with a collection rate at that stage of 60.5%.
- As above.
- Target: 49.26% (monthly, cumulative).

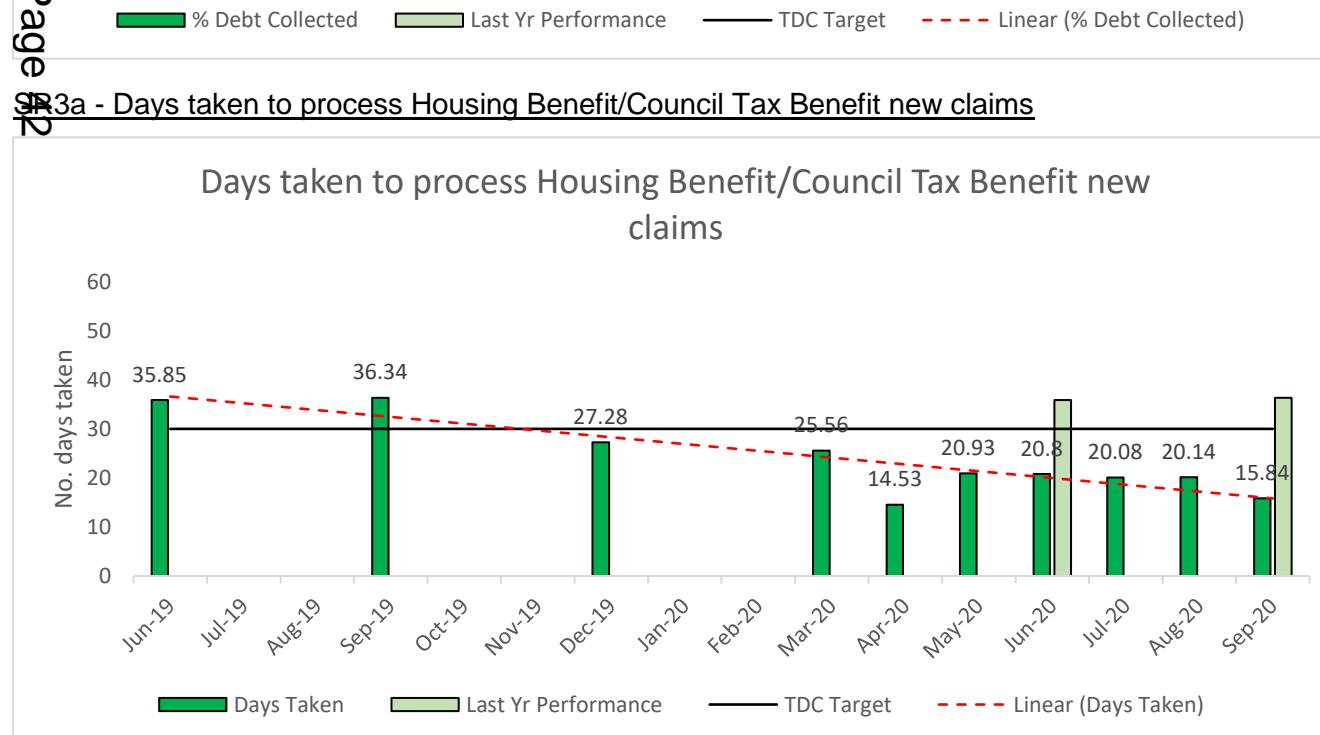
APPENDIX A – Strategy & Resources Performance Charts

SR2b - General Accounts Receivable Debt Collected



Performance Summary

- Although performance is off-target, we are closing the gap regarding like-for-like performance.
- Due to Covid-19 all recovery and enforcement (Bailiff) action ceased at the start of lockdown as per government guidelines, authorities up and down the country had withheld issuing reminders / recovery notices too, due to the pandemic.
- Since the restriction, 650+ reminders were mailed before the end of July 20. These are continuing to bring in significant capital.
- Target: 81%.

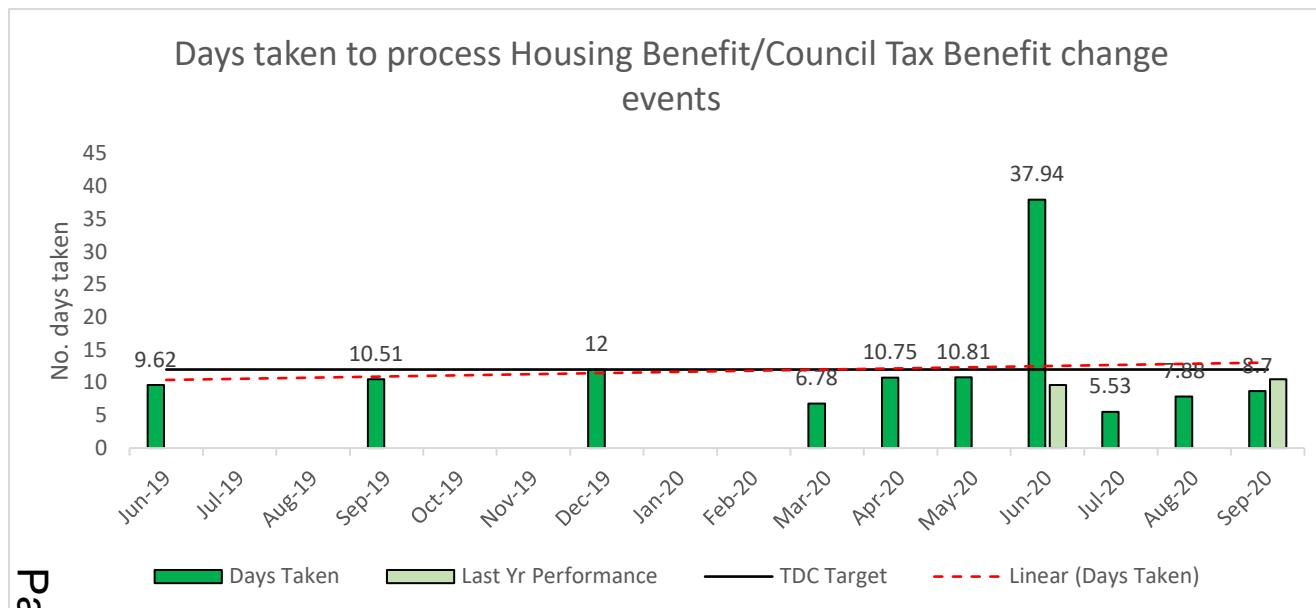


Performance Summary

- Target continues to be met for Quarter 2 2020-21.
- Figures for both New Claims and Change Events are within target, however, due to training and Northgate work there is a higher number of claims outstanding and would expect an increase in daily stats for October and November.
- Target: 30 days.

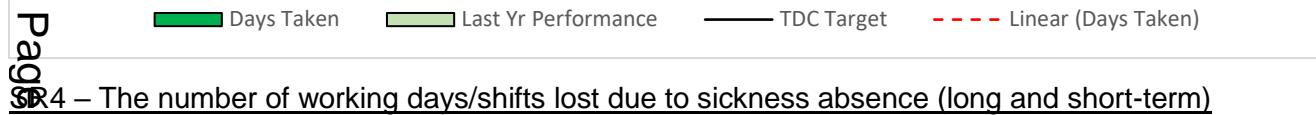
APPENDIX A – Strategy & Resources Performance Charts

SR3b - Days taken to process Housing Benefit/Council Tax change events



Performance Summary

- Performance has consistently achieved target from June 2019 – September 2020, with an anomalous result in June 2020 due to Covid-19.
- As above.
- Target: 12 days.

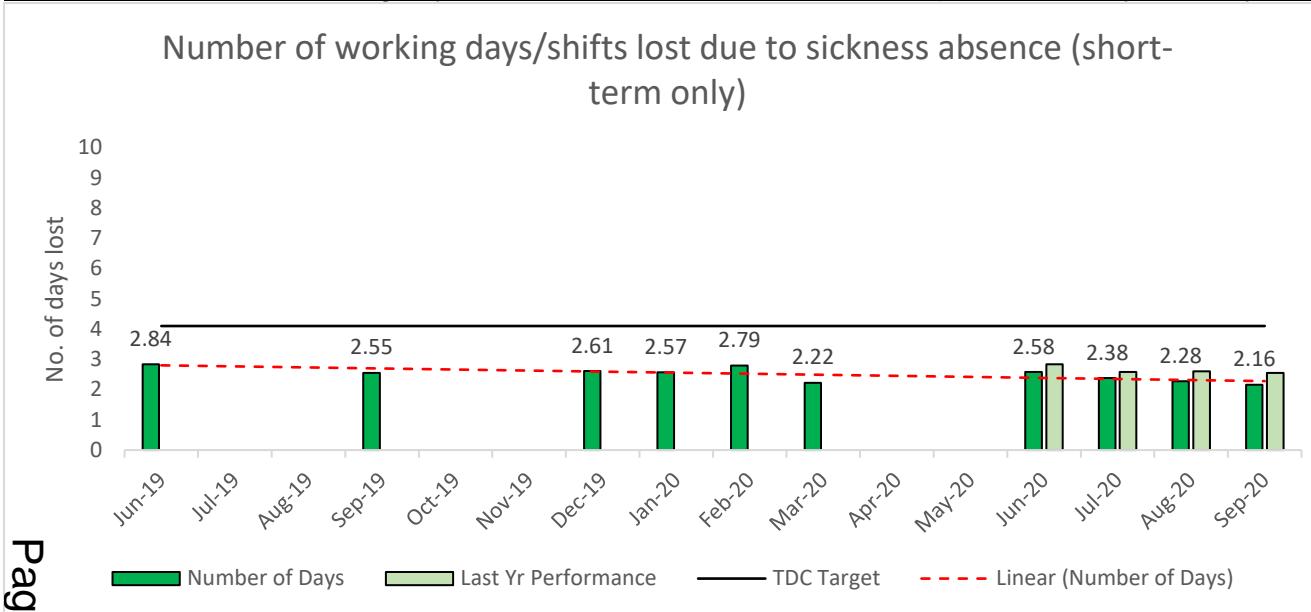


Performance Summary

- Despite being off-target for September 2020, the rolling annual sickness absence figure continues to reduce from last month.
- Like-on-like, 2020 is higher. This difference is primarily due to an increase in long term sickness. A significant number of sickness days are also included due to either Covid-19 self-isolation/Shielding or unable to work from home. Sickness absence affects a relatively small number of employees but where the cause is related to mental health is notable. There are now 16 Mental Health First Aiders at Tandridge. We continue to be mindful of the impact remote working and social isolation are having on the workforce currently.
- HR Specialists continue to monitor and review sickness absences, carrying out sickness review meetings (remotely) alongside managers in line with the policy and signposting to support services where necessary.
- Target: 7.1 days.

APPENDIX A – Strategy & Resources Performance Charts

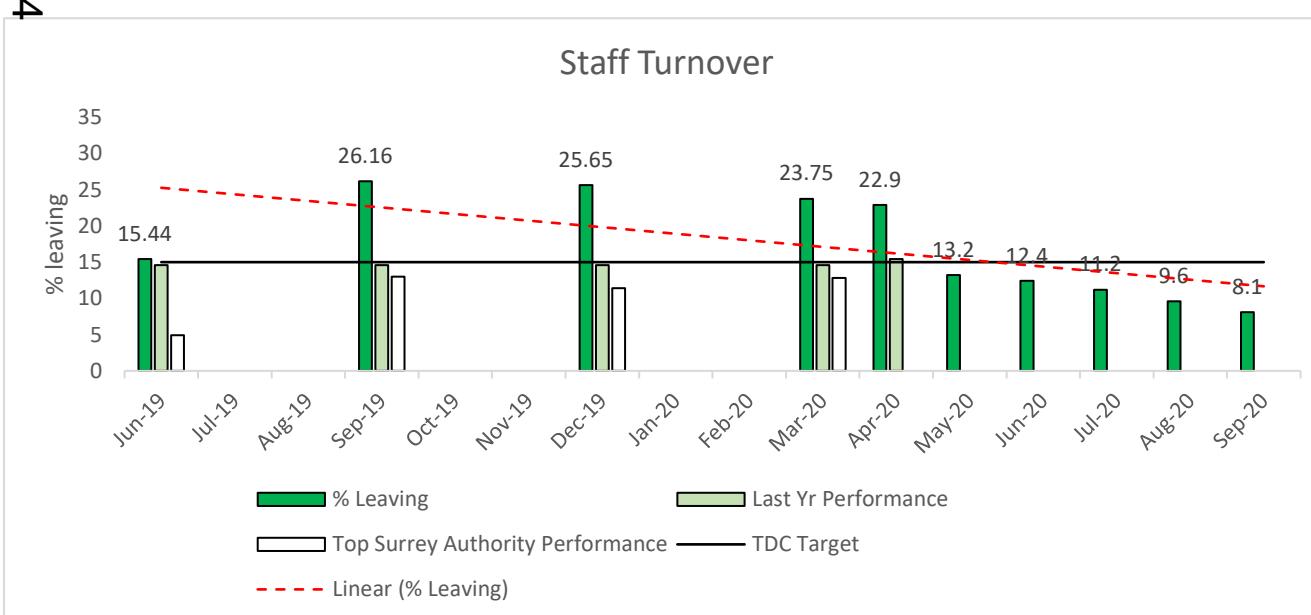
SR5 – The number of working days/shifts lost due to sickness absence (short-term only – 20 days or less)



Performance Summary

- We continue to perform on target for September 2020, with a comparable like-on-like performance with the same period last year.
- Target: 4.1 days.

SR6 – Staff turnover

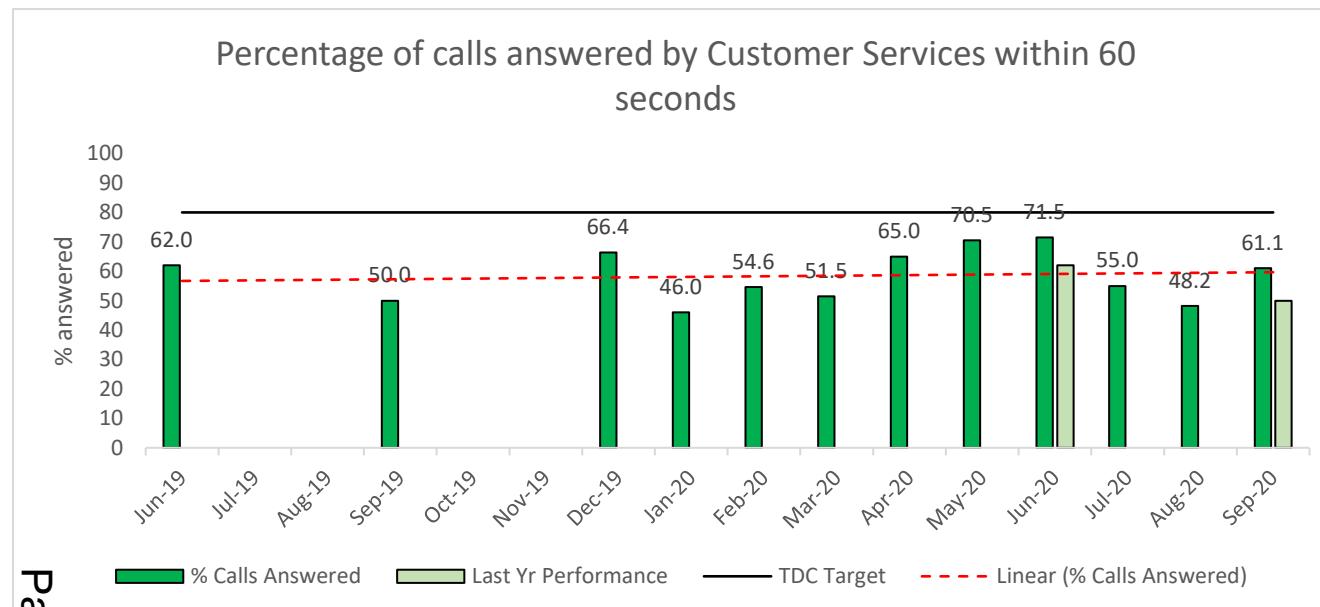


Performance Summary

- The overall figure has improved by a further 1.5% at the end of Quarter 2 2020/21.
- The Covid crisis has had an impact on the turnover figures, there has only been two voluntary leavers since April 2020. Following a period of halted or delayed recruitment, we continue to see several new recruits joining the organisation.
- HR continue to carry out exit interviews as soon after receipt of resignation as possible and it is hoped that this approach will assist retention rates and reduce turnover by providing more in-depth information around reasons for leaving, and in some cases the potential to retain some officers by addressing issues or concerns.
- Target: 15%.

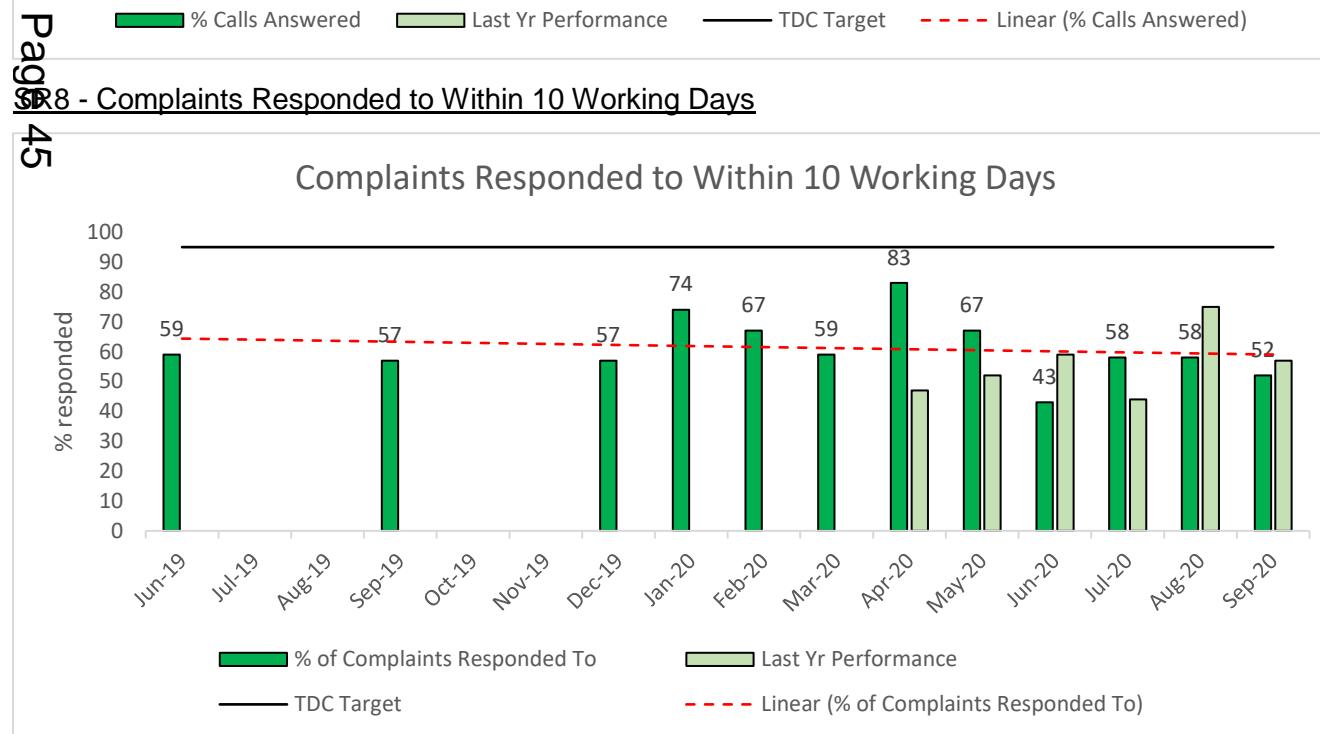
APPENDIX A – Strategy & Resources Performance Charts

SR7 - The percentage of calls answered within 60 seconds by Customer Services



Performance Summary

- In August we struggled across the teams with 3 vacancies and managing staff on annual leave. The average was answered within 2 minutes 21 seconds.
- By September we had recruited two new members of the team which improved the overall service. The average was answered within 1 minute 24 seconds.
- Target: 80%.

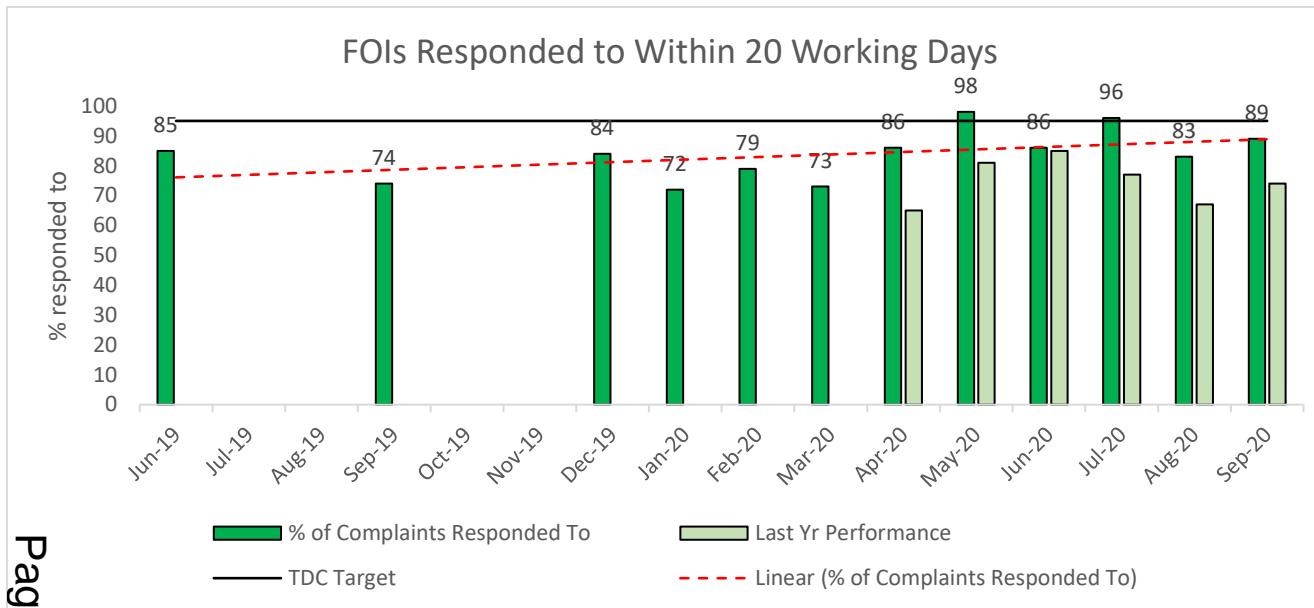


Performance Summary

- There were 11 overdue complaints at 30 Sept 20. The two oldest complaints were 21 and 20 days overdue.
- The Executive Leadership Team have been advised regarding the outstanding complaints.
- Target: 95%.

