

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 16 December 2020 at 5.00 p.m.

PRESENT: Councillors Elias (Chair), M.Cooper (Vice-Chair), Botten (Vice-Chair), Bourne, Caulcott, Davies, Duck, Langton, Lee, Milton, Pursehouse and Sayer

ALSO PRESENT: Councillors Bloore, Lockwood, Morrow and Stamp

225. MINUTES OF THE MEETING HELD ON THE 24TH NOVEMBER 2020

Subject to the following amendment to the fourth bullet point in Minute 186 (Corporate Improvement Plan Update):

- “the new approach to financial management initiated by the new Section 151 Officer and the fact that the budget gap for ~~2019/20~~ 2020/21 had closed significantly with a view to producing a balanced budget for 2021/22”

... these minutes were approved as a correct record.

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

The following question had been submitted by Cllr M Cooper.

“At the last Council meeting held on the 10 December there was an item and a question on Climate Change about the setting up of a Climate Change Working Group, under the auspices of the S&R Committee. This being a group which will look at and decide both on actions and priorities for any TDC work on Climate Change.

If this group is to be able to have any credibility in the eyes of our residents it must include people with a scientific and/or engineering qualification or professional experience of power generation and supply. Only professionals with this type of knowledge would be adequately qualified to advise the Council

My concern is based on comments made at the meeting on the 10 December which, to me, indicated a failure of understanding by some councillors:

One councillor who advised that the future was electric cars and we should embrace them. This, despite my reminding him that an earlier Prime Minister, Tony Blair, had said the future was diesel cars, which he got disastrously wrong. We need to understand that there are many technologies currently being explored to power the future, electricity being just one. There are, however, many issues and constraints around the provision of purely electrically powered vehicles especially when concerned with larger vehicles. The commercial energy industry is currently showing a great deal of interest in hydrogen powered vehicles for example.

Another councillor commented about mobile phones getting smaller and using smaller batteries. This failed to appreciate that mobile phone manufacturers realised that most people would not be prepared to carry round a heavy suitcase or even a brick. The manufacturers redesigned the mobile phone, not least by removing the mouth and earpiece and used micro-components. The reduced size of all of the components produced a product with mass market appeal and greatly reduced the power needed to operate the device which meant much smaller batteries could be used!

In my view, we need to give our residents confidence that, not only are the challenges arising from the climate change issue understood, but that the Working Group convened will not be comprised of a random group of councillors who have little notion of what action is required or what priority any action should be given. This is not to say that the councillors concerned are not earnest in their feelings and intent but that the council simply does not employ people with the crucial knowledge and experience needed to make such decisions and we absolutely need people with that knowledge to make such decisions.

This working group will be looking to direct serious TDC future expenditure - local tax-payers money. Therefore, I believe that those councillors who have put their names forward to serve on the working group need to possess scientific and/or engineering qualification or professional experience of power generation and supply.

Therefore, please could you supply a list of the councillors on the Working Group and the qualifications which make their inclusion on that group relevant.

Thank you."

Jackie King, the Acting Chief Executive, responded (at the request of the Chairman) as follows:

"To clarify, the working group does not have decision making powers, it also does not have a budget. Its purpose is to inform and review the development of the climate change action plan in line and provide strategic input and direction that officers can then develop initiatives from further.

As is normal practice, business cases will be established for any actions or options appraisals that include Council expenditure, and follow the Council's contract standing orders. These will include assessments by our finance team and other relevant external professionals where we feel we need their input.

Strategy & Resources Committee is the decision-making body for the climate change workstream, unless an action is particularly relevant to another committee such as Housing or Community Services, in which case reports for each committee may be submitted. Nonetheless, members are reminded that the Council's preferred funding options for its climate change work are grants, and working with partners including the County Council, to reduce or eliminate costs for those initiatives. Further, the Council will utilise its business as usual activities as far as possible to meet our climate change aspirations.

The Climate Change Working Group is made up of seven councillors, the lead climate change officer, Will Mace, and any other officers relevant to a particular topic being discussed, as set out in the Action Plan committee report that came previously to this committee."

Cllr Cooper commented that the question had not been answered and asked for the names of the Councillors who would be on the committee along with their qualifications.

Jackie King confirmed she could provide the names of the Councillors. She confirmed that Group Leaders had been invited to nominate the members they feel are best placed to participate. At present the members were:

- Cllr Milton
- Cllr Duck
- Cllr Pursehouse
- Cllr Davies
- Cllr Stamp
- Cllr Caulcott
- There is one vacancy for the Liberal Democrats.

Jackie King confirmed that she did not have the qualifications of these Members, but we don't ask for these on any other working group and it would be difficult to find individuals with the qualifications suggested.

Cllr Cooper asked a supplementary question requesting that the councillors who had put themselves forward to the working group consider their position to possibly allow for more knowledgeable councillors to be involved.

Cllr Elias answered by stating that it was not the intention to have people with qualifications on the working group. Councillors provide strategic direction to the work of the officers rather than provide technical knowhow.

