

# TANDRIDGE DISTRICT COUNCIL

## STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 2nd February 2021 at 7.30pm

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

**ALSO PRESENT:** Councillors Allen, Bloore, Farr, Lockwood, Mills, Ridge, Morrow, Steeds and N.White

### 260. MINUTES OF THE MEETING HELD ON THE 21ST JANUARY 2021

These minutes were approved as a correct record.

### 261. INVESTMENT SUB-COMMITTEE - 15TH JANUARY 2021

The minutes of the Sub-Committee's meeting on the 15<sup>th</sup> January 2021, attached at **Appendix A**, were received. The Capital, Investment and Treasury Management Strategy (Item 2 of the minutes) was subject to ratification by Full Council on the 11<sup>th</sup> February 2021.

**COUNCIL DECISION**  
*(subject to ratification by Council)*

**RECOMMENDED** – that the Capital, Investment and Treasury Management Strategy (accessible via the following link) be approved:

<https://www.tandridge.gov.uk/Portals/0/Documents/Your-council/Councillors-and-committees/Capital-Investment-and-TM-Strategy.pdf?ver=2021-02-01-145345-137>

### 262. 2021/22 FINAL BUDGET AND MTFS TO 2023/24

A report with a proposed final revenue budget for 2021/22, together with recommendations regarding the capital programme and a Council Tax precept were considered. The recommendations were presented in the context of the Council's organisational strategy, finance improvement plan and departmental service plans; and the Government's recent policy announcements concerning Local Government finance (including the 'provisional settlement').

The report included detailed commentary about the budget setting process, with reference to a self-assessment against best practice guidance and key underlying budget principles. An analysis of the main changes to the draft budget submitted to the 16<sup>th</sup> December 2021 meeting (when a £189,000 revenue deficit was being forecast) was provided, together with the significant variations from the 2020/21 net revenue budget. The report also referred to:

- government funding for TDC associated with the Covid-19 pandemic
- projected income generated by a £5 Council Tax increase

- likely Council Tax and business rates collection fund deficits
- the intention to retain the current Council Tax Support Scheme
- an assumed reduction in New Homes Bonus
- inflationary provisions of 0.5% for staff salaries and 2% for contract payments
- a 2% uplift in General Fund fees & charges
- intended annual contributions to reserves and contingencies
- a medium term financial outlook to 2023/24
- assumed Government reforms to Local Authority finance from April 2022
- the development of the capital programme to 2023/24 (including a rebasing exercise, re-profiling HRA projects and the removal of the Investment & Development Fund)
- the adequacy of reserves and a risk mitigation strategy

The report acknowledged the uncertainties associated with Local Government funding over the medium term, with several factors likely to impact upon the Council's funding position beyond 2021/22.

Upon introducing the report, the Chief Finance Officer (CFO) referred to the £100,000 transfer from the Local Plan to the salaries budget to strengthen staffing resources under the remit of the Chief Planning Officer.

In response to Members' questions, Officers:

- explained that the additional £105,000 provision in the Strategy & Resources budget had arisen from a review of where certain salary costs should be charged;
- confirmed that the contract savings reflected in the Community Services budget were challenging but realistic – projected savings for all policy committees would be tracked next year to enable Members to monitor whether they were being achieved
- advised that the presentation of the Strategy & Resources budget would be reviewed to reflect the fact that a significant proportion of the costs were corporate items, dependent upon external economic factors beyond the Council's control;
- surmised that relevant committees (especially Chairs and Vice-Chairs) and applicable Executive Leadership Team (ELT) leads were accountable for achieving budget targets

While the CFO did not favour the use of RAG ratings for budget monitoring purposes, the Finance Team would consider how best to present information to committees about the position of their budgets throughout 2021/22. In any event, ELT was aware of its duty to provide clear and accurate financial reports to enable committees to make informed decisions.

Some Members reiterated concerns that costs associated with the two Local Plan options (presented by the Planning Inspector) had not been factored into the budget and, therefore, felt unable to support it.

**COUNCIL DECISIONS**  
(subject to ratification by Council)

**RECOMMENDED** – that

- A. the net revenue budget requirement be set at £11.3million (net cost of services after service specific government grants) for 2021/22 (Appendix A to the report), subject to confirmation of the final Local Government Financial Settlement;

- B. the final budget envelopes for departments for 2021/22 at Appendix B to the report be approved;
- C. the total £39.6 million proposed three-year Capital Programme (comprising £11.3m General Fund and £28.3m Housing Revenue Account (HRA)) of which £25.1 million Capital Budget is for 2021/22 at Appendix C to the report be approved;
- D. the total Council Tax Requirement be set at £8.7 million for 2021/22, based on a Council Tax increase of £5 to cover core Council services (Appendix D to the report);
- E. it be noted that, for the purpose of section 52ZB of the Local Government Finance Act 1992, the Council formally determines that the increase in Council tax is not such as to trigger a referendum (i.e. not greater than £5);
- F. the Tandridge District Council precept for Band D Council Tax be set at £225.98, which represents a £5 uplift, this being a rise of £0.10 a week from the 2020/21 precept of £220.98 – a full list of bands is as follows:

Band A	£150.65	Band E	£276.19
Band B	£175.76	Band F	£326.41
Band C	£200.87	Band G	£376.63
Band D	£225.98	Band H	£451.96

- G. the Parish Councils' precept requirements for 2021/22 at Appendix E to the report be noted;
- H. the current Local Council Tax Support Scheme (unchanged) be adopted for financial year 2021/22; and
- I. the impact of the financial strategy to build the General Fund Reserves via a £0.5m contribution per annum, application of a general contingency of c£0.1m per annum (£117k for 2021/22) and creation of a Partnership & Transformation Reserve to support exploring partnership opportunities (£0.2m 2021/22) be noted (this will bring the General Fund balance to £3.1m as at 31 March 2022 (Appendix F to the report).

In accordance with Standing Order 25(3), Members requested that their votes in connection with the recommendations A and B and D to I above be recorded (recommendation C was agreed unanimously):

#### Recommendations A and B

**For:** Councillors Cooper, Duck, Elias, Milton and Pursehouse

**Against:** none

**Abstentions:** Councillors Botten, Bourne, Caulcott, Davies, Langton, Lee and Sayer

#### Recommendation D

**For:** Councillors Botten, Bourne, Caulcott, Cooper, Duck, Elias, Lee, Milton and Pursehouse

**Against:** none

**Abstentions:** Councillors, Davies, Langton and Sayer

### Recommendations E to I

**For:** Councillors Botten, Bourne, Caulcott, Cooper, Davies, Duck, Elias, Langton, Lee, Milton, Pursehouse and Sayer

**Against:** none

**Abstentions:** none

## **263. OXTED BID RENEWAL BALLOT**

The Oxted Business Improvement District (BID) had been established in 2015 following consideration by the former Resources Committee and the outcome of a statutory ballot of non-domestic ratepayers in the area. The purpose of such BIDs was to improve local commercial areas via levies paid by such ratepayers.