APPENDIX A – Strategy & Resources Performance Charts

SR9 - FOIs Responded to Within 20 Working Days



Performance Summary

- There were 6 overdue FOI's at 30 September. The oldest FOI was 13 days overdue.
- The Executive Leadership Team have been advised regarding the outstanding complaints.
- Target: 95%.

APPENDIX A - Corporate Risk Register

Ref:	Risk cause and event	Risk consequences	Risk Owner	Likelihood	Impact	RAG	Mitigating actions and responsibility
2	No five year housing land supply, including gypsy and traveller land	<ul style="list-style-type: none"> * Inability to meet government's standard methodology figure. * Potential to lose control of where development takes place with risk to amount of affordable housing and minimum infrastructure. * Travellers could be granted permission within the greenbelt. 	Head of Strategy	5	4	20	<ul style="list-style-type: none"> * Prepare a robust housing trajectory. * Apply an appropriate buffer to the housing supply to provide for flexibility. * Allocate sites for housing and gypsy and travellers. * Adopt the Local Plan. * Monitor and maintain planning permissions. * Approve planning applications against the development plan. * Ongoing discussion with the Inspector via the Programme Officer. * Defend appeals.
3	Inability of Council to make savings as identified in the MTFS and to balance the Council Budget in 2021/22 and 2022/23	<ul style="list-style-type: none"> * Failure to make the savings required will result in the Council exhausting reserves to balance the budget. This could ultimately lead to an untenable budget position and the issuing of a Section 114 notice by the Chief Financial Officer. * All non-essential expenditure would need to cease. * Discretionary services would need to stop and remaining services would be provided at a minimum level. * There would be wide national media attention. 	Section 151 Officer	4	5	20	<ul style="list-style-type: none"> * Reserves can be used to buy more time to achieve savings but the lower reserves become the greater the risk of financial failure and the less resilience the council has. * Recruitment and overtime freeze can be put in place but will place pressure on already stretched teams. * Arbitrary cuts to budgets can be enforced but this is a blunt instrument and better done in a targeted way.
4	Lack of ability of commercial tenants to pay rent	<ul style="list-style-type: none"> * Reduced cash flow. * Negative impact on budgets. * Reputational risk to the Council. 	Executive Head of Communities	4	4	16	<ul style="list-style-type: none"> * Continue to keep close contact with tenants and understand their cashflow issues. * Consider offering short-term rent free periods and deferred payment schemes for previously strong tenants. * Consider the cost benefit of empty rate/refurbishment costs alongside rent considerations if tenants were to vacate.
5	No ICT disaster recovery solution in place	<ul style="list-style-type: none"> * Inability to recover IT services if a potential disaster occurred which would grind most Council business to a halt. * Recovery of IT systems not effective. 	Executive Head of Corporate Resources	3	5	15	<ul style="list-style-type: none"> * Disaster Recovery paper has been prepared for decision as to preferred solution.
1	Lack of suitable low risk investment properties	<ul style="list-style-type: none"> * Reduced cash flow. * Negative impact on budget. * Loss of reputation to the Council. 	Executive Head of Communities	3	3	9	<ul style="list-style-type: none"> * Continue to keep close attention on market conditions. * Managing ongoing relationships with Investment Agents.

APPENDIX A - Corporate Risk Register

6	Covid-19 second wave during winter	* Increase strain on resources and capacity to deliver BAU activities.	Executive Head of Corporate Resources	3	3	9	<ul style="list-style-type: none"> * Second lockdown is now in force and COVID response team are mobilising staff and partners to support as necessary. * Strategic co-ordination in place with the SLRF. * Local outbreak plan in place and continually monitored and updated. * Council Covid-19 project team in place.
7	Local plan is found unsound by the Inspector	<ul style="list-style-type: none"> * Inability to meet statutory requirement. * Withdraw current Plan and prepare a new one. * Reputational implications. * More challenge to provide affordable housing and infrastructure in the District. 	Head of Strategy	2	4	8	<ul style="list-style-type: none"> * Members to be made aware of any risks associated with responses / hearing sessions to the Inspector. * Ensure responses to the Inspector are submitted in a timely manner. * Work with statutory bodies where appropriate to ensure no objection. * Maintain and defend the strategy set out in the submitted Our Local Plan. * Consider legal advice appropriately. * Use consultants and experts in their field where appropriate to defend the Council's Local Plan. * Undertake additional evidence and main modifications as required by the Inspector. * Continue to have discussion with the Inspector via the Programme Officer. * Keep members updated.
8	Failure to mobilise waste contract	<ul style="list-style-type: none"> * Failure of statutory duty requiring immediate rectification. * Major reputational damage. * Poor sanitation in the district alternative is not in place. 	Executive Head of Communities	2	4	8	<ul style="list-style-type: none"> * Procurement process. * Regular contract meetings with the supplier.
10	Failure to meet Council Tax collection targets	<ul style="list-style-type: none"> * Failure of statutory duty. * Reduced cash flow. 	Executive Head of Communities	2	4	8	<ul style="list-style-type: none"> * Established working protocols. * Team resourcing closely monitored and issues reported to ELT. * Performance monitoring in place.
11	Failure to meet Housing Benefits targets	<ul style="list-style-type: none"> * Failure of statutory duty. * Reduced / delayed support to recipients. * Reputational damage. 	Executive Head of Communities	2	3	6	<ul style="list-style-type: none"> * Established working protocols. * Team resourcing closely monitored and issues reported to ELT. * Performance monitoring in place.
9	Failure to deliver Election	<ul style="list-style-type: none"> * Failure of statutory duty requiring government intervention. * Major reputational damage. 	Chief Executive	1	5	5	<ul style="list-style-type: none"> * Established controls and processes in place.

APPENDIX A - Risk Matrix

Likelihood	Almost Certain	5	5	10	15	20	25
	Likely	4	4	8	12	16	20
	Probable	3	3	6	9	12	15
	Possible	2	2	4	6	8	10
	Remote	1	1	2	3	4	5
		1	2	3	4	5	
	Negligible	Minor	Moderate	Significant	Severe		
	Impact						

Likelihood criteria

Risk Level		Controls
1	Remote	Sufficient controls in place
2	Possible	Conditions exist for occurrence
3	Probable	Controls not fully effective
4	Likely	No effective measures
5	Almost Certain	No effective measures at all

Impact criteria

Risk Level		Impact
1	Negligible	No or negligible impact or disruption to finances, reputation & strategic priorities
2	Minor	Minor impact or disruption to finances, reputation & strategic priorities
3	Moderate	Moderate impact or disruption to finances, reputation & strategic priorities
4	Significant	Major & medium term impact or disruption to finances, reputation & strategic priorities
5	Severe	Severe & medium to long term impact or disruption to finances, reputation & strategic priorities

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Strategy & Resources Committee Tuesday, 24 November 2020

Finance report - period 6

Report of:	Martin Field Finance Specialist mfield@tandridge.gov.uk
ELT Lead	Anna D'Alessandro – Chief Finance Officer (Section 151) adalessandro@tandridge.gov.uk
Publication status:	Open
Wards affected:	All wards
Recommendations:	That the Committee notes the Council's financial position for Revenue and Capital
Appendices:	Appendix A – Councils Month 6 (September) Financial Report
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1. This report accompanies the presentation that outlines the Strategy and Resources **2020/21 budget position at the end of September 2020 (Month 6).**
- 1.2. Also Included is a summary of each Committee's key highlights grouped together to provide a Council-wide perspective, along with details of any overspends referred to it by other Policy Committees.

2. Background

- 2.1 To note the Committee and Council's forecast revenue as at 30th September 2020 (Month 6).

3. Climate Change implications

- 3.1 There are no significant environmental / sustainability implications associated with this report.

4. Equality implications

- 4.1 This report does not disadvantage or discriminate against any different groups with protected characteristics in the community.

5. Comments of the Chief Finance Officer

- 5.1 The Council has a duty to ensure its expenditure does not exceed resources available. The short and medium-term financial outlook is uncertain. The pandemic has resulted in increased costs which are not fully funded in the current year.
- 5.2 Financial planning over the medium-term has indicated that the Council is expected to spend beyond the resources that it has available, all exacerbated by the pandemic. This will increasingly deteriorate the Council's Reserves in 2020/21 and beyond, to a negative level, in order to set a legally balanced budget. If this trend continues the s151 will have no alternative but to issue a s114 notice requiring all non-statutory spend to cease immediately.
- 5.3 Without clarity on future Government funding, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This subsequently places an onus on the Council to continue to consider issues of financial sustainability as a matter of urgency in order to ensure stable provision of services in the future. Within this context the Council will continue to develop and implement plans to ensure that the delivery of services are contained within resources and we work towards closing the medium-term gap.
- 5.4 The Section 151 Officer confirms the financial information presented in this report has been based on reasonable working assumptions, taking into account all material, financial and business issues and risks.

6. Comments of the Head of Legal Services

- 6.1 The Council is required to set and operate within a balanced budget. Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer (CFO), in consultation with the Council's Monitoring Officer, to make a report under this section if it appears to her that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure. In practice, this is most likely to be required in a situation in which reserves have become depleted and it is forecast that the Council will not have the resources to meet its expenditure in a particular financial year.
- 6.2 This mechanism, in issuing a S114 notice would require all non-statutory spend to cease immediately, a situation which could exacerbate the Council's current situation. Nevertheless, should the statutory S151 Officer, at any time, not be satisfied that appropriate strategies and controls are in place to manage expenditure within the in-year budget then she will need to formally draw this to the attention of Members and take further action.

- 6.3 On the 11th June, the Chartered Institute of Public Finance and Accountancy (CIPFA) issued modifications to their Section 114 Guidance, to allow authorities under budgetary pressure due to COVID-19 the time and space to explore alternatives to freezing spending via a Section 114 notice. The guidance also acknowledges these are unprecedented circumstances and the usual mitigating actions required to balance an authority's budget following the issuing of a section 114 notice would damage the coronavirus response required by Government from local authorities. It suggests that CFO's should "at the earliest possible stage" make "informal confidential contact with MHCLG to advise of financial concerns and a possible forthcoming Section 114 requirement" and communicate the potential unbalanced budget position due to COVID-19 to MHCLG, at the same time as giving a potential Section 114 scenario report to Members and the external auditor. Whilst the position set out in this report presents an extremely serious challenge, it is the view of the statutory S151 Officer that a Section 114 notice is not required at the current time although this will be kept under constant review.

7. Conclusion

- 7.1 The budgetary position of the Council as a whole will continue to be closely monitored over the remainder of the year and further savings will be sought to attempt to reduce the forecast overspend.

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Month 6 (September 20) Financial Report

**Strategy & Resources Committee
26th November 2020**

Page 55

**Anna D'Alessandro
Chief Finance Officer (s151)**

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 - Cashflow

Annex – Detailed Revenue & Capital

- Revenue – Detailed Position & Variance analysis by Committee
- Housing Revenue Account (HRA) – Detailed Position
- Capital – Detailed Position

Finance Improvement Plan - update

When I commenced in post c 3 months ago I put in place a Finance Improvement Programme (FIP). I have updated Members on its progress in S&R reports. Below is the latest update on the FIP as at Month 6:

- 1. Getting the “basics right” in Finance.** We have been working to the new Budget Monitoring timetable and reporting to Members and ELT on a monthly basis. We have also progressed rapidly into the Budget and MTFS setting process. Member workshops have been undertaken and a draft budget will be presented to S&R on 16th December. We will be initiating a Risk and Opportunity Tracker and COVID Tracker from next month
- 2. Baseline of 2020/21 finances for Revenue and Capital.** Revenue and Capital baseline have now been completed and information fed through into monthly reports. Capital from M6 has been re-baselined. There is some work continuing on the spend profile for 20/21
- 3. Reviewed monthly Financial Reports to Members.** All financial reports to Members continue to be reviewed for ease of understanding and simplicity in proving key messages. Further enhancements made to the current report
- 4. Local Government Association commissioned to undertake a review of how we capitalise all project costs, review of the Balance Sheet and Cash.** Work completed and capitalisation of salaries will be fed through into monthly reports from M7
- 5. Review of all Procurement activities (contract and off-contract spend) in the Council to identify areas of improvement.** An action plan is currently being developed
- 6. Continuing hard line and grip on salary budgets and processes.** We are always working to ensure we have a firm grip on salaries

Executive Summary

Revenue (slides 5, 7 – 9, Annex slides: 13 - 23):

- At M6, the Council is projecting a full year £0.4m overspend against the budget baseline of £10.6m, an improvement of £0.1m from M5
- Improvement primarily due to the initial CV-19 Income Compensation Scheme return - £0.1m
- Of the £0.4m overspend, £1.2m relates to CV-19 costs/income loss offset by £0.8m underspend in Business as usual activities
- There remains significant uncertainty in the 2020/21 forecast. This will be kept under close review throughout the year. If the position does not improve, we will need to draw upon reserves to cover the £0.4m overspend.

Capital (slides 8, Annex slides: 25):

- Reviewed the capital budget to reflect the forecast capital position, to provide a stable baseline for monitoring and planning the medium-term Capital programme.
- **The revised budget is now £15.4m**, reduction of £104.7m from the approved Capital programme

HRA (Annex slides: 23 & 24):

- At the end of September (M6) the HRA is forecasting a surplus of £0.1m. This is against the balanced budget approved by Council in February 2020

Cashflow (slide 11):

- **£3.1m Council Tax shortfall & £1.6m Business Rates shortfall** in collection rates
- Overall shortfall of £4.7m, will not impact until February 2021. To meet cashflow needs, it is estimated that the **cost of borrowing £10k**

Key Messages – Revenue

- For Month 6 (M6) we have split the Council's finances into:
 - Business as Usual (BAU) budget, as approved by Council in March 2020, and
 - Impact of CV-19 on the Council's bottom-line
- The aim is to clearly show the impact of CV-19 on the Council's financial position
- At M6, the Council is projecting a full year £0.4m overspend against the budget baseline of £10.6m, an improvement of £0.1m from M5
- The £0.4m overspend comprises of:
 - £1.3m – Community Service (minimal increase since M5)
 - £0.5m - Strategy and Resources (no change since M5)

offset by

 - £1.2m CV-19 grant, (improvement of £0.1m due to the initial Income Compensation Scheme return)
 - £0.1m Housing GF (minimal increase since M5)
 - £0.1m Planning Policy (minimal increase since M5)

Key Messages – Capital

- The Council's approved Capital budget for 2020/21 is £120.1m. The original budget approved in Feb was £82m and on the 9th July the Strategy & Resources Committee approved 2019/20 carry forward of £38.1m
- It was proposed to reviewed the capital budget to reflect the forecast capital position, to provide a stable baseline for monitoring and planning the medium-term Capital programme.
- The revised budget movement (£104.7m) is primarily due to:
 - £97.9m - Property development Fund change of policy
 - £5.8m - HRA Slippage to 2021/22
 - £1.0m - GF Slippage to 2021/22 (mainly £0.6m Public Convenience, £0.1m Children's Playground Equipment, £0.1m Vehicle Fleet Renewal and £0.1m Park, Pavilions & Open Spaces)
- **The Revised budget is now £15.4m**

	Original Budget 2020/21	Mid Year Review 2020/21	Revised Budget 2020/21	Forecast Variance 2020/21
	£	£	£	£
Total Community Services	4,716,248	-902,848	3,813,400	0
Total Housing GF	526,000	0	526,000	0
Total Strategy & Resources	99,815,100	-98,067,900	1,747,200	0
Total-General Fund	105,057,348	-98,970,748	6,086,600	0
Housing Revenue Account	15,054,700	-5,779,400	9,275,300	0
Total Capital Programme	120,112,048	-104,750,148	15,361,900	0

Overall - Revenue – BAU v CV-19 by Committee

Policy Committee	20/21 BAU forecast at M6 £m	Overall Annual Budget £m	M6 BAU Variance £m	20/21 CV-19 forecast at M6 £m	Overall Forecast Variance £m	Committee Change from M5 to M6 £m	Increase / Decrease / Unchanged
Strategy & Resources	2,230,431	2,411,531	(181,100)	745,550	564,450	0	Unchanged
Planning Policy	884,138	1,338,038	(453,900)	349,000	(104,900)	25,400	Increase
Community Services	6,358,700	6,351,100	7,600	1,286,500	1,294,100	300	Increase
Housing General Fund	332,063	459,063	(127,000)	31,500	(95,500)	8,300	Increase
Policy Committee Budget Envelopes	9,805,332	10,559,732	(754,400)	2,412,550	1,658,150	34,000	Increase
CV-19 Grants				(1,245,200)	(1,245,200)	(123,300)	Decrease
Overall	9,805,332	10,559,732	(754,400)	1,167,350	412,950	(89,300)	Decrease
Forecast change from M5 to M6	11,100			(100,400)	(89,300)		
Increased / Decreased		Increase		Decrease	Decrease		

The Policy Committee detailed variance analysis is in Annex.

The £0.4m overspend comprises of:

- **£0.8m underspend Business as Usual**, primarily due to:

- £0.4m underspend on the Local Plan
- £0.3m additional New Homes Bonus (NHB) income
- £0.2m underspend on salaries

offset against £0.2m reduction in interest receivable due to investment property decisions

Offset by:

- **£1.2m overspend CV-19 – Slide 6**

Overall Revenue – CV-19 Variance analysis

£1.2m overspend CV-19 – Slide 6

- **£1.1m of CV-19 Extra costs (not budgeted – overspend) primarily due to :**
 - £0.6m – Freedom Leisure, currently under consideration by Members
 - £0.3m – Waste Services. Costs of additional Health & Safety requirements, cleaning and disinfecting equipment and personnel, social distancing of workers, professional fees of extension of waste contract, increased cost of maintaining old vehicles where renewal is delayed and hire of vehicles
 - £0.2m – extra costs due additional interest on short term borrowing, and staff overtime
- **£1.3m of loss of income (not budgeted – overspend) due to:**
 - £0.6m – Lower income volumes in Planning Applications and advice, Car parking, granting licences for taxis, Community Infrastructure Levy (CIL) admin fee
 - £0.3m – Reduction in interest receivable following the cut in the Bank of England base rate
 - £0.2m – Reduction in capacity for Tandridge Commercial Services - operational team due to working within the boundaries of CV-19
 - £0.2m – Reduction in Investment Property Income, due to the enforced closedown some tenants have requested rent holidays, this primarily affects Quadrant House

offset against £1.2m Government funding (not budgeted – over achieve income) for CV-19 extra costs and loss of income

Cash Flow Impact due to CV-19

- Concern about the extent to which CV-19 reduces money received for Council Tax and Business Rates
- Precepts were set well before the start of the financial year, prior to the onset of CV-19
- Collection rates will be significantly below expectation
- Payments to preceptors set in line with statute, the gearing effect reducing Council's cashflow
- **Council Tax shortfall** in collection in 2020/21 will be **3.8% less than budget = negative impact on Council's cash flow of c£3.0m for 2020/21 (improvement of £0.1m)**
- **Business Rates shortfall** in collection in 2020/21 will be **11% less than budget = negative impact on Council's cash flow of c£1.1m for 2020/21 (improvement of £0.5m)**
- **Overall impact is a combined shortfall of £4.1m, will not impact until February 2021**
- **The cost of borrowing to meet cashflow needs is estimated at £10k**

ANNEX

DETAILED REVENUE AND CAPITAL

Strategy & Resources - Revenue (Slides 11 – 13)

Community Service - Revenue (Slides 14 – 17)

Housing Service - Revenue (Slides 18 – 19)

Planning Policy Service - Revenue (Slides 20 – 22)

Housing Revenue Account (Slides 23 – 24)

Capital – Detail (Slides 25)

Strategy & Resources – Overview

TABLE 2: 2020/21 Forecast: General Fund Financial Position at year end 31/03/2021

KEY GENERAL FUND REVENUE VARIANCES	Annual Budget 2020/21 £	Budget Variances September (Period 6) £	Forecast Variance at year end (31/3/2021) Non-Covid-19 £	Forecast Variance at year end (31/3/2021) Covid-19 £	Overall Forecast Variance at year end (31/3/2021) £	Change in Forecast since last month £
Strategy and Resources Committee						
Salaries	5,166,671	(35,500)	(96,100)	47,200	(48,900)	0
<u>Non Salaries</u>						
Interest Payable	1,889,000	0	0	75,000	75,000	0
Investment Property Income	(989,000)	0	0	247,250	247,250	0
Interest Receivable	(2,764,200)	0	197,000	300,000	497,000	0
IT - Software and hardware	10,400	0	0	10,000	10,000	0
Covid 19 Grants	0	0	0	15,000	15,000	0
Land Charges	(135,000)	0	0	34,000	34,000	0
Other Variances less than £10k	988,833	0	0	17,000	17,000	0
Public Sector Reform funding	0	0	10,000	0	10,000	0
Corporate Items	(1,755,173)	0	(250,000)	100	(249,900)	0
Printing, Stationary and Postage	185,900	0	(42,000)	0	(42,000)	0
Resources Total	2,411,531	(35,500)	(181,100)	745,550	564,450	0

Strategy & Resources - BAU Variance Analysis

Strategy and Resources Committee - Revenue Summary:

Budget Baseline: £2,411,531

Net BAU underspend: £181,100 (no change since M5)

CV-19 overspend : £745,550 (no change since M5)

Business as Usual underspends £388,100:

- **£250,000 additional income relating to New Homes Bonus (NHB).** Combination of receiving additional monies and choosing to use it all to support revenue budget
- **£42,000 saving on printing, stationery and postage** due to reduced occupancy
- **£96,100 salaries underspend**, comprised of numerous over and underspends

Offset by overspends £207,000:

- **£197,000 reduction in interest receivable** due to a decision to not proceed with an agreed property purchase through Gryllus
- **£10,000 contribution to Public Sector Reform** to pay for consultancy costs in response to Government consultation

Strategy & Resources – CV-19 Costs – Variance Analysis

At M5, the Committee is projecting a full year CV-19 £349,000 overspend

Extra costs of £164,300, due to:

- **£75,000** – Additional interest payable on short term borrowing to manage cash flow due to reduced collection of Business Rates and Council Tax
- **£15,000** – Support grants paid to Parish and volunteer agencies
- **£10,000** – Purchase of IT Software and Hardware to accommodate the need for staff home working
- **£17,100** – Miscellaneous expenditure on multiple budget lines relating to CV-19
- **£47,200** – Staff overtime expenditure in relation to CV-19, includes staff making shielding calls, paying grants to local businesses, finance officers time and that of the CV-19 response taskforce

Loss of Income £581,250:

- **£300,000** – Reduction in interest receivable following the cut in the Bank of England base rate from 0.75% to 0.1%. Lower returns are now forecast on fund investments
- **£247,250** – Reduction in Investment Property Income, due to the enforced closedown some tenants have requested rent holidays, this primarily affects Quadrant House
- **£34,000** – Reduction in Land Charge searches income as the lockdown resulted in the reduction of property purchases

Community Services - Overview

TABLE 2: 2020/21 Forecast: General Fund Financial Position at year end 31/03/2021

KEY GENERAL FUND REVENUE VARIANCES	Annual Budget 2020/21 £	Budget Variances September (Period 6) £	Forecast Variance at year end (31/3/2021) Non-Covid-19 £	Forecast Variance at year end (31/3/2021) Covid-19 £	Overall Forecast Variance at year end (31/3/2021) £	Change in Forecast since last month £
Community Services Committee						
Salaries	2,235,300	4,300	(28,200)	15,600	(12,600)	500
<u>Non Salaries</u>						
Car Parking-Off Street	17,100	49,700	35,800	47,700	83,500	(3,300)
Car Parking-On Street	(106,000)	0	0	26,900	26,900	0
Hackney Carriage/Private Hire	(17,600)	12,350	0	29,500	29,500	(22,100)
Leisure & Community Grants	468,200	0	0	567,000	567,000	0
Waste Services	3,590,100	(446,400)	0	313,700	313,700	0
Environmental Services	297,800	8,400	0	2,000	2,000	(7,200)
Cesspool Services	(34,800)	(2,500)	0	0	0	0
Operational Services	(217,500)	475,400	0	248,000	248,000	0
Parks and Open Spaces	1,090,300	7,800	0	32,600	32,600	0
Other Variances less than £10k	(971,800)	221,900	0	3,500	3,500	32,400
Community Services Total	6,351,100	330,950	7,600	1,286,500	1,294,100	300

Community Services - Summary & BAU Variance Analysis

Community Services Committee - Revenue Summary:

Budget Baseline: £6,351,100

Net BAU overspend £7,600 (deterioration of £500 since M5)
CV-19 overspend £1,286,500 (improve by £200)

Business as Usual:

- **£28,200 salaries underspend** (deterioration of £500 since M5)

Offset by:

- **£35,800 – reduced income** from BAU due to changing the Ellice Road Car Park, free parking from 1 hour to 3 hours during the period 1 July 20 – 30 September 20.

