



RUNNYMEDE BOROUGH COUNCIL

CORPORATE MANAGEMENT COMMITTEE

1 APRIL 2004

APPENDICES

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Runnymede Borough Council

APPENDIX 'A'CORPORATE MANAGEMENT COMMITTEE

4 March 2004 at 7.30 p.m.

Members of the
Committee present : Councillors R.K. Habgood (Chairman), N. Thewlis (Vice-Chairman), J.R. Furey,
P.A. Greenwood, C.J. Norman, Mrs E.E. Price, Ms. C.M. Simmons, P.B. Tuley,
P.J. Waddell and G.B. Woodger

Members of the
Committee absent : None

Councillor Mrs L.M. Gillham also attended.

MINUTES

The Minutes of the meeting of the Committee held on 5 February 2004 were confirmed and signed as a correct record.

DECLARATIONS OF INTEREST

Councillors Ms C.M. Simmons and P.J. Waddell declared personal and prejudicial interests under the Runnymede Code of Conduct for Members in respect of the item concerning 135/137 Station Road, Addlestone as they were partners of the firm which was seeking to lease the premises. Councillors Ms. Simmons and Waddell therefore withdrew from the room during the discussion of the matter.

SERVICE PLAN 2003/04 – QUARTERLY PERFORMANCE

(Ref: Minutes of Corporate Management Committee July 2003, page 260, para 174)

Members were notified of progress with the Corporate Management Service Plan in the third quarter of 2003/04. The Plan served as a basis for monitoring and review of the Committee's objectives as drawn from a variety of sources and set out details of timescales, potential barriers and additional resource requirements as well as corrective action where it was required to improve performance. The opportunity was also taken to approve a number of new targets, derived from the Leader's Position Statement 2004/05, which would be incorporated in the Service Plan for the forthcoming municipal year.

RESOLVED that -

the targets highlighted in Appendix 'A', drawn from the new Leaders Position Statement, be included within the Service Plan for 2004/05.

(Councillor P.A. Greenwood requested that his vote against the motion be recorded in accordance with Standing Order 25.3).

PRIORITY INDICATORS OF PERFORMANCE 2003/04 - QUARTERLY PROGRESS REPORT

The Council received details of performance in the third quarter of 2003/04 in respect of the Council's 10 priority indicators.

Members noted that there were still obstacles to progress in a number of service areas, as illustrated by difficulties experienced with the Rent Officer Service which delayed the processing of benefit claims. Nevertheless, the overall picture was positive with sustained improvements in performance which compared favourably with the challenging targets the Council had set itself. Corrective action would be taken to address those few service areas where a slight underperformance had been recorded. Particularly pleasing progress had been made with the reduction in the number of the Council's housing stock defined as 'non decent', primarily as a result of the central heating installation programme. There had also been a welcome recovery in the proportion of minor planning applications determined within 8 weeks, with performance once more exceeding the Government's 65% target. It was recognised, however, that performance in respect of some indicators was such that the scope for further continuous improvement was limited.

RESOLVED that -

satisfaction be expressed with the progress and, where appropriate, the proposed corrective action in respect of the Council's priority indicators of performance.

RISK MANAGEMENT STRATEGY

(Ref: Minutes of Standards and Audit Committee, September 2003, page 649, para 320)

At the request of the Standards and Audit Committee, Members received details of progress with the compilation of a risk register which was to form part of the Council's Risk Management Strategy.

The Committee recalled that consultants, Zurich Management Services, had been appointed to assist with the production of a register of the Council's corporate risks. Following workshops and interviews with senior staff, 32 corporate risks had been identified and scored against the matrix adopted by the Council in its Risk Management Strategy. The matrix was then overlaid with an assessment of the organisation's appetite for risk in order to establish the risk profile. The following action was now required in response to this analysis:

- i) Compile an action plan for each of the risk clusters shown in the risk profile.
- ii) Identify a lead Officer for each risk.
- iii) Establish protocols for controlling and monitoring both corporately and departmentally.
- iv) Decide how this work will be developed to incorporate operational risks.
- v) Achieve Member commitment to the process.

The key objectives of this exercise were to reduce the exposure of the Council to those risks that it was not prepared to tolerate and to ensure that excessive resources were not being devoted to the control of risks identified as low impact and low likelihood. It was important that the Council adopted a risk management approach as part of its normal day to day management processes rather than viewing it as a burdensome and entirely separate exercise. The consultants were of the view that the Council was, in practice, already doing much that was required of it. They had, however, suggested that the register should not be expanded to include departmental operational risks for at least 12 months to allow sufficient time to learn to manage the register in its present form within existing resources. The Chief Officers' Management Team was to assume the responsibility for reviewing and monitoring the corporate risks in order to provide an appropriate high level focus.

NATIONAL NON DOMESTIC RATE DISCRETIONARY RELIEF – AMENDMENTS TO GUIDELINES

Members reviewed the Council's policy guidelines for discretionary rate relief to sports clubs in the light of recent legislative changes which had extended the entitlement to mandatory relief.

The Committee noted that organisations registered as Community Amateur Sports Clubs (CASCs) were to be entitled to receive 80% mandatory rate relief, the cost of which would be met from the national pool, with effect from 1 April 2004. Billing authorities would be able to award additional discretionary relief to CASCs of up to 100% although only 25% of the additional costs of any such top up would be borne by the national pool. The balance would fall on the billing authority itself.

Members welcomed this extension of relief and noted that it would be necessary to amend the Council's own policy in respect of discretionary relief to sports clubs as a consequence. It was agreed that any organisation which was eligible to register as a CASC would no longer be entitled to discretionary relief. The Council was obliged to give 12 months notice of its intention to withdraw relief but this would, in any event, coincide with the 31 March 2005 date on which all organisations currently in receipt of relief were due to have their entitlement reviewed. Section 5.2 of the policy guidelines was to be altered to read as follows in order to take account of the changes:-

"Non-profit making leisure and sporting organisations that have registered with the Inland Revenue as Community Amateur Sports Clubs (CASCs) are entitled to receive mandatory rate relief of 80% and will not normally be considered for any discretionary rate relief. Non-profit making leisure and sporting organisations that are not eligible as CASCs and whose activities

- i) Enhance or supplement the Council's own services; and
- ii) Mainly serve the local area

will be considered, on their own merits, for discretionary relief of up to 50%. Relief so allowed is to be taken into account in any revenue grant aid made by the Council".

The Committee noted that it was not yet possible to predict what the financial impact of the changes would be. Three sports clubs were currently in receipt of 50% discretionary relief and 11 others benefited from a 25% award. If all of these clubs registered as CASCs there would be a £2,700 pa reduction in the cost of discretionary relief to the Council. It was, however, