

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE5 July 2001 at 7.30 p.m.

Members of the Committee present : Councillors G.B. Woodger (Chairman), J.M. Edwards (Vice-Chairman), J. R. Ashmore, K.J. Clark, D.P. Easton, J.R. Furey, R.K. Habgood, C.J. Norman, R. Pate and Mrs. E.E. Price

Members of the Committee absent : None

127. MINUTES

The Minutes of the meeting of the Committee held on 31 May 2001 were confirmed and signed as a correct record.

128. APPOINTMENTS TO OUTSIDE BODIES AND RECOMMENDATIONS OF THE EXTERNAL APPOINTMENTS SUB-COMMITTEE

The Committee considered the recommendations of the External Appointments Sub-Committee of 11 June 2001 and appointments to the Runnymede Society for Mentally Handicapped and the South East Local Arts Forum, which had been deferred at the Sub-Committee's meeting. An invitation had also subsequently been received for a person to represent the Council's interests on the Steering Group established to provide overall leadership to the proposed new North Surrey Primary Care Trust.

**RESOLVED that -**

- i) the recommendations of the External Appointments Sub-Committee of 11 June 2001 as set out at Appendix 'A' be approved; and**
- ii) the following appointments be made for the Municipal Year 2001/2002:-**

**Runnymede Society for the Mentally Handicapped**

Councillor E.G. Barrett.

**South East Local Arts Forum**

Councillor Ms. Simmons.

**North Surrey Primary Care Trust Steering Group**

Councillor Mrs. Smallman.

129. MINUTES OF LOCAL GOVERNMENT ACT 2000 – MEMBER WORKING GROUP

The Committee received the Minutes of the Local Government Act 2000 Member Working Group Meetings held on 13 March 2001, 17 April 2001, and 8 May 2001. It was noted that a further Meeting would be convened in the near future.

**RESOLVED that -**

**the Minutes of the above meetings be noted.**

130. APPOINTMENT OF INDEPENDENT REMUNERATION PANEL

The Committee considered the membership and terms of reference of the Independent Remuneration Panel. The Local Government Act 2000 Member Working Group, at their meeting on 8 May 2001, had approved arrangements for the appointment of an Independent Remuneration Panel to advise on the level of Member remuneration, whose membership should comprise one representative of the Runnymede business community, one from a Runnymede residents' group and one from Runnymede's voluntary sector. Chris Fisher (Egham Residents' Association), Colin Tutt (Development Director, Octagon Developments Limited) and Arthur Birkby (Runnymede Association of Voluntary Services) had kindly indicated that they would be prepared to undertake this task and the Council's Party Group Leaders all supported these names. The 2001 Regulations provided for Independent Remuneration Panels to have the following functions:

- to make recommendations to the authority as to the amount of basic allowance which should be payable to its elected Members.
- to make recommendations to the authority about the roles and responsibilities for which a special responsibility allowance should be payable and as to the amount of each such allowance.
- to make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined.

**RECOMMEND that -**

**the membership and terms of reference of the Independent Remuneration Panel be approved as set out above.**

131. LOCAL GOVERNMENT ACT 2000 – NEW COUNCIL CONSTITUTION

The Committee considered the submission of a new Constitution to the Secretary of State on the "alternative arrangements" model. Under Sections 25 and 31 of the Local Government Act 2000, Authorities with a population of less than 85,000 on 30 June 1999 were allowed to consider "alternative arrangements", which would allow a modified version of the traditional Committee system, as well as executive arrangements. All proposals now had to be submitted to the Secretary of State by September for authorities which had held elections in June. The new arrangements should be operative from May 2002.