The operational duration of BIDs was limited to five years, at which point fresh ballots were required to determine whether they could continue. The Oxted BID's first term should have finished on 31<sup>st</sup> December 2020 but this was extended as part of the Covid-19 legislation.

A report was submitted inviting the Committee to support the renewal of the Oxted BID and for the Council's vote (as one of the non-domestic ratepayers in the town) to be cast accordingly. The report explained that the renewal ballot (proposing an on-going 2% levy rate) would take place between the 18<sup>th</sup> February and 18<sup>th</sup> March 2021, to be administered by Civica Election Services at a cost of £1,855 plus VAT. The Council was required pay for the ballot unless the vote was lost, and turnout was less than 20%, in which case BID itself would be liable. The BID levy would be mandatory for all liable businesses, regardless of whether or how they vote.

Although the Council had been financing levy collection costs (£980 for postage and £806 staff time) since the BID's inception, the report recommended that such costs be reimbursed by the BID in future. The BID's draft business plan was appended to the report to help inform the Committee's decision.

Members spoke in favour of the Council's continued support for the initiative and commented on the valued support which the BID had provided to Oxted business throughout the pandemic.

***RESOLVED*** – that:

- A. the Council votes in support of a Business Improvement District in Oxted; and
- B. the cost of levy collection be met by the Oxted BID.

## **264. QUADRANT HOUSE UPDATE**

Funding of £4.915 million had been received from the Coast to Capital Local Economic Partnership (LEP) for developing this Council-owned site in Croydon Road, Caterham. In May 2020, the Committee authorised officers to proceed with the launch of a business hub initiative for the premises and to enter into contracts for the refurbishment of the common parts (phase 1). A report was presented which confirmed that both of those objectives had been achieved and sought further authority for officers to enter into a contract to carry out phase 2 works, namely:

- thermal efficiency measures, e.g. added insulation and new windows
- enhancement of the Croydon Road façade, including the installation of a 'living wall' with added biodiversity and microclimate benefits
- a roof terrace at third floor level in the south building
- ramped access to Quadrant north entrance and replacement lifts and escape staircases
- improved appearance through new signage and services integration
- refurbishment of office suites on 2nd and 3rd floor of south building, to include new LED lighting and a new, centralised heat pump air conditioning system
- photovoltaic panels on the top floor roof.

The report informed Members about the project timetable for the refurbishment project and acknowledged that certain elements of the above works would require planning permission. Details of the proposed tender process were also provided.

Members welcomed the opportunity to utilise the LEP funding to transform this part of Caterham while achieving a significant reduction in carbon emissions.

**RESOLVED** – that authority be delegated to the Executive Head of Communities, in consultation with Corporate Procurement Board, to enter into a contract for phase 2 refurbishment works at Quadrant House on such terms as she considers necessary.

## 265. UPDATE ON PROCUREMENT AND STANDING ORDERS

Since the current version of Contract Standing Orders (CSOs) was approved at Full Council in December 2019, the following changes had been recommended by the Council's Internal Auditors (Southern Internal Audit Partnership (SIAP)) following their review of the procurement process:

- the inclusion of a reference to pre-tender estimates and how contract awards over the original estimate are approved
- the inclusion of a reference to the treatment of 'abnormally low tenders'
- clarification that the confidentiality of quotations, tenders and the identity of contractors must be preserved

SIAP had also recommended other actions to enhance the procurement process, including measures to ensure compliance with CSOs, a more robust procurement card policy, revisions to the procurement strategy to clearly define roles and responsibilities, and the adoption of performance indicators.

A report was presented in light of both SIAP's review and the implications of Brexit on the Council's procurement processes. Proposed revisions to CSO's were considered (these would require amendments to the Constitution and, therefore, would need to be ratified by Full Council) together with a procurement improvement plan and a set of procurement related performance indicators to measure the following:

- (i) savings achieved due to a procurement process (methodology to be agreed with the finance team)
- (ii) % of procurement transactions greater than £5,000 captured on 'in-tend' (target of 95% in year 1, 100% thereafter)
- (iii) % of spend with 100 top suppliers currently compliant with CSOs (80% in year 1, 100% thereafter)
- (iv) number of contract values awarded to within 10% of pre-contract estimated value (target of 95% in year 1, 100% thereafter)
- (v) number/value of current CSO waivers in force
- (vi) number of contracts awarded to local SMEs

The report also informed Members about the role of the Corporate Procurement (Officer) Board.

In response to Members' questions, the Performance Specialist explained the approach to 'abnormally low tenders'; his role in leading the procurement process within the Council in liaison with contract managers; the intention to define a target in respect of KPI (i) above; and the fact that carbon emissions formed part of the 'social value' element of the tender scoring process. He also confirmed that SIAP had been made aware of the report and were content that it addressed the recommendations arising from its audit.

**RESOLVED** – that:

- A the set of standard procurement Key Performance Indicators detailed in Appendix B to the report be agreed; and
- B. the Procurement Improvement Plan as detailed in Appendix C to the report be noted.

**COUNCIL DECISION**  
(subject to ratification by Council)

**RECOMMENDED** - that amendments be made to Contract Standing Orders in accordance with the summary at **Appendix B** to these minutes.

## 266. PAY POLICY STATEMENT 2021/22

The Localism Act 2011 required Councils to publish annual pay policy statements. A proposed 2021/22 statement for Tandridge was submitted.

It was acknowledged that the first line of section 3.2 of the proposed policy statement should say that the Senior Leadership Team comprises six Chief Officers (not five).

**COUNCIL DECISION**  
(subject to ratification by Council)

**RECOMMENDED** – that the proposed Pay Policy Statement for 2020/21, attached at **Appendix C**, be approved.

## **267. CHIEF OFFICER SUB-COMMITTEE - 14TH JANUARY 2021**

**RESOLVED** – that the minutes of the Sub-Committee’s meeting, attached at Appendix D, be noted,

## **268. SITUATION OF POLLING PLACES - DELEGATION TO ELECTORAL REGISTRATION OFFICER**

The Council’s Constitution identified the determination of polling district reviews as a matter to be reserved for Full Council following recommendations from this Committee. While not explicitly stated, this definition also intended to relate to polling places. A report was submitted which sought authority for the Electoral Registration Officer to designate polling places in situations where it was impracticable to take proposals through the committee process.

**COUNCIL DECISION**  
(subject to ratification by Council)

**RECOMMENDED** – that in circumstances where it would not be practicable to seek Committee / Council approval for a change in a polling place in time for an election, authority be delegated to the Electoral Registration Officer, in consultation with Ward Members and Group Leaders, to make such changes should the need arise.

## **269. FINANCE - FUTURE LEADERSHIP ARRANGEMENTS**

The Chief Finance Officer’s secondment from Surrey County Council was due to end on the 31<sup>st</sup> March 2021. The Local Government Act 1972 required every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs (commonly referred to as the Section 151 Officer). A report was submitted to enable the Committee to consider options for securing future financial leadership and further transformation of the Council’s finance function, namely:

- seek to recruit a permanent employee to the post of s151 Officer
- seek to recruit a replacement interim s151 Officer (not recommended due to cost and disruption)
- pursue Surrey County Council’s offer to provide TDC with a comprehensive finance function, comprising the s151 role and a full range of financial services
- a sharing arrangement with another neighbouring authority

The report outlined a process for appraising the above options and then establishing a business case for the favoured solution.

