

TANDRIDGE DISTRICT COUNCIL

STRATEGY & RESOURCES COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 19th May 2020 at 6.30 p.m.

PRESENT: Councillors Elias (Chairman), M. Cooper (Vice Chairman), Botten, Bourne, Caulcott, D. Cooper, Davies, Duck, Jecks, Langton, Lee, Milton, and N. White.

ALSO PRESENT: Councillors Allen, Bloore, Connolly, Gray, Farr, Fitzgerald, Lockwood, Pursehouse, Ridge, Morrow, Sayer, Swann, Vickers, C. White and Wren.

9. MINUTES

The minutes of the meeting held on the 3rd February 2020 were agreed and will be signed by the Chairman at the earliest opportunity.

10. DECLARATIONS OF INTEREST

The following Councillors declared non-pecuniary interests in respect of Minute 14 below:

- (i) Councillor Bloore (member of Freedom Leisure - user of the de Stafford leisure centre)
- (ii) Councillor M. Cooper (his wife and daughter are members of Freedom Leisure)
- (iii) Councillor Morrow (member of Freedom Leisure - user of the de Stafford leisure centre)

COMMITTEE DECISIONS *(Under powers delegated to the Committee)*

11. COUNCIL BUDGET MONITORING 2020/21

The Chief Finance (Section 151) Officer presented a report regarding actual expenditure and income against budgets for the first month (April) of the 2020/21 financial year. This provided an early forecast of the Council's financial position in light of the Covid-19 pandemic and its severe impact upon the economy.

The report explained:

- the government's stated intentions to support local authorities through the crisis and the lobbying being undertaken by the Local Government Association and the District Councils' Network
- the government's measures to support small businesses, namely:
 - a business rates holiday for the retail, hospitality and leisure sectors, facilitated by grants to Councils (£6.8 million to Tandridge)
 - business support grants (in order to increase take up, councillors were assisting officers with attempts to contact businesses listed within their Wards)
- that the Council had received government grants of £25,698 and £872,252 to help alleviate the financial impact of the crisis

- that, notwithstanding the government’s support, the crisis was likely to have a substantial negative impact upon TDC’s finances, including the effect of reduced council tax and business rates income upon cashflow, given the obligations to make precept payments to Surrey County Council and Surrey Police (however, SCC had indicated a willingness to be flexible in terms of the timing of precept payments and the Section 151 Officer confirmed that preceptors also shared in the bad debt pool resulting from non-payment of council tax and business rates)
- that three scenarios were being modelled regarding the impact of the crisis upon the Council’s financial outturn for 2020/21 (realistic / optimistic / pessimistic)
- that projected year-end budget variances were projected according to the ‘realistic’ scenario:

Fund	Budget (if applicable)	Projected outturn
General Fund revenue	£10,559,732	£3,878,461 overspend
HRA revenue		£156,643 overspend
Capital Programme	£81,972,800	£34,922,000 underspend

The Section 151 officer highlighted Appendix C to the report which showed a major reduction in the projected cost of temporary staff and contractors from £1,923,957 for the 2019/20 year to £347,250 for the 2020/21 year.

Officers responded to a range of questions concerning the report.

Councillor Botten proposed that a Recovery Working Group be established as soon as practicable with terms of reference to be agreed at the Committee’s next meeting. This was seconded by Councillor Bourne. It was agreed that the Working Group should comprise 10 Councillors (4 Conservative; 3 Independents and OLRG Alliance; and 3 Liberal Democrats). Upon being put to the vote, the motion was agreed.

RESOLVED – that:

A. the report be noted; and

B. a Recovery Working Group be appointed comprising:

- 4 Conservative councillors
- 3 Independents and OLRG Alliance councillors
- 3 Liberal Democrat councillors

... the first meeting of which shall be convened to recommend its terms of reference for consideration by the Committee on 11th June 2020.

12. EXCLUSION OF THE PUBLIC

RESOLVED – that members of the public be excluded from the remainder of the meeting for the consideration of the agenda items covered by Minutes 13, 14 and 15 below as they involve the likely disclosure of “*information relating to the financial or business affairs of any particular person, including the authority holding that information*” (Paragraph 3 of Schedule 12A to the Local Government Act 1972 refers) and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

13. COUNCIL BUDGET MONITORING 2020 / 21 (continued)

The Deputy Section 151 officer responded to a Member question about the Housing Revenue Account.

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

In April 2018, the Council had entered into a partnership agreement with Wealden Leisure Limited (trading as Freedom Leisure Limited, a not-for-profit organisation) regarding the provision of leisure services in the District. Freedom Leisure provided leisure services for 23 councils in England and Wales across 102 sites. It managed and operated three centres in the District, namely Tandridge Leisure Pool, Oxted; de Stafford Sports Centre, Caterham; and the Village Health Club, Caterham. The Council owned Tandridge Leisure Centre and the Village Health Club. De Stafford Sports Centre was owned by de Stafford School.

A report was submitted in light of a request from Freedom Leisure for urgent assistance with the financial challenges arising from the Covid-19 crisis.

Councillor Botten, seconded by Councillor Jecks, proposed that determination of the matter be deferred until the Committee's meeting on 28th July 2020. It was considered that this would provide the necessary time for Members of all political groups to scrutinise the relevant information; obtain responses to various key questions; and to assess options.

RESOLVED – that determination of the matter be deferred to the Committee's meeting on 28th July 2020.

15. QUADRANT HOUSE (CROYDON ROAD, CATERHAM) - PROGRESS REPORT

At its meeting on the 13th June 2019, the Committee authorised Officers to enter into arrangements with a suitable organisation to provide a business hub within Quadrant House on such terms and conditions as the (then) Strategic Director of Resources and the Section 151 Officer considered appropriate. Authority was also delegated to officers to enter into such contracts for the refurbishment of Quadrant House as the (then) Strategic Director of Resources considered necessary to protect the Council's investment in the property.

The Asset Management Specialist presented a report which advised Members on subsequent progress regarding this initiative. The report explained how officers had undertaken research into business hubs; conducted a soft marketing exercise; shortlisted potential operators and selected and negotiated terms with Wimbletech CIC, who would operate the hub on TDC's behalf.

The report also advised that officers had progressed design work on the common parts refurbishment and were ready to issue an Invitation to Tender for the works. At the June 2019 meeting, an expenditure cap of £800,000 was agreed for this refurbishment. A £225,500 grant had since been secured from the Coast to Capital Local Growth Fund, thereby increasing the total refurbishment budget to £1,025,500.

Officers responded to questions and comments from Members, including a wish for more extensive consultation with local Members in future and the extent to which the Covid-19 crisis was likely to impact on the nature of commercially viable office space.

RESOLVED – that authority be delegated to officers to:

- A. proceed with the launch of the business hub on such terms as the Interim Executive Head of Communities and the Section 151 officer consider necessary; and
- B. enter into contracts for the refurbishment of Quadrant House on such terms as the Acting Chief Executive, in consultation with the Corporate Procurement Board, considers appropriate.

Rising: 9.00 p.m.