

CORPORATE MANAGEMENT COMMITTEE

30 May 2002 at 7.30 p.m.

Members of the Committee present : Councillors G.B. Woodger (Chairman), J.M. Edwards (Vice-Chairman), D.P. Easton, R.K. Habgood, H.W.V. Meares, C.J. Norman, Mrs. E.E. Price, Mrs V.A. Smallman and P.B. Tuley

Member of the Committee absent : Councillor R Pate

Councillor M.J. Brown also attended.

36. NOTIFICATION OF CHANGE TO COMMITTEE MEMBERSHIP

The Conservative Group had notified the Chief Executive Officer of its wish that Councillor J.E. Haas be removed from the Membership of the Committee and that Councillor Mrs. V.A. Smallman be appointed in his place for a fixed period ending on the day after the meeting. Thereafter Councillor Haas would be reappointed.

The Chief Executive Officer had given effect to this request in accordance with Section 16(2) of the Local Government and Housing Act 1989.

37. MINUTES

The Minutes of the meetings of the Committee held on 4 April and 16 May 2002 were confirmed and signed as a correct record.

38. APOLOGIES FOR ABSENCE

Apologies were received from Councillor R. Pate.

39. BEST VALUE PERFORMANCE PLAN 2002/03

(Ref: Minutes of Policy and Resources Committee 13 January 2000, page 885, para 561)

The Committee considered the Council's draft Best Value Performance Plan for 2002/03. The Plan, produced in accordance with statutory requirements and the Council's corporate Best Value Strategy, highlighted Runnymede's own set of corporate and service targets for the coming year. These were based on existing policies, the Leader's Position Statement, and the approved Aims and Targets, and formed a clear set of goals against which residents could measure the Council's performance. The Plan also included outturn figures for 2001/02 together with details of Runnymede's approach to efficiency improvements and how the various services and initiatives would be paid for. The Plan would assist in meeting the Government's requirements for a comprehensive performance assessment regime which it was expected would shortly be applied to District Councils. Performance against the Indicators would continue to be monitored quarterly.

In the consideration of a number of minor amendments to the Plan, Members commented that the present Government approved term "affordable housing" was potentially misleading to the public.

RECOMMEND that -

- i) the Best Value Performance Plan 2002/03, attached at Appendix 'A', be approved; and**
- ii) the Chief Executive Officer be authorised to make any necessary editorial drafting changes before final publication.**

40. BEST VALUE PERFORMANCE INDICATORS 2001/02 - OUTTURN

The Committee received details of the outturn against the Best Value Performance Indicators for 2001/02 (attached at Appendix 'B'). As in previous years a number of the Indicators had been

changed by the Audit Commission which made historical comparison and the identification of trends difficult. Notable performances had however been achieved in a number of areas. Amongst the most significant of these were the establishment of a timetable for a Community Strategy, the absence of any adjudications of maladministration by the Local Government Ombudsman, an average dwelling re-let time of approximately 3.3 weeks and the undertaking of 100% of Local Land Charges searches within ten working days.

41. COMMUNITY STRATEGY – PROGRESS REPORT

(Ref: Minutes of Corporate Management Committee, November 2001, page 521, para 352)

Members received details of the outcome of a public consultation exercise designed to form the basis of the Council's Community Strategy and gave consideration to the establishment of a Local Strategic Partnership (LSP).

The Committee noted that the consultation exercise had sought to identify the aspirations of the local community for the next 15 years, the priority to be given to environmental, social and economic well being issues, recommended actions for achievement, and the ways in which stakeholders could be involved in the further development and delivery of the Community Strategy. Nearly 90 representatives drawn from a cross section of the community, together with a number of Members, had participated in a visioning exercise at Thorpe Park on 26 February 2002. Officers had also visited schools, colleges and Day Centres, contacted nearly 200 residents via the Residents Panel and issued interactive questionnaires on the Council's website. In addition comments had been invited through the 'Runnymede 2015' newsletter and adverts placed in local newspapers.

