

# TANDRIDGE DISTRICT COUNCIL

## STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber - Council Offices on the 6th July 2021 at 7.30pm

**PRESENT:** Councillors Bourne (Chair), Langton (Vice Chair), Black, Bloore, Caulcott, Cooper, Davies, Elias, Gillman, Morrow (substitute in place of Botten), Pursehouse and Stamp

**ALSO PRESENT:** Councillors Allen, Lockwood, Mills, Moore, O'Driscoll, Ridge, Steeds and Swann

**APOLOGIES FOR ABSENCE:** Councillor Botten

### 66. MINUTES OF THE MEETING HELD ON THE 8TH JUNE 2021

Subject to the addition of Councillor Steeds to the list of Councillors 'Also Present' these minutes were confirmed as a correct record.

### 67. NORTHGATE PUBLIC SERVICES MIGRATION PROJECT UPDATE

A verbal update was given about progress towards meeting the go-live date for the Northgate contract. This confirmed that the Northgate processing service commenced during the week commencing 21st June and was now helping to clear the backlog of existing benefits work. The contract was being monitored via weekly performance meetings and two temporary members of staff had been recruited to assist with phone cover and minor administrative tasks. This resource had freed capacity for additional training and user acceptance testing. In addition, overtime had been approved for revenues & benefits specialists to enable them to prioritise the project over business as usual tasks. Subject to a minor three-day slippage regarding data conversion, all elements of the project were on track. John Ellis (Account Manager at Northgate Public Services) joined the meeting for this item to comment on the update and to respond to questions.

Arising from the debate, it was confirmed that the original capital budget for the project was £162,000 and that the above-mentioned overtime will be funded from the 'Covid outbreak management fund'.

Members reflected that not all residents would be able to engage with the self-service features of the new revenues & benefits Citizens' Access Portal and that the less 'IT aware' citizens would need to be catered for. John Ellis confirmed that other non-digital access channels would still be available and that the self-service route was an additional option. However, the view was expressed that statistics were needed to monitor take up of the various means of utilising the service.

The need for robust user testing was also discussed, including the possibility of residents assisting as volunteers for this purpose.

The Chair welcomed the fact that the delivery of the project was still on schedule.

## 68. JOINT WORKING ARRANGEMENTS WITH SURREY COUNTY COUNCIL FOR FINANCE SERVICES

At its 25<sup>th</sup> March 2021 meeting, the Committee approved arrangements whereby Surrey County Council (SCC) would provide a comprehensive finance function to TDC comprising the Section 151 role; leadership and management of a full range of financial functions; and support through the Tandridge Finance Transformation (TFT) plan. Ricky Fuller (Surrey County Council's TFT programme manager) presented a report which informed the Committee about the outcome of the initial due diligence phase, including an analysis of current weaknesses and suggested actions to address them as part of the TFT plan. This analysis had been shared with a 'Member / Officer Reference Group' on 17<sup>th</sup> June. The coverage of the report included:

- guiding principles for the finance function and the role of finance within TDC;
- an 'overall mission' to:
  - blend the skills, experience and expertise of the Surrey and Tandridge teams into a high performing, resilient, finance function for the Council
  - build a trusted, proactive and insightful Finance Service which is at the heart of a strong culture of financial management, accountability and evidence-based decision making across the Council
  - improve processes and use systems more effectively to increase efficiency, free up capacity and strengthen controls
- five workstreams to transform the finance function and the role of finance within the Council, i.e.
  - a new finance model and staffing structure, with a blend of TDC directly employed staff and senior members of the SCC finance team
  - a transition of the SCC team to provide management oversight, best practice guidance and (in some cases) take on delivery of services to TDC
  - organisational development to strengthen financial management
  - measures to strengthen the exchequer function
  - effective delivery of the 2021/22 budget and the savings required while incorporating any key outcomes of the Grant Thornton forensic review.
- proposed 'roadmaps' of activities for the finance and exchequer functions until the first quarter of 2022
- a governance regime for the TFT plan.

The report explained the need to invest in strengthening the finance team to allow the shared SCC service to fulfil its objectives. The anticipated increased staffing costs were £27,000 in 2021/22 and up to £76,000 in 2022/23 and annually thereafter. Two additional one-off investments would also be required, namely:

- £30,000 associated with the role of a Finance Transformation Lead (0.5 FTE) which had been offered as a development opportunity to the TDC finance team – the cost would allow backfilling for the successful candidate
- £50,000 for a short-term exchequer services change team.

A risk analysis of the TFT plan was provided within the report, together with the outline terms of a proposed Joint Working Agreement (JWA) to act as the legal basis for the partnership. The Chief Finance Officer advised that, had the risks been 'RAG' rated, they would be classified as 'amber'. It was agreed that the Vice-Chair of the Committee (in addition to the Chair and Group Leaders) should be consulted by the Chief Executive regarding the completion of the JWA (Resolution C below refers).