In response to Members' questions, the Acting Chief Executive agreed to provide further information after the meeting regarding:

- the other councils which had been approached regarding the possibility of sharing a s151 Officer with Tandridge
- the consultant being engaged to support the options appraisal process (this was in response to an observation that the individual concerned should be independent and not associated with any of the options).

Given the Council's statutory duty to have a s151 Officer in place, the Committee was advised that it would not be practicable to defer the matter until a new, permanent Chief Executive had been appointed.

***RESOLVED*** – that an options appraisal and business case is undertaken to identify a future model for providing the Council's financial leadership, with the Acting Chief Executive reporting back to this Committee in March 2021 for decision.

Rising 9.21 pm



## INVESTMENT SUB COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the on the 15<sup>th</sup> January 2021 at 10.00 a.m.

**PRESENT:** Councillors Elias (Chair), Bourne, Farr (substitute in place of Davies), Jones and Milton (substitute in place of M.Cooper)

**APOLOGIES FOR ABSENCE:** Councillors M.Cooper and Davies

### 1. MINUTES OF THE MEETING HELD ON THE 23RD OCTOBER 2020

These minutes were approved as a correct record.

In respect of item 2 of the minutes, arising from the presentation from UBS, it was confirmed that UBS had provided clarification concerning ongoing fund charges and mandate costs, together with the latest value of the Council's investment. This information had been circulated to members of the Sub Committee shortly after the meeting

**COUNCIL DECISION**  
*(subject to ratification by Council)*

### 2. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGY 2021/22

A proposed consolidated strategy was presented. This had been produced in accordance with CIPFA guidelines and provided a high-level overview of how capital expenditure, capital financing and treasury management activity support the delivery of the Council's priorities, along with an explanation of how risk, security and liquidity are managed. The strategy included:

- a summary of the Council's capital expenditure and financing plans, with associated governance arrangements;
- an overview of the treasury management function which sought to ensure that income raised during the year is sufficient to meet expenditure plans and that any available surplus cash is invested at low risk, while ensuring security and liquidity; and
- the Council's approach to property investment (including reference to recent restrictions on the ability to borrow from the Public Works Loan Board for purchasing properties with the primary aim of generating yield) and the pursuance of redevelopment and regeneration opportunities.

Various issues were raised during the discussion about the strategy, including:

- whether it was appropriate to highlight the potential for regeneration investments to drive up yield from business rates (para 3.7)

- clarification that the £4.9 million investment for the refurbishment of Quadrant House, Caterham would be funded by the Local Economic Partnership (para 7.4) and that 'Disabled Facilities Grants' and 'Community Infrastructure Levy' comprised the other sources of external funding for the capital programme
- a suggestion that, in future, separate tables be provided to distinguish Housing Revenue Account provisions from those in the General Fund
- confirmation that Minimum Revenue Provision (MRP) would continue to be applied in accordance with the Asset Life Method, but that:
  - 'equal instalment' calculations would be used to charge MRP to internal borrowing;
  - the annuity method would apply to commercial activities, allowing MRP to increase gradually over the asset life (section 8)
- a request for future clarification about the figures in Table 6 under para 9.2 (current treasury investment portfolio) concerning the value of the respective funds
- the need for corrections in Table 10 under para 9.19 regarding treasury management investments (the corrections are incorporated in the revised version of strategy attached to these minutes)
- the scope for enhancing the presentation of the table under para 37 of the investment property strategy regarding the performance of the Council's property portfolio.

The Chief Finance Officer confirmed her intention to establish more regular dialogue with the Council's Treasury advisors (Link) to test whether the treasury investment portfolio and borrowing strategy remained suitable in light of other economic factors. She also acknowledged the need for the capital programme to remain flexible and to avoid imposing unacceptable financing costs upon the General Fund after taking other variables into account.

**RECOMMENDED** – that the Capital, Investment and Treasury Management Strategy (accessible via the following link) be approved:

<https://www.tandridge.gov.uk/Portals/0/Documents/Your-council/Councillors-and-committees/Capital-Investment-and-TM-Strategy.pdf?ver=2021-02-01-145345-137>

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

### 3. SUMMARY INVESTMENT AND BORROWING POSITION

The investment analysis at Annexes A and B was considered, together with fact sheets for the four funds within the Council's treasury investment portfolio. The Chief Finance Officer asked if members of the Sub-Committee could provide feedback about whether they find the analysis and fact sheets useful. This would be pursued after the meeting.

At the previous meeting, the Sub-Committee had agreed that, “*the reallocation of accumulated Funding Circle redemption proceeds [approximately £0.77m at the end of November 2020] be deferred, pending a review ... about whether they should be used to meet the Council’s cashflow requirements*”. Members were advised about the potential need for borrowing in March 2021 for cashflow purposes and that, in view of the current uncertainty, the Funding Circle redemption proceeds remained unallocated. In this respect, the Chief Finance Officer stated that she would be consulting the Council’s treasury advisors (Link) towards the end of the financial year about the relative merits of utilising the proceeds to assist with cashflow, or reinvesting them across the CCLA; UBS and Schroder funds. Officers would also assess whether it would be sustainable for the Council to continue to draw the current levels of income from those funds.

The Chief Finance Officer also advised about the intended future approach to accounting for the Freedom Leisure loans.

Arising from a question about Gryllus, it was confirmed that valuations of its properties as at 31<sup>st</sup> December 2020 were expected to be received by the end of February 2021.

**RESOLVED** – that:

- A. the Council’s investment and borrowing position at 31<sup>st</sup> December 2020, as set out in Annexes A and B, be noted;
- B. the individual factsheets for the long-term investments be noted; and
- C. the application of accumulated Funding Circle redemption proceeds continues to be reviewed.

Rising 11.20 a.m.