During the spring of 2001 a number of consultations had been carried out, following the Government's advice that there should be an opportunity for every resident to respond and that both qualitative and quantitative methods should be used. Full page advertisements had been placed in the Surrey Herald and Staines and Egham News. Local forums had been held in Addlestone, Egham, and Chertsey to which representatives of community groups, amenity societies, and the business sector had been invited. A questionnaire had been sent to the 800 Members of the Runnymede Residents Panel which had been set up to provide a means of consulting a representative cross-section of borough residents on various policy issues. In each of these consultations, the options available were summarised and a response form was provided. The consultation had resulted in an overwhelming majority in favour of Option 4, the service-focused Committee ("alternative arrangements") proposal.

In its submission the Council was required to state why it considered that its proposed alternative arrangements would be more suitable for circumstances in Runnymede than any form of available executive arrangement. Reference could be made to the clear local preference expressed through the consultation, Runnymede's tradition of reasonable involvement of all political groups in the decision-making process, reflected in the discussions surrounding the first interim structure, and the current

revised structure and the diversity of settlements within Runnymede, leading the Council to seek a representative forum for decision-making.

The Council also had to explain why it considered that its proposals would be likely to ensure that decisions were taken in an efficient, transparent, and accountable way. Reference could be made to the timing of Committee meetings and the provision for urgent action, the balance between speed and consultation, the logic and clarity of the division of responsibility between committees, the remit of the overview and scrutiny committees and established practices such as the publication of a Leader's Position Statement setting out the political aims of the authority for the coming period. Further justificatory detail on all these matters if appropriate, could be added with the agreement of the Chairman of the Committee and other political group leaders. The Committee agreed to recommend the continuation of the modified Committee based model. Officers would draft the proposal in such a way that the Council was able to make minor modifications in response to circumstances and legislative changes.

**RECOMMEND that -**

**the Borough Secretary and Leisure Services Officer be authorised to send to the Secretary of State a proposal for the operation of constitutional arrangements under Section 31 of the Local Government Act 2000, in a form agreed by the Chairman of this Committee and other political group leaders and proposing an implementation date of May 2002.**

132. FINAL ACCOUNTS 2000/01

The Committee received a report on the outturn for the 2000/01 Financial Year. This compared actual income and expenditure for the 2000/01 financial year to the budget, and made various determinations relating to the 2000/01 financial year as required under Part IV of the Local Government and Housing Act 1989. The Committee agreed changes in the method of financing various capital schemes to enable General Fund revenue reserves to be strengthened and reaffirmed the purposes for which General Fund reserves were held.

Actual net General Fund expenditure in 2000/01 was £3,854,577, £688,323 less than the revised estimate. The actual Housing Revenue Account (HRA) for 2000/01 showed an increased surplus of £421,800 over the revised projection. The Committee noted schedules of General Fund and Housing capital expenditure for 2000/01, a summary of capital receipts and useable capital receipts in 2000/01, the buoyant right to buy sales of £2,137,000 and the results of the Direct Services Organisation revenue accounts and movement in general DSO reserves.

It was reported that the balance on the HRA at 31 March 2001 was £1,152,956 after making a statutory transfer to the General Fund of £1,275,076 and discretionary transfers of £2,354,800 in line with the revised estimate. However, the Committee recommended that it was appropriate to make a further discretionary transfer of £1m from the Housing Revenue Account to the General Fund in the 2000/01 accounts and to capitalise an equivalent amount from the housing major repair and improvement programme in the 2001/02 financial year. This would bring the total of transfers from the HRA to the General Fund in 2000/01, both statutory and discretionary, to £4,629,876 (£1,275,076 statutory and £3,354,800 discretionary). This measure would increase the financial flexibility available to the Council by increasing the level of General Fund reserves. The Committee was also keen to re-examine ways of accelerating the housing special repairs programme and it was proposed that a report be submitted to a future meeting of the Housing and Community Services Committee on opportunities for bringing forward the programme on central heating.