Community Services - CV-19 Costs Variance Analysis

At M5, the Committee is projecting a full year CV-19 £1,286,500 overspend

Expenditure of £851,100 (deterioration of £32,400 since M5), primarily due to increased costs of:

- **£567,000** – Support to Freedom Leisure, currently under consideration by Members
- **£265,000** – Waste Services, costs relate to additional H&S requirements, cleaning and disinfecting of equipment and personnel, social distancing of workers, professional fees in relation to extension of existing waste contract, increased cost of maintaining old vehicles where renewal has been delayed and hire of vehicles
- **£15,600** – Staff overtime expenditure in relation to CV-19, includes staff making shielding calls, paying grants to local businesses, finance officers time and that of the CV-19 response taskforce
- **£3,500** – Miscellaneous expenditure on multiple budget lines relating to CV-19 (deterioration of £32,400 since M5)

Community Services - CV-19 Income Loss Variance Analysis

Loss of Income of £435,400 (Improvement of £32,600 since M5) primarily due to:

- **£248,000** – Loss of income for Tandridge Commercial Services as the operational team is working within the boundaries of CV-19, social distancing and Health & Safety restriction with having to wear PPE and staff sickness means the team are unable to work at normal capacity. This will all have a knock-on effect on the team's capabilities to deliver a normal service of maintaining the HRA housing stock and lead to less billable work for the team
- **£48,700** – Loss of income for Garden Waste Club due to CV-19 delaying the start date of the new waste contract
- **£47,700** – Loss of income for off-street Car Parking (improvement of £3,300 since M5)
- **£32,600** – Parks and Open Spaces decrease in revenue from sports facilities
- **£29,500** – Loss of income from Hackney Carriages taxi driver licencing (improvement of £22,100 since M5)
- **£26,900** – Loss of income for on-street Car Parking
- **£2,000** - Decrease in revenue from premises licences (improvement of £7,200 since M5)

Housing Services – Overview

TABLE 2: 2020/21 Forecast: General Fund Financial Position at year end 31/03/2021

KEY GENERAL FUND REVENUE VARIANCES	Annual Budget 2020/21 £	Budget Variances September (Period 6) £	Forecast Variance at year end (31/3/2021) Non-Covid-19 £	Forecast Variance at year end (31/3/2021) Covid-19 £	Overall Forecast Variance at year end (31/3/2021) £	Change in Forecast since last month £
Housing - General Fund						
Salaries	775,800	(53,800)	(127,000)	2,800	(124,200)	11,500
<u>Non Salaries</u>						
Meadowside Mobile Homes	(109,500)	153,132	0	7,600	7,600	(3,200)
Housing of the Homeless	(59,900)	(156,783)	0	8,600	8,600	0
Private Sector Enabling	63,863	(92,028)	0	12,500	12,500	0
Other net items of less than £10,000	(211,200)	57,000	0	0	0	0
Housing General Fund Total	459,063	(92,479)	(127,000)	31,500	(95,500)	8,300

Housing Services – Variance Analysis

Housing Committee - Revenue Summary:

Budget Baseline: £459,063

Net BAU underspend £127,000 (deterioration of £11,500 since M5)

CV-19 Overspend £31,500 (improvement of £3,200)

Business as Usual:

- **£138,500 salaries underspend** (deterioration of £11,500 since M5)

CV-19 - Extra costs of £31,500, (improvement of £3,200 since M5) due to:

- **£12,500** – Expenditure on Private Sector Enabling as the contractor (Millbrook) has redeployed staff for a 12-week period to support Surrey County Council's overall CV-19 response (improvement of £3,200 since M5)
- **£8,600** – Additional costs of housing rough sleepers during the pandemic;
- **£2,800** – Staff overtime expenditure in relation to CV-19, includes staff making shielding calls, paying grants to local businesses, finance officers time and that of the CV-19 response taskforce

Planning Policy - Overview

TABLE 2: 2020/21 Forecast: General Fund Financial Position at year end 31/03/2021

KEY GENERAL FUND REVENUE VARIANCES	Annual Budget 2020/21 £	Budget Variances September (Period 6) £	Forecast Variance at year end (31/3/2021) Non-Covid-19 £	Forecast Variance at year end (31/3/2021) Covid-19 £	Overall Forecast Variance at year end (31/3/2021) £	Change in Forecast since last month £
Planning Policy						
Salaries	1,510,700	5,300	(53,900)	2,500	(51,400)	(900)
Non Salaries						
Planning Application and Advice	(634,562)	101,843	0	257,500	257,500	16,800
Local Plan	439,500	(302,032)	(400,000)	0	(400,000)	0
Community Infrastructure Levy	0	0	0	45,000	45,000	0
Building Control Chargeable	0	0	0	44,000	44,000	9,500
Other net items of less than £10,000	22,400	5,106	0	0	0	0
Planning Policy Total	1,338,038	(189,783)	(453,900)	349,000	(104,900)	25,400

Planning Policy - BAU Variance Analysis

Planning Policy Committee - Revenue Summary:

Budget Baseline: £1,338,038

Net BAU underspend of £453,900 (improvement of £900 since M5)

CV-19 overspend £349,000 (deterioration of £26,300)

Business as Usual:

- **£400,000 underspend on the Local Plan.** Included in the Local Plan budget were costs for the delivery of the South Godstone Garden Community, such as early work on the Area Action Plan. Removal of £500k from a total budget of £621k at such an early point in the year was premature and did not capture all projected costs. In addition to the £127k currently budgeted in 2020/21, it is estimated that a further £100k needs to be identified for expenditure bringing the total forecast cost to £227k. We will keep in regular contact with the Project Manager to ensure our forecast outturn reflects the Planning Inspector's expectations of where the Local Plan will have progressed by year end. Costs will continue to be refined. Any slippages in progress in 2020/21 may impact future years. Complete review will be undertaken of all costs as part of the 2021/22 budget setting process. Work is underway to produce a project plan for Planning Policy Committee which monitors the expenditure against budget of the various projects being undertaken. Monthly updates will be reported to Committee as part of the budget monitoring process.
- **£53,900 salaries underspend** (improvement of £900 since M5)

Planning Policy - CV-19 Variance Analysis

At M5, the Committee is projecting a full year CV-19 £349,000 overspend

Extra costs of £46,500, (deterioration of £9,500 since M5) due to:

- **£44,000** – Expenditure for meeting Tandridge's share of expected loss that will be made by Southern Building Control as a result of reduced business activity. The improvement relates to the actual income levels are now higher than initially anticipated. The current variance can be met from the building control reserve (deterioration of £9,500 since M5).
- **£2,500** – Staff overtime expenditure in relation to CV-19, includes staff making shielding calls, paying grants to local businesses, finance officers time and that of the CV-19 response taskforce

Loss of Income £302,500 (deterioration of £16,800 since M5) due to:

- **£257,500** – Reduced income on **Planning Applications** and advice (deterioration of £16,800 since M5)
- **£45,000** – Loss of 5% admin fee for **Community Infrastructure Levy** work due to slowdown in development

Housing Revenue Account - Overview

TABLE 2: 2020/21 Forecast: Housing Revenue Account Financial Position at year end

31/03/2021

KEY HRA REVENUE VARIANCES Committee Chair - Councillor L Parker Officer - A Boote	Annual Budget 2020/21 (£)	Budget Variances Sept. (Period 6) (£)	Forecast Variance at year end (31/3/2021) BAU (£)	Forecast Variance at year end (31/3/2021) COVID-19 (£)	Forecast Variance at year end (31/3/2021) Total (£)
Salaries	1,722,400	42,200	38,100	4,100	42,200
Services costs	5,951,600	0	(36,200)	(29,400)	(65,600)
Corporate Support Services	1,441,800	0	0	0	0
Repairs and Maintenance	2,640,500	0	(7,700)	(53,900)	(61,600)
Interest Charges on loan	1,912,100	0	(264,000)	0	(264,000)
Rental Income Dwellings	(14,200,500)	0	0	200,000	200,000
Rental Income Garages	(279,700)	0	0	10,000	10,000
Other Income	(226,000)	0	(6,150)	(4,400)	(10,550)
Forecast outturn before transfer to reserves	(1,037,800)	0	(275,950)	126,400	(149,550)
Transfer to reserves	1,037,800	0	275,950	(126,400)	149,550
Forecast outturn after transfer to reserves	0	0	0	0	0

Housing Revenue Account - Summary

Key variances in HRA BAU Budget (net c£0.3m underspend)

- **Underspend of £314,050 :**
 - **£264,000 on interest payable.** Partly due to loans being refinanced at a lower than expected interest rate.
 - £36,200 collection of small variances against service costs
- **Offset by overspend of £38,100 on salaries**

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Key variances in HRA CV-19 expenditure (net c£0.1m overspend)

- **Overspend £210,000 on rent loss from bad debts** as HRA arrears are expected to increase significantly
- **Offset by Underspend £53,900 on repairs and maintenance expenditure.** Due to the lockdown and required social distancing measures, planned repairs and maintenance have been postponed
- **Underspend on £29,400 Service charges - Legal cost** savings expected due to TDC legal dept being able to deal with more of these items

Capital – Detailed Position

	Original Budget 2020/21 £	Mid Year Review 2020/21 £	Revised Budget 2020/21 £	Revised Budget YTD P6 £	Actual YTD P6 £	Variance YTD P6 £	Forecast Variance 2020/21 £
Community Services - Committee Chair: Councillor B Connolly - Officers: A Boote							
Waste and Recycling	2,991,308	(8)	2,991,300	1,495,700	19,311	(1,476,389)	0
Parks, Playgrounds and Open Spaces	530,900	(245,900)	285,000	142,500	17,563	(124,937)	0
Community infrastructure and assets	1,194,040	(656,940)	537,100	251,200	33,852	(217,348)	0
Total Community Services	4,716,248	(902,848)	3,813,400	1,889,400	70,725	(1,818,675)	0
Housing General Fund - Committee Chair: Councillor L Parker - Officer: A Boote							
Social Housing Grants	100,000	0	100,000	50,000	0	(50,000)	0
Disabled Facilities Grants	426,000	0	426,000	213,000	88,938	(124,062)	0
Total Housing GF	526,000	0	526,000	263,000	88,938	(174,062)	0
Strategy & Resources - Committee Chair: Councillor T Elias - Officers: J King/L Harrison/A D'Alessandro/Alison Boote							
Property Development Fund	98,841,500	(97,860,500)	981,000	490,500	38,934	(451,566)	0
Council Offices Buildings	100,000	(25,000)	75,000	37,500	15,957	(21,543)	0
GF IT - Hardware/Infrastructure	873,600	(182,400)	691,200	345,600	79,700	(265,900)	0
Total Strategy & Resources	99,815,100	(98,067,900)	1,747,200	873,600	134,591	(739,009)	0
Total-General Fund	105,057,348	(98,970,748)	6,086,600	3,026,000	294,254	(2,731,746)	0
Housing Revenue Account - Committee Chair: Councillor L Parker - Officer: A Boote							
Council House Building	11,376,700	(5,476,700)	5,900,000	2,950,000	1,598,060	(1,351,940)	0
Improvements to Housing Stock	3,608,000	(443,500)	3,164,500	1,582,400	731,874	(850,526)	0
Housing Management Software	70,000	0	70,000	35,000	2,500	(32,500)	0
HRA IT - Hardware/Infrastructure	0	140,800	140,800	70,400	0	(70,400)	
Housing Revenue Account	15,054,700	(5,779,400)	9,275,300	4,637,800	2,332,434	(2,305,366)	0
Total Capital Programme	120,112,048	(104,750,148)	15,361,900	7,663,800	2,626,688	(5,037,112)	0

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Strategy & Resources Committee Tuesday, 24 November 2020

Flexible Capital Receipts Strategy

Report of:	Simon Jones - Deputy CFO (Deputy s151) sjones@tandridge.gov.uk
ELT Lead	Anna D'Alessandro – Chief Finance Officer (Section 151) adalessandro@tandridge.gov.uk
Publication status:	Open
Wards affected:	None
Recommendations:	That the Committee recommends to Council on 10 December 2020 that the following to be agreed: A. The Council agrees the flexible capital receipts strategy
Appendices:	Appendix A - Flexible Capital Receipts Strategy Estimated Savings
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1 The Council is looking to set a strategy on the flexible use of capital receipts to enable it to use capital receipts to fund the costs of transformation work undertaken by the Council.
- 1.2 This strategy only covers the 2020/21 financial year and a further paper detailing the flexible use of capital receipts for 2021/22 will be brought to committee during the next financial year should further transformation schemes and savings be identified.
- 1.3 The costs incurred relate to the salaries of Officers who have been involved in transformation work. The savings identified from the transformation work undertaken are detailed in Appendix A.
- 1.4 This report seeks to again approval for the Council's strategy.

2. Background

- 2.1 Capital receipts can only be used for specific purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The

main permitted purpose is to fund capital expenditure and the use of capital receipts to support revenue expenditure is not permitted by the regulations.

- 2.2 The Secretary of State for Communities and Local Government issued guidance in March 2016, giving local authorities greater freedoms with how capital receipts can be used to finance expenditure. This Direction allows for the following expenditure to be treated as capital;

*“expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services *in future years for any of the public sector delivery partners.*”*

- 2.3 To comply with the direction the Council must prepare, publish and maintain a Flexible use of capital receipts strategy.
- 2.4 The statutory guidance states the strategy should include a list of projects that will utilise flexible capital receipts, included expected savings from the project.
- 2.5 The direction can be used until the close of the 2021/22 financial year.

3. Proposed Flexible use of Capital receipts strategy

- 3.1 The definition of expenditure that qualifies to be funded by capital receipts per statutory guidance is as follows:

“Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.”

- 3.2 The Council has identified the following projects that meet the criteria, and which it intends to fund through the strategy:

Project Description	2020/21 Estimated Cost	2020/21 Estimated Savings
Work of Transformation team	£160,000	£349,134
Total	£160,000	£349,134

4 Climate Change implications

- 4.1 There are no significant environmental / sustainability implications associated with this report.

5 Equality implications

- 5.1 This report does not disadvantage or discriminate against any different groups with protected characteristics in the community.

6 Comments of the Chief Finance Officer

- 6.1 The use of capital receipts to finance the one-off transformation work that is being undertaken at the Council will reduce the pressure on the General Fund revenue budget. The work that is being funded via capital receipts is transformational in nature and will generate savings so it therefore within the Government guidance as outlined above.
- 6.2 The Council has £1,851,077 of capital receipts that have been received within the period the legislation has been active which can be used under the flexible use of capital receipts scheme. Further receipts may also be received during the current and next financial years although current plans can be financed from the receipts that have already been received. There are more than sufficient capital receipts available to finance the transformational work identified. A breakdown of the capital receipts is shown below:

Useable GF Receipts - made up of:	Year received	£
C/F FROM 2017/18		-6,073.68
Johnsdale Car Park	2018/19	775,524.00
Land at Harestone Valley	2018/19	15,000.00
Land at Torwood Lane, Whyteleaf	2018/19	61,070.00
Land at The Grove	2018/19	29,780.00
Tractor EU14AVM not on Register	2018/19	30,600.00
Tractor EU67GAX	2018/19	61,383.30
Repayment of Loans	2018/19	317,857.14
Repayment of Loans	2019/20	565,935.84
Balance at 31 March 2020		<u>1,851,076.60</u>

- 6.3 The savings generated by the work undertaken on transformation is currently estimated as c£349k but can be hard to fully quantify. Some savings relate to reducing future demand on services thereby allowing officer time to be redirected to other priorities.
- 6.4 A breakdown on the different areas of work and the anticipated savings achieved is shown at Appendix A.

7 Comments of the Head of Legal Services

- 7.1 The Council is under a duty to manage its resources prudently and therefore due consideration must always be given to the financing options available to the authority including adherence to legislation and various regulations.
- 7.2 In particular, the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) made pursuant to the Local Government Act 2003 requires the Council to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities ("The Prudential Code"). Regulations 23 and 24 provide respectively

that capital receipts may only be used for specified purposes and that in carrying out its capital finance functions, a local authority must have regard to the code of practice in “Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (2017 Edition)” (“The Treasury Code”) issued by CIPFA.

8 Conclusion

- 8.1 Information has been provided to enable the Committee to consider the use of capital receipts to fund projects.

----- end of report -----

Flexible Capital Receipts Strategy Estimated Savings

Appendix A

Transformation work 2020/21

Officer	Estimated Cost	Area of work	Narrative on saving	Estimate of saving
Interim Transformation Lead	£115,000	1. Focused on Local Government Reform which started off as a piece of work associated with a response to Surrey Unitary Bid however this is now continuing to develop collaborative ideas for D&Bs. Exploration of a future preferred model is being worked on and Paul is providing PM support for this.	Initially unitirisation of the County would have led to a saving for Surrey tax payers. Now the work on collaborative idea for a way forward will result in savings for Tandridge and throughout the County further down the line.	TBC
		2. Planning and Planning Policy transformation of relationships with Members, DM Charter, SCI Charter and budget reshaping.	Helping reshape the Planning Policy committee to ensure better relationships between Officers and Members reduces duplication and misunderstanding therefore leading to reduced officer time being consumed and a saving for the organisation by reducing reliance on overtime and agency staff. The work undertaken on the 2021/22 budget has produced significant savings (£347,600 identified as at 20th October 2020). 10% of savings has been attributed to the work of the Interim Transformation Lead.	£34,760
		3. Waste reshaping the team and right sizing Waste bau, Fly-tipping bau, Locality and Mobilisation.	Savings hard to quantify.	TBC
		4. EU Transition work in readiness for end of year position.	Helping ensure businesses are ready for the year end transition and therefore ensuring business rates are maintained and grown. Saving hard to quantify.	TBC
		5. Restructure of senior leadership team	Direct savings of £378,258 achieved due to lower cost of new model. 30% of savings has been attributed to the work of the Interim Transformation Lead.	£113,477
		6. Budget process 2021/22 high level input	Savings of around £2m identified to date (including the Planning Policy savings identified above). 5% of savings has been attributed to the work of the Interim Transformation Lead.	£82,620

Officer	Estimated Cost	Area of work	Narrative on saving	Estimate of saving
LGA Consultant	£42,000	1. Transforming Governance system and processes, including Officer training.	Improving governance systems and processes and providing training to staff has helped streamline operations which will reduce the cost of officer time that is spent on this allowing time to be reallocated to other operations. Estimates saving of 0.5 FTE at grade TA1.	£14,828
		2. Support for implementation of MOD.GOV and new ways of working.	The new committee system (ModGov) will reduce officer time spent on controlling the report writing process and agenda preparation leading to a saving in officer time which can be reallocated to other priorities. Estimates saving of 0.5 FTE at grade TA1.	£14,828
		3. Member/Officer relationships transformation.	Improved Member/Officer relationship will lead to a saving in officer time which can be reallocated to other priorities. Officers will save time due to improved communication and understanding from clearer communication channels. Estimates saving of 0.5 FTE at grade M2.	£50,949
		4. Developed Strategic Plan for Council.	Saving hard to quantify.	TBC
		5. Supported the transition to working in No Overall Control, which includes training and development of Members and Officers.	Training of officers has resulted in reduced officer time being spent as officers are better able to understand members needs and more quickly address them. Member training has helped focus Members minds at the strategic level reducing their calls on officer time to attempt to micro manage details. The previous governance arrangements were not fit for working in a no overall control environment and were consuming considerable officer time at all levels. The new setup is not only more effective but also reduced the level of Officer time that is required to support the process. Estimates saving of 0.5 FTE at grade TA1.	£14,828
		6. Reviews undertaken by Local Government Association (LGA)	The LGA consultant has brokered the organisation lots of free support that we would have otherwise had to pay for as part of the transformation/governance work. This includes free training for Officers and Members, mentoring for Committee Chairs, support to recruitment of Chief Executive and a Finance function review.	£22,844
Total	£157,000			£349,134

Agenda Item 9

REPORT TO THE STRATEGY & RESOURCE COMMITTEE – 24 November 2020

CORPORATE DEBT POLICY

Report of:	Melanie Davis – Business & Income Specialist mdavis@tandridge.gov.uk Nick Smith – Business & Income Specialist nsmith@tandridge.gov.uk
ELT Lead	Alison Boote – Executive Head of Communities aboote@tandridge.gov.uk
Publication status:	Unrestricted
Wards affected:	All
Recommendations:	That, in accordance with its delegated powers, the Committee approves the Corporate Debt Policy as attached at Appendix A.
Appendices:	Appendix A – Proposed Corporate Debt Policy
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1 This report introduces the Corporate Debt Policy as a new policy, which amalgamates a number of existing policies to ensure a joined up approach to debt collection across the Council and, seeks approval from the committee to adopt the policy as set out in **Appendix ‘A’**
- 1.2 Recovery of debt is important during these challenging financial times and should be prioritised where possible to ensure the Council is maximising its income.