Investment	Investment Amount at 31/12/2020	Net Asset Value at 31/12/2020 Note 1	Yield Rate Note 2	Yield to 31/12/20 Note 3	Estimated Annual Return 2020/21 at 31/03/2021	2019/20 Actual
	£	£	%	£	£	£
<b><u>Non - Specified (Financial Investments)- Long Term (over 12 mths)</u></b>						
CCLA Property Fund	4,000,000	4,013,737	4.27	84,719	171,400	185,240
Schroders Bond Fund	3,000,000	2,927,632	4.50	33,903	131,700	124,418
UBS Multi Asset Fund	3,000,000	2,817,616	4.50	84,148	126,800	137,531
Funding Circle	1,261,826	1,091,959	4.50	55,666	65,000	78,011
CCLA Diversification Fund	2,000,000	1,971,862	3.36	35,972	66,300	66,284
<b>Sub Total Non-specified (Financial Investments)</b>	<b>13,261,826</b>	<b>12,822,805</b>		<b>294,408</b>	<b>561,200</b>	<b>591,484</b>
<b><u>Non - Specified (Non-Financial Investments)- Long Term (over 12 mths)</u></b>						
Gryllus Property Company Loan - Maidstone	2,394,000	2,394,000	5.81	0	139,100	139,023
Tandridge Leisure Ltd- Refurbishment Loan (TTLIC)	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	1,012,500	1,012,500	5.81	0	58,800	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	5,251,500	5,251,500	-	-	-	0
<b>Sub Total Non-specified (Non-Financial Investments)</b>	<b>21,990,749</b>	<b>21,990,749</b>		<b>0</b>	<b>1,009,721</b>	<b>334,651</b>
<b>Total Non-Specified Investments</b>	<b>35,252,575</b>	<b>34,813,554</b>		<b>294,408</b>	<b>1,570,921</b>	<b>926,135</b>
<b><u>Specified Investments-Short Term (less than 12 mths)</u></b>						
Banks/Building Societies Deposits	0	-	0.00	0	0	6,381
Notice Accounts	4,000,000	4,042,381	0.07	4,920	12,400	20,919
Money Market Funds	20,000,000	20,000,000	0.01	15,779	20,000	75,255
<b>Total Specified Investments</b>	<b>24,000,000</b>	<b>24,042,381</b>		<b>20,699</b>	<b>32,400</b>	<b>102,555</b>
<b>Total Non- Specified and Specified Investments</b>	<b>59,252,575</b>	<b>58,855,935</b>		<b>315,107</b>	<b>1,603,321</b>	<b>1,028,690</b>
<b>Total Investment Income Budget 2020/21</b>					<b>2,764,200</b>	
<b>Over/(under) budget</b>					<b>(1,160,879)</b>	

Borrowing	Loan Amount at 31/12/20	Estimated Average Borrowing	Interest	Expenditure to 31/12/20	Estimated Annual Cost 2020/21 at 31/03/2021
	£	£	%	£	£
<b>General Fund Borrowing</b>					
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	54,513	54,500
Village Health Club	938,678	938,678	2.38	22,341	22,300
Linden House	4,175,000	4,175,000	2.69	56,154	112,300
Linden House	254,000	254,000	2.42	6,146	6,100
Quadrant House	15,340,000	15,340,000	2.41	184,847	369,700
Quadrant House	800,000	800,000	2.28	18,240	18,200
Gryllus - 80-84 Station Road	724,400	724,400	2.28	16,516	16,500
Gryllus - Castlefield	15,549,000	15,549,000	2.91	452,476	452,500
<b>Sub Total General Fund Borrowing</b>	<b>43,426,078</b>	<b>43,426,078</b>		<b>853,298</b>	<b>1,136,200</b>
<b>General Fund Cost of Borrowing Budget</b>					<b>1,889,000</b>
<b>Over/(Under) Budget</b>					<b>(752,800)</b>
<b>HRA Borrowing</b>					
Public Works Loan Board	61,189,000	61,189,000	2.76	831,153	1,662,300
<b>Sub Total HRA Borrowing</b>	<b>61,189,000</b>	<b>61,189,000</b>		<b>831,153</b>	<b>1,662,300</b>
<b>HRA Cost of Borrowing Budget</b>					<b>1,926,500</b>
<b>Over/(Under) Budget</b>					<b>(264,200)</b>
<b>Total Borrowing</b>	<b>104,615,078</b>	<b>104,615,078</b>		<b>1,684,451</b>	<b>2,798,500</b>
<b>Total Cost of Borrowing Budget</b>					<b>3,815,500</b>
<b>Total Over/(Under) Budget</b>					<b>(1,017,000)</b>

## Notes

### 1. Net Asset Value

The Net Asset Value for CCLA Property Fund is at 30 Sept 2020

### 2. Yield Rate

CCLA Property Fund dividend yield Dec 20 provisional provided by CCLA 4.27%

Schroders Strategic Credit Fund Fact sheet on Schroders.co.uk current yield as at 30 Nov 2020 4.5%

UBS distribution yield latest per UBS Fact Sheet (Q3 20) 4.5 %

CCLA Diversified Fund Class 2 dividend yield Dec 20 provided by CCLA 3.36%

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

3. Yield to 31/12/20 include actuals received or notified of at this date - CCLA Property Fund, UBS & CCLA show 2 quarters, Schroders only shows 1 quarter.

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 31/12/2020

Annex 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	Carrying Value 31.12.2020
	£	£	£	£	£	£	£	£	£	£	£	£
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	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	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	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	2,000,000
<b>Total</b>	<b>10,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>	<b>12,000,000</b>

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	Market Value 31.12.2020
	£	£	£	£	£	£	£	£	£	£	£	£
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	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	2,927,632
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	2,817,616
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	1,971,862
<b>Total</b>	<b>10,065,254</b>	<b>12,029,108</b>	<b>12,075,341</b>	<b>12,087,665</b>	<b>11,885,356</b>	<b>11,991,781</b>	<b>12,206,179</b>	<b>12,153,396</b>	<b>12,269,826</b>	<b>11,052,907</b>	<b>11,461,608</b>	<b>11,730,846</b>

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	Surplus/ (Deficit) 31.12.2020
	£	£	£	£	£	£	£	£	£	£	£	£
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	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)	(72,368)
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)	(182,385)
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)	(28,138)
<b>Total</b>	<b>65,254</b>	<b>29,108</b>	<b>75,341</b>	<b>87,665</b>	<b>(114,644)</b>	<b>(8,219)</b>	<b>206,179</b>	<b>153,396</b>	<b>269,826</b>	<b>(947,093)</b>	<b>(538,392)</b>	<b>(269,154)</b>

\* CCLA Property fund Market value is at 30 Sept 2020

Gross Revenue Yield	Yield	Yield	Yield	Yield	Yield	Yield	Yield	Yield	FY Forecast at 30-Sept-20		FY Forecast at 31-Dec-20	
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	Yield 20-21	Yield 20-21	Yield 20-21	Yield 20-21
	£	%	£	%	£	%	£	%	£	%	£	%
CCLA Property Fund	164,434	4.03%	193,758	4.53%	183,989	4.30%	185,240	4.31%	171,000	4.26%	171,400	4.27%
Schroders Bond Fund	127,340	4.30%	105,413	3.62%	120,508	4.21%	124,418	4.33%	125,900	4.50%	131,700	4.50%
UBS Multi Asset Fund	100,600	3.33%	146,788	5.03%	116,513	4.06%	137,531	4.70%	119,700	4.40%	126,800	4.50%
CCLA Diversification Fund	n/a	n/a	62,732	3.27%	67,030	3.38%	66,284	3.23%	66,700	3.46%	66,300	3.36%
<b>Total</b>	<b>392,375</b>		<b>508,691</b>		<b>488,040</b>		<b>513,473</b>		<b>483,300</b>		<b>496,200</b>	