During his presentation, Ricky Fuller emphasised that the need to strengthen the exchequer function was not a negative reflection of the Tandridge team which he regarded as being diligent and committed. He was convinced that the proposed investments were necessary to restore the finance function onto a resilient footing. In response to Members' questions, Ricky Fuller and the Chief Finance Officer explained the potential corporate benefits to justify the proposed increase in finance staffing costs.

Following the 'due diligence' and 'transformation' phases, the partnership would enter a 'steady state' (Phase 3) with the option of a managed exit whereby full control of the finance function could pass back to TDC. It was confirmed that this would be a genuine choice for the Council and that the longer term future of the partnership was not predetermined.

**RESOLVED** – that:

- A. the one-off investment of £80,000 required to develop and deliver two of the key workstreams within the Tandridge Finance Transformation Plan be supported;
- B. the case to strengthen the finance function within the Council and the additional investment required of (up to) £76,000 in the 2022/23 financial year (and a potential part-year impact in 2021/22 of circa £27,000) be supported; and
- C. the Chief Executive be authorised to complete the Joint Working Agreement and the final detailed operating model with Surrey County Council, following further detailed discussion and consultation with Group Leaders and the Chair and Vice Chair of the Strategy & Resources Committee.

#### **COUNCIL DECISION**

*(subject to ratification by Council)*

**RECOMMENDED** – that the one-off investment of £80,000 required to develop and deliver two of the key workstreams within the Tandridge Finance Transformation Plan be met through the use of the Council's flexible capital receipts.

(In accordance with Standing Order 25, Councillors Black and Pursehouse wished it recorded that they abstained from voting on all the above resolutions / recommendation).

## **69. INVESTMENT SUB-COMMITTEE - 11TH JUNE 2021**

The minutes of the Sub-Committee's meeting on the 11<sup>th</sup> June 2021 were considered. This prompted a question about when the Council might expect to receive a dividend from Gryllus Property Limited as owner of the share capital. The Chair gave a summary explanation, including the fact that the latest accounts are in preparation, and would address the question in greater detail to the individual Member after the meeting.

**RESOLVED** – that the minutes, attached at Appendix A, be received.

## **70. STRATEGY & RESOURCES QUARTER 4 (20/21) PERFORMANCE REPORT**

Members were presented with an analysis of progress against the Committee's key performance indicators and risks for the fourth quarter of 2020/21.

In response to questions, it was confirmed that:

- the Planning Advisory Service report had been received and was about to be shared with the planning team prior to engagement with Councillors
- regarding the Local Plan, a position statement in light of the Junction 6 (M25) transport modelling was nearing completion.

Members suggested that mitigating actions within the risk analysis should be revised where risk scores remained high. It was confirmed that the Tandridge Finance Transformation Plan would be added to the corporate risk register.

**RESOLVED** – that the report be noted.

## **71. RISK MANAGEMENT STRATEGY**

A proposed new risk strategy management strategy was considered. The Strategy's objectives were to:

- provide the basis for a comprehensive, simplified and standardised framework which will integrate risk management into the culture of the organisation;
- raise awareness of the need for risk management by all those connected with the delivery of the Council's corporate priorities, including partners;
- engender associated corporate governance principles, such as risk and transformation activity being driven by programme / project management principles, including the use of business cases for investment decisions to manage risk effectively;
- support the Council in anticipating and responding to changes in social, environmental and legislative conditions;

- help to minimise injury, damage, loss and inconvenience to residents, staff, service users and assets arising from or connected with the delivery of services;
- continually improve procedures for the identification, analysis, assessment and management of risk, and the reporting and recording of events, based on best practice;
- support the Council in minimising the cost of risk.

The strategy included a revised 'likelihood x impact' risk scoring process, including criteria to help gauge the scale of likelihood ('very unlikely' to 'likely') and impact ('low' to 'very high'). Guidance to help define a scale of risk appetite (from 'adverse' to 'eager') was also provided.

It was suggested that a 'lessons learned' section should be added to the strategy to inform future objective setting and help develop best practice. In response, it was explained that the strategy was a work in progress and could be developed to incorporate such revisions. The extent to which the Strategy should facilitate greater Member involvement in the risk management process was also discussed.

**RESOLVED** - that the new Risk Management Strategy, as attached at Appendix A to the report, be adopted.

## 72. IT & DIGITAL STRATEGY

A draft IT & Digital Strategy for 2021 to 2024 was considered. This intended to provide a plan for realising the Council's digital ambitions, to be delivered within a robust governance framework. The strategy included:

- three themes (accelerating channel shift / working smarter / ICT modernisation) to be achieved through a set of actions; and
- an improved governance structure with a digital design group to be responsible for working with the service areas in assessing IT proposals in terms of technical and business merits.