2. Background

- 2.1 The Council raises a significant proportion of its total income through local taxes and charges equating to approximately 51% of the Council's annual income. These sources of income provide core funding for the Council's services therefore we must adopt a policy to support the maximisation of debt recovery and income collection ensuring that billing, collection and recovery of all sums due are managed in a cost effective, consistent and sensitive manner
- 2.2 For 2020/21 Tandridge District Council would normally have sought to have collected approximately £21m business rates, however, due to the government announcing additional reliefs due to the Covid pandemic the authority currently has approximately

£11m to collect. With regards council tax, approximately £79m is payable of which the Council will retain approximately 11% of the sums collected. The remaining 89% is split between Central Government, Surrey County Council, Police and other areas. In addition approximately £15m rent is collected for the Council's housing stock and a further £2.5m collected from commercial rents.

		Year	
	2017/18	2018/19	2019/20
Non-Domestic Rates as % collected	99.00	97.58	98.81
Council Tax as % collected	98.60	98.50	98.20
Rent arrears as a % of annual rent receivable	2.30	1.94	2.65

- 2.3 Sundry debt invoices are raised on a day to day basis. A sundry debt is a debt owed for a service received such as payment for commercial rent charges for office space at the Council Offices, former tenant rent arrears and recharges for work. In addition, changes to Benefit claimant's circumstances may result in an overpayment of housing benefit which also requires collection in line with the Corporate Debt Policy.

3 The Policy

- 3.1 The Corporate Debt Policy as attached at **Appendix A** sets out measures to achieve prompt collection of money due to the Council. It seeks to maximise collection rates whilst ensuring that a fair, proportionate and consistent approach is taken to the recovery of sums that are not paid when due.
- 3.2 The Council's primary aim is to achieve best practice in the collection of debt. To achieve this, it will follow a three-step process as set out below;
- 1) Issue requests for payment promptly and accurately, providing clear bills, invoices, reminders and recovery notices which show what to pay, when to pay it, how to pay and the consequences of not paying. This first phase includes the issue of the original invoice and two reminders and other attempted contact methods.
 - 2) Instigate legal proceedings promptly where sums due are not paid, ensuring recovery of the full cost of enforcement action from the debtor, avoiding imposing unnecessary or excessive charges.
 - 3) Referral to collection agencies, enforcement agents and consider attachment of earnings/ benefits, special payment arrangements, bankruptcy, liquidation, charging order or Committal to Prison Proceedings.
- 3.3 This policy seeks to identify any debt that crosses over between individual income streams, for example, Council Tax and Rent arrears and, will support debtors at appropriate recovery stages.
- 3.4 In summary the policy sets out:

Guidelines and Procedure

Responsibilities of Debtors

Arrangements for Payments of arrears

Prioritisation of Debt Recovery

Enforcement Action

Vulnerable People

4 Debt Recovery via Collection Agencies

- 4.1 It is the aim of the Council to ensure the prompt collection of debt. A case will be referred to a collection agency (Bailiff firm) once a summons and Magistrates Liability Order has been issued. The Council uses the services of three collection enforcement agencies. These services are free to the Council, however, in accordance with the Taking Control of Goods (Fees) Regulations 2014 the table below shows the cost to the debtor for the collection agencies services once referred for action:

Stage of Process	Fixed Fee	Additional percentage to be paid for debts over £1,500
Writing to you about your debt – Compliance stage	£75	None
Visiting your home – enforcement stage	£235	7.5%
Taking and selling your belongings (called 'sale')	£110	7.5%

- 4.2 Current debt outstanding as at 31 March 2020 totaled £6,354,692.9. The table below details the total debt by income workstream:

Arrears per service	Amount	% of arrears outstanding
Council Tax	£2,667,457.36	41.97
HB Overpayments	£1,473,051.68	23.18
Sundry Debts	£1,365,410.80	21.49
National Non-Domestic Rates	£441,569.55	6.95
Housing Rents	£407,203.55	6.41
Total	£6,354,692.90	100

- 4.3 At present there are six different processes for the collection of debt depending on the workstream. In support of the amendments to the Corporate Debt Policy, staff processes for all income workstreams are being reviewed. The aim of this is to streamline processes, automate where possible and ensure that debts are collected in a timely fashion. These processes will not only improve efficiency but will also make the process easier for the debtor and will highlight the consequences of non-

payment at the earliest opportunity. In addition this will help with consolidating individuals total debt owed to TDC from different areas, allowing Officers to pinpoint the “problem debtors” and allocate the correct level of resource to deal with it.

5. Write Off's

- 5.1 Tandridge District Council actively pursues all monies due to the Council in a timely and effective way. Aged debt is reviewed on a regular basis and on occasion may prove difficult to collect for the following reasons:

Absconded

Bankruptcy/Debt Relief Order/Individual voluntary arrangement

Deceased

Age of debt

Poverty

- 5.2 Before any write off is considered each case must be reviewed on an individual basis to establish whether or not the debt is recoverable or if it is more efficient to write it off. If the debt is not recoverable consideration needs to be given to the financial impact any write off will have on that particular service area. Should a debt be written off and the debtor's circumstances change, or additional information becomes available that is sufficient to warrant reconsideration, a debt can be written back on to the system. Any write off of debt should be considered as a last resort. The Councils Write Off Policy and Procedure refers.

- 5.3 The Council does not currently have a debt provisioning policy, instead, a procedure for completing quarterly debtors provision calculations is used based on the age of the outstanding debt. The following best practice guidance percentages are used:

Age of debt in weeks	0 - 4	5 - 13	14 - 26	27 - 39	40 - 52	52 +
Percentage to be applied	0.00%	10.00%	25.00%	50.00%	75.00%	95.00%

- 5.6 These percentages are applied to Accounts Receivable debt, Housing Benefit Overpayment debt and HRA tenants/former tenants' debt.

6. Climate Change implications

- 6.1 There are no significant environmental / sustainability implications associated with this report.

7. Equality implications

- 7.1 An equalities impact assessment was carried out for the purpose of this report.

- 7.2 All equality groups are at risk of financial hardship at any time. It is important that officers follow set processes to ensure a consistent approach to debt collection which may include signposting the debtor to alternative agencies such as Citizens Advice Bureaux (CAB) or Adult Social Care for advice and money management Support.

8 Any other corporate implications where applicable

- 8.1 There are no significant corporate implications associated with this report.

9 Comments of the Chief Finance Officer

- 9.1 With the current financial climate it is very important that the Council ensures that we have adequate resources and policies around the collection and protection of the Council's income. This also means having adequate policies around the Corporate Debt policy. Adopting this policy will safeguard and protect the Council and its residents.
- 9.2 It should be noted that any increase in debt provision will have two detrimental effects on the Council, one being cash-flow and the second being a reduction in our income and therefore lead to a budget deficit on income. Neither of these items are good for any business at any time but they are much worse whilst the Covid19 Pandemic wreaks havoc on the World economy therefore we must ensure we have a strong and resilient policy.
- 9.3. The policy must be communicated and understood by all the Council's staff but in particular the Business and Income team whose role includes chasing debt. The procedures must be adhered to, followed step by step and then this will allow the Council to be able to document to the Courts if, and when necessary that we have followed our internal written down procedures and policies.
- 9.4. Points to consider:

Currently £15.5m rental income is collected and should this not be collected it will affect our viability of the Housing Rent Account (HRA).

Tandridge receives approximately 11% of the council tax collected so the need to exercise any recovery methods at its earliest opportunity so that maximisation of the council tax to be collected is met.

For any housing benefit overpayment raised due to a claimant error the subsidy rate is 40%. This means that for every 60p in the £ that the Council recovers it will break even and any additional monies recovered from the overpayment will be kept by the Council.

Similar to council tax, the business rates that the council collects are shared between Central Government (50%), Surrey County Council (40%) and Tandridge (10%).

Service areas will also raise sundry debt invoices, and should monies not be paid within the timeframe then the Business & Income team will explore the right recovery method in order that the Council maximises its revenues stream. As at 27 February 2020, Tandridge has raised £6.4m sundry debt invoices during 2019/20.

10. Comments of the Head of Legal Services

- 10.1 The policy takes into account the need to recover all monies efficiently but ensures that the Council complies with its duty to ensure that these monies are collected in a fair and balanced way. It also ensures that a balance is struck between the interests of the majority of tax payers who pay on time, whilst being both robust and effective against those who deliberately fail to make payments and being sufficiently flexible to deal with those who cannot pay as a result of their financial circumstances.

11. Conclusion

- 11.1 The amendments made to the Corporate Debt Policy have been done so to ensure the Council is able to recover debts from debtors by appropriate means and will maximise income to the Council.
- 11.2 It is asked that consideration be given that, in accordance with its delegated powers, the Committee approves the Corporate Debt Policy as attached at Appendix A.

----- end of report -----

Tandridge District Council
Corporate Debt Recovery Policy
2020

1. Introduction

- 1.1 The Council raises a significant proportion of its total income through local taxes and charges. These sources of income provide core funding for the Council's services therefore we must adopt a policy to support the maximisation of debt recovery and income collection ensuring that billing, collection and recovery of all sums due are managed in a cost effective, consistent and sensitive manner.
- 1.2 Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods for billing and recovery of statutory debts are tightly prescribed by statute and our practices must take these legislative requirements into account.
- 1.3 Due to differing legislative guidelines for some income streams, it is not possible to have one standard approach for the recovery of all types of debt, and specific arrangements are required to ensure that all client groups are dealt with fairly and appropriately.
- 1.4 This document sets out the general principles Tandridge District Council will apply to debt management across the services we provide.

2. Aims

- 2.1 The aim of this Corporate Debt Policy is to achieve the prompt collection of sums of money due to the Council. It seeks to maximise collection rates whilst ensuring that a fair, proportionate and consistent approach is taken to the recovery of sums that are not paid when due. This policy seeks to identify cross over between individual income streams which will support debtors at appropriate recovery stages.

3. Objectives

- 3.1 The objectives of this policy are to;
 - Apply best practice to debt collection,
 - Ensure a professional and timely approach to recovery action,
 - Maximise levels of income collected by the Council,
 - Treat all debtors consistently and fairly
 - Promote a coordinated approach towards managing multiple debts owed to the Council,
 - Ensure that debtors in genuine financial difficulty are supported to claim any benefits they are entitled to and where appropriate are signposted towards free debt advice,
 - Ensure that vulnerable people are supported to manage their financial affairs effectively, including the payment of debt.

4. Guidelines and procedures

- 4.1 Good Practice

The Council's primary aim is to achieve best practice in the collection of debt. To achieve this, it will follow a three-step process as set out below;

- 1) Issue requests for payment promptly and accurately, providing clear bills, invoices, reminders and recovery notices which show what to pay, when to pay it, how to pay and the consequences of not paying. This first phase includes the issue of the original invoice and two reminders and other attempted contact methods.
- 2) Instigate legal proceedings promptly where sums due are not paid, ensuring recovery of the full cost of enforcement action from the debtor, avoiding imposing unnecessary or excessive charges.
- 3) Referral to collection agencies, enforcement agents and consider attachment of earnings/ benefits, special payment arrangements, bankruptcy, liquidation, charging order or Committal to Prison Proceedings. Any legal proceedings will be via the Magistrates Court system.

4.2 Procedure Timeline

4.2.1 The below table sets out the timeline for case escalation:

Action	Timescale
Reminder Letter one	14 days from original invoice
Reminder Letter two	28 days from original invoice
Refer case to Business and Income Team	40 days from original invoice
Business and Income Team to explore appropriate next steps (enforcement agent action or referral for legal enforcement)	50 days from original invoice

All debt collection will follow these timescales unless expressly stated in the contract.

4.2.2 In addition to the three-step process the following principles will also be followed;

- Ensure that all Services and Council Officers co-ordinate to manage multiple debts owed to the Council,
- Respond quickly to notifications of changes in circumstances and applications for exemptions, discounts or reliefs,
- Make it as easy as possible to pay outstanding debts by offering a wide choice of convenient payment options,
- Provide information about discounts, reliefs, reductions, exemptions and housing benefit and encourage the take-up of entitlement,
- Make it easy to contact the Council through a range of options including face to face, by telephone, by e-mail or in writing,
- Respond to all enquiries promptly and courteously,
- Signpost to free sources of independent money and debt advice as well as referrals to an outreach agency,
- Assist customers who have a legitimate dispute against their outstanding liability,

- Be proactive in identifying vulnerable people and provide them with advice and assistance to help them to meet their financial obligation to the Council,
- Wherever possible use the least severe method of recovering a debt (subject to the method realising payment in a suitable period),
- Respect the debtor's privacy by conducting enforcement activity as discretely as possible,
- Keep all procedure notes associated with this policy up to date and relevant.

5. Responsibilities of Debtors

- 5.1 The Council expects any person or organisation that owes a sum of money to the Council, or should have a liability to pay, to comply with any, and all legal obligations in respect of the liability or potential liability.
- 5.2 The Council's commitments to a fair debt collection process are set out in this Policy and it is the Council's expectations that those owing sums to the Council will contribute to this process by abiding with the following principles;
- Pay amounts due promptly to ensure receipt by the Council on or before the date that payment is due,
 - Follow instructions provided regarding the making of payments to ensure payments are credited correctly against the amount due,
 - Inform the Council promptly of any changes to their circumstances that may affect the amount to be paid or the ability to pay,
 - Notify the Council promptly if their address changes,
 - Contact the Council promptly if it is believed the amount charged is not correct, both where the amount may be too much or too little,
 - Contact the Council promptly if they are unable to pay an amount that is due.

6. Arrangements for repayment of arrears

- 6.1 Anyone having trouble in making payment when it is due is encouraged to contact the Council at the earliest opportunity to discuss repayment options. Contact details can be found on all Council bills, invoices and recovery notices issued by the Council.
- 6.2 Where contact is made consideration will be given to entering into an individual repayment arrangement based on the debtor's personal circumstances. The Council's staff will seek to obtain as much information as possible about the debtor's circumstances, as considered necessary to make the best assessment of their ability to pay and to determine a realistic payment arrangement.
- 6.3 More detailed information is likely to be required where the debtor claims to be unable to pay the debt over a short space of time and where the debt will not be repaid in full by the end of the financial year.
- 6.4 Where a debtor refuses to divulge any information that is considered essential to assessing their ability to pay then it is unlikely that a payment agreement will be entered.

- 6.5 The Council collects a range of debts some of which have more serious consequences than others when there is non-payment. The following shows the consequences of certain debts. It is the Council's intention that customers should understand these consequences with a view to minimising the effects.
- 6.6 Priority debts as listed below will be taken into consideration when arranging. External priority debts, i.e., court fines will also be used when agreeing a payment plan with the debtor.
- **Rent arrears** – can result in eviction, removal from the Council's Housing Register and a Money Judgement Order granted by the Court
 - **Council Tax** – can result in imprisonment
 - **Business Rates** – can result in Business being liquidated, or Bankruptcy proceedings against Sole Traders
 - **Housing Benefit Overpayment** – can result in a County Court Judgment (CCJ) being applied for and possible prosecution
 - **Business Improvement District Levy (BID)** - can result in Business being liquidated, or Bankruptcy proceedings against Sole Traders
 - **Sundry Debts** - can result in a County Court Judgment (CCJ) being applied for
 - **Commercial Rent** – can result in loss of possession of the property, a County Court Judgment (CCJ) and/or the Business being liquidated

7. Prioritisation of Debt Recovery

- 7.1 Cases will be prioritised in order of oldest and largest debts. From the outset we will try and engage with the debtor by way of telephone, email, written correspondence or a site visit to structure a payment plan in line with the council's prioritisation of debts in the best interest of the debtor. This may include withholding further recovery action against other debt streams for an interim period.
- 7.2 Prior legal action being taken to recover a debt, council officers will identify all debts currently outstanding with the council across its databases.

8. Enforcement Action

- 8.1 The appropriate recovery action ensures that the debtor is reminded of the requirement to make a payment as early as possible; allowing them the opportunity to bring payments up to date before the debt increases or more severe action to recover payment is commenced.

- 8.2 The Council will contact in the appropriate legislative timeline in writing, within the appropriate legislative timescale, any person or organisation that fails to make a payment to inform that the payment is overdue, the payment options available and the consequences of failing to pay. If payment or an arrangement for payment is not made enforcement action will be taken. Debts are covered by different statutory enforcement regulations and different processes are followed, these include but are not limited to, The Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989, The Council Tax (Administration and Enforcement) (Amendment) (Wales) Regulations 2014 and DWP Benefit Overpayment Recovery guidelines.
- 8.3 The legislative guidelines and policy procedures in question are;
- Housing Rents including Former Tenant Arrears
 - Council Tax
 - Housing Benefit Overpayments
 - National Non-Domestic Rates better known as Business Rates
 - Business Improvement District Levy better known as BID levy
 - Commercial Rents
 - Other Sundry Debts owed to the Council
- 8.4 Debts will be referred to collection agencies where appropriate to do so. The debtor will be made aware of the referral to the collection agency in writing, any further communication will be between the debtor and the collection agency.
- 8.5 A dedicated webpage will be designed to ensure that debtors have clear and easy access to the information they need when dealing with a bill, invoice or recovery.

9. Vulnerable People

- 9.1 In general and for the purpose of this policy, a vulnerable person is either a minor or someone who, for physical or mental reasons, is unable to look after themselves or their finances.
- 9.2 The Council recognises that some members of the community may be vulnerable and therefore may require additional support in dealing with their financial affairs.
- 9.3 Vulnerability does not mean that a person will not be required to pay amounts they are legally obliged to pay. However, where a person is recognised to be vulnerable consideration should be given to;
- Allowing longer to pay,
 - Postponing enforcement action,
 - Assisting the person to claim benefits, discounts or other entitlements,
 - Referring the person to sources of independent debt advice,
 - Providing information in an accessible format,

- A temporary payment arrangement with lower repayment than would normally be agreed.
- 9.4 The cause of vulnerability may be temporary or may be permanent in nature and the degree of vulnerability will vary widely.

11. Reporting

- 11.1 No less than monthly aged debt profiles will be provided for review by the Executive Leadership Team and similar debt profiling reports provided to Members on no less than a quarterly basis. Monthly or if necessary more frequent reports are provided to the Finance Business Partners.

12. Roles and responsibilities

- 12.1 The Business and Income Lead Specialist will have overall responsibility for the implementation, monitoring and review of the Policy.
- 12.2 The Council's Business and Income Service is responsible for the operational delivery of policy and will assess each case against the relevant criteria. The Council's Business and Income Service will work with customers to resolve matters prior to any enforcement action being taken, this may include but is not limited to payment arrangements, signposting and money advice where appropriate.
- 12.3 All enforcement proceedings will be confirmed to the customer in writing.

13. Links to other Policies and relevant legislation

- 13.1 This policy is conducted in conjunction with other Council policies and legislation as listed below:

Income Collection Policy
Write Off Policy
The Council Tax (Administration and Enforcement) Regulations 1992
The Local Government Finance Act 1988
The Housing Act 1985

14. Monitoring, review and evaluation

- 14.1 Regular monitoring will take place to ensure that the Council is dealing with cases of debt in line with this policy. This policy will be reviewed every two years or in line with legislative or regulatory changes.

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Strategy & Resources Committee Tuesday, 24 November 2020

Climate Change Action Plan Report

Report of:	William Mace - Performance Specialist wmace@tandridge.gov.uk
ELT Lead	Jackie King - Executive Head of Corporate Resources / Acting Chief Executive jking@tandridge.gov.uk
Publication status:	Open
Wards affected:	All.
Recommendations:	<ul style="list-style-type: none"> (1) That the Committee adopts the Council's Climate Change Action Plan as included in Appendix A. (2) That the Committee receives an update on the development and delivery of the Action Plan in June 2021 and annually thereafter. (3) That the Committee resolve to form a climate change task and finish group with terms of reference as set out at section 5.
Appendices:	Appendix 'A' – Tandridge District Council Climate Change Action Plan Version 1.
Background papers defined by the Local Government (Access to Information) Act 1985	None.

1. Executive Summary

- 1.1 This report asks Strategy & Resources Committee to adopt the Climate Change Action Plan (henceforth 'Action Plan') which appears at Appendix A.
- 1.2 The Action Plan has been produced in response to the Council's declaration of a climate change emergency in February 2020, which formally established its aim to cut its environmental impact and take steps to become carbon neutral by 2030.
- 1.3 The Action Plan includes initial actions which will develop over time, such as undertaking scoping exercises and producing project plans and business cases for substantive actions which will be brought back for Councillor decisions as appropriate.
- 1.4 The Action Plan will remain a live document over the climate change motion's 2020 – 2030 target period, hence it will be reviewed in full annually and updated or amended,

if required, to take account of changes in legislation, new best practice, advances in technology or any other changes in circumstances.

- 1.5 Councillors are asked to consider forming a climate change task and finish group to inform the development of specific actions in the plan in order that a more developed version may be brought back to Committee in June 2021.