Surplus/(Deficit)- Capital Value	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	Surplus/	FY Forecast at 30-Sept-20		FY Forecast at 31-Dec-20	
	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	(Deficit)	Surplus/	Surplus/	Surplus/	Surplus/
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2020/21	2020/21	2020/21	2020/21
	£	%	£	%	£	%	£	%	£	%	£	%
CCLA Property Fund	(92,996)	-2.28%	193,868	4.53%	(849)	-0.02%	(87,942)	-2.10%	(289,032)	-7.20%	(289,032)	-7.20%
Schroders Bond Fund	16,634	0.56%	(50,726)	-1.74%	(47,707)	-1.67%	(325,192)	-12.80%	(75,184)	-2.69%	(7,246)	-0.25%
UBS Multi Asset Fund	36,559	1.21%	(100,545)	-3.45%	(49,681)	-1.73%	(347,766)	-13.80%	(206,412)	-7.59%	(140,172)	-4.97%
CCLA Diversification Fund	n/a	n/a	(78,743)	-4.10%	60,910	3.07%	(177,974)	-9.86%	(121,160)	-6.28%	(102,530)	-5.20%
<b>Total</b>	<b>(39,803)</b>		<b>(36,146)</b>		<b>(37,327)</b>		<b>(938,874)</b>		<b>(691,788)</b>		<b>(538,980)</b>	

Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	Net Yield	FY Forecast at 30-Sept-20		FY Forecast at 31-Dec-20	
	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	Net Yield	Net Yield	Net Yield	Net Yield
	£	%	£	%	£	%	£	%	£	%	£	%
CCLA Property Fund	71,438	1.75%	387,626	9.06%	183,140	4.28%	97,298	2.32%	(118,032)	-2.94%	(117,632)	-2.93%
Schroders Bond Fund	143,974	4.86%	54,687	1.88%	72,801	2.54%	(200,774)	-7.90%	50,716	1.81%	124,454	4.25%
UBS Multi Asset Fund	137,159	4.54%	46,243	1.58%	66,832	2.33%	(210,235)	-8.34%	(86,712)	-3.19%	(13,372)	-0.47%
CCLA Diversification Fund	n/a	n/a	(16,011)	-0.83%	127,940	6.45%	(111,690)	-6.19%	(54,460)	-2.82%	(36,230)	-1.84%
<b>Total</b>	<b>352,572</b>		<b>472,545</b>		<b>450,713</b>		<b>(425,401)</b>		<b>(208,488)</b>		<b>(42,780)</b>	

## Peer to Peer Investment

Funding Circle	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	31/08/2020 Actual		31/12/2020 Actual Provisional	
	£	%	£	%	£	%	£	%	£	%	£	%
<b>Carrying Value</b>	<b>2,003,355</b>		<b>2,075,341</b>		<b>2,056,664</b>		<b>1,831,028</b>		<b>1,415,581</b>		<b>1,091,959</b>	
Interest Paid by Borrowers	181,892		181,014		184,654		193,170		58,059		101,195	
Less FC Service fee	(19,121)		(19,668)		(19,729)		(19,611)		(5,741)		(9,932)	
Promotions/Transfer payment							470		0			
Bad Debts	(58,163)		(61,288)		(111,152)		(127,649)		(44,442)		(66,341)	
Recoveries	8,219		14,780		27,428		30,253		11,599		30,743	
Amounts Recovered on principal in prior years (prior to 06.04.15)	0		0									
<b>Net Yield</b>	<b>112,827</b>	<b>5.63%</b>	<b>114,838</b>	<b>5.53%</b>	<b>81,201</b>	<b>3.95%</b>	<b>76,634</b>	<b>4.19%</b>	<b>19,476</b>	<b>1.38%</b>	<b>55,666</b>	<b>5.10%**</b>
<b>Provisions for future losses</b>	<b>0</b>		<b>0</b>		<b>(10,000)</b>							

\*\*Funding Circle Net yield - this has been calculated against the current value, however principal is being withdrawn throughout the year. If calculated against the opening balance then the net yield would be 4%

**Summary of proposed amendments to Contract Standing Orders in light of:**

- Internal Audit recommendations; and
- the implications of Brexit

Paragraph number (where relevant)	Details of amendment
1.3	<p>addition of the following bullet point regarding rules which all procurements and resulting contracts made by or on behalf of the Council must comply with:</p> <p><i>“the UK Regulations 2015 and as of January 2021 the ‘Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 (‘Withdrawal Regulations’)”</i></p>
4.3	<p>addition of the following words in italics:</p> <p>Where a proposed Contract is likely to exceed the <i>UK Find a Tender Threshold</i> [previously OJEU] the Council has no authority to waive these CSOs.</p>
6.6	<p>addition of the following words in italics:</p> <p>Contracts over the current <i>UK Find a Tender Threshold</i> (previously OJEU) <i>additionally must be advertised via the Find a Tender Service (FTS).</i></p>
9.2	<p>new text as follows: <i>“Social Value is the means by which the Council aims to meet its Climate Change objectives detailed in the Procurement Strategy.”</i></p>
Throughout	<p>reference to ‘Find a Tender Service’ procurement thresholds in place of EU thresholds</p>
15.4	<p>new clause, <i>“ Where the final contract award is greater than the value approved by the CPB, the award must be approved by the CPB.”</i></p> <p>(Internal Audit recommendation)</p>
26.5	<p>new clause, <i>“The confidentiality of quotations, tenders and the identity of contractors must be preserved at all times and the information about one contractor’s response must not be given to another contractor”.</i></p> <p>(Internal Audit recommendation)</p>



Paragraph number (where relevant)	Details of amendment
28.2	<p>new clause for 'Abnormally low tenders':</p> <p><i>"There is no definition in the Regulations of an abnormally low tender, but in practice, it will be identified where the tenderer's price is significantly lower than other tenderers. Where such a tendered price is received an explanation from the tenderer must first be sought. Where the evidence does not provide a satisfactory explanation, the tender can be rejected."</i></p> <p>(Internal Audit recommendation)</p>
Public Contract Regulation definition	<p><i>"Refer to Public Contract Regulations or PCR 2015 and from January 2021 is amended to 'PCR 2015 (as amended)' and, the first time PCR 2015 is defined, expand the definition so it reads 'Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 ('Withdrawal Regulations)'"</i></p>
UK Regulations definition	<p><i>Refers to The Public Contracts Regulations 2015. From January 2021 is amended to 'PCR 2015 (as amended)' and, the first time PCR 2015 is defined, expand the definition so it reads 'Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2019 and Public Procurement (Amendment etc. (EU Exit) (No.2) Regulations 2019 ('Withdrawal Regulations)'</i></p>

**TANDRIDGE DISTRICT COUNCIL - PAY POLICY STATEMENT 2021/22****1. Introduction**

This Pay Policy Statement provides the framework for decision making on pay and, in particular, senior pay. Preparing and publishing this statement is a requirement under the Localism Act 2011.