The next step in the creation of a Community Strategy was to be the establishment of a Local Strategic Partnership. The LSP would consist of between 12-20 representatives of the main organisations capable of shaping and delivering the strategy, including three Borough Councillors. This balance would allow Members to make a significant contribution to the Partnership, not least by providing guidance on realistic and attainable aspirations, without unduly restricting the range of community representatives that wished to be involved. Nearly 30 community representatives who had attended the Visioning Event had expressed an interest in being part of the LSP. The LSP would meet quarterly and it was envisaged that a Council Member would take on the Chairmanship, at least until the Partnership was well established.

Members noted that one of the primary functions of the LSP would be to develop subject specific Task Groups headed by members of the Partnership. Existing forums would be used to form the basis of the Task Groups wherever possible. The work of the Task Groups would be needs driven and the frequency of meetings would be at their discretion. The Vision Group would meet annually to publish progress reports and provide a chance for consultation with, and feedback from, the wider community. At all stages Members would retain control over policy and resource matters within the purview of the Council through the traditional Committee process.

RESOLVED that –

the External Appointments Sub-Committee nominate three Member representatives to the Local Strategic Partnership.

42. EQUALITY STANDARD AND RACE EQUALITY SCHEME

(Ref: Minutes of Corporate Management Committee December 2001, page 667, para 425)

The Committee was informed of new equality requirements outlined in the Best Value Performance Indicators for 2002/03 and gave consideration to the establishment of a Race Equality Scheme within a broader Equality Standard.

The Race Relations (Amendment) Act 2000 had created a general duty to promote racial equality in public authorities. The Commission for Racial Equality (CRE) was now able to bring action against any authority failing to have plans, in the form of a Race Equality Scheme, to fulfil the obligation outlined in the general duty. At the same time a new generic Equality Standard had been developed by the CRE, the Disability Rights Commission and the Equal Opportunities Commission. Compliance with the Standard formed part of the Best Value Performance Indicators, replacing references to the CRE's Code of Conduct. In order to achieve level 1 compliance it was necessary for the Council to outline a comprehensive equality policy, indicating how and when it would assess and monitor its functions with regard to equality.

Members noted that a Race Equality Scheme, as defined by the CRE, was a statement of the means by which an authority planned to meet both its general and specific statutory duties to promote race equality. It was intended to help authorities ensure that they addressed their duties at a corporate level. No specific action was required at this stage but it would be necessary to assess all the Council's functions within a three year period to fully understand the manner in which the authority dealt with equality issues, including race. Steps would then be taken to consult on and monitor the functions to ensure that equality was achieved.

The Committee was of the opinion that in Runnymede's case the proposed Race Equality Scheme, which had been produced in accordance with draft guidance from the CRE, should be incorporated within a wider Equality Standard (attached at Appendix 'C'). This would prevent duplication and ensure that the policy was both more proportionate and relevant to the needs of local residents. There were currently no significant financial resource commitments arising from the Equality Standard although it was anticipated that an additional burden might be placed on the training budget in the medium term.

RECOMMEND that -

- i) the amended Equality Policy Statement and incorporated Race Equality Scheme set out in Appendix 'C' be adopted in order to move towards compliance with Level 1 of the Equality Standard, in line with the initial requirements for BVPI 2 for 2002/2003, and to fulfil the Council's obligations under the Race Relations (Amendment) Act 2000; and**
- ii) Officers pursue the achievement of further levels of the Equality Standard in line with BVPI 2.**

43. AIMS AND TARGETS 2001/02 – OUTTURN

The Committee received details of the outturn performance in respect of the corporate Aims and Targets for 2001/02 (attached at Appendix 'D'). It was noted that the Council had maintained a good record on delivering its priorities at a corporate level. Some of the more significant achievements during the year included the attainment of target revenue reductions, progress with implementation of the Document Management System, Quality Accreditation to ISO 9002 for the Land Charges and Personnel Services Recruitment and the successful use of CCTV to detect and record crimes. The Council had also maintained its regular dialogue and co-operation with outside agencies, including considerable work in partnership with Surrey County Council and the Police in order to secure funding for community safety initiatives.