A strategy was accompanied by a proposed form to be completed by service managers to make their case for investment in an IT project. A work plan for delivering the strategy over the next three years was also submitted. Various issues were raised during the debate, including:

- whether users should have greater involvement in IT projects;
- the need for an options appraisal section within the business case pro-forma (it was acknowledged the 'alternative analysis' section could be rebranded for this purpose);
- whether the proposed IT governance structure could be streamlined;
- a suggestion that the list of current and future IT projects should be categorised according to the three strategic themes referred to above;
- the need to guard against IT security threats and to ensure that the interactive sections of the website were as secure as possible for residents.

**RESOLVED** – that the IT & Digital Strategy 2021/2024, as attached at Appendix A to the report, be approved.

## 73. CLIMATE CHANGE ACTION PLAN UPDATE

A report was presented which updated Members about progress against the climate change action plan since its adoption in November 2020. This confirmed that progress had been made on several fronts and invited Members to confirm:

- (i) how they would like Members to proceed with the installation of electric vehicle (EV) charge points in the Council's car parks (four options were presented); and
- (ii) the future arrangements for the 'Climate Change Task & Finish Working Group' (two options were presented).

Regarding (i) above, the report commented on officer dialogue with charge point operators and the outcome of soft market testing to explore key issues such as funding options; the length and scope of a potential contract; the compatibility of back office operating systems; charging speeds and tariffs; the scope for profit sharing; measures to address EV 'bay blocking'; environmental credentials and the potential for added social value. The merits of a partnership approach with the County Council were also referred to. The majority of Members favoured option 2 (resolution B below) although others supported option 3 (to "*maintain a watching brief on EV infrastructure and the role of local authorities – to formally review as part of the November 2021 Action Plan update*").

An initial 'Council greenhouse gas emissions report' for 2019/20 had been prepared but remained unpublished, pending a data reliability review. The significance of this was discussed, with opposing views about whether it compromised the rest of the action plan.

Officers agreed to check with Surrey County Council about when the data from its 'Facebook live' public engagement event would be shared with TDC.

### **RESOLVED** – that

- A. the contents of this report and the progress against the Climate Change Action Plan be noted;
- B. regarding the potential installation of electric vehicle charge points in the Council's car parks, Officers proceed with composing a form of tender based on parameters to be confirmed by the Executive Head of Communities in consultation with the Climate Change Task & Finish Working Group (as per No. 2 of the four options within the report);
- C. the Climate Change Task & Finish Working Group be renamed 'the Climate Change Working Group' and continue (as per No. 1 of the two options within the report) until further notice, comprising 7 Councillors, i.e.

2 x Independents and OLRG Alliance  
2 x Conservative  
2 x Liberal Democrat  
1 x Independent Group

(In accordance with Standing Order 25, Councillor Cooper wished it recorded that he abstained from voting on resolution C above)

## 74. PA SUPPORT FOR THE CHAIR OF THE COUNCIL

Councillor Pursehouse had asked for this item to be included on the agenda under Standing Order 18. He introduced the report which included his proposals for:

- increasing the current level of officer support (2 hours per week) for the Chair of the Council;
- engaging officer support to help establish the charities fundraising committee as an independent charitable entity (thereby achieving tax benefits); and
- a seminar as per recommendation B below.

The report invited the Committee to make a recommendation to Council based on the information provided. It advised that the additional cost of increasing the current level of PA support to the proposed 7 hours (average) per week would be £5,263 per annum.

It was considered that, for the time being, the Chair of the Council's annual civic allowance should be used to fund the increased level of PA support being sought by Councillor Pursehouse but that, otherwise, the Chair of the Council and the fundraising committee should be self-sufficient. Members also agreed that the proposed seminar be held in the near future to inform subsequent decisions about longer term arrangements for supporting the Chair of the Council, including the question of whether the annual civic allowance should be increased to cover the required costs.

### **COUNCIL DECISION**

*(subject to ratification by Council)*

#### **RECOMMENDED** - that:

- A. a PA service be provided to support the Chair of the Council as and when necessary for an average of 7 hours per week (including support for the charities fundraising committee and the seminar referred to in B below) to be funded from the Chair of the Council's annual civic allowance for the time being;
- B. a seminar be held in the near future to enable the Council to explore how it wants its Chair to represent TDC and what activities it wants them to undertake; and
- C. the longer term resource requirement for support to the Chair of the Council be considered in light of the outcome of B above.

Rising 11.10 pm