Tandridge District Council (TDC) is required to publish an annual statement which has been approved by full Council. The information is set out under headings which have been prescribed by the Localism Act and relates to the 2021/22 financial year unless otherwise stated.

**2. Background**

- The Council is opted out of the terms and conditions of employment operated by the National Joint Council (NJC) for Local Government Services and has local terms and conditions of employment.
- The local pay scales cover all employees of the Council (including Chief Officers).
- As required by law, the Council auto-enrols all eligible employees into a pension scheme - the Local Government Pension Scheme (LGPS).
- Relative to most other parts of the country, the district is expensive to move to and live in.
- Competition for some specialist posts remains high nationally with our neighbouring Local Authorities competing for the same skills and experience.

**3. Definitions**

For this Policy the following definitions will apply:

**3.1 Pay**

The term 'Pay' in addition to salary includes overtime, fees, allowances, benefits in kind, increases in or enhancements to pension entitlements, merit payments, retention payments, redundancy payments, honorariums and termination payments.

**3.2 Chief Officer**

The Council's Senior Leadership Team consists of 16 officer roles; 6 of whom are Chief Officers for the purposes of this policy statement, under the definition in the Localism Act 2011 and Local Government and Housing Act 1989:

- Head of Paid Service (Chief Executive Officer)
- Statutory Officer, Monitoring Officer (Head of Legal Services)
- Statutory Officer, Section 151 Officer (Chief Finance Officer)
- Non-Statutory Officer, reporting to Head of Paid Service (Executive Head of Communities)

- Non-Statutory Officer, reporting to Head of Paid Service (Chief Planning Officer)
- Non-Statutory Officer, reporting to Head of Paid Service (Executive Head of Corporate Resources)

### **3.3 Lowest paid employees**

The lowest paid staff employed under a contract of employment with the Council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the Councils grading structure (TC2) which is set at the National Living Wage. With effect from January 1, 2021 this was £17,842 per annum (£9.25 per hour).

The Council also employs apprentices and trainees who are not included within the definition of lowest paid employees as they are employed under the terms and conditions and pay rates applicable to the relevant career grade scheme. All salaries of these employees are set at or above the National Minimum Wage.

## **4. Level and elements of remuneration for Chief Officers**

All staff are employed on a TDC contract of employment and therefore subject to PAYE. All staff are on local conditions and the pay and reward structure applies to all. The Council has a salary and grading structure (pay scales) for all staff which includes the grades and salaries applicable to Chief Officers. The grade allocated to a post is determined by the duties, level of responsibility and competencies required as outlined in the job description and person specification. The authority has a Grading Scheme which is used to evaluate the grade of posts.

In addition to basic pay all officers receive the following benefits:

- If the officer is a member of the LGPS, the agreed employers contribution (currently 17.1% of gross salary plus any other pensionable pay).
- A business mobility allowance which is paid in monthly instalments. The amount paid is linked to the mileage travelled whilst carrying out the council's business on a three-tier scale and is reviewed annually on a three-year rolling basis. Employees pay tax and national insurance on this allowance.
- All other employees are entitled to claim a casual mileage allowance when travelling on council business.
- Access to a Cashplan scheme. Employees pay tax on this benefit.
- Access to an Employee Assistance Programme (EAP).
- Payment of an annual subscription to one professional institution where this has a clear benefit or is a requisite for the job. In some cases, if role specific, a maximum of two professional subscriptions may be reimbursed, at the discretion of the Executive Head of Corporate Resources.

**5. Remuneration of Chief Officers on recruitment**

TDC commitment is to pay appropriately to attract and retain competent and experienced senior staff to lead the organisation.

TDC policy is to appoint at the bottom of the salary scale, or near the bottom taking into account the relevant skills and experience of the person appointed. Progression through the grade, subject to satisfactory performance, is on an annual basis each April until the top of grade is reached.

As outlined in the Council's Constitution, Chief Officers (definition in 2.2 above refers) are appointed by the Chief Officer Sub-Committee (COSC), following recommendations from the Chief Executive, which then reports its decision to Council.

Appointments to the post of Chief Executive are made by the Council following recommendations made by the COSC.

**6. Increases and additions to remuneration for Chief Officers**

Cost of living pay increases, for all staff, are considered annually and determined through negotiation with Staff Conference, the forum with which Management negotiates and consults with on terms and conditions of employment and other staff related matters.

The Council operates a pay scheme whereby Chief Officers and staff can be awarded a single increment on the salary scale each April. Once an employee reaches the top of their salary scale there is no opportunity to move into the next grade.

Other salary increases can only be given as a result of change in duties and/or responsibilities and any other circumstances which are formally submitted by the Line Manager to the 151 Officer and Executive Head of Corporate Resources for consideration. These will only be approved in line with the organisational pay policy.

Incremental and cost of living increases are normally paid with effect from the 1<sup>st</sup> April each year.

**7. The use of performance related pay for Chief Officers**

TDC no longer operate performance related pay.

**8. The approach to the payment of Chief Officers on their ceasing to hold office or to be employed by the authority**

TDC Management of Organisational Change Policy sets out a consistent method of calculating redundancy pay which is applied to all redundant employees. The current level of enhanced redundancy pay is calculated using the statutory system with a multiplier of 1.5 and no cap on weekly earnings. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment and may be reviewed and adjusted at any time.

Discretionary payments made to officers on **senior management grades** (SM1 and above) to which they are contractually entitled must be authorised by the Strategy and Resources Committee.

TDC Management of Organisational Change and Retirement Policies set out how we will calculate any payments made to support early retirement in the efficiency of the service. Where it is proposed to grant early retirement with no actuarial reduction in the pension payable in respect of a person on a **senior management grade**, this must be authorised by the Strategy and Resources Committee. Staff on all other grades must be authorised by the Chief Executive.

**9. The publication of and access to information relating to remuneration of Chief Officers**

TDC annual pay policy statement and the pay scales for all staff are published on the Council's website where it can be easily accessed. Information about Chief Officer remuneration has been published since 2008/09 as part of the Final Statement of Accounts.

**10. Pay multiple (ratio) between bottom and top staff**

TDC defines the lowest paid employees as those that are on the second grade (TC2) of the pay scales. The lowest salary being paid to members of staff on the TC2 grade as at January 2021 was £17,842.

The Chief Executive's salary grade is SM4 on the Tandridge pay scales.

The Council pays all employees including Chief Officers, from the same incremental pay scale structure.

The pay multiple between the lowest paid (full time equivalent) employee and the Chief Executive is a ratio of 1:1.63

The pay multiple between the median full time equivalent earnings and the Chief Executive is a ratio of 1:3.78 where all Council employees are taken into account.

The resulting ratios between the mean and median average earnings and the Chief Executive's salary, together with the ratio between the lowest and highest salary as at January 1, 2021 (with comparisons for the previous year) are:

	<b>As at 1 January 2020</b>	<b>As at 1 January 2021</b>
Mean Average	1: 3.2	1:3.28
Median Average	1: 3.68	1:3.78
Lowest/Highest salary	1: 6.64	1:6.63

The Lowest/Highest salary ratio of 1:6.63 is well within the maximum ration of 1:20 identified as a maximum pay multiple in the Hutton Review of Public Sector Pay.

Details of the remuneration paid to all members of the Council Leadership Team can be found in the Councils annual statement of accounts.

## **11. Components of Employee reward package**

Our total reward package for all employees (including Chief Officers) includes pay, Local Government Pension Scheme employer contribution, enhanced holiday entitlement (in excess of statutory requirements), enhanced sick pay (in excess of statutory requirements), basic level healthcare scheme, eye test vouchers and agile/flexible working benefits.

All employees can take advantage of several salary sacrifice schemes including Childcare Vouchers and the Cycle to Work scheme, and benefit from discounts on shopping, entertainment, and holidays through the employee benefits schemes.

## **12. Election fees (See Annexe A)**

Fees for local elections vary according to the size of the electorate and number of postal voters and are calculated according to a scale of fees set on a Surrey wide basis for all eleven Districts and Boroughs, as outlined in Annexe 'A'. Payments for parliamentary elections and national referendums are set by central government and are not borne by the Council as the money is reclaimed. These payments are not included in the calculation referred to in paragraph 9 above.

## **13. Policy on employing someone who has left the Council's employment.**

Employees who leave the Council voluntarily without a severance payment are free to apply for jobs that are advertised at their discretion.

Employees who leave the Council with a redundancy payment and no enhancement and subsequently apply and are successful for a position within the Council must repay any redundancy payment, if the appointment is within a month of their termination date.

If the appointment start date is longer than a month the employee can return to work in the position offered but in accordance with the Redundancy Modification Orders, will lose their contractual rights to have their continuous service recognised for all purposes.

Employees who leave the Council with an enhanced severance package will not normally be re-employed or engaged under a contract for services for a period of two years.

## **14. Policy on employing someone who is also drawing a pension**

In line with our Retirement Policy we will consider requests from staff who wish to draw their pension but continue working in a reduced capacity. We would expect to see a reduction in salary through either reduced hours or responsibility which would generate at least £10,000 a year in savings.

Employees who leave the Council on ill-health retirement with the possibility of a return to work under the Local Government Pension Scheme Regulations or who are granted early retirement will be considered on a case by case basis depending upon the circumstances and having due regard to their termination package. The final decision on these cases will be made by the Chief Executive.

**15. Policy on lowest paid**

With effect from April 1, 2015 a commitment was made by Members that all staff, excluding apprentices and trainees, would be paid the UK National Living Wage and are therefore paid at or above the bottom point of the TC2 grade. All apprentices and trainees are paid at least the rate for 18-20-year olds under the National Minimum wage rates.

All jobs are evaluated against the Council's Grading Scheme Criteria to ensure that post holders are fairly paid for the duties they carry out.

**16. Gender Pay Gap data**

GPG data is published on the council website and refreshed on an annual basis to reflect the position as at the 31<sup>st</sup> March each year.

**17. Equal Pay**

The Authority carries out an Equal Pay Audit from time to time which also helps to ensure that our pay and rewards for staff are fair and meet legislative and best practice requirements.

**18. Exit Cap and Recovery Provisions**

The UK Government introduced The Restriction of Public Sector Exit Payments Regulations 2020 from 4<sup>th</sup> November 2020 that impose a cap of £95,000 on exit payments for public sector workers. The minimum salary to which the recovery provisions apply is £80,000 per annum. Council policies have been updated as appropriate to take this into account.

**19. Equality and Diversity**

The council is committed to ensuring that no-one is discriminated against, disadvantaged or given preference, particularly based on protected characteristics as defined in the Equality Act 2010.

This policy will be applied equally to all employees.

ELECTION OF COUNTY/ BOROUGH / PARISH COUNCILLORS IN SURREY: SCALE OF RETURNING OFFICER'S FEES AND CHARGES - 2020/2021			
	The scale of Fees and Charges specifies the maximum recoverable amounts available for each electoral area.		
	It also sets maximum recoverable amounts for specified services and specified expenses.		
	Neither of these can be exceeded but the Returning Officer is entitled to disburse funds on the different functions specified in the fee scale as he/she sees fit, provided the expenditure is accounted for properly and only spent on what is necessary for the efficient and effective conduct of the election.		
<b>Part A -</b>	<b>Note: The Returning Officer or County DRO may allocate some of his/her fee to deputies or vire them to another expenditure head.</b>		
	<b>Calculated by using CBZX 12 month rolling index on National Statistics website</b>	2019/2020	2020/2021(Hourly Rate)
	<b>for 2007/8 and 2008/9 and average rate of increase in pay across County authorities during 2017 for 2017/18.</b>	Bringing payments up to Living Wage	The Hourly rate is calculated for working 15 1/2 hours
<b>1</b>	(a) Separate County, Borough or Parish Elections		
	First 500 electorate	£32	£32
	For every additional 500 electors, or part thereof	£16	£16
	(b) Combined County / Borough and Parish Elections		
	First 500 electorate (in combined part of area only)	£43	£43
	For every additional 500 electors, or part thereof (in combined part of area only)	£21	£21
	Note 1: Where a combined fee is payable, that fee must be split between the areas. A total combined fee is not payable in each area.		
	Note 2: Where a single election is payable from this fee scale in combination with an election paid by central government, the combination element will only be paid by this local fee scale if there is no payment for combination in the government fee scale.		
	Note 3: Where more than two elections are combined from this fee scale, the following payment will be made per 500 electors or part thereof for each extra election. This is only applicable in the areas in which those elections apply.	£6.00	£6.00
	(c) Uncontested Election *	£27.00	£27.00
	* Fee applicable at by-elections for County / Borough or Parish Councillors or, at Ordinary Elections, when the election of Borough Councillors is contested but the election for the Parish or Parish Ward is uncontested.		
<b>2</b>	In each contested electoral area, for services in connection with the despatch and receipt of postal ballot papers		
	For first 100 postal voters	£7.00	£7.00
	For each additional 75 postal voters or fraction thereof	£6.00	£6.00
<b>3</b>	In each contested electoral area, for services in connection with the preparation and issue of Official Poll Cards (all types - Poll/Postal Poll/Proxy Poll/ Proxy Postal Poll)		
	First 2000 poll cards	£20.00	£20.00
	For every additional 250 poll cards, or fraction thereof	£1.00	£1.00
<b>4</b>	<b>NOTE: At a contested by-election the total fee payable to the Returning Officer must be at least equal to the sum of the Presiding Officer and Count Assistant fees stated at B1(a) and B4(a)(I) respectively and the amount opposite</b>	£90.00	£90.00
<b>5</b>	Max fee for training Presiding Officers and Poll Clerks per session (min 25 people at ordinary election. One session only at by-election if training deemed necessary). This fee to be distributed direct to the Trainer(s).	£162.00	£162.00
<b>Part B -</b>	<b>Expenses of Returning Officer or County DRO for which maximum amounts are specified</b>		
In no case shall a charge exceed the sum actually and necessarily payable or paid by the Returning Officer or County Deputy Returning Officer. Subject thereto the MAXIMUM charges shall be as follows:			
<b>1</b>	<b>For the Presiding Officer at each Polling Station</b>		
	(i) (a) at separate Borough or Parish Polls (including payment for use of mobile phone £260.00)	£260.00	£269 (£17.03)
	(i) (b) at combined Borough / Parish Polls (including payment for use of mobile phone £319.00)	£300.00	£319 (£20.25)
	(i) (c) for each extra election above a combined election	£30.00	£30.00