2. Background

- 2.1 The Council has undertaken activities that serve to reduce its carbon footprint for many years. Its formal recognition of climate change began with a presentation and discussion on climate change in January 2020. This was followed by a motion adopted by Full Council in February 2020 for the Council to declare a climate emergency and establish its own climate change action plan.
- 2.2 The motion specified that the Council will establish its own climate change action plan, with targets to cut its environmental impact and become carbon neutral by 2030 and that the Council will engage with other councils in the South East, and its residents, businesses, and young people in the District to mitigate and adapt to climate change.
- 2.4 An update report on the Action Plan was brought to Strategy & Resources Committee in September 2020. The report detailed activities the Council has undertaken to further its aims to tackle climate change since February and noted that, although work had begun on the Action Plan in February 2020, the occurrence and continuation of the Covid-19 pandemic significantly delayed progress.
- 2.5 A Councillor workshop was held on 27th October to discuss a draft version of the Action Plan.

3.0 Structure of the plan

- 3.1 The Action Plan (at Appendix A) focuses on the key priorities for the Council, several of which require scoping to gather sufficient data on potential project costs, implications¹ and impact on carbon emissions before a decision can be made to proceed. The proposed approach is therefore to adopt this initial version of the plan to provide officers with a mandate to conduct this work, and then return data on significant projects to Councillors to enable them to reach informed decisions.
- 3.2 It is proposed to bring an update to this Committee, with a fully developed action plan in June 2021, with annual updates thereafter. It is also proposed to establish a Member/ Officer Task and Finish Group to inform the development of the Action Plan (see section 5).
- 3.2 The Action Plan includes:
- (1) Strategic Priorities informed by Surrey County Council's Climate Change Strategy, adapted as appropriate for Tandridge DC. These priorities reflect academic research, evidence and analysis and the inter-connected challenges posed to government at all levels. The priorities are:

¹ Core implications to consider are financial, legal and national / local policy.



(2) Actions the Council can take to directly or indirectly impact on its own emissions and those of the District and County, aligned to deliver the Strategic Priorities. The three primary categories for actions are:

- i. Category 1: Reducing emissions from the Council's estate and operations
- ii. Category 2: How the Council can influence and encourage residents and businesses to reduce their emissions
- iii. Category 3: How we work with other agencies to collectively reduce the carbon footprint of Surrey

While it will take time to develop business cases for some actions, there are other actions which can be 'quick wins' such as: creating a baseline Council carbon emissions report, conducting a feasibility study into the installation of electric vehicle charging points in the Council's car parks, and producing a climate change communications strategy.

4. Steps to becoming carbon neutral by 2030

- 4.1 It is essential that the Council produces its first carbon emission report, as it cannot manage what it does not measure. The first iteration of the report,² for 2019-20, will be available by March 2021. It is mostly related to Category 1 of the Action Plan, and focuses on measures related to differing degrees of control the Council has over the listed emissions sources:

Scope 1 (direct)

² The carbon accounting tool the Council is proposing to use is the recently published Local Partnerships and Local Government Association tool. See: Local Partnerships (2020) *Greenhouse Gas Accounting Tool*. Online available: <https://localpartnerships.org.uk/greenhouse-gas-accounting-tool/> [Last accessed 29/10/20].

- Gas consumption within the Council's owned buildings.
- Fuel consumption from Council owned/controlled vehicles

Scope 2 (indirect)

- Emissions from the generation of purchased electricity

Scope 3 (third-party)

- Emissions from energy consumed in buildings leased to a third-party operator or services procured from a third-party operator
- Emissions from business travel from non-Council owned vehicles
- Emissions from third party disposal and treatment of waste in council operations
- Emissions from the supply and treatment of water consumed by the Council's operations
- Emissions from procured goods and services

4.2 In the first Council emissions report, attention will be primarily dedicated to Scope 1 and Scope 2 emissions as these are the areas which the Council can directly influence. These scopes do not include emissions that relate to some of the Council's key operations where it has no direct control, such as emissions from procured goods and services; water consumption; employee commuting; and leased assets. However, the Council will proactively seek to gather data on these emissions source, and subsequently reduce the carbon emissions from these areas.

5. Member/ Officer Climate Change Task and Finish group

5.1 It is proposed that a Task and Finish group be established, reporting to the Strategy and Resources Committee, with the following remit:

- i) To inform the development of the Action Plan, including prioritisation of actions and identification of timescales for delivery.
- ii) To review the carbon emissions report when produced and propose any further actions required in light of that report.
- iii) To inform the development of an update report to Strategy and Resources Committee in June 2021 at which point the Group will have completed its work.

It is suggested that the group constitute two Councillors from each of the three largest groups and one member from the Independent group. Three officers most relevant to the topics being discussed and the climate change lead officer, would also attend the group.

6. Funding the Action Plan

- 6.1 It is expected that several actions in the plan will be able to be incorporated into the Council's existing budgets, as they will form a part of its 'business as usual' activities. Many actions, such as improving the energy efficiency of the Council's buildings and making our vehicles more efficient, are already accounted for, as they represent natural evolutions in their own arenas, such as technical advancements, efficiency and cost savings, and responses to expected policy developments.
- 6.2 The Council will maximise the use of existing resources, prioritising projects which are cost beneficial or cost neutral, and where possible seek external funding and grants to

deliver initiatives. Opportunities for joint working with partners including other local authorities in Surrey will also be sought to reduce costs and share resources.

- 6.3 The Action Plan includes actions related to creative ways of funding the Council's climate change projects, such as by enabling members of the public to donate money to specific projects. Whilst not directly impacting the Council's Scope 1 and 2 emissions in the early stages of the plan period, scoping the feasibility of such schemes could prove helpful in the mid to long term.
- 6.4 Where expenditure is required outside of existing budgets, member feedback and approval to proceed with the project will be sought once the business case has been established.

7. Monitoring performance

- 7.1 The Council will monitor and publish reports on its progress annually. The action plan sets out the projects and strategies required to achieve carbon neutrality. At present many such projects require further scoping to ascertain specific carbon savings and determine appropriate performance indicators. However, the Council's carbon emissions report will be a key element of performance monitoring, alongside BEIS published District-level data. The action plan will evolve as projects are completed, new data becomes available and new challenges and opportunities arise.

8. Climate Change implications

- 8.1 The adoption of the Action Plan is an important step to enable the Council to progress its 2030 climate change target. The plan will serve as a road map to both identify key actions for the Council to pursue, and to measure its performance against.

9. Equality implications

- 9.1 The Action Plan contains potential for positive impacts to be realised for individuals and groups with protected characteristics, such as matters surrounding health, wellbeing, air quality, fuel poverty, and nature. Further as a common good, a reduction in carbon emissions is expected to benefit all residents. Equality impact assessments will be submitted on an individual basis as feasibility reports, business cases and projects come forward.

10. Any other corporate implications where applicable

- 10.1 The Action Plan will have implications for Council services such as assets, fleet management, ICT and housing. Relevant officers have been, and will continue to be, consulted in the development of detailed proposals within the plan.

11. Comments of the Chief Finance Officer

- 11.1 The Council has limited financial resources and will need to consider any proposals and their cost appropriately.
- 11.2 There is likely to be significant government grants and funding available to help the country transition to address the issues of climate change and it is important the Council seeks out these opportunities and takes full advantage of them.

11.3 The issues of climate change may best be met by working together with partner organisations within Surrey and options for collaboration and partnership working should be explored to gain economies of scale and reduce costs.

12. Comments of the Head of Legal Services

12.1

There is no statutory requirement for Local Authorities to set climate targets, or produce a Climate Strategy or an Action Plan set out in the Climate Change Act 2008. Local Authorities are, however, obliged to be in keeping with the objectives of policies implemented by National Government through obligations set out in grant funding agreements, under regulatory arrangements such as through air quality reviews and monitoring under the Environment Act 1995 and national planning law including the Planning Act 2008 and in development of local plans under the Planning and Compulsory Purchase Act 2004, where the local planning authority must have regard to national policies.

12.2 The aim of the Climate Change Action Plan is to reduce the carbon footprint of the Council's activities and whilst in procurement the Council will seek value for money through intelligent procurement and tendering a critical part of the value for money assessment must be the degree to which the expenditure acts to reduce net CO2 and other greenhouse emissions. Accordingly, the Climate Change Action Plan will require continual review against any procurement activity in order to measure the effectiveness of the agreed actions.

12.3 Although there are no specific legal implications arising from this report but consideration will need to be given to individual actions and projects as they come forward, which Legal will assist with as required.

13. Conclusion

13.1 The Committee is recommended to adopt an initial version of the Council's Climate Change action plan, to provide officers with a mandate to begin work on scoping the feasibility, costs and timescales of priority climate change projects. The Committee is invited to consider forming a climate change task and finish group, to enable Councillors and officers to meet, discuss, and progress specific elements of the Action Plan, given its early stage of development.

----- end of report -----



Our climate change action plan

Our Climate Change Action Plan – Strategic Priorities

1. Organisational Emissions

- Use net zero carbon energy across our Council-owned buildings, and over the longer term look to transition to net-zero carbon buildings. We will also reduce our organisational waste to a minimum.
- All council-owned vehicles to be zero carbon by 2030 or sooner.
- Utilise our influence across our supply chain, through procurement practices, to drive significant carbon emission reductions in the operations of our suppliers and partners.
- Enable Council staff and Councillors to support reducing our organisational emissions.

2. Transport and Air Quality

- Taking forward our Place-based approach to development that creates well-connect communities close to high quality places and spaces which reduces the need for private vehicles.
- Promote and encourage a shift away from private transport vehicles to an increased uptake of accessible public and active transport (walking and cycling).
- Create an innovative policy environment, supported by adequate funding, that encourages the uptake of zero emission vehicles amongst partners and residents for journeys that cannot be made on foot, by bicycle or public transport.

3. Energy Generation

- Expand renewable energy generation capacity across the District.
- Develop localised smart energy systems that focus on providing low carbon energy to local businesses and residents, whilst reducing costs.



4. Housing, Buildings, Planning and Infrastructure

- Seek and support the retrofit of existing residential homes and commercial buildings to more demanding energy efficiency standards.
- Review and update local planning policy frameworks, as well as seeking a stronger National Planning Policy Framework (NPPF), to ensure our planning policies support our commitment to climate change. For example: facilitating the delivery of low-carbon, energy efficient new residential development that produces a net-gain in biodiversity, improves air quality, and produces infrastructure that enables the delivery of wider ambitions on local renewable energy generation, vehicle electrification, and is sustainably located to allow safe and easy access for residents to existing services and transport hubs.
- Work with stakeholders to develop a systems-based approach to development and infrastructure that considers the whole-life cycle of construction including water consumption and promotes the integration of green infrastructure for climate change adaptation.

5. Waste, Resources and Circular Economy

- Work with other government authorities and businesses to strengthen producer responsibility and practical, innovative and effective methods guidance for consumers to reduce waste generated, particularly food.
- Use education and best practice sharing to drive significant behaviour change within the District and the adoption of more sustainable purchasing practices.
- Where waste is produced, we will work with partners to develop practical, innovative and effective methods for increasing reuse and recycling rates. We will also evaluate the current carbon impact of recycling collection and disposal practices so that their impact can be lessened e.g. electrification of vehicles.



Our climate change action plan

6. Land Use and Food Systems

- Working with the agricultural industries, partners and research groups to promote sustainable localised food systems within the District.
- Increase the potential of the district's land, biodiversity, current and future woodland to sequester and capture carbon, and to strengthen resilience to climate change.
- Greater learning and sharing of approaches to reduce carbon in our food consumption patterns through our procurement practices and within our communities.

7. Industry and Green Economy

- Utilise digital technology and develop relevant skills amongst our workforce to support the creation of green technologies, jobs and products in the District.
- Pursue energy efficiency improvements in local industry and businesses that reduce consumption and decarbonise energy usage.

8. Funding, Engagement & Other Actions

- Pro-actively seek funding for climate change initiatives.
- Support climate friendly behaviour change.
- Explore all areas that the Council can create positive impacts on climate change.

9. Adaption

- We will work with partners, employees, and our supply chain to build the resilience of our estate(s) to climate change impacts, in particular flooding and extreme heat.
- Take a proactive approach to working with partners in planning to strengthen the integration of climate change adaptation and holistic thinking into development proposals to build long-term resilience to climate change.



Our Climate Change Action Plan

April 2021 – March 2030¹

Action Priorities

1 – High	Red	action (following scoping) anticipated to substantially reduce carbon emissions
2 – Medium	Amber	action (following scoping) anticipated to moderately reduce carbon emissions
3 – Low	Green	action (following scoping) anticipated to result in minor reduction in carbon emissions
Mitigation		action anticipated to help adapt to future impacts of climate change
Offsetting		action anticipated to help offset carbon emissions

Please note: 'Completed by' timescales are initial estimates.

Category 1: Reducing emissions from the Council's estate and operations

Initial Action	Strategic Priority	Change Outcome	Action Priority	Completed by
Produce Council greenhouse gas emissions report to ensure we are effectively measuring and managing our emissions.	Organisational Emissions	Reduce, and effectively manage organisational emissions.	1	Mar 2021 (first iteration)
Switch the Council's supply to a 'green' tariff that guarantees energy from renewable sources	Organisational Emissions	Reduce organisational emissions.	1	Mar 2022
Undertake a zero-carbon pathway and feasibility assessment for the Council Offices	Organisational Emissions	Reduce organisational emissions.	1	Mar 2021
Undertake a zero-carbon pathway and feasibility assessment for the Warren Lane Depot	Organisational Emissions	Reduce organisational emissions.	1	Mar 2022
Undertake a zero-carbon pathway and feasibility assessment for the Council's housing stock	Organisational Emissions	Reduce organisational emissions.	1	Mar 2022

¹ Year 1 = date of plan approval to end March 2022, Year 2 = April 2022 – March 2023, Year 3 = April 2023 – March 2024 etc.



Initial Action	Strategic Priority	Change Outcome	Action Priority	Completed by
Develop a business case for all Council vehicles to be powered by electric or other low carbon alternatives	Organisational Emissions	Reduce organisational emissions.	1	Jun 2024
Produce new procurement strategy which embodies social value climate change principles	Organisational Emissions	- Reduce organisational emissions. - Support behaviour change in value chain.	1	Mar 2021
Scope potential to enable residents/public to make voluntary contributions (£) to the Council's climate change projects	Funding, Engagement & Other Actions	- Enable a greater number of projects to take place over a shorter timescale. - Support behaviour change.	2	Mar 2022
Scope Council staff to use active travel or low-carbon transport to commute to work	Organisational Emissions	- Reduce organisational emissions. - Support behaviour change.	3	Mar 2022
Arrange staff and councillor climate change training	Organisational Emissions	- Reduce organisational emissions. - Support behaviour change.	3	July 2021
Scope reducing water consumption across the Council	Organisational Emissions	- Reduce organisational emissions.	3	Mar 2023
Scope reducing the volume of paper purchased across the Council	Organisational Emissions	- Reduce organisational emissions.	3	Mar 2023
Review the Council's financial investments to ascertain whether they support fossil fuel intensive industries	Funding, Engagement & Other Actions	- Reduce organisational emissions. - Support behaviour change. - Potential to increase Return On Investment.	3	July 2021
Scope the Council's organisational waste generated from all its activities (e.g. grounds maintenance & housing repairs)	Organisational Emissions	- Reduce organisational emissions.	3	Mar 2024
Scope emissions offsetting options for the Council (e.g. for IT cloud services)	Organisational Emissions	- Offset emissions that cannot effectively be reduced via current opportunities, hence reduce organisational emissions.	Offsetting	Mar 2025
Scope carbon sequestration opportunities in the District (inc. tree strategy & canopy survey)	Land Use & Food Systems	- Reduce carbon emissions in District.	Offsetting	Mar 2023



Initial Action	Strategic Priority	Change Outcome	Action Priority	Completed by
		- Increase biodiversity. - Improve District's air quality.		
Ensure our business continuity and emergency plans are robust from a climate change perspective	Adaption	- Increase Council's climate resilience.	Mitigation	Mar 2022

Category 2: How the Council can influence and encourage residents and businesses to reduce their emissions

Actions	Strategic Priority	Change Outcome	Action Priority	Completed by
Scope feasibility of installing Electric Vehicle (EV) charging infrastructure in the District	Transport & Air Quality	- Reduce carbon emissions in District. - Improve District's air quality. - Support low-income/vulnerable households or those who may not have access to private chargers. - Support behaviour change.	1	Mar 2021
Scope how the Council can support community energy schemes	Energy Generation	- Reduce fuel poverty in the District - Reduce carbon emissions in District.	2	Mar 2025
Produce climate change communications plan (e.g. Council website, single-use plastics, low carbon advertising, zero waste, AONBs)	Funding, Engagement & Other Actions	- Support behaviour change.	2	Mar 2021
Work with Southern Building Control and other Council teams to review implications of new government updates to building control, NPPF, Council planning policies, and other green building standards.	Housing, Planning, Buildings & Infrastructure	- Reduce carbon emissions in District.	2	Ongoing



Actions	Strategic Priority	Change Outcome	Action Priority	Completed by
Explore working more closely with landlords to undertake energy efficiency improvements in their properties	Housing, Planning, Buildings & Infrastructure	- Reduce carbon emissions in District. - Reduce fuel poverty.	2	Mar 2022
Scope working with farmers to reduce their carbon footprint	Land Use & Food Systems	- Reduce carbon emissions in District. - Increase biodiversity.	2	Sep 2024
Scope how the Council can support upskilling the District's workforce in the green economy	Industry & Green Economy	- Support local economy. - Reduce carbon emissions in District.	2	Sep 2022
Scope options for how the Council can engage with young residents on climate change	Funding, Engagement & Other Actions	- Support behaviour change.	3	Sep 2021
Revise our taxi policies to encourage the uptake of EVs	Transport & Air Quality	- Improve District's air quality. - Support behaviour change. - Save operational costs (long-term).	3	Dec 2022
Scope possibilities for improving active travel in the District	Transport & Air Quality	- Improve District's air quality. - Reduce carbon emissions in District. - Improve users' health & wellbeing.	3	Dec 2023
Produce a Green and Blue infrastructure Supplementary Planning Document in line with Our Local Plan	Housing, Planning, Buildings & Infrastructure	- Support behaviour change.	3	Mar 2025
Evaluate use of business rates to drive more rapid adoption of energy efficiency upgrades and sustainable practices	Housing, Planning, Buildings & Infrastructure	- Reduce carbon emissions in District. - Support behaviour change.	3	Sep 2022
Audit recycling sites and ability for residents to recycle the 'unrecyclables' in the District	Waste, Resources and Circular Economy	- Reduce carbon emissions in District.	3	Dec 2025



Actions	Strategic Priority	Change Outcome	Action Priority	Completed by
Explore implications of best practice policies that highlight the importance of food growing spaces (as per Open Space Strategy)	Land Use & Food Systems	- Reduce carbon emissions in District. - Support behaviour change. - Improve health and wellbeing.	3	Dec 2022
Scope how the Council can support schools to build climate change networks and install climate change infrastructure	Funding, Engagement & Other Actions	- Support behaviour change. - Reduce carbon emissions in District.	3	Dec 2025
Assess opening Tandridge Lottery and Community Fund to support climate change projects/good causes in the District	Funding, Engagement & Other Actions	- As per project. - Enable a greater number of projects to take place.	3	Mar 2021

Category 3: How we work with other agencies to collectively reduce the carbon footprint of Surrey

Actions	Strategic Priority	Change Outcome	Action Priority	Completed by
Work with Surrey County Council and Joint Waste Solutions to fully assess emissions from the County's / District's waste collection and processing	Waste, Resources and Circular Economy	- Reduce carbon emissions in District.	2	Mar 2022
Support the Surrey Air Alliance with their action plan	Transport & Air Quality	- Support behaviour change. - Improve District's air quality.	2	Ongoing
Scope installation of renewable energy generators in the District (e.g. battery storage, wind, solar) in the District	Energy Generation	- Support renewable energy production / distribution. - Reduce carbon emissions in District. - Support future EV fleet vehicles.	2	Mar 2023
Work with partners to support the installation of smart meters in the District and residents switching to 'green' energy tariffs	Housing, Planning, Buildings & Infrastructure	- Reduce carbon emissions in District. - Support behaviour change.	2	Sep 2023



Actions	Strategic Priority	Change Outcome	Action Priority	Completed by
		- Support national energy network to become more flexible and adapt to on-boarding more renewables.		
Scope working with the County's car club operator (or similar)	Transport & Air Quality	- Support behaviour change. - Improve District's air quality. - Reduce carbon emissions in District.	3	Sep 2025
Scope installation of urban 'greening' devices (e.g. air-purifying benches, green walls, green roofs)	Housing, Planning, Buildings & Infrastructure	- Improve District's air quality. - Reduce 'urban heat island' effect. - Increase biodiversity. - Storm weather mitigation. - Improve health and wellbeing. - Dust suppression. - Noise reduction. - Passive thermal insulation and weather protection for buildings.	3	Dec 2023
Work with partners to scope potential for low emission zones	Housing, Planning, Buildings & Infrastructure	- Improve District's air quality. - Support local economy by creating 'destinations'. - Increase biodiversity (e.g. pocket parks). - Encourage active travel.	3	Sep 2026
Pro-actively monitor UK Government policy re: hydrogen infrastructure	Energy Generation	- Support uptake of low-carbon alternatives in the District / nationally.	3	Ongoing
Work with partners to implement key flood alleviation schemes where possible	Adaption	- Increase District's climate resilience.	Mitigation	Ongoing

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FEEDBACK FROM THE TASK AND FINISH GROUP ON COMMITTEE REPORTS

Strategy & Resources Committee – 24 November 2020

Report of: Executive Head of Corporate Resources

Purpose: For information

Publication status: Unrestricted

Wards affected: All

Executive summary:

The Task and Finish Group looking at the production of committee papers has identified improvements to be made to the template for committee reports, associated guidance and officer training.

The improvements are designed to make reports more concise and accessible.

Changes to the report template have been implemented, and officer training is being procured.

This report supports the Council's priority of: Building a better Council

Contact officer Heather Wills, Improvement Adviser,
hwills@tandridge.gov.uk

Recommendation to Committee:

That the Committee note changes to the committee report template which were informed by the Committee Reports Task and Finish Group and plans for officer training.

Reason for recommendation:

To complete implementation of the recommendation relating to the production of committee papers adopted by Full Council on 16th September.

Introduction and background

- 1 At its meeting on 16th September, Full Council adopted the following recommendation:

'a Task and Finish Group of three members, drawn from each of the three major Groups, shall review the production of committee papers and make recommendations to the Strategy & Resources Committee at its meeting at the end of September.'
- 2 The Task and Finish Group was formed of the following Councillors:
 - Cllr Kevin Bourne
 - Cllr Celia Caulcott
 - Cllr Michael Cooper
- 3 The Group received support from relevant officers and met twice.
- 4 The timing of the Full Council decision did not allow the preparation of recommendations to the September meeting of Strategy and Resources Committee.

