

Runnymede Borough Council

BUSINESS REVIEW BOARD

11 July 2001 at 7.30 p.m.

Members of the Review Board Present: Councillors P.J. Waddell (Chairman), G.J. Thomas (Vice Chairman), J.E. Haas, and F.J. Tourlmain

Members of the Review Board absent: Councillor D.W. Parr

Councillors P.J. Poole, P.B. Tuley and G.B. Woodger also attended.

145. MINUTES

The Minutes of the meeting of the Review Board held on 17 May 2001 were confirmed and signed as a correct record.

146. EXTERNAL FUND MANAGERS - PERFORMANCE REVIEW

(Ref: Minutes of Business Management Review Board, November 2000, page 957, para 445).

Investec reported that following their statement of intent in November 2000 they had reduced their exposure to gilts in favour of short life portfolios. The net rate of return in 2000/01 of 7.92% had significantly exceeded the LIBID rate of 5.98%, and was the highest return obtained by any of their Local Authority clients. Indeed, Investec had an admirable record of exceeding the benchmark since its inception in 1994 (7.23% as against 6.32%). As regards future prospects, Investec felt that with retail sales up and the prospects of increased Government spending, there was the likelihood of rising interest rates next year. It was anticipated that the Council would obtain a return of around 5.5% on its funds this year, with an anticipation of perhaps 6.5% in the financial year 2002/2003. Investec were confident that they would continue to perform above the market index.

Members were gratified to note that Investec had made a net gain on the fund of £829,000 between 1 April 2000 and 31 March 2001. The original £10m investment now stood at £11.27m.

Invesco, as reported to earlier Review Boards, had a more cautious approach than Investec and had remained in gilts a little longer. Like Investec they were making short-term investments at the moment, but their general prognosis of the future U.K. economy was a little more downbeat than Investec's. However, they still expected a return for Runnymede of around 5.5% as against a base index of around 5.10%. They had also exceeded the base rate, returning 6.73% as against a benchmark of 6.15%. Invesco had held Council funds only since April 1999, but after a slow start the £10m fund had increased to £11.19m with an increase of £705,000 over the financial year 2000/2001.

Members thanked the Fund Managers for their presentation. The Review Board reiterated that it was prudent to have two Fund Managers with different approaches who still managed to stay ahead of the market.

147. FUNCTIONS AND WORK PROGRAMME OF THE BOARD

The Board was advised that under the Local Government Act 2000, every local authority was required to have one or more Overview and Scrutiny Committees. This requirement would be mandatory for the Constitution which the Council would be adopting with effect from May 2002. The Council currently operated interim arrangements closely based on the statutory 'alternative arrangements' i.e. with Committees rather than an executive. Runnymede's two Review Boards (Services and Business) constituted the Overview and Scrutiny Committees which the legislation required.

The Board noted the statutory provisions which determined the role and powers of a review body, and also had regard to the Secretary of State's guidance. Members noted that the guidance encouraged Review Boards not to take a narrow or parochial view of the Council's services but to

encompass a more innovative approach. The Chairman suggested that the Board should work within a context of positive enquiry with a view to attaining improvements in service delivery. Bearing this in mind, the Board agreed to recommend that a joint Review Board comprising Members of their Board and the Services Review Board should be constituted to consider policing issues particularly relating to:

- how policing is currently carried out and how it is perceived;
- integration with Safer Runnymede;
- traffic regulation and parking;
- residents' and stakeholders' expectations of the police;
- the Community Safety Strategy

The Board also identified Runnymede's future economy as an area for investigation, with particular emphasis on the needs of lower paid workers and key workers. The other topic identified was "putting Runnymede on the map", which meant, inter alia, developing Runnymede's appeal as a business and tourist centre, raising the Borough's profile locally, nationally and internationally, delivering economic advantages from those activities and developing and nurturing civic pride. It was recognised that whilst these issues might overlap on occasions with the work of the Services Review Board there was a need to break away from the isolationist tendencies of traditional service Committees.

Whilst recognising the enthusiasm which fired the Board's approach, the Chief Executive Officer pointed out that it would be a demanding task to gather all the information necessary to fuel such investigations. Members recognised that several meetings would be required for each topic, and agreed that there should be an informal meeting of Members (including the Chairman of the Services Review Board) to detail the types of information that would be required, and list the other agencies who might need to be involved. It was also agreed that, from this Board's perspective, Councillor Haas would take lead role (in conjunction with Councillor Tourlamain) in "putting Runnymede on the map". Councillor Thomas would lead for the Board on the policing issue.

Accordingly, the Board

RECOMMEND that -

- i) a Joint Review Board comprising Business Review Board and Services Review Board Members be appointed to consider policing issues particularly relating to:**
 - **how policing is currently carried out and how it is perceived;**
 - **integration with Safer Runnymede;**
 - **traffic regulation and parking;**
 - **the Community Safety Strategy**
- ii) Mr Bernie Stacey (a former Member) be co-opted onto the Business Review Board as a non-voting member;**
- iii) "putting Runnymede on the map" be an item for future agenda meetings;**
- iv) other items for inclusion on future agendas be identified by the Chairman in consultation with Members.**

Chairman

(The meeting ended at 9.25 p.m.)