**RECOMMEND that -**

**i) determinations required under Part IV of the Local Government and Housing Act 1989 be made in the sums set out below:**

- a) **under Section 42 (2) (g) the expenditure for capital purposes which is to be reimbursed, or met out of money provided by any other person which is to be capitalised is £104,064;**
- b) **under Section 60 (2), the use of usable capital receipts which are to be applied to meet expenditure incurred for capital purposes are:  
£1,746,126 on housing account  
£7,095,687 on General Fund Account;**
- ii) **a further discretionary transfer of £1m be made from the Housing Revenue Account to the General Fund in the 2000/01 accounts and an equivalent sum be capitalised, from the housing major repair and improvement programme in the 2001/02 financial year;**
- iii) **capital expenditure in 2000/01 that was to be met from revenue reserves now be financed from capital receipts in hand; and**
- iv) **the disposition of the General Fund reserves be approved.**

133. CAPITAL STRATEGY

The Committee considered the Council's Capital Strategy for submission to the Government Office of the South East (GOSE).

The 1998 White Paper 'Modern Local Government – In Touch with the People' promised a new cross-service allocation for the bulk of central government capital support to local authorities, which had become known as the 'single capital pot'. This would commence in the 2002/03 financial year. Under the new arrangements, there would be a single Basic Credit Approval (BCA) allocation for each authority and the first single pot allocations would be made in December 2001 for 2002/03. A fixed proportion of the pot – the majority – would be allocated on a "needs" basis and the balance by ministerial discretion. Ministers had decided that for the first year the needs-based proportion should be 95%, although this would decrease once the system was established, while the discretionary element would increase. The allocation of the discretionary element would be based on assessment of an authority's capital strategy, asset management plan and overall performance in service delivery. The Council needed to submit its Capital Strategy and Asset Management Plan to GOSE by the end of July 2001.

In order to prepare for the new arrangements, the Government had required local authorities to take part in what was called a 'dry run' exercise last year. Officers had submitted a draft Capital Strategy based on the approved capital programme and the Position Paper. GOSE had provided feed-back on this submission and their assessment of the 'dry run' document was favourable, so Officers had adopted the same format for the present submission. This year a two page context sheet was also required. The Committee considered these papers and recommended that the context sheet as set out in Appendix 'B' and the proposed capital strategy at Appendix 'C' be approved for submission.

**RECOMMEND that -**

**the context sheet and Capital Strategy set out at Appendices 'B' and 'C' be approved for submission to the Government Office of the South East.**

134. INTERNAL AUDIT - REVIEW OF SERVICE PERFORMANCE

The Council's former Policy and Resources Committee meeting on 26 June 1996 had approved a bi-annual reporting process each June and November whereby Members were provided with assurances about the scope and effectiveness of internal audit. The Committee accordingly considered a report as a part of this process.

The Council had been treated as a 'Managed Audit' site since 1995 because of the reliance the District Auditor was able to place on the Council's internal audit arrangements. This had resulted in closer liaison with the District Auditor and a streamlining of external and internal auditing practices. The Committee was pleased to note the Internal Audit team's overall assessment that the Council's internal control mechanisms were well developed and robust. Members also noted audit coverage and performance measured against the revised plan reported to the former Business Management Review Board in November 2000. Despite staff shortages, good progress had been made, particularly over the last six months.

135. BEST VALUE SCOPING AND CHALLENGE REPORT - PAYMENTS SERVICE

The Committee considered the scoping and challenge report for the Payments Service which is attached at Appendices 'D' to 'F' inclusive. Members were asked to consider whether the objectives for the provision of the service continued to meet the Council's aspirations and to satisfy themselves that there had been sufficient rigour in completing the challenge phase of the Best Value Review.

It was reported that the key challenges would be Numbers 3, 4, 8 and 10. Challenge 3 would entail reviewing the use of the Moorepay Bureau Service in processing the payroll. Challenge 4 consisted of a review of the provision of the Council's Financial Information System (FIS). Challenge 8 would involve investigating possibilities of closer working with the Personnel Section for the production of payroll and Challenge 10 was a review of creditors' procedures to achieve prompt payment of invoices.