44. TREASURY MANAGEMENT AND INVESTMENT STRATEGY – ANNUAL REPORT 2001/02
(Ref: Minutes of Executive Committee 21 March 2001, page 1312, para 659)

The Committee received a report detailing treasury management and investment activity and performance during the 2001/02 financial year. Members noted that investment income, which formed a key part of the Council's medium term financial strategy, had failed to meet expectations due to low interest rates and the under performance of the Council's two external fund managers, Invesco and Investec. The net return on a total investment portfolio of £30.4m had amounted to £1.496m against an original estimate of £1.9m. This was despite a pleasing return on in-house short term investment activity achieved through strong cash flows and high yield investments made in 2000.

Members noted that interest rates had fallen to historically low levels during the course of the year. The average base rate for 2001/02 had been only 4.66%, against the Council's traditional benchmark of 6%. Furthermore, the performance of the external fund managers had been disappointing, with a combined income of £936,000 rather than the original estimate of £1.35m. The Investec fund in particular had significantly under performed with a net rate of return of only 3.69% against the three month London Inter Bank bid rate of 4.55%. Investec had a significant holding in gilts but had not traded the market successfully. Nevertheless, the fund's long term performance still exceeded the relevant benchmark indices. It was noted that both fund managers expressed optimism for the current financial year but their performance would be kept under close scrutiny. Members would

have an opportunity to assess their performance in more detail at the next Meeting when the managers were due to give presentations to the Committee.

45. IMPACT OF THE CHANCELLOR'S BUDGET

Members received details of the likely effect on the Council of the Chancellor of the Exchequer's Budget proposals regarding employers' National Insurance contributions and benefit administration.

The Committee noted that from April 2003 there would be an additional 1% National Insurance contribution from both employees and employers. This was expected to increase the Council's contribution by £70,000 in 2003/04, of which approximately £63,000 would fall on the General Fund and £7,000 on the Housing Revenue Account. It was not yet known if the Government planned to take account of these additional costs in the next finance settlement.

The Chancellor had also given more details and rates of the new Tax Credits being introduced from April 2003, in order to provide a support framework for families. The Child Tax Credit would provide a single seamless system of support for families with children, bringing together assistance currently provided through the Working Families' Tax Credit, Disabled Persons Tax Credit, the Children's Tax Credit, Income Support and income based Jobseekers Allowance. Through the new Working Tax Credit the Government intended to extend in-work support to those without children, bringing in-work support for people with disabilities within a single work-focused system and continue to provide targeted support for families for whom childcare costs could be a barrier to work. Officers would circulate a more detailed report on the new Tax Credits and their effect on housing benefit administration, probably to the next meeting of the Housing and Community Services Committee. A report would also be submitted to this Committee in due course proposing a reduction in the car mileage allowance for Members from 48p to 40p in the light of changes in the taxation regime.

46. CASH RECEIPTING SYSTEM

The Committee considered the purchase of a new module for the Council's recently installed cash receipting system in order to provide an automated telephone payment service. Since the acquisition of the system an additional module had been developed which provided a 24 hour service for customers to pay bills using a touch tone telephone. It could also be used to access a range of additional facilities provided by the Council via the telephone or to review previous payments. Members felt that the feature would not only encourage the early settlement of bills but also reduce the unit cost of transactions. The capital expenditure of £7,500 could be financed from the Government's grant in support of the Council's Implementing Electronic Government (IEG) Statement.

RESOLVED that -

- i) the Interactive Voice Response Module be purchased at a cost of £7,500 and a capital budget be approved for the purpose; and**
- ii) the capital expenditure be financed from the government grant received for the Council's IEG Statement.**

47. COOPERS HILL RECREATIONAL TRUST LTD – DISCRETIONARY RATE RELIEF

Members gave consideration to an application for discretionary rate relief from Coopers Hill Recreational Trust Ltd. The Trust, which provided sporting and recreational facilities for more than 600 members, was already in receipt of 80% mandatory rating relief but now sought discretionary relief on its remaining liability of £1,117. The Trust forecast a deficit of £2,500 in the current financial year, largely because Royal Holloway University had withdrawn support equivalent to £5,000 per annum. Although there was a bar on the premises it was licensed and run by a football club which paid the Trust a fee for the facilities. Nearly a third of the Trust's membership was under the age of 18.

The Committee noted that the Trust fell outside the categories of organisation which were normally eligible for discretionary relief. Nevertheless, it was considered that the grant of relief for the period to 31 March 2005 would be a cost effective means of assisting a community body with a strong commitment to youth sport. Members did, however, emphasise that the Trust would be expected to seek means of maximizing its income from the bar facility in order to further assist its finances. The

proportion of the relief which was to be borne directly by the Council would be £838. The remainder would be met by the National Rating Pool.