	(ii) Where at a polling place there is more than one polling station, the maximum recoverable amount in respect of one only of the presiding officers at the polling station at such a polling place is increased by	£20.00		£20.00
	NB Where a polling station is situated within the boundary of a District or Borough Council which adjoins a London Borough the fees in B1 (a) & (b) are increased by	£40.00		£40.00
	<b>Max fee per session for training of Presiding Officers as necessary</b>	£43.00		£43.00
<b>2</b>	<b>For each Poll Clerk at each Polling Station</b>			
	(a) at separate Borough or Parish Polls	£145.00		£167(£10.77)
	(b) at combined Borough / Parish Polls	£170.00		£192(£12.39)
	(c) for each extra election above a combined election depending on local circumstances and as the Returning Officer thinks fit	£15.00		£15.00
	Part time Poll Clerk		Will be calculated on hourly rate	Will be calculated on hourly rate
	NB Where a polling station is situated within the boundary of a District or Borough Council which adjoins a London Borough the fees in B2 (a) & (b) are increased by	£40.00		£40.00
	<b>Max fee per session for training of Poll Clerks as necessary</b>	£43.00		£43.00
<b>3</b>	<b>For the remuneration of persons employed in the despatch and receipt of postal ballot papers. (NB. See C3 below. If external contractors are used to prepare/despatch ballot paper packs then the total fee is actual costs.)</b>			
	For each 100 postal ballot papers, or fraction thereof in each electoral area of the County / Borough / Parish	£75.00		£75.00
<b>4</b>	<b>For the remuneration for persons employed in connection with the count</b>			
	(a) Counting Assistants			
	(i) For overnight counts			£17.00
	(ii) For Weekend Day time counts			£14.00
	(iii) For Day time counts			£11.00
	(b) Count Supervisors			
	(i) For overnight counts			£27.00
	(ii) For Weekend Day time counts			£24.00
	(iii) For Day time counts			£22.00
	(c) Senior Count Supervisors			
	(i) For overnight counts			£33.00
	(ii) For Weekend Day time counts			£30.00
	(iii) For Day time counts			£28.00
<b>5</b>	<b>Clerical and other assistance employed by the RO or DRO for each Electoral Division, Ward or Parish Ward</b>			
	(a) Contested Elections: * County/Borough Councillors and Parish Councillors			
	(i) Separate Polls			
	First 500 electorate	£35.00		£35.00
	For every additional 500 electorate, or part thereof	£17.00		£17.00
	(ii) Combined Polls (County/Borough & Parish)			
	First 500 electorate (in combined part of area only)	£46.00		£46.00
	For every additional 500 electorate, or part thereof (in combined part of area only)	£23.00		£23.00
	Note: Where a combined clerical fee is payable, that fee must be split between the areas. A total combined fee is not payable in each area.			
	(b) Uncontested Elections * :	£28.00		£28.00
	* Fee applicable at by-elections for County / Borough or Parish Councillors or, at Ordinary Elections, when the election of Borough Councillors is contested but the election for the Parish or Parish Ward is uncontested. The Fee is also applicable at Ordinary Elections where the Parish or Parish Ward is contested but the Borough Ward is uncontested.			

## CHIEF OFFICER SUB COMMITTEE

Minutes and report to Council of the virtual meeting of the Sub-Committee held on the 14<sup>th</sup> January 2021 at 12.30pm

**PRESENT:** Councillors Blackwell, Botten, Elias, Milton and Sayer

Annette Capper (Interim Executive Head of Corporate Resources)  
Lidia Harrison (Head of Legal Services & Monitoring Officer)  
Vince Sharp (Democratic Services)  
Heather Wills (Improvement Adviser)

**ALSO PRESENT:** Steve Guest (SOLACE)  
Terry McDougall (SOLACE)  
Robert Tinlin (LGA / technical adviser to the Council)

### 1. ELECTION OF CHAIR FOR THE MEETING

Councillor Sayer was elected Chair for the meeting.

### 2. MINUTES OF THE MEETING HELD ON THE 13TH NOVEMBER 2020

These were approved as a correct record.

### 3. CHIEF EXECUTIVE RECRUITMENT UPDATE

At its previous meeting, the Sub-Committee had agreed that Jackie King remain in post as Acting Chief Executive for a period of up to six months (i.e. ending 13<sup>th</sup> May 2021) pending the appointment of a permanent Chief Executive. It had also been agreed that the Executive Head of Corporate Resources (EHCR) post be back-filled during the transition period. Subsequently:

- Annette Capper had been appointed as an interim EHCR until the 31<sup>st</sup> March 2021; and
- members of the Sub-Committee had been meeting on an informal basis to discuss the development of a recruitment brief and to receive advice from SOLACE, the agency procured by the Council to facilitate the recruitment.

The Sub-Committee considered a report which referenced recent advice from SOLACE in light of the current national lockdown (imposed by the Government to help suppress the spread of Covid-19) and its potential impact on the recruitment process. The report suggested that the recruitment process be paused and recommence either:

- immediately following the lifting of national lockdown measures if local elections are deferred to 2022 or late in 2021; or

- immediately following the lifting of national lockdown measures and local elections if local elections take place in May 2021 or soon afterwards.

Upon discussing the relative merits of the matter and having received advice from SOLACE and Rob Tinlin, the Council's technical adviser for the recruitment process, the Sub-Committee concluded that, on balance, it would be in the Council's best interests to commence the recruitment process and for an advertisement to appear in the following week's Municipal Journal. Although the risks were understood, Members considered that the key objective was to achieve stability for the Council and that the field of potential candidates should be tested forthwith.

The SOLACE representatives explained the nature of the search process following the advertisement. They also outlined the implications of having to repeat the exercise if, for whatever reason, a suitable candidate(s) did not materialise.

Robert Tinlin advised that, while normal council business could be transacted during the pre-election period, it was advisable for councils to avoid, if at all possible, holding sensitive meetings at that time. A special Full Council meeting to agree the appointment of a new Chief Executive, as required by law could therefore be scheduled prior to the pre-election period (assuming the May 2021 elections went ahead as scheduled).

Annette Capper left the meeting and the terms of her appointment as Interim EHCR were also discussed.

***RESOLVED*** – that:

- the Council proceed forthwith with the process for recruiting a new Chief Executive; and
- Annette Capper's appointment as Interim Executive Head of Corporate Resources be extended, if necessary, for up to a further two months until the 31<sup>st</sup> May 2021.

Rising 1.09 pm