The Committee particularly supported the emphasis being given to Challenge 10 and suggested that Officers investigate:-

- i) the possibility of logging complaints related to invoices;
- ii) the possibility of executing two payment runs a week rather than one as at present;
- iii) the way in which purchase orders were constructed to see if there was any room for improvement;
- iv) the possibility of segmenting invoices according to value;
- v) ensuring that payments were made in accordance with suppliers' terms, if more generous than 30 days.

**RESOLVED that -**

- i) the objectives of the Payments Service be endorsed;**
- ii) the challenges set out in Appendix 'F' be approved for further investigation; and**
- iii) the scope of this review and the challenge phase be endorsed.**

136. BEST VALUE SCOPING AND CHALLENGE REPORT - AUDIT AND INSURANCE SERVICE

The Committee considered the scoping and challenge report for the Audit and Insurance Service which is attached at Appendix 'G'. Members were asked to consider whether the objectives of the service continued to meet the Council's aspirations and to satisfy themselves that there had been sufficient rigour in completing the challenge phase of the Best Value review. Internal Quality audit criteria were currently being changed by the Institute of Standards Organisation (ISO) which would affect how this function would be treated in future. The Section was also seeking increased feedback from its auditees. The Committee suggested that this was a small area for a separate Best Value Review and noted that the Government was looking towards combined reviews of larger service areas. Valid cost comparisons for wider Best Value reviews would, however, be difficult to achieve.

**RESOLVED that -**

- i) the objectives of the Audit and Insurance Section be endorsed;**
- ii) the services are being provided at the appropriate level;**
- iii) the use of Surrey and CIPFA benchmarking information for the comparative element of the review be endorsed; and**
- iv) the scope of this review and the challenge phase be endorsed.**

137. SUNDRY DEBTORS BEST VALUE CONTINUOUS IMPROVEMENT PLAN - PROGRESS

The Committee reviewed progress on the implementation of the Sundry Debtors Best Value Continuous Improvement Plan.

**RESOLVED that -**

**the action taken to implement the Sundry Debtors Continuous Improvement Plan be endorsed.**

138. INCOME CONTROL AND CASHIERING SERVICE BEST VALUE CONTINUOUS IMPROVEMENT PLAN - PROGRESS

The Committee reviewed progress with the implementation of the Income Control and Cashiering Best Value Continuous Improvement Plan. In connection with Target 5, it was noted that the installation of a new Cash Receipting System was proceeding on schedule.

**RESOLVED that -**

**the action taken to implement the Income Control and Cashiering Service Continuous Improvement Plan be endorsed.**

139. REPLACEMENT OF IT HARDWARE

Members were advised of the computer hardware that was scheduled for replacement during the year on the grounds that it was not able to carry out the tasks required of it or because it was becoming uneconomic to repair and approval was sought to procure the identified hardware, software and licences.

The proposals being made reflected two important decisions made in the past twelve months; firstly savings to be made by increasing the predicted life of computers and printers by six months and, secondly, the installation of a Document Management System (DMS) that would require larger monitors to allow staff to view images of maps, drawings and correspondence.

15" monitors that were unserviceable would be replaced with 17" or 18" flat panel monitors or 21" conventional monitors located in the areas adopting the DMS as appropriate with the remaining monitors redeployed to areas not using DMS. Hewlett Packard colour printers would be replaced with Deskjet 950C printers, personal printers with Laserjet 2200's, group printers with Laserjet 4050's and high speed printers with Laserjet 8000's as appropriate. The Accountancy section would have its printers replaced by two Hewlett Packard colour Laserjet printers. The model of PC selected as the standard would be 1,000Mhz Pentium III computer with 256MB of RAM, CD-ROM and industry standard 20GB hard disk. The Hewlett Packard 5P personal printers that were not replaced last year were now placed on the schedule and the life of all other printers extended by a year. This reflected the fact that they had proved more durable than had been expected.