227. ADDITIONAL COVID RESTRICTIONS GRANT SCHEME - CONFIRMATION OF DECISION TAKEN UNDER URGENCY POWERS (SO 35)

This discretionary grants scheme had been introduced by the government on the 31st October 2020, to be administered by all business rate billing authorities in England. The scheme was aimed at supporting businesses:

- who had lost income between during the second lockdown between the dates of 5th November 2020 and 2nd December 2020
- with relatively high ongoing fixed property-related costs;
- which can demonstrate a significant fall in income due to the pandemic;
- which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments;
- that were trading on or before 4 November 2020.

An additional criteria for microbusinesses had also been included:

- Microbusinesses that can demonstrate loss of income due to the Covid-19 crisis. This may include Council Tax payers running a business from home, sole traders, or mobile businesses such as hairdressers and driving instructors.

The scheme had to be established locally by councils within a very short timeframe. The Tandridge scheme was therefore implemented by the Acting Chief Executive, in consultation with Group Leaders, under the urgency powers of Standing Order 35.

In addition to the scheme, an advisory panel of Members and Officers had been created to review applications received on a weekly basis.

The Committee was invited to ratify the scheme.

RESOLVED – that the Additional Restrictions Grant Scheme, as attached at Appendix A to the report (and as amended with reference to microbusinesses), be ratified.

228. 2021/22 DRAFT BUDGET AND MTFS TO 2023/24

A draft report for 2021/22 and the latest Medium Term Financial Strategy (MTFS) to 2023/24 was presented. The covering report commented on:

- the impact of the Covid-19 pandemic and consequent uncertainties upon budgetary projections;
- the financial recovery plan and progress in exerting tighter cost controls, resulting in the Council being removed from the Government's 'watchlist' (during the previous three months since the inception of the 2021/22 budget setting process, the projected shortfall had reduced from c£2.5 million to c£0.2 million);
- issues regarding the shortfalls in the collections of Council Tax and business rates for 2020/21;
- the financial improvement programme implemented by the interim Chief Finance Officer since her appointment in July 2020; and
- the service delivery plans being pursued under the auspices of this and the other three policy committees.

The report confirmed that the government was now conducting a one-year comprehensive spending review. A provisional local government financial settlement was expected imminently, with a final settlement due in January 2021 but little detail is known about what this would include. A prudent assumption had also been made in respect of additional Covid payments which should also be received. A 'roll-forward' of the 2020/21 settlement was anticipated, including a permitted Council Tax increase of £5 for Band D properties. Ongoing resilience was also being built into the budget via the contingency and General Fund Reserves.

The MTFS to 2023/24 assumed annual increases in pay (1%) and contract (2%) inflation rates and a 2% uplift in fees and charges. Funding gaps of £1.899 million and £2.914 million were projected for 2022/23 and 2023/24 respectively. Service delivery plans were being developed to improve this medium term outlook. Delays to local government finance reforms and the absence of a longer term financial settlement from central government provided challenges for effective budgetary planning during the course of the MTFS.

Draft 2021/22 revenue budgets for all four policy committees, including the Housing Revenue Account for the Housing Committee, were attached to the report, together with a draft capital

programme to 2023/24. Work would be continuing on these documents with a view to bringing a balanced budget in January and February 2021.

Concerns were raised in respect of some of the proposed budget savings. It was confirmed that greater detail for each committee would be provided in the separate budget reports in January 2021 and the use of Capital Reserves would be clarified at the next meeting.

It was noted that there had been salary inflation figures of 1% referred to across all committees which appears to contradict the Government's intention for all public sector pay to be frozen. The Committee was informed that the Council is not part of the National Pay Scheme but could opt to follow the spirit of the guidance. Options were currently being considered to self-fund the increase and conversations were ongoing with Staff Conference. Some Members felt that an increase would not be a preferable option at this time.

It was highlighted that the recommendation had been changed for the committee to note the document as opposed to approve. This change was suggested on the basis that the budget was still in draft form and, at this time, was not balanced.

RESOLVED – that the draft budget for 2021/22 and Medium-Term Financial Strategy to 2023/24 be noted.

229. CIL SPENDING REVIEW AND FUNDING STATEMENT - UPDATE

On the 24th November 2020, the Committee had agreed an Infrastructure Funding Statement (IFS) notwithstanding the intention to produce a revised replacement version as soon as practicable. A member Working Group had since been convened to reconsider the IFS, as requested by the Committee on the 24th November. The Group had concluded that a full list of projects under consideration for CIL funding should now be included in the IFS for publication by the end of the month. The revised IFS, as recommended by the Group, was presented.

The covering report advised that the available CIL funds were insufficient to support all the projects under consideration. Future CIL levies from development were also unlikely to close this gap, hence the aim to develop criteria for evaluating and rating schemes early in 2021.

It was noted that the Working Group could consider adding the name of the project sponsor to the Infrastructure Funding Statement.

RESOLVED – that the revised replacement Infrastructure Funding Statement (IFS) 2020 be approved.

Rising 6.16 pm