Outcomes of the work of the Task and Finish Group

- 5 The Group made recommendations relating to:
 - i) the **standard template** for Committee reports (this report follows the template agreed by the Group);
 - ii) the **guidance** to be given to officers when using the template, including the need for reports to be concise, clearly presented and using Plain English;
 - iii) the content of **officer training** in relation to writing reports for Councillor decisions.
- 6 As the determination of the format of committee papers is a decision delegated to officers, the new template and guidance has been implemented with immediate effect: this will mainly be seen in reports coming through to the January cycle of meetings.
- 7 Training for officers on report writing, including the requirements identified by the Task and Finish Group, is currently being procured and is targeted for delivery by mid-December. This will include a pre-recorded video of a Councillor explaining their needs.
- 8 The cost of the officer training will be in the region of £7,000 (based on delivery to approximately 30 officers and excluding officer time) and will be met within the Council's centralised officer training budget.
- 9 The template for Committee reports will be kept under review: any Councillors with suggestions for further improvement are invited to share them with members of the Task and Finish Group.

Other options considered

- 10 Given the specific recommendation which set the remit of the Task and Finish Group, no alternative options were considered.

Key implications

Comments of the Chief Finance Officer

There are no financial implications arising from this report.

Comments of the Head of Legal Services

There are no direct legal implications arising from this report.

Equality

Measures to make committee reports more concise and easily understood will help people from a wider range of backgrounds to engage with the Council's decision-making process, for example people who do not have English as a first language.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

None.

Background papers

None.

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Strategy & Resources Committee – 24 November 2020

Discretionary Test and Trace Support Payment – adoption of policy

Report of:	Sally Bayliss, Case Services Manager sbayliss@tandridge.gov.uk
ELT Lead	Alison Boote, Executive Head of Communities aboote@tandridge.gov.uk
Publication status:	Unrestricted
Wards affected:	All wards
Recommendations:	That the Discretionary Test and Trace Payment Scheme detailed at Appendix A be ratified.
Appendices:	Appendix A – Discretionary Test and Trace Payment Scheme
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1 On 25 September the Government published guidance that set out what local authorities in England needed to do to enable people in their area to claim the Test and Trace Support Payment, including discretionary payments.
- 1.2 From 28 September 2020, individuals are entitled to a test and trace support payment or discretionary support payment of £500. This is to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result. These payments are designed to help ensure people who have tested positive for COVID19 and their close contacts self-isolate for the required period to stop the onward spread of the virus. They are also designed to encourage individuals who are eligible for this payment to get tested if they have symptoms. This is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions.
- 1.3 The scheme will last until 31 January 2021.
- 1.4 The requirements of the Government Guidance relating to the test and Trace Support Payment Scheme meant that the scheme had to be set up and implemented within a very short time frame. A Test and Trace Discretionary Payment Policy was developed and approved by the Chief Executive by means of an Urgency Decision

on 4 November 2020 pending review and ratification by the Strategy and Resources Committee.

2. Background

2.1 Test and Trace Support Payment

Eligibility for a £500 Test and Trace Support Payment is restricted to people who:

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
- are employed or self-employed;
- are unable to work from home and will lose income as a result; and
- are currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit.

2.2 Discretionary payment

Local authorities can make a £500 discretionary payment to individuals who:

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
- are employed or self-employed; and
- are unable to work from home and will lose income as a result.

In addition, the discretionary payment is for people:

- who are not currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit;

And

- who are on low incomes and will face financial hardship as a result of not being able to work while they are self-isolating.

2.3 Local authorities can introduce additional criteria to determine eligibility for discretionary payments in their area, as long as these operate in addition to, rather than instead of, the criteria set out above.

2.4 For both the Test and Trace Support Payment and discretionary payments, eligible individuals will receive their £500 payment on top of any benefits and Statutory Sick Pay SSP) that they currently receive.

3. Tandridge additional criteria

3.1 Given that funding for the Discretionary Scheme is limited, the following additional criteria for determining eligibility for discretionary payments have been included in the policy.

- Individuals who have made a claim for Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit and it is likely that this claim will be successful;
- Individuals from abroad who are excluded from claiming benefits but meet all the other statutory and discretionary criteria;
- Individuals whose gross annual household income is less than £20,000 a year (£385 per week), although consideration will be given for higher annual incomes if the Council is provided with a suitable justification that is in the spirit of the grant;
- The individual's employer must confirm that as a result of his/her isolation s/he will lose pay, as a result of the terms of his/her contract;
- If the individual is self-employed, the self-employment must clearly be of the nature where s/he cannot work from home;
- The individual does not have capital exceeding £6,000.

- 3.2 The Discretionary Test and Trace Scheme is aimed at people who are not in receipt of a qualifying benefit. It is considered appropriate that people who have a pending claim for a qualifying benefit, and their claim is likely to be successful should be eligible for a payment.
- 3.3 People who do not have recourse to public funds will not be able to claim specified benefits but may have been able to work and loss of earnings may present them with exceptional hardship.
- 3.4 The gross annual income has been calculated based on the National Living Wage of £9.30 per hour for a 40-hour working week.
- 3.5 The qualifying capital limit is equivalent to the capital limit for a claim for Universal Credit

4. Other options considered

- 4.1 It is a Government requirement and local authorities develop a Discretionary Test and Trace Payment Scheme, so no other options were considered.

5. Climate Change implications

- 5.1 There are no significant environmental / sustainability implications associated with this report.

6. Equality implications

- 6.1 An Equality Impact Assessment has been completed which has not identified any negative impacts as a result of this Policy. A copy of the EIA is available in the background papers to this report.

7. Any other corporate implications where applicable

- 7.1 There are not considered to be any other corporate implications associated with this report.

8. Comments of the Chief Finance Officer

8.1 There is no impact of the Council's revenue budgets as the Council will receive a fixed amount of funding from Government which will be for the four months that the Discretionary Scheme is intended to last. Government has confirmed that no additional funding will be given to the council.

Grant funding awarded –

- Standard Scheme £28,000
- Discretionary Scheme - £17,051
- Administration - £20,000 fixed element and £4,166 based on the allocated funding awarded.

8.2 The administration grant the Council will receive will cover officers time and also systems upgrade to accommodate the administration of the Grant's processes.

8.3 Government has stated that both the standard and discretionary schemes will be available to 31 January 2021. The grant for the scheme is fixed and limited. The Discretionary Scheme will close before the 31 January 2021 if the funding is exhausted.

9. Comments of the Head of Legal Services

9.1 The Department of Health and Social Care on 30th September issued the operational guidance titled 'The Test and Trace Support Payment Scheme: Implementation Guide for Local Authorities in England' for the implementation of the Test and Trace Support Payments scheme. The guidance permits local authorities to make a £500 discretionary payments to eligible individuals.

9.2 Authorities are also able to introduce additional criteria to determine eligibility for discretionary payments in their area, as long as these operate in addition to, rather than instead of, the criteria set out in the guidance.

9.3 The Council's policy is intended to facilitate the discretionary payment arrangement and is within the ambit of the government guidance. The Test and Trace Support Payment scheme started from 28 September 2020 and the Council was expected to have arrangements in place to administer payments from 12 October 2020. The decision to utilise the Council's Urgency provisions and its implementation was therefore urgent and time critical.

10. Conclusion

10.1 The Council has implemented the Discretionary Test and Trace Support Payment Scheme in line with Government requirements and guidance.

10.2 The Discretionary Test and Trace Support Payment Policy has been developed to ensure those facing financial hardship as a result of a requirement to self-isolate and who are not eligible for payments under the standard scheme are able to receive financial support.

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Tandridge District Council

Test and Trace Discretionary Payment Policy

1. Background

- 1.1 From 28 September 2020, individuals are entitled to a Test and Trace Support Payment or Discretionary Support Payment of £500. This is to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result.
- 1.2 These payments are designed to help ensure people who have tested positive for Covid-19 and their close contacts self-isolate for the required period to stop the onward spread of the virus. They are also designed to encourage individuals who are eligible for this payment to get tested if they have symptoms. This is important to help stop the transmission of Covid-19 and avoid further economic and societal restrictions.
- 1.3 On 25 September 2020 the government issued guidance on the administration of the fund. Details can be found here - [link to Government guidance](#).
- 1.4 The Council already has a scheme in place to process Test and Trace Support Payments which meet the standard criteria. For individuals who do not meet the standard criteria, the Council has the discretion to award a Test and Trace Support Payment provided that the criteria at 2.1 (below) are met.
- 1.5 This Policy covers Discretionary Test and Trace Support Payments for residents of the district of Tandridge who are ineligible from receiving a Test and Trace Grant because they are not in receipt of qualifying benefits.

2. Discretionary payment – Government criteria

- 2.1 Local authorities can make a £500 discretionary payment to individuals who meet all of the following criteria:
 - Have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
 - Are employed or self-employed; and are unable to work from home and will lose income as a result of self-isolating;
 - Have signed up and completed the test and trace journey. Receiving the initial notification to isolate will not qualify for the grant;
 - Are not currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit; and
 - Who are on low incomes and will face financial hardship as a result of not being able to work while they are self-isolating.
- 2.2 Local authorities can introduce additional criteria to determine eligibility for discretionary payments in their area, as long as these operate in addition to, rather than instead of, the criteria for the Test and Trace Support Payment.

2.3 For both the Test and Trace Support Payment and discretionary payments, eligible individuals will receive their £500 payment on top of any benefits and Statutory Sick Pay that they currently receive.

3. Discretionary payment – Tandridge additional criteria

3.1 In addition to the government criteria (at 2.1 above), the following additional criteria have been determined by the Council as relevant to the determination of whether a Discretionary Test and Trace Payment will be made:

- Individuals who have made a claim for Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit and it is likely that this claim will be successful;
- Individuals from abroad who are excluded from claiming benefits but meet all the other statutory and discretionary criteria;
- Individuals whose gross annual income is less than £20,000 a year (£385 per week), although consideration will be given for higher annual incomes if the Council is provided with a suitable justification that is in the spirit of the grant;
- The individual's employer must confirm that as a result of his/her isolation s/he will lose pay, as a result of the terms of his/her contract;
- If the individual is self-employed, the self-employment must clearly be of the nature where s/he cannot work from home;
- The individual does not have capital exceeding £6,000.

3.2 Individuals can make a claim for Discretionary Test and Trace Payment up to 14 days after their period of self-isolation ended. Applications after this point will not be accepted.

3.3 Individuals can claim more than once (if they are told to self-isolate multiple times), if they meet the eligibility criteria for each individual claim and their periods of self-isolation do not overlap.

3.4 People in the same household can each make an individual application to receive the discretionary payment, if they each meet the eligibility criteria.

3.5 Applicants can apply on behalf of someone else; however, the £500 must be paid into a bank account in the name of the person for whom the application is being made.

3.6 The Discretionary Test and Trace Support Payment Policy does not cover people who are self-isolating after returning to the UK from abroad, unless they have tested positive for coronavirus or have been told to stay at home and self-isolate by NHS Test and Trace.

3.7 Partially completed applications will be deemed invalid, or applications which do not clearly provide the information required will be deemed invalid.

3.8 The Council reserves the right to reject an application if it does not meet the spirit of the government's grant scheme, or the criteria listed.

4. Taxation

These payments will be subject to income tax, but they will not be subject to National Insurance Contributions. The Council will provide information to Her Majesty's Revenues and Customs in relation to any payments made.

5. Fraud

- 5.1 By accepting a grant payment, the individual confirms that they are eligible for the grant scheme.
- 5.2 The Council and the government will not accept deliberate manipulation and fraud - and any individual caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
- 5.3 The Council will use all available tools to identify potential fraud before and after payment. By submitting an application an individual is giving consent for the Council to share the data on the application form for the purposes of validating the claim with any appropriate organisations. If the individual does not consent to the sharing of the information the claim will be deemed invalid.

6. Funding

- 6.1 The government is only providing limited funding to the scheme, and the individual elements of the scheme will be prepared to maximise the funding to the individuals in Tandridge.
- 6.2 The government have not explicitly stated that additional funding will be available should any Council exceed its allocation. In the event that the Council commits all its allocation of funding, the Discretionary Test and Trace Payment scheme may be closed.
- 6.3 If government funding permits, the scheme implemented by this Policy may be extended or re-opened for additional applications.
- 6.4 The government intends this scheme to run until 31 January 2021.

7. Right of Appeal

- 7.1 There will be no right of appeal.
- 7.2 A challenge to a grant decision can only be made on a point of law through the courts.

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EQUALITY IMPACT ASSESSMENT

Name of Service Area	Resident Support
Lead Officer and contact details	Sally Bayliss – Case Services Manager – sbayliss@tandridge.gov.uk
Officer(s) conducting assessment (if different from above)	As above
Date of assessment	04/11/20

1. Name of Policy, Strategy, Function or Project being assessed

Test and Trace Discretionary Payment Policy

2. Reason for assessment (What are you trying to do? e.g. new, updated or revised policy)

New policy

3. Description of the Policy, Strategy, Function or Project being assessed?

The purpose of the Policy is to set out who will be eligible for payment under the Test and Trace Discretionary Payment Scheme. The Policy has been developed in accordance with the Governments Test and Trace Support Scheme: Implementation Guide for Local Authorities in England.

This discretionary payment of £500 is designed to support people on low incomes who are not in receipt of the listed benefits, if they will lose income as a result of self isolating, and to encourage them to get tested if they have symptoms. This is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions. The scheme will last until 31 January 2021.

4. Who are the main stakeholders/beneficiaries and detail any consultation held. (e.g. staff, tenants, residents, voluntary and community groups, service users, faith organisations, other council departments, other public sector and business partners)

Residents of Tandridge District Council who are on a low income and are unable to work due to a duty to self-isolate.

The Policy has been developed in consultation with the Business and Income Lead Specialist and Specialist Services Manager.

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5. Please complete the following table considering the impact of the proposed policy/project/ strategy on all equality groups (including the Protected Characteristics defined within the Equality Act 2010).

(What information data do you have regarding service users/ staff/ residents? What further information do you need? What cross-cutting issues do you need to consider?)

	Actual or Potential Negative Impact		Reasons/Comments or Gaps in Knowledge (Please expand in Improvement Plan)
	High	Low	
Race (Please include any actual or potential impacts on any persons due to race, ethnicity, colour or nationality, including refugees and migrants)	No	No	People from black and ethnic minorities are more likely to be in low-paid occupations and if not on welfare benefits, at the margins of these benefits. Loss or reduction in earnings is likely to disproportionately affect this group (for instance, see: https://www.jrf.org.uk/report/uk-poverty2019-20). Citizens who do not have Recourse to Public funds, will not be able to claim specified welfare benefits but may have been able to work and a loss of earnings will present them with exceptional hardship.
Sex (Please include any actual or potential impacts on male and female persons)	No	No	There are no specific issues that have been identified for this group.

	Actual or Potential Negative Impact		Reasons/Comments or Gaps in Knowledge (Please expand in Improvement Plan)
	High	Low	
Marriage and Civil Partnership (Please include any actual or potential impacts on any persons due to marital or civil partnership status. Please note that civil partners must be treated the same as married couples on a wide range of legal matters.)	No	No	If a couple are both working, both unable to work from home, both experiencing a drop in earnings which could place them in hardship, two lots of £500 can be paid.
Sexual orientation (Please include any actual or potential impacts on any persons due to sexual orientation)	No	No	There are no specific issues that have been identified for this group.
Gender Reassignment (Please include any actual or potential impact on any person that has or is in the process of transitioning from one sex to another)	No	No	There are no specific issues that have been identified for this group.
Pregnancy and Maternity (Please include any actual or potential impact on any person who is pregnant or expecting a baby. Maternity refers to the period after birth and is linked to maternity leave in the	No	No	There are no specific issues that have been identified for this group.

	Actual or Potential Negative Impact		Reasons/Comments or Gaps in Knowledge (Please expand in Improvement Plan)
	High	Low	
employment context. In the non-work context, this also refers to the period of 26 weeks after giving birth.)			
Religion or belief (Please include any actual or potential impact on any person due to religion, faith or recognised belief system. This also includes Atheism)	No	No	There are no specific issues that have been identified for this group.
Disability (Please include any actual or potential impact on any person with a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. This includes mental health; physical disability; hearing impairment or deaf; visual impairment or blind; dyslexia; or any hidden impairments such as HIV/AIDS or sickle cell)	No	No	People with long term health conditions and disabilities are more likely to be in low-paid occupations and if not on welfare benefits, at the margins of these benefits. Loss or reduction in earnings is likely to disproportionately affect this group. https://www.jrf.org.uk/report/uk-poverty-2019-20

	Actual or Potential Negative Impact		Reasons/Comments or Gaps in Knowledge (Please expand in Improvement Plan)
	High	Low	
Age (Please include any actual or potential impact on any specific age group, e.g. any person who is under 21 or over 60 years of age)	No	No	<p>There are no age restrictions associated with the scheme.</p> <p>Will mainly benefit residents of working age who have a loss of income due to the requirement to self-isolate.</p>
Child Poverty and other socio-economic impacts (Please include short and long term implications for eradicating child poverty; actual or potential implications for residents who are living on a low-income or are unemployed; and economic prosperity of Tandridge overall)	No	No	The fund is for people experiencing exceptional economic hardship who are unable to work due to a duty to self-isolate and are receiving a drop-in earnings. This will support households on a low income with children who are experiencing financial hardship as result of the requirement to self-isolate

EIA IMPROVEMENT PLAN

The Improvement Plan needs to outline the actions that you propose to mitigate each identified actual or potential negative impact on any equality group.

Actions from this Improvement Plan should be included as part of the final report and implementation taken forward as a part of that process.

ISSUE IDENTIFIED	ACTION(S) TO BE TAKEN	LEAD OFFICER	TIMESCALE	COMMENTS

To submit the form for review by the Equalities Officers, please save a copy of this form and send to Jason Thomas & Belinda Purcell.
Further clarification or evidence may be requested.

The final version will be sent to your CMT member for final authorisation.

A non-editable copy of the form which be uploaded to Covalent for monitoring purposes and may be published on the TDC website.

Equalities Officer Comments

Equalities Officer Authorisation

Name:
Date:

CMT Member Authorisation

Name:
Date:

INVESTMENT SUB-COMMITTEE

Minutes of the virtual meeting of the Sub-Committee held on the 23rd October 2020 at 10.00 a.m.

PRESENT: Councillors Elias (Chair), Farr and Jones.

APOLOGIES FOR ABSENCE: Councillors Bourne and M.Cooper.

1. MINUTES

The minutes of the meeting held on the 21st May 2020 were approved as a correct record.

2. PRESENTATION FROM UBS MULTI-ASSET INCOME FUND MANAGERS

The Sub-Committee resolved to move into confidential session for this item in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The Council had invested £3 million in this fund which sought to generate an income of 'cash plus 3%'. It aimed to achieve a stable and sustainable yield without eroding capital. The Sub-Committee received a presentation from UBS representatives Rachel Perini (Executive Director) and Dimitris Skountzos (Client Service Manager). This covered UBS's approach to multi-asset investing with an assessment of the fund's performance to date. It was noted that the fund had limited foreign currency exposure to the extent of only 2%.

Arising from the presentation, Members requested clarification about on-going fund charges and mandate costs and the current value of the Council's investment to date. Rachel Perini undertook to provide this information after the meeting.

3. SUMMARY INVESTMENT AND BORROWING POSITION

The investment analysis at Appendices A and B was considered, together with fact sheets for the four funds within the Council's treasury investment portfolio. The current statement of investment beliefs was also included with the agenda papers.

The Sub-Committee had previously agreed that redemption proceeds from Funding Circle loans be withdrawn from Funding Circle and reallocated to the CCLA diversification fund, Schroders bond fund and UBS multi-asset fund. Members were advised that the Funding Circle redemption proceeds (which now amounted to £550,000) had not, in fact, been reinvested. The deputy Chief Finance Officer explained the reasons for this and sought the Sub-Committee's views about whether the proceeds should, instead, be retained as a possible contingency for assisting with the Council's cash flow requirements later in the current financial year. The Sub-Committee favoured this alternative approach, pending a review of the situation at the next meeting.

Arising from discussion about the loan to Freedom Leisure, it was confirmed that no repayments had been received since the third quarter of 2019/20.

Members also suggested that the statement of investment beliefs be reviewed at the Sub-Committee's next meeting.

R E S O L V E D – that

- A. the Council's investment and borrowing position at 30th September 2020, as set out at Appendices A and B, be noted;
- B. the individual factsheets for the long-term investments be noted;
- C. the current statement of investment beliefs be noted; and
- D. the reallocation of accumulated Funding Circle redemption proceeds be deferred, pending a review (at the Sub-Committee's next meeting) about whether they should be used to meet the Council's cashflow requirements.

4. PROPERTY INVESTMENT UPDATE

The Sub-Committee resolved to move into confidential session for this item in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

The accompanying report updated Members on asset management activity and the performance of the Council's commercial property investments. This confirmed that the Quadrant House regeneration project (in Caterham Valley) was a key priority in view of the pressing deadline for spending the funding made available by the Local Enterprise Partnership. Officers provided further information about the work to progress the Quadrant House initiative and offered to submit a progress report via the Delegated Action List in the near future.

It was noted that property B (referred to in recommendation C of the minutes of the previous meeting under item 5) was no longer available as it had been acquired by another investor at a price and subject to conditions, both similar to the ones previously agreed by the Sub-Committee. It was further noted that not proceeding with the acquisition of property B had left a gap of approximately £200,000 per annum (net after borrowing costs) in the commercial income budget.

The merits of reducing the capital programme, given the current shortage of suitable commercial property acquisitions, were discussed. The total provision of £200 million for property investments to March 2021 would be significantly underspent and it was suggested that the budget be decreased to reflect actual activity, with future investment opportunities being considered on a case by case basis.

R E S O L V E D – that

- A. the Council's property investment activity be noted;
- B. for capital budget for the development of a commercial property investment portfolio be reduced and future suitable investments be considered on a case by case basis; and
- C. a progress report regarding Quadrant House be submitted in the near future as part of the Delegated Action List

5. DATE OF NEXT MEETING

It was agreed that the next meeting be held on Friday, 15th January 2021 at 10.00 a.m.