**RESOLVED that -**

- i) the software, hardware and licences listed in the table at Appendix 'H' be replaced at a sum not exceeding £244,600;**
- ii) £238,000 of this expenditure be met from the Hardware Replacement Programme and the remaining £6,600 from the General Information Technology Provision, to be financed from the IT Renewals Reserve; and**
- iii) procurement of the equipment be made from the sources specified in Appendix 'I'.**

140. REFERENCES FROM OTHER COMMITTEES

Leisure and Environment Committee

At its meeting on 21 June 2001 the Leisure and Environment Committee had given its approval to a programme of work required to reinstate Gogmore Farm Park following the Winter floods. As a result of the exceptional rainfall in the Winter of 2000/2001, the park had been under water for several months. Works to make up the ground levels and seed and re-turf the affected areas were required to bring the park up to its pre-flood standard, at an estimated cost of approximately £10,000, for which a supplementary revenue estimate was required.

**RESOLVED that -**

**a supplementary revenue estimate of £10,000 be approved in 2001/02 to fund reinstatement works at Gogmore Farm Park, Chertsey.**

141. WRITE-OFFS

**RESOLVED that -**

**the non-domestic rate arrears totalling £19,260.63, the rent arrears totalling £6,087.22, and the Council Tax arrears totalling £3,624.02, be written off as irrecoverable.**

142. FUTURE ENGINEERING STAFF STRUCTURE

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

Authority was sought for a revised engineering staff structure following termination of the Highways Agency from April 2002, further to a Recommendation from the former Executive Committee meeting of 16 May 2001. The Committee noted concerns about Surrey County Council's progress in facilitating the transfer of Highways Agreement functions from the Borough to the County.

**RESOLVED that -**

- i) the revised staffing structure as shown at Appendix 'J' be agreed;**
- ii) new posts of Principal Assistant Engineer at Grade MM1, Senior Assistant Engineer at Grade F-MM2 and Assistant Engineer at Grade E/G be created; and**
- iii) subject to satisfactory recruitment for the posts identified above, the current holder of the post of Principal Engineering Manager be offered dismissal on the grounds of redundancy at a cost of approximately £33,000, to be met from savings in the current financial year.**

143. EGHAM HYTHE SOCIAL CENTRE

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this report under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve the disclosure of exempt information of the description specified in paragraph 8 of Schedule 12A to Part 1 of the Act.

Members were advised of the latest financial position regarding the replacement Egham Hythe Social Centre and agreement was sought to minor alterations to the approved plans. The timing of development was such that the surgery was unlikely to be in a position to proceed in tandem with the Social Centre. In order to reduce the building cost and to avoid abortive expenditure it was agreed that the car park extension be omitted from the works for the Social Centre and become part of the works for the construction of the surgery. In the event that the proposals for the surgery did not come to fruition, Members would need to decide whether the car park extension should be completed.

**RESOLVED that -**

- i) the current financial position be noted;**
- ii) the car park extension be dealt with in the manner set out in the preamble to this resolution; and**
- iii) Officers report back to the appropriate Committee on conclusion of negotiations with the Doctor's surgery.**

144. FINANCIAL INFORMATION SYSTEM - STRATEGY FOR THE REPLACEMENT

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this report under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve the disclosure of exempt information of the description specified in paragraph 8 of Schedule 12A to Part 1 of the Act.

Members noted that this strategy was being submitted for consideration at this stage in order to allow for appropriate planning for an implementation date of 1 April 2003, for a replacement Financial Information System. Having considered an analysis of what various suppliers may be able to offer, it was

**RESOLVED that -**

- i) the preferred type of replacement system be an integrated ledger, creditors and debtors package;**
- ii) a stand alone debtors package be considered if an integrated solution is not appropriate; and**
- iii) a further report on the market evaluation and the selection process be brought to the Committee in September.**

Chairman

(The meeting ended at 10.06 p.m.)