RESOLVED that -

Coopers Hill Recreational Trust Ltd be granted 20% discretionary business rates relief from 1 April 2002 until 31 March 2005, or until there is a material change in the use of the premises or the circumstances of the Association, whichever is the sooner.

48. BEST VALUE SERVICE REVIEW AND CONTINUOUS IMPROVEMENT PLAN – INFORMATION SYSTEMS

(Ref: Minutes of Business Management Review Board, January 2001, page 1195, para 595)

The Committee gave consideration to the completed Service Review and proposed Continuous Improvement Plan for the Information Systems Service. The scope of the Review and the Challenge phase had been endorsed by the Business Management Review Board in January 2001 although progress had been subsequently delayed due to staff shortages and the implementation of major systems. It was now noted that the Review had followed the Council's adopted format and in so doing addressed the four elements of Challenge, Compare, Consult and Compete. The Committee considered that the proposals contained in the Continuous Improvement Plan, which were based on the findings of the Review, fairly reflected the Council's aspirations for the service, although it was recognised that the authority's wide portfolio of systems placed a considerable burden on staff.

Members noted in particular the ongoing need for a more resilient infrastructure to limit the impact of hardware and software failures and permit more automated distribution of software, systems back up and network and hardware monitoring. A detailed report would be presented to the Committee later in the year addressing issues arising from the support of new systems, the increasing and changing nature of IT provision in the light of the e-Government targets and the likely cost implications of changes in the level and nature of systems support.

RESOLVED that -

- i) **the Service Review and Continuous Improvement Plan attached at Appendix 'E' be approved with particular reference to the following:**

	<u>Targets to be implemented at Officer level:</u>	<u>Timescale</u>
a)	Introduction of a corporate Document Management System	By December 2002
b)	Enabling e-mail facilities at home or work for all Councillors	By October 2002
c)	Electronic access to all Agendas and Minutes for all Councillors	By October 2002
d)	Implement the facility for remote access for any appropriate staff working at home or off-site	By July 2002
e)	Restructuring the IT section to provide additional staffing for Help Desk Support	By June 2002
f)	Move the distribution of reports on Help Desk activity and outstanding calls, from paper based to e-mail based, to a wider distribution list	By June 2002

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| g) | Better utilise the Intranet by making the status of systems readily available by this means to all users and allow users to submit Works Authorisations electronically | By June 2002 |
| h) | Participation in the North West Surrey Benchmarking Group | Ongoing |
| i) | Revision of Departmental Service Level Agreements (SLA) to match the changes taking place in the IT structure identified above. | June 2002 |
| | <u>Targets with financial implications, requiring a further report to the Corporate Management Committee or Council if appropriate:</u> | |
| j) | Creation of a corporate BS7666 Property Gazetteer, subject to appraisal and spending approval | By December 2002 |
| k) | Production of a second IEG (Implementing E-Government) Statement | October 2002 |
| l) | Installation of a more resilient infrastructure to limit the impact of hardware and software failures and permit more automated distribution of software, backup of systems and network and hardware monitoring | Ongoing |
| ii) | the Chief Executive Officer be requested to report to a future meeting of the Committee regarding implementation and monitoring of the Continuous Improvement Plan. | |

49. REPLACEMENT OF IT HARDWARE

(Ref: Minutes of Corporate Management Committee, September 2001, page 270, para 220)

Members were advised of the computer hardware that was scheduled for replacement during the year on the grounds that it was unable to carry out the tasks required or because it was becoming uneconomic to repair, and approved the purchase of new hardware, software and licences.

The replacement schedule reflected the longer life cycle for desk top computers and increased the life of printers by a further six months. The standard specification for a PC was a 1.7 GHz Pentium IV processor with 512 mb of RAM, CD Rom and industry standard hard disk. Unserviceable 15" monitors would be replaced with 17" flat panel monitors to be located where space was at a premium. Obsolete colour printers were to be replaced with Hewlett Packard Deskjet 950C printers, personal laser printers with HP Laserjet 2200's and group printers with Laserjet 4100's. The last of the 3 Com hubs would be replaced to make the network fully 100 mb. Meanwhile the operating system was to be upgraded to a full Windows 2000 implementation in order to support systems due to be introduced later in the year. The upgrade would involve a complicated conversion process requiring the design and installation of an Active Directory which would provide the infrastructure for more resilient systems.

Members noted that the total cost of the new software, hardware and licences would amount to £231,160, which exceeded the capital programme provision of £213,000. The additional expenditure

was attributable to the network upgrade in order to ensure consistent access to the main servers and the migration to Active Directory. The balance of £18,160 would be sourced from the general Information Technology Provision established to promote new IT initiatives. A sum of £39,400 was earmarked specifically to provide equipment which could handle the new initiatives set out in the Council's Implementing Electronic Government Statement and could therefore be financed from government grant. As in previous years, the Government Catalogue Scheme would undertake a tendering exercise on behalf of the Council for the personal computers and servers while the remainder of the equipment, licences and consultancy for the Active Directory would be drawn from the best of at least three quotations. Particular efforts would be made to reduce the cost of printer consumables.

RESOLVED that -

- i) the software, hardware and licences listed in Appendix 'F' be replaced at a sum not exceeding £231,160;**
- ii) £213,000 of this expenditure be met from the Hardware Replacement Programme and the remaining £18,160 from the General Information Technology Provision, to be financed from the IT Renewals Reserve and Government grant; and**
- iii) procurement of the equipment be made in accordance with Standing Orders and from the sources specified above.**

50. REVENUES AND BENEFITS SYSTEM UPGRADE

The Committee received details of the need for an upgrade to the First Revenues and Benefits (FRB) Oracle application used to support the work of the Revenues and Benefits sections. It was noted that the supplier of the system, SX3 Ltd, was to terminate support for FRB towards the end of 2002. As the system required continual maintenance to take account of changes in legislation it was not viable to continue with unsupported software. SX3, which was one of the market leaders in Revenues and Benefits Solutions, had offered a path to a new product, iWorld. Although iWorld built on the basic data structures used in FRB it was a total rewrite of the product with a radically different feature set.

As the purchase of a managed service was not a viable option the only practical alternative to SX3 was a solution offered by Academy. This was based on an Ingres database and had similar functionality to the present FRB. The costs of the two systems over a five year period, although loaded differently, were broadly similar. Members noted that users tended to favour purchase of the Academy system because the current SX3 product had not been easy to control or maintain. The system had required regular enhancements and the hardware had never achieved the anticipated life expectancy. Frequent new releases of the Oracle database had been disruptive and costly and the SX3 support team had been overstretched.

Nevertheless Members were of the opinion that the iWorld product represented the lower risk option. Its Oracle database fully integrated with the Council's other hardware and software, including the Document Management System, and was browser based so that many of the new customer facing features could be accessed through the internet or local intranets. While the iWorld interface looked different from that of the FRB, the logic and calculations behind the screens was similar, thereby minimizing the need for retraining. Although the Academy System shared many of these features, there would be a degree of risk in moving to it, largely due to its use of an Ingres database. There was no in-house experience of the software and introducing a new database onto the site would raise significant integration issues.

The Committee noted that the upgrade to iWorld would require capital expenditure of £118,500 as against the capital programme provision of £100,000. Revenue, maintenance and support costs totaling £60,500 per annum could be met from within existing budgets. In order to ensure sufficient time to fully test and integrate the new system before the 2003 billing the Chief Executive Officer would negotiate the terms with SX3 and agree them in consultation with the Chairman of the Committee.

RESOLVED that -

- i) the Revenue and Benefits System be upgraded to iWorld on terms to be agreed by the Chief Executive Officer in consultation with the Chairman of this Committee; and**
- ii) the capital budget for the Revenue and Benefits System be revised from £100,000 to £118,500 and this be financed from capital receipts in hand.**

51. GIS AND LAND CHARGES SYSTEM UPGRADES

The Committee gave consideration to an upgrade to the Council's Geographic Information System following notification of the impending withdrawal of support for the present software. Members noted that the current version of the ARCinfo software and ARCLLC, the local land charges application, would cease to be supported by the suppliers, ESRI, in March 2003. Microsoft was also set to withdraw support for the Windows NT operating system while the version of the Oracle database currently in use was already unsupported. ESRI offered a clear migration path to a new suite of products called ArcGIS free of charge. ESRI was one of the market leaders in GIS and no other supplier had been identified who could offer a product so superior as to warrant porting all of the planning and land charges data and retraining staff. The ArcGIS option would best protect the Council's considerable investment in ARCinfo and allow a return to supported versions of the Windows operating system and Oracle database.

Members noted that ESRI was also offering new land charges software, named TLC. While its spacial functionality was not as sophisticated as ARCLLC's the administrative facilities were superior. It also had the advantage of being a standardised package with more customers than ARCLLC and presented a more practical and lower risk solution than the alternative offered by MVM. Migration would take place well before the withdrawal of support for ARCLLC. The capital costs amounted to £80,000 for which it would be necessary to approve a new budget. £11,000 of this sum, in respect of the ARCIMS software, could be financed from the Government grant paid to the Council for its IEG initiatives.

RESOLVED that -

- i) ARCInfo 7 be upgraded to the current version of the product, ARCGIS 8 at nil licencing cost;**
- ii) ARCLLC be migrated to TLC at a total cost not exceeding £80,000 and a capital budget be approved for the purpose ;**
- iii) the Land Charges software Revenue budget be adjusted to allow for a software maintenance cost for TLC of £7,000 per annum; and**
- iv) the cost of the above proposals be borne as to £11,000 from the Implementing Electronic Government monies allocated by the Government and the remainder from capital receipts.**

52. SYSTEMS RESILIANCE AND SECURITY

Members considered the best means of establishing an appropriate infrastructure to ensure the availability and security of the Council's critical systems.

The Information Systems Best Value Review had highlighted a number of trends in the demands on the Council's computer systems and in users requirements. Amongst the most noticeable were a rapid increase in the total disc storage requirements, a growing requirement for systems to be available for the whole working day, and often every evening, while batch processes were carried out, and the need for rapid recovery in the case of disk or system failure. The loss of key systems such as DMS, Revenues and Benefits and Housing would mean that services could not be delivered.

The Committee noted that a growing strain was being placed on a number of aspects of the network and hardware as it was currently configured. The Council operated with a number of servers each with their own disk storage and back up facilities. However, centralisation of the storage through the use of a Storage Area Network (SAN) separate from the Local Area Network (LAN) would radically improve the available LAN bandwidth and reduce the processor overhead suffered by individual systems. The centralisation of storage in this manner would deliver a number of tangible operational and management benefits. These included the recovery of deleted or corrupt data two to five times faster than at present, minimisation of data loss through automatic backups and archiving, the provision of real time backup of databases and server maintenance with minimal interruption to production services.

In order to permit new systems to utilise centralised storage in this way it would be necessary to install a fibre switch that would allow a number of servers to be connected to the shared storage, and a SAN storage unit. This could be achieved by the purchase of an LSI E megastore 2400 storage solution, a brocade silkworm 2400 fibre switch and appropriate management software. The cost of purchasing and commissioning this solution amounted to £35,000 with annual running costs of £10,000. As this expenditure was required to support the initiatives in the Council's Implementing Electronic Government Statement the capital costs would be financed from government grant.

RESOLVED that -

- i) the hardware referred to above be purchased for a sum not exceeding £35,000;**
- ii) this expenditure be met from the general information technology provision, to be financed from Government grant;**
- iii) an annual revenue provision of £10,000 be made to support this installation; and**
- iv) procurement of the equipment be from the lowest of three quotations supplied by LSI Partners.**

53. TELEPHONE SWITCHBOARD MAINTENANCE

The Committee noted the need for an increase in expenditure on the maintenance agreement for the Council's telephone switchboard.

The switchboard suppliers, Alcatel, had inadvertently omitted to levy inflationary increases on the annual maintenance charge since the facility was installed in 1996, nor had any charge been made for additional equipment added when the system was extended to the Chertsey Depot. Alcatel now intended to phase in the revised charges over a two year period. The opportunity would also be taken to upgrade the support contract from a next working day (8 hours) call out to a 4 hours maximum response time 24 hours a day. Overall the maintenance costs would therefore increase by £5,000 to £9,500, in 2002/03 and a further £5,000 the following year. However Members were pleased to note that Alcatel had agreed not to seek any contribution to the charges they had omitted to bill for in the past.

RESOLVED that -

the budget for the Alcatel hardware maintenance be increased by £5,000 in the current financial year and a further £5,000 (adjusted for inflation) for the 2003/04 financial year.

54. SALARIES REVIEW

The Committee gave consideration to the current pay award for staff subject to the Runnymede pay scales. Members noted that following a period of relative stability staff turnover was once more at a high level. The quality and quantity of job applicants had increased but the level of housing costs generally restricted the catchment area to those living within a commuting distance of the borough.

The Council was obliged by its local pay policy and individual contracts of employment to offer staff no less than the national local government award. Local and regional surveys suggested that Runnymede salaries remained in the upper quartile for most posts, although slippage in respect of some management scales would be the subject of a further report to Committee. Having regard to a variety of indices and comparable settlements Members were therefore of the view that an increase of 3%, in line with the national offer, would be sufficient to maintain competitiveness. The additional cost of £232,000 could be accommodated within existing budgets.

RESOLVED that -

- i) with effect from 1 July 2002, subject to the performance related criteria being met, individual salaries for staff on the local contract be adjusted by 3%;**
- ii) if the National award is settled at a higher level, the local award be adjusted accordingly and necessary supplementary budgetary provision authorised and reported to Members; and**
- iii) a further report be submitted for Members consideration on management salary scales.**

55. WILLS AND LEGACIES

The Committee endorsed a proposed policy statement (set out in Appendix 'G') to safeguard the Council and its staff in respect of beneficial wills and legacies left by members of the public. The Council's existing Code of Conduct for staff emphasized the need to exercise extreme care in the area of gifts and hospitality and suggested that with the exception of small items such as pens and diaries such gifts should be declined. However, it had recently been established that neither the present Code of Conduct or any Guidance Notes explicitly covered circumstances where the public left legacies to Council staff in recognition of services rendered.

RESOLVED that -

the policy set out at Appendix 'G' on the matter of Wills and Legacies be introduced and promulgated to staff.

56. GIS BEST VALUE CONTINUOUS IMPROVEMENT PLAN – PROGRESS REPORT

(Ref: Minutes of Corporate Management Committee, September 2001, page 269, para 217)

The Committee reviewed progress with the implementation of the GIS Best Value Continuous Improvement Plan. Members noted that a rolling survey of existing and potential users was being undertaken in order to ensure that the best use was made of GIS as a corporate resource. It was apparent that there was a keen demand for GIS applications within the Council. This could potentially be met by the use of ESRI Data Explorer and trials of the software were currently being undertaken in selected sections. Meanwhile the survey results and relevant corporate strategies had been used to form the basis of the first annual work programme for the GIS section. With respect to other targets, it was noted that a formal service level agreement with the Land Charges section was now expected to be in place by 30 June 2002. Progress towards ISO accreditation of the data capture had been delayed in view of the Council's transfer from BSI to Lloyds Registry.

RESOLVED that -

- i) progress on meeting the targets in the Continuous Improvement Plan be noted; and**
- ii) the implementation date for target i) be changed from 30 April 2002 to 30 June.**

57. APPOINTMENTS SUB-COMMITTEE – MINUTES

RESOLVED that –

the Minutes of the meetings of the Appointments Sub-Committee held on 10 April and 9 May 2002, attached at Appendix 'H' be received and adopted.

58. GROUP LIFE ASSURANCE SCHEME

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 12 of Schedule 12A to Part 1 of the Act.

Members noted with regret details of Counsel's opinion recommending the withdrawal of the Authority's Group Life Assurance scheme for staff. The scheme was a valued part of the Council's recruitment and retention package, offering a year's additional salary to the dependants of staff who died in service. This benefit was in addition to the payment of two years salary for death in service under the Local Government pension provision and currently covered more than 300 staff. Now, however, the Council had been advised that it was not lawful for local authorities to offer more than a statutory level of payment to employees for redundancy or otherwise. The life assurance scheme would therefore have to be withdrawn upon the expiry of the current policy on 20 June 2002.

The Committee was advised that a small number of authorities had utilised a provision in the Local Government Pension Scheme Regulations to provide a shared cost AVC scheme with death in service benefits. This would, however, require a significant contribution by staff themselves and be cumbersome to administer. An equivalent level of benefit provided at minimal cost to staff would involve a three fold increase in scheme costs, to £30,000. It had always been made clear that in the event of a significant increase in premiums of this nature the scheme was liable to modification or withdrawal. Members therefore considered that the most equitable solution would be to reapply the £10,000 costs of the existing scheme to all staff (including those not presently qualifying for the benefit) in the form of a modest salary enhancement equivalent to approximately 0.15%. This enhancement would be paid over and above the final level of the local pay award in July 2002. An independent financial advisor would also be made available to staff in order for them to discuss their life assurance options.

RESOLVED that –

- i) the current life assurance scheme for staff be not renewed on the grounds that its continuance is unlawful;**
- ii) no alternative benefit be introduced providing death in service benefits but the current expenditure on the existing scheme be redistributed to all staff in the form of a modest salary enhancement; and**
- iii) following the discontinuation of the current life assurance scheme, an independent financial advisor be made available to staff to discuss their options.**

59. INSURANCE RENEWALS

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 9 of Schedule 12A to Part 1 of the Act.

The Committee received details of terms offered by Zurich Municipal for the renewal of the Council's insurance cover. The Council's present five year agreement with Zurich, which provided for an annual renewal of premiums, was due to expire on 30 June 2003. However, it was noted that Zurich had now offered renewal terms from 1 July 2002 that would involve a substantial increase in premiums, thereby breaking the existing agreement. More competitive discounted premiums were available if the Council was prepared to extend the long term agreement to 30 June 2005. The

Council was entitled to seek other quotes in these circumstances although Zurich, in turn, reserved the right to submit alternative quotations in this eventuality.

Members noted that the increase in premiums was due to market trends, particularly following the events of 11 September 2001, and a deterioration in the Council's property and motor claims experience. Alternative quotes from Zurich, based on a higher excess, did not offer sufficient incentive to justify changing the present basis of cover. In the opinion of the Council's insurance broker the long term discounted offer was still the most attractive that the Council was likely to receive. Other insurers were now either quoting substantially increased premiums or withdrawing from the local authority market altogether. As the existing contract was non specific in terms of length and operated on a renewable basis its extension would not infringe national or European competition rules. Members therefore considered that it would be financially advantageous to accept the proposal to extend the long term agreement to 2005, at which point the Council would undertake a retendering exercise.

The Committee also took the opportunity to consider the desirability of an additional insurance policy to cover legal expenses incurred by Members subject to allegations of breaches of the Code of Conduct under the new ethical framework. Zurich, responding to concerns raised by Runnymede Members, had not yet determined the exact nature of the cover that could be provided but had sought the Council's views on three options. Members favoured the most comprehensive of these which, for relatively modest cost, would provide representation as soon as an investigation by the Ethical Standards Officer commenced, through to any hearing at a case Tribunal and appeal. The Borough Treasurer was authorised to enter into an appropriate policy once Zurich was in a position to confirm the details.

RESOLVED that -

- i) the present agreement with Zurich Municipal be continued to 30 June 2005 and the Council accept the revised terms offered for the renewal of the Council's insurance cover with effect from 1 July 2002; and**
- ii) Zurich Municipal be informed that this Council would be interested in taking out insurance in respect of legal expenses for Members subject to allegations of breach of the Code of Conduct at the highest of the three options suggested, and the Borough Treasurer be authorised to enter into an appropriate policy.**

60. NON DOMESTIC RATES – HARDSHIP RELIEF

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 7 of Schedule 12A to Part 1 of the Act.

The Committee considered an application from a local retailer for the remission of payment of National Non Domestic Rates on the grounds of hardship. Having regard for the facts of the case, Members were satisfied that it would be appropriate to award relief for the full amount of business rates due during a period in which prolonged road works adversely affected the applicant's income.

RESOLVED that -

rate relief in the sum of £429 on the grounds of hardship be granted on the premises in respect of the period from 16 October 2001 to 31 December 2001.

Chairman

(The meeting ended at 10.53 p.m.)