Rising: 12.05 p.m.

Investment	Investment Amount at 30/09/2020	Net Asset Value at 30/09/2020 Note 1	Yield Rate Note 2	Yield to 30/09/20 Note 3	Estimated Annual Return 2020/21 at 31/03/2021	2019/20 Actual
	£	£	%	£	£	£
Non - Specified (Financial Investments)- Long Term (over 12 mths)						
CCLA Property Fund	4,000,000	4,013,737	4.26	40,761	171,000	185,240
Schroders Bond Fund	3,000,000	2,798,400	4.50	33,903	125,900	124,418
UBS Multi Asset Fund	3,000,000	2,721,211	4.40	36,832	119,700	137,531
Funding Circle	1,261,826	1,415,581	3.30	19,476	40,000	78,011
CCLA Diversification Fund	2,000,000	1,928,260	3.46	35,972	66,700	66,284
Sub Total Non-specified (Financial Investments)	13,261,826	12,877,189		166,944	523,300	591,484
Non - Specified (Non-Financial Investments)- Long Term (over 12 mths)						
Gryllus Property Company Loan - Maidstone	2,394,000	2,394,000	5.81	0	139,100	139,023
Tandridge Leisure Ltd- Refurbishment Loan (T TLC)	0	0	0.00	0	0	1,520
Freedom Leisure- Loan (TLP)	1,017,000	1,017,000	5.50	0	53,271	63,926
Freedom Leisure- Loan (de Stafford)	651,750	651,750	7.58	0	47,050	54,484
Caterham Barracks	0	0	0.00	0	0	21,774
Gryllus Property Company Loan - 80-84 Station Rd East	945,000	945,000	5.81	0	54,900	53,924
Gryllus Property Company Loan - Castlefield	11,664,000	11,664,000	6.10	0	711,500	0
Gryllus Property Company Share Capital Note 4	5,317,500	5,317,500	-	-	-	0
Sub Total Non-specified (Non-Financial Investments)	21,989,249	21,989,249		0	1,005,821	334,651
Total Non-Specified Investments	35,251,075	34,866,438		166,944	1,529,121	926,135
Specified Investments-Short Term (less than 12 mths)						
Banks/Building Societies Deposits	0	-	0.00	0	0	6,381
Notice Accounts	4,000,000	4,040,001	0.09	3,940	12,400	20,919
Money Market Funds	10,720,000	10,720,000	0.03	9,883	20,000	75,255
Total Specified Investments	14,720,000	14,760,001		13,823	32,400	102,555
Total Non- Specified and Specified Investments	49,971,075	49,626,439		180,767	1,561,521	1,028,690
Total Investment Income Budget 2020/21						2,764,200
Over/(under) budget						(1,202,679)

Borrowing	Loan Amount	Estimated Average Borrowing	Interest	Expenditure to 30/09/20	Estimated Annual Cost 2020/21 at 31/03/2021
	£	£	%	£	£
General Fund Borrowing					
Gryllus Loan	3,420,000	3,420,000	2.46	42,066	84,100
Freedom Leisure Loan	2,225,000	2,225,000	2.45	27,256	54,500
Village Health Club	938,678	938,678	2.38	11,170	22,300
Linden House	4,175,000	4,175,000	2.69	56,154	112,300
Linden House	254,000	254,000	2.42	3,073	6,100
Quadrant House	15,340,000	15,340,000	2.41	184,847	369,700
Quadrant House	800,000	800,000	2.28	9,120	18,200
Gryllus - 80-84 Station Road	724,400	724,400	2.28	8,258	16,500
Gryllus - Castlefield	15,549,000	15,549,000	2.91	226,238	452,500
Sub Total General Fund Borrowing	43,426,078	43,426,078		568,182	1,136,200
General Fund Cost of Borrowing Budget					1,889,000
Over/(Under) Budget					(752,800)
HRA Borrowing					
Public Works Loan Board	61,189,000	61,189,000	2.76	831,153	1,662,300
Sub Total HRA Borrowing	61,189,000	61,189,000		831,153	1,662,300
HRA Cost of Borrowing Budget					1,926,500
Over/(Under) Budget					(264,200)
Total Borrowing	104,615,078	104,615,078		1,399,335	2,798,500
Total Cost of Borrowing Budget					3,815,500
Total Over/(Under) Budget					(1,017,000)

Notes

1. The Net Asset Value for Funding Circle is at 31 Aug 2020

2. Yield Rate

CCLA Property Fund dividend yield Sept 20 provisional provided by CCLA 4.26%

Schroders Strategic Credit Fund Fact sheet on Schroders.co.uk current yield as at 31 Aug 2020 4.5%

UBS distribution yield latest per UBS Fact Sheet (Q2 20) 4.4 %

CCLA Diversified Fund dividend yield Sept 20 - 3.46% provided by CCLA

Funding Circle yield based on net earnings to 31 Aug 2020 per Funding Circle statement

3. Yield to 30/09/20 include actuals received or notified of at this date - CCLA Property Fund, UBS & Schroders only show 1 quarter, Diversified income Fund shows 2 quarters.

4. Gryllus share capital comprises of equity shares arising from loans granted - no dividend will be paid in the current year

Market Value of Long Term Investments at 30/09/2020

Appendix B

Carrying Value	Carrying Value 31.3.2017	Carrying Value 31.3.2018	Carrying Value 30.6.2018	Carrying Value 30.9.2018	Carrying Value 31.12.2018	Carrying Value 31.3.2019	Carrying Value 30.6.2019	Carrying Value 30.9.2019	Carrying Value 31.12.2019	Carrying Value 31.03.2020	Carrying Value 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Schroders Bond Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
UBS Multi Asset Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
CCLA Diversification Fund	n/a	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	10,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000

Market Value	Market Value 31.3.2017	Market Value 31.3.2018	Market Value 30.6.2018	Market Value 30.9.2018	Market Value 31.12.2018	Market Value 31.3.2019	Market Value 30.6.2019	Market Value 30.9.2019	Market Value 31.12.2019	Market Value 31.03.2020	Market Value 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund(mid-market value)	4,082,986	4,276,854	4,299,512	4,300,362	4,369,186	4,276,005	4,346,669	4,302,769	4,302,769	4,188,063	4,013,737
Schroders Bond Fund	2,963,563	2,912,837	2,908,609	2,891,399	2,825,575	2,865,130	2,910,421	2,873,584	2,934,878	2,539,938	2,798,400
UBS Multi Asset Fund	3,018,705	2,918,160	2,895,094	2,905,148	2,777,398	2,868,479	2,916,977	2,927,623	2,957,787	2,520,713	2,721,211
CCLA Diversification Fund(indicative market value)	n/a	1,921,257	1,972,126	1,990,756	1,913,197	1,982,167	2,032,111	2,049,420	2,074,392	1,804,193	1,928,260
Total	10,065,254	12,029,108	12,075,341	12,087,665	11,885,356	11,991,781	12,206,179	12,153,396	12,269,826	11,052,907	11,461,608

Surplus/(Deficit)	Surplus/ (Deficit) 31.3.2017	Surplus/ (Deficit) 31.3.2018	Surplus/ (Deficit) 30.6.2018	Surplus/ (Deficit) 30.9.2018	Surplus/ (Deficit) 31.12.2018	Surplus/ (Deficit) 31.3.2019	Surplus/ (Deficit) 30.6.2019	Surplus/ (Deficit) 30.9.2019	Surplus/ (Deficit) 31.12.2019	Surplus/ (Deficit) 31.03.2020	Surplus/ (Deficit) 30.09.2020
	£	£	£	£	£	£	£	£	£	£	£
CCLA Property Fund	82,986	276,854	299,512	300,362	369,186	276,005	346,669	302,769	302,769	188,063	13,737
Schroders Bond Fund	(36,437)	(87,163)	(91,391)	(108,601)	(174,425)	(134,870)	(89,579)	(126,416)	(65,122)	(460,062)	(201,600)
UBS Multi Asset Fund	18,705	(81,840)	(104,906)	(94,852)	(222,602)	(131,521)	(83,023)	(72,377)	(42,213)	(479,287)	(278,789)
CCLA Diversification Fund	n/a	(78,743)	(27,874)	(9,244)	(86,803)	(17,833)	32,111	49,420	74,392	(195,807)	(71,740)
Total	65,254	29,108	75,341	87,665	(114,644)	(8,219)	206,179	153,396	269,826	(947,093)	(538,392)

Appendix B

Gross Revenue Yield	Yield 2016/17	Yield 2016/17	Yield 2017/18	Yield 2017/18	Yield 2018/19	Yield 2018/19	Yield 2019/20	Yield 2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	164,434	4.03%	193,758	4.53%	183,989	4.30%	185,240	4.31%
Schroders Bond Fund	127,340	4.30%	105,413	3.62%	120,508	4.21%	124,418	4.33%
UBS Multi Asset Fund	100,600	3.33%	146,788	5.03%	116,513	4.06%	137,531	4.70%
CCLA Diversification Fund	n/a	n/a	62,732	3.27%	67,030	3.38%	66,284	3.23%
Total	392,375		508,691		488,040		513,473	

FY Forecast at 30-Sept-20	
Yield 20-21 30.09.2020	Yield 20-21 30.09.2020
£	%
171,000	4.26%
125,900	4.50%
119,700	4.40%
66,700	3.46%
483,300	

Surplus/(Deficit)- Capital Value	Surplus/ (Deficit) 2016/17	Surplus/ (Deficit) 2016/17	Surplus/ (Deficit) 2017/18	Surplus/ (Deficit) 2017/18	Surplus/ (Deficit) 2018/19	Surplus/ (Deficit) 2018/19	Surplus/ (Deficit) 2019/20	Surplus/ (Deficit) 2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	(92,996)	-2.28%	193,868	4.53%	(849)	-0.02%	(87,942)	-2.04%
Schroders Bond Fund	16,634	0.56%	(50,726)	-1.74%	(47,707)	-1.67%	(325,192)	-11.32%
UBS Multi Asset Fund	36,559	1.21%	(100,545)	-3.45%	(49,681)	-1.73%	(347,766)	-11.88%
CCLA Diversification Fund	n/a	n/a	(78,743)	-4.10%	60,910	3.07%	(177,974)	-8.68%
Total	(39,803)		(36,146)		(37,327)		(938,874)	

FY Forecast at 30-Sept-20	
Surplus/ (Deficit) 2020/21	Surplus/ (Deficit) 2020/21
£	%
(289,032)	-6.72%
(75,184)	-2.62%
(206,412)	-7.05%
(121,160)	-5.91%
(691,788)	

Net Yield	Net Yield 2016/17	Net Yield 2016/17	Net Yield 2017/18	Net Yield 2017/18	Net Yield 2018/19	Net Yield 2018/19	Net Yield 2019/20	Net Yield 2019/20
	£	%	£	%	£	%	£	%
CCLA Property Fund	71,438	1.75%	387,626	9.06%	183,140	4.28%	97,298	2.32%
Schroders Bond Fund	143,974	4.86%	54,687	1.88%	72,801	2.54%	(200,774)	-7.90%
UBS Multi Asset Fund	137,159	4.54%	46,243	1.58%	66,832	2.33%	(210,235)	-8.34%
CCLA Diversification Fund	n/a	n/a	(16,011)	-0.83%	127,940	6.45%	(111,690)	-6.19%
Total	352,572		472,545		450,713		(425,401)	

FY Forecast at 30-Sept-20	
Net Yield 2020/21	Net Yield 2020/21
£	%
(118,032)	-2.74%
50,716	1.73%
(86,712)	-2.93%
(54,460)	-2.63%
(208,488)	

Peer to Peer Investment

Funding Circle*	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Carrying Value	£	%	£	%	£	%	£	%
Interest Paid by Borrowers	2,003,355		2,075,341		2,056,664		1,831,028	
Less FC Service fee								
Promotions/Transfer payment	181,892		181,014		184,654		193,170	
	(19,121)		(19,668)		(19,729)		(19,611)	
							470	
Bad Debts	(58,163)		(61,288)		(111,152)		(127,649)	
Recoveries	8,219		14,780		27,428		30,253	
Amounts Recovered on principal in prior years (prior to 06.04.15)	0		0					
Net Yield	112,827	5.63%	114,838	5.53%	81,201	3.95%	76,634	4.19% *
Provisions for future losses	0		0		(10,000)			

31/08/2020 Actual	
£	%
1,415,581	
58,059	
(5,741)	
0	
(44,442)	
11,599	
19,476	1.38%

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TANDRIDGE DISTRICT COUNCIL

CHIEF OFFICER SUB-COMMITTEE

Minutes of the virtual meeting of the Sub-Committee held on the 22nd October 2020 at 2.30pm

PRESENT:

Sub-Committee Members:

Councillors Blackwell, Botten, Elias, Milton and Sayer.

Officers:

Lidia Harrison (Head of Legal Services and Monitoring Officer)

Jackie King (Executive Head of Corporate Resources)

Vince Sharp (Case Officer – Support Services)

1. ELECTION OF CHAIR

Councillors Elias and Sayer were nominated (by Councillors Milton and Botten respectively)

Upon being put to a vote, Councillor Sayer was elected Chair.

SUB-COMMITTEE DECISION
(Under powers delegated to the Sub-Committee)

2. APPOINTMENT OF INTERIM CHIEF EXECUTIVE / HEAD OF PAID SERVICE ARRANGEMENTS

It was resolved that this matter be dealt with in 'Part 2' as it disclosed exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972 (*information relating to an individual*).

R E S O L V E D – that the recommendations within the report be adopted, including:

- A. the role of the Head of Paid Service be delegated to the Executive Head of Corporate Resources from Monday, 26th October 2020 until an interim or permanent member of staff is engaged into the Chief Executive post;
- B. the Executive Head of Corporate Resources be asked to:
 - (i) commence work with the LGA from Friday, October 23rd to broker conversations with other local authorities with a view to providing interim cover on a shared service arrangement until a permanent replacement can be recruited and that any such proposals are brought back to the Sub-Committee for a decision as to whether or not to pursue further interviews with interims;
 - (ii) collate and shortlist a selection of suitable candidates for both the interim and permanent appointments through the LGA, PENNA and SOLACE;

- (iii) prepare a recruitment framework for the interim appointment, including timeline and a set of interview questions (the LGA had offered to provide a technical assessor to sit on the panel to assist Sub-Committee members at no cost to the Council); and
- (iv) ensure full costings are prepared for each option.

The meeting ended at 5.18 pm.

TANDRIDGE DISTRICT COUNCIL

CHIEF OFFICER SUB-COMMITTEE

Minutes of the virtual meeting of the Sub-Committee held on the 13th November 2020 at 2.00 p.m.

PRESENT:

Sub-Committee Members:

Councillors Blackwell, Botten, Elias, Milton and Sayer.

Officers:

Lidia Harrison (Head of Legal Services and Monitoring Officer)
Vince Sharp (Case Officer – Support Services)

1. ELECTION OF CHAIR

Councillors Elias and Sayer were nominated (by Councillors Milton and Botten respectively)

Upon being put to a vote, Councillor Sayer was elected Chair.

SUB-COMMITTEE DECISION *(Under powers delegated to the Sub-Committee)*

2. RECRUITMENT OF A PERMANENT CHIEF EXECUTIVE

It was resolved that this matter be dealt with in ‘Part 2’ as it disclosed exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972 (*information relating to an individual*).

The former Acting Chief Executive, Elaine Jackson, had left the Council on 23rd October 2020 on terms agreed by the Sub-Committee at its meeting on 22nd October 2020. At that meeting, the Sub-Committee had also agreed that, “*the role of the Head of Paid Service be delegated to the Executive Head of Corporate Resources [Jackie King] from 26th October 2020 until an interim or permanent member of staff is engaged into the Chief Executive post*” and that [Jackie King] be asked to:

- “(i) commence work with the LGA to broker conversations with other local authorities with a view to providing interim cover on a shared service arrangement until a permanent replacement can be recruited and that any such proposals are brought back to the Sub-Committee for a decision as to whether or not to pursue further interviews with interims;
- “(ii) collate and shortlist a selection of suitable candidates for both the interim and permanent appointments through the LGA, PENNA and SOLACE;
- “(iii) prepare a recruitment framework for the interim appointment, including timeline and a set of interview questions (the LGA had offered to provide a technical assessor to sit on the panel to assist Sub-Committee members at no cost to the Council); and
- “(iv) ensure full costings are prepared for each option.

It had since transpired that an interim appointment would be cost prohibitive. The Sub-Committee considered a report which recommended that Jackie King should remain as the Acting Chief Executive for a period of up to six months, pending the recruitment of a permanent Chief Executive. This period would be reduced if a permanent appointment could be made before the local elections in May 2021. The report also recommended that the Executive Head of Corporate Resources post be backfilled during the transition period.

The report advised that the Chief Finance Officer supported both proposals on the basis that they would be cost neutral within the current 2020/21 budget.

The Chair proposed an additional motion to clarify the Sub-Committee's role in the process for shortlisting applications for the Chief Executive post. This was agreed (resolution D below refers).

R E S O L V E D – that

- A. the option to recruit an interim Chief Executive be no longer pursued;
- B. for a period of up to 6 months, pending the appointment of a permanent Chief Executive, Jackie King remain in the post of Acting Chief Executive;
- C. the Executive Head of Corporate Resources post be backfilled during the transition period; and
- D. the Sub-Committee re-convene to consider all applications:
 - (i) forwarded by the recruitment agency (on the basis that they meet the basic selection criteria); and
 - (ii) via other channels

... for shortlisting.

The meeting ended at 2.10 p.m.

Strategy & Resources Committee Tuesday, 24 November 2020

Appointment of Electoral Registration Officer and Returning Officer

Report of:	Chailey Gibb, Lead Democratic Specialist cgibb@tandridge.gov.uk
ELT Lead	Jackie King, Acting Chief Executive jking@tandridge.gov.uk
Publication status:	Open
Wards affected:	All wards
Recommendations:	<p>That, the Committee recommends to Council that with immediate effect:</p> <ul style="list-style-type: none"> A. the Acting Chief Executive is appointed as Electoral Registration Officer and Returning Officer pursuant to section 35(1) and section 8(2)(a) of the Representation of the People Act 1983 on a temporary basis until a permanent Chief Executive is appointed; and B. Lidia Harrison, Head of Legal Services & Monitoring Officer, and Chailey Gibb, Lead Democratic Specialist, continue to be appointed as Deputy Electoral Registration Officers
Appendices:	None
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1 Elaine Jackson was appointed as the Electoral Registration officer and Returning Officer for the Council at Full Council on 24 October 2019. Following her decision to step down on 23 October 2020, there is a requirement to fill the statutory roles of Electoral Registration Officer (ERO) and Returning Officer (RO).
- 1.2 The duties of the ERO and RO need to be allocated to a suitably senior and qualified officer. It is considered prudent to appoint the Acting Chief Executive as the ERO and RO on a temporary basis pending appointment of a Chief Executive on a permanent basis. Therefore, there needs to be an approval from this Committee initially, with a recommendation being passed to Full Council to implement the arrangements for the post holder to undertake these duties.

2. Background

2.1 The RO is the person who has the overall responsibility of the conduct of elections in Tandridge. Section 35 of the Representation of the People Act 1983 requires the Council to appoint an officer of the Council to be the RO.

2.2 Section 8(2)(a) of the Representation of the People Act 1983 states that the Council shall appoint an officer of the Council to be the Electoral Registration Officer ('ERO').

3. Duties of the Returning Officer

3.1 The RO is directly accountable to the Courts system as an independent Statutory Officer. The RO is personally responsible for the administration of the election, including:

- the nomination process for candidates and political parties;
- provision, administration, security and notification of polling stations;
- appointment of presiding officers and polling clerks;
- preparation and issue of ballot papers;
- the count and declaration of results;
- issue, receipt and counting of postal ballot papers;
- all candidates' election expenses returns;
- presentation of final accounts and reclaiming of expenditure from external bodies as prescribed; and
- retention of election documents.

3.2 The duties of a RO are separate from the duties held by that individual as a local government officer. A RO is not responsible to the Council but is a separate legal entity to that of the Council which appointed them and is directly accountable to the courts as an independent statutory office holder. The RO is not bound by the Council's normal procedures in carrying out their duties.

3.3 The RO may appoint one or more persons to discharge all or any of their functions.

3.4 If the RO is, without reasonable cause, guilty of any act or omission in breach of their official duty, they are liable to a fine not exceeding £5,000. An ERO or DERO is also liable, in the same way as the RO, for a breach of official duty.

3.5 The RO should have a working knowledge of the relevant legislation governing the conduct of the elections. This means that, in addition to having a clear understanding of the statutory functions, they should have an overview of what the legislation contains and an understanding of how it affects the administration of the elections, so that they can review, question where necessary, and quality-assure the whole process in the Council area. Initial training will be scheduled for the new post holder.

4. Duties of the Electoral Registration Officer

- 4.1 The ERO has a duty to maintain registers of electors that contain the details of all those who are registered to vote. The ERO must publish registers that are as accurate and complete as possible. The register of electors is based on an annual canvass and monthly rolling registration of all properties where electors reside. The ERO maintains registers of those entitled to vote at various types of elections. Any failure to do this correctly could lead to the Council being challenged for failing to meet its statutory duties.
- 4.2 The ERO takes responsibility for publishing a revised electoral register and issuing monthly alteration notices.
- 4.3 At an election, the ERO has a statutory obligation to provide registers and absent voters lists for each polling station as well as to candidates at the election and to the RO.
- 4.4 In the event of a Parliamentary election being called, the ERO would be the Acting Returning Officer. The Chair of the Council is the Returning Officer at Parliamentary elections.

5. Other options considered

- 5.1 The Electoral Registration Officer and the Returning Officer are statutory roles to which the Council must appoint a named individual.

6. Climate Change implications

- 6.1 There are no significant climate change implications associated with this report.

7. Equality implications

- 7.1 There are no equality implications associated with this report.

8. Comments of the Chief Finance Officer

- 8.1 The Representation of the People Act 1983 makes provision for a scale of expenses to be fixed for the purpose of determining the Returning Officer expenditure.
- 8.2 Elections are categorised as either 'local' (i.e. parish, district, or county) or 'Parliamentary'. Parliamentary elections and Referenda have their own fees and charges set by the Cabinet Office and appropriate expenditure on these elections is reclaimed from central government.
- 8.4 In respect of parish, district and county elections, the RO is paid in line with the agreed Surrey election fee scale. Fees for duties for other elections are paid at the rate as prescribed by the government as and when they arise. In the event of a County or Parish election, these costs are recovered from the County Council or Parish Council.

8.5 There is no change to the existing arrangements in place as a result of this report.

9. Comments of the Head of Legal Services

- 9.1 These formal appointments are legally required so the Council can continue to meet statutory responsibilities relating to electoral matters. It can fall automatically upon the holder of specific job, as is currently the case at the Council, or it can be applied to an individual appointed by Council. Nevertheless, the role should rest with a permanent member of staff.
- 9.2 The appointment of Jackie King as Returning Officer and Electoral Registration Officer with immediate effect is considered to be the most effective approach to the administration of any elections that may be required to be held before the appointment of a permanent Chief Executive.

10. Conclusion

- 10.1 The Authority is under a statutory obligation to appoint a Returning Officer and an Electoral Registration Officer. The law prescribes that only full Council can determine such appointments. In light of the departure of Elaine Jackson (who was both RO and ERO) the committee is asked to make appropriate recommendations for filling the vacant positions, subject to ratification by Council.

----- end of report -----

Strategy & Resources Committee Tuesday, 24 November 2020

CIL spending review and funding statement

Report of:	Mark Bristow – Strategy Specialist MBristow@tandridge.gov.uk Sarah Thompson – Head of Strategy SThompson@tandridge.gov.uk
ELT Lead	Charlotte Parker – Chief Planning Officer CParker@tandridge.gov.uk
Publication status:	Unrestricted
Recommendations:	That the committee: A. Agree the Infrastructure Funding Statement as attached at Appendix A. B. Agree that Officers prepare a charging schedule for the monitoring of planning obligations to bring back to this Committee for consideration.
Appendices:	Appendix 'A' – Infrastructure Funding Statement
Background papers defined by the Local Government (Access to Information) Act 1985	None

1. Executive Summary

- 1.1 The Local Planning Authority can collect a combination of planning obligations ('S106') and ('S278' on behalf of the Highway Authority) as well as CIL. There are differing rules as to when S106/S278 can be sought which are site – specific and related in scale and kind. CIL, however, is a standard tariff applied to certain types of development.
- 1.2 The Government amended the Community Infrastructure Levy ('CIL') Regulations, and these came into force on 1st September 2019. The CIL Regulations (as amended) 2019 require Local Planning Authorities to publish an Infrastructure Funding Statement ('IFS') by 31st December annually. The IFS allows for the observation planning obligation and CIL receipts received during the previous financial year and what has been spent in that period. The IFS also requires a rolling 5-year programme that identifies what planning obligations and CIL should be spent on.

- 1.3 By agreeing the IFS, the Council will be fulfilling its statutory duty to publish such a statement and will be working towards meeting Strategic Priority 2 of the agreed Strategic Plan 2020/21 – 2023/24.

2. Background

- 2.1 The Community Infrastructure Levy ('the levy or CIL') allows local planning authorities to raise funds from certain types of development in their area. The funds raised go towards infrastructure provision which is needed to support the growth of the district, such as schools and transport improvements.
- 2.3 The Community Infrastructure Levy Regulations were updated and came into force on 1st September 2019. One of the key changes made was the revocation of a Regulation 123 which now enables the Council to use funding from different sources towards the same infrastructure item. Another amendment made to the CIL Regulations was that Charging Authorities are to publish an IFS on an annual basis.
- 2.4 The IFS is required to set out the past receipts received through planning obligations and CIL and what these receipts have been spent on. The IFS also sets out the infrastructure projects that the Council intends to fund, either wholly or partly, by the levy or planning obligations over the next five years. Tandridge District Council's IFS is set out in Appendix A.

The role of Parish Councils

- 2.5 The Council are required to provide a percentage of CIL to Parish Councils as a 'meaningful proportion' known as a neighbourhood fund. For Parish Council areas without a 'made' neighbourhood plan, the amount is 15% of the CIL income in that area. For Parish Council areas with a 'made' neighbourhood plan, it increases to 25% of the CIL income in that area. Parish Councils determine their own CIL spending priorities and are not subject to publishing an annual Infrastructure Funding Statement, however, are encouraged to work in partnership with the Council and are required by Regulations to inform the Council of CIL spending each year. This is ordinarily undertaken April – June each year and is currently reported on our website separately to the information contained in the IFS.

The role of the County Council

- 2.6 The Planning Practice Guidance states:

"County councils are responsible for the delivery of key strategic infrastructure. Charging authorities must consult and should collaborate with them in setting the levy and should work closely with them in setting priorities for how the levy will be spent in 2-tier areas.

Collaborative working between county councils and charging authorities is especially important in relation to the preparation of infrastructure funding statements (see Schedule 2 introduced by the 2019 Regulations) bearing in mind the potential impact on the use of highway agreements by the county council and the timely delivery of schools.

Paragraph: 014 Reference ID: 25-014-20190901

- 2.7 It is clear from the Planning Practice Guidance that the Government intends that where County and District councils operate the Upper Tier authority will need to be involved in the IFS and that a number of projects identified in the IFS should be education and highways projects, which for the District are the responsibility of Surrey County Council.
- 2.8 The potential impact of the changes to the CIL process including the publication of the IFS is that it will allow stakeholders such as the public and developers as well as the Council to see what is being funded in connection with development. It will give the Council clarity on directing funds to immediate infrastructure needs. The publication of the IFS does not replace the Infrastructure Delivery Plan, which is a separate but related document that provides a long-list of infrastructure items over a longer-term horizon. At present, the IDP cannot be updated as it is an evidence base to the Local Plan, which is in Examination. It is also the justification for charging CIL and replaces the Regulation 123.
- 2.9 The rationale for the changes to the CIL Regulations and the publication of an Infrastructure Funding Statement was to address a perceived lack of delivery of infrastructure using CIL receipts, to focus resources onto delivering infrastructure projects that are needed now and attempt to de-risk the business case development for the provision of infrastructure. It is this intention to de-risk which is resulting in officers advising that CIL bidding is no longer compatible with the CIL regulations and that tighter governance arrangements are put in place through project initiation documents and business cases being prepared.

3. Changing the CIL spending process

- 3.1 Consultation on changing the CIL spending process began in January 2020 with seminars held for all councillors and for Parish Councils to set the scene for why the processes the Council have in place for CIL need to change. Using the IDP, consultation with infrastructure partners took place subsequently in February – August 2020 to gather information and evidence, check and challenge the existing evidence base and to prioritise projects on the IDP (moving forward) to draw up a recommended short-list of projects to be funded by CIL receipts for the next 5-year horizon.
- 3.2 It was intended that further seminars would be held for all Members in September to explain the discussions had and the outcomes with infrastructure partners, however, owing to circumstances beyond the control of Officers these had to be cancelled last minute. As an alternative, a slide pack was distributed to Members and an invitation to comment and provide feedback on the infrastructure projects to be funded through CIL for the next five years was provided during September – October 2020.
- 3.3 After consultation with members, Officers have considered that further engagement around governance and prioritisation of projects is taken forward early next year to feed into the updated IDP and the 2021 IFS.
- 3.4 This engagement would be in the form of workshops open to all Members and would aim to cover the following:
- An overall understanding of the legislation and regulations governing CIL
 - The role of Elected members both as Committee Members in making funding decisions on CIL projects as well as ward members in supporting and/or working with interested parties on CIL bids

- An understanding of the overall CIL process from idea gestation through to final approval
- An understanding of the role of other agencies, particularly infrastructure providers and the timeframes taken with delivery of infrastructure projects
- How Members can input into the prioritisation of prospective projects for consideration by the Council

4. Resourcing

- 4.1 The introduction of the IFS has added to the statutory requirement of the charging authority, which has an implication on resourcing. At a time of financial pressure, the Council must consider options for resourcing statutory functions appropriately. The Council currently collect 5% of CIL receipts to pay for CIL administration, although this does not cover the salaries of officers involved in the administrating of CIL. The Council can also charge for the monitoring of s106 agreements, which it currently does not do.
- 4.1 Planning obligations can vary in complexity and are not always a monetary agreement, therefore a flat rate cannot be attributed to the monitoring of the obligations. As set out in recommendation B, it is proposed that the Council prepare a charging schedule for the monitoring of planning obligations and bring back to this committee to consider.

4. Other options considered

- 4.1 The Council could decide not to agree to the recommendations set out above, however, to do so would mean the Council would fail in its statutory duty to publish an Infrastructure Funding Statement by 31st December.

5. Climate Change implications

- 5.1 There are no significant environmental / sustainability implications associated with this report itself. There are, however, marginal environmental/sustainability implications with some of the projects listed in Appendix B (the Infrastructure Funding Statement) which the committee are being asked to support ‘in principle’ with CIL funding. Overall the package of measures outlined in Appendix B can be considered to be neutral, with the flooding mitigation measures providing a positive contribution to the environment and some of the highways mitigation measures providing a potentially negative contribution if it encourages the use of the car only.

6. Equality implications

- 6.1 It is not foreseen that there are any direct equality implications as a result of the recommendations in this Report as infrastructure is provided for all sections of our communities and each project funded will be rigorously assessed as part of the business case for equalities implications.

7. Any other corporate implications where applicable

- 7.1 There are no foreseeable implications relating to any other corporate services arising from this Report. There are implications for open space investment, should the committee decide not to agree to some of the projects identified in Section 6 of the Infrastructure Funding Statement (Appendix C). The IFS aligns with the Strategic Plan priority 2.

8. Comments of the Chief Finance Officer

- 8.1 By introducing an effective monitoring system and publishing an IFS report, will increase transparency and ensure a robust system is in place to monitor the spend, whilst meeting our statutory obligations. Any costs that are funded from revenue to achieve these objectives must be contained within existing resources.

9. Comments of the Head of Legal Services

- 9.1 As a result of recent changes to the Regulations implemented through the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 (which came into force on 1 September 2019), local authorities will now need to increase transparency, by reporting on what they have received and spent through CIL and developer contributions and include information for the following year on CIL priorities.
- 9.2 Each calendar year (between 2nd Dec – 31st Dec) the Council must publish an Infrastructure Funding Statement in relation to the next calendar year detailing the infrastructure priorities which it intends will be wholly or partly funded by developer contributions.
- 9.3 Members should note that the requirement for the Council to maintain a CIL Regulation 123 list has been removed following the enactment of the new CIL Regulations 2019 on 1 September 2019. The Council's CIL Regulations 123 list will be replaced by the Council's new Infrastructure Funding Statement by 31 December 2020.
- 9.4 The recommendations in this report comply with the statutory duty.

10. Conclusion

- 10.1 Committee is advised to accept the recommendations of this Report in order to enable the Council to fulfil its statutory duties and deliver against Strategic Plan priority 2.

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Infrastructure Funding Statement

November 2020

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1. Introduction

This is the first Infrastructure Funding Statement for Tandridge District. This sets out this year's (19/20) income and expenditure section 106 (S106) agreements and section 278 (s278 – relating to highways), and all Community Infrastructure Levy (CIL) that have been awarded or spent CIL funds, known also as Planning Obligations (PO) or Developer Contributions.

CIL, S106 and S278 income is used to help fund the provision of supporting infrastructure in association with development and maximise the benefits and opportunities from growth, such as employment opportunities and affordable homes.

2. Section 106 Obligations

S106 agreements are used to mitigate the impacts of development and ensure that Tandridge's planning policy requirements (as set out in the Core Strategy and the Planning Obligations and 106 Guidance note) are fully met. S106 obligations include:

- site-specific financial contributions - these are secured and must be used for defined purposes; for instance, the provision of education facilities, traffic and transport/highways related works, open space provision and affordable housing contributions (where accepted in lieu of on-site provision); and
- non-financial obligations, including requirements such as employment and skills strategies, construction management plans and travel plans.

S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement.

S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

Schedule 2 of Regulation 121A of the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 sets out 'matters to be included in the annual infrastructure funding statement. These matters are related to s106 and are set out in Table 1 below. The reporting year is from 1st April 2019 to 31st March 2020.

Some of the developments have not commenced and consequently the affordable housing may have also not been delivered.

Table 1 also sets out the application or appeal number. It provides the year the approved planning decision date and therefore only planning obligations that have been secured through unilateral undertakings, nomination rights or grants. Unilateral undertakings are a legal planning agreement under s106 of the Town and Country Planning Act (1990) and nomination rights are where the Council can put forward people from the housing waiting list to occupy the affordable housing on site. Grants are made as an off-site contribution to deliver affordable housing.

Table 1 also sets out the site address, the contribution type, a description of the obligation, the number of units or cost amount.

At present the Council are reviewing their database programme for planning, in which the planning obligations data sits. It is the Council's intention to utilise the new software to produce tables that can provide more information where appropriate.

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Table 1: S106 Planning Obligations

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
Page 16 2017/212	Unilateral & Nomination	N/A	N/A	Dormansland	15/07/2019	Land to the rear of Dormans Station, Station Road, Dormansland, RH7 6NL	Affordable Housing Highways	Notify the Council in writing 14 days prior to commencement of the development 100% shall be A/H Towards the implementation of TRO within £3.5k 28 days of commencement. £6.5k within 28 days of completion. Registered Provider to enter into a Nomination Agreement with the Council.	9 N/A	N/A 10,000

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								75% subsequently and the right to nominate on the first letting of a tenancy and any re-letting substantially in the form annexed hereto at.		
Page 166 2018/2445	Unilateral	N/A	Y	Caterham-on-the-Hill	20/12/2019	Land off Anne's Walk, Caterham	Affordable Housing	Owner to notify the TDC & SCC within 5 working days in advance of Commencement of Development, Occupation of first dwelling, Occupation of final dwelling.	N/A	N/A
							Affordable Housing	Provide 12 affordable units.	12	N/A
							Transport	Not to occupy dwelling until sustainable travel contribution is paid to SCC.	N/A	75,000
2018/1325	Unilateral	2006/312 & 2015/2140	N/A	Whyteleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe, CR3 0EA	Affordable Housing	Affordable Housing Units = 24 flats - Affordable Rent 3 x 1 bed 5 x 2 bed and Shared Ownership 6 x 1 bed 10 x 2 bed.	24	N/A
							Affordable Housing	Prior to occupation of any open market housing the owners shall construct the affordable housing.	N/A	N/A
							Transport	The owners will provide a travel voucher to the value of	N/A	4,800

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
Page 167							Transport	£200 to the initial occupiers only.		
								Prior to occupation of any residential unit the owners shall submit Travel Plan to SCC for approval. (See discharge of planning conditions)	N/A	N/A
							Transport	Approval to be given prior to the first occupation of any residential units.	N/A	N/A
							Transport	Prior to the first occupation of any Residential Unit the Development owners shall pay SCC the commuted sum of £4,600 towards auditing and monitoring the Travel Plan.	N/A	4,600
							Affordable Housing	Approval to be given prior to the first occupation of any residential units.	N/A	N/A
2018/1325	Grant	2006/312 & 2015/2140	N/A	Whyteleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe, CR3 0EA	Affordable Housing	TDC to make a total grant payment of £244,000k to the housing provider towards the cost of affordable housing. To be made up of £144,000 paid to TDC by Aequitas Estates as stipulated in the	N/A	244,000

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
Page 168								Section 106 agreement dated 20.10.2017 and a reduction of £100,000 off the price of the land pending receipt of the grant.		
								To be made up of £144,000 paid to TDC by Aequitas Estates as stipulated in the Section 106 agreement dated 20.10.2017 and a reduction of £100,000 off the price of the land pending receipt of the grant. The first instalment of £183,000 to be paid to the Association on completion of Block A and the balance of £61,000 (24 flats) to be paid on receipt of the Completion Notice for Block E (8 flats).	N/A	N/A
2018/1325	Grant	2006/312 & 2015/2140	N/A	Whyteleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe, CR3 0EA	N/A	On Completion of the Affordable Housing Units a summary giving a clear breakdown of the project costs and how the Affordable Housing Units have been funded, including the Associations total	N/A	N/A

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								contributions towards the project costs from its own funds and resources.		
							N/A	Completion Notice and Nomination Agreement (signed in duplicate) and an invoice from the Association for the relevant payment.	N/A	N/A
							N/A	Financial constraints on rented units.	N/A	N/A
							N/A	Disposal of Restrictions.	N/A	N/A
							N/A	Schedule 1 - Affordable Housing units	N/A	N/A

3. Section 278 Agreements

Section 278 Agreements relate to Highways matters and are entered into with Surrey County Council. For the financial year 2019- 20 there were two such agreements entered into as set out in Table 2.

Table 2 provides the agreement date of the s278, the planning application it relates to, the parish it sits in, the approved date of the planning application, the site address and a description of the obligation.

As with the s106 obligations, the Council are aiming to utilise the updated software to provide more information where appropriate in the next year's Infrastructure Funding Statement.

Table 2: s278 agreements

Agreement Date	Application No.	Parish	Approved Planning Decision Date	Site Address	Obligation Description
02/12/2019	2018/2445	Caterham-on-the-Hill	20/12/2019	Land off Annes Walk, Caterham	Enter into S278 agreement with SCC & Completion of highways works SCC
28/02/2020	2018/1325	Whyteleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe CR3 0EA	Prior to first occupation the owner shall enter into a Section 278 agreement with SCC.

4. Community Infrastructure Levy

Community Infrastructure Levy (CIL) is a tariff-based charge on the development of new floorspace (per square metre) in the district. The money can be used to fund a wide range of infrastructure that is needed to meet the future growth needs of the district.

As a result of the recent changes to the regulations CIL is no longer restricted to projects identified in the Regulation 123 List.

CIL will be allocated on an annual basis through this Infrastructure Funding Statement to support the delivery of strategic infrastructure projects.

Neighbourhood CIL

Councils have a duty to pass on a proportion of CIL receipts to local neighbourhoods (this is known as the neighbourhood portion). As Tandridge is fully covered by parish councils, this portion is transferred from the District Council to parish council's twice a year (in April and October). The neighbourhood portion is capped at 15% per existing council tax dwelling in each parish (but rises to 25% and is uncapped in areas where a neighbourhood plan has been 'made' (adopted)).

The neighbourhood portion of the levy must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area.

Returns from parish councils are received from Parish Councils every April-June at the same time when they one payment of their CIL proportion, the other one being made in October. The returns request information asks for any expenditure of CIL fund spent by the parish council. This is set out on the Council's website in a separate parish council returns report produced annually¹.

Matters to be included in the funding statement for CIL 2019/2020.

Schedule 2 of Regulation 121A of the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 sets out 'matters to be included in the annual infrastructure funding statement. These matters are related to CIL and are set out in Table 3 below. The reporting year is from 1st April 2019 to 31st March 2020.

Table 3: The matters to be included in the Funding Statement for CIL

Matters to be included in Schedule 2 of the CIL Regulations 2019	Reported Year
(a) the total value of CIL set out in all demand notices issued in the reported year;	£2,191,552.24
(b) the total amount of CIL receipts for the reported year;	£3,284,038.47 Total, of which Tandridge District retains £2,621,381.81 after admin deducted.
(c) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated;	Allocated £150,000 for Smallfield flood alleviation second payment before the reported year.

¹ <https://www.tandridge.gov.uk/Planning-and-building/Planning-strategies-and-policies/Current-and-adopted-planning-policies/Community-Infrastructure-Levy/Spending-the-Community-Infrastructure-Levy-and-reports>

(d) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year;	(e) below refers.
(e) the total amount of CIL expenditure for the reported year;	The Strategy and Resources Committee agreed that £250,000 per annum up to 2022 from the CIL fund to be used towards the joint Surrey County Council Feasibility Studies. The Terms and Conditions of the SCC feasibility fund have been finalised in 2020.
(f) the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year;	As (c) and (e) above
(g) in relation to CIL expenditure for the reported year, summary details of— (i) the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item; (ii) the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part); (iii) the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation;	(i) As (e) above (ii) nil (iii) £164,201.92 (5%)
(h) in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item;	(h) As above £250,000 per annum joint feasibility funding allocated not spent.
(i) the amount of CIL passed to— (i) any parish council under regulation 59A or 59B; and (ii) any person under regulation 59(4);	(i) £498,454.74 (ii) nil

<p>(j) summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including—</p> <p><i>Note: 59E relates to the recovery of CIL where a local council has not spent CIL within 5 years of receipt or has spent CIL on non-infrastructure items. 59F relates to how CIL should be applied in non-parished areas.</i></p> <ul style="list-style-type: none"> (i) the total CIL receipts that regulations 59E and 59F applied to; (ii) the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item; 	<p>(i) – (ii) Nil</p>
<p>(k) summary details of any notices served in accordance with regulation 59E, including—</p> <ul style="list-style-type: none"> (i) the total value of CIL receipts requested from each parish council; (ii) any funds not yet recovered from each parish council at the end of the reported year; 	<p>(i) – (ii) Nil</p>
<p>(l) the total amount of—</p> <ul style="list-style-type: none"> (i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied; (ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied; (iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year; (iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year. 	<p>(i) £4,474,620.75 retained by Tandridge District Council £502,605.92 retained by Parish retained amount (to March 20)</p> <p>(ii) £230,403.06 at 18/19 retained</p> <p>(iii) nil</p> <p>(iv) nil</p>

Community Infrastructure Levy Expenditure

This section sets out how CIL income will be spent and prioritised over the next reporting period (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

The level and timing of CIL funding will depend on the nature and scale of development, the number of implemented planning permissions, build-out rates, and the phasing of development etc.

CIL receipts have been committed and spent on the following projects in Table 4 and Table 5 respectively.

Table 4: Community Infrastructure Levy Committed Projects

Ward	Description	Estimated timescale	Estimated CIL £
Burstow	Burstow Road Safety Scheme	2020-2022	£360,000
Oxted	Master Park Pavilion	2021-2023	£500,000
Whyteleafe	Whyteleafe Surgery	2020-2021	£502,000
Burstow	Smallfield Flood Alleviation Scheme	2021-2022	£150,000
TOTAL:			£1,512,000

Table 5: Community Infrastructure Levy Spent Projects

Ward	Description of scheme	Delivered date	Cost
Burstow	Smallfield Flood Alleviation Scheme	2017	£150,000
TOTAL:			£150,000

Further work on the governance arrangements and prioritisation programme around CIL spending is to be undertaken by the Council next year.

5. Conclusion

This report has been prepared in accordance with the CIL (Amendment) (England) Regulations 2019. It provides an overview of s106 and s278 agreements over the year 2019/2020 as well as CIL payments received, committed and spent.

Agenda Item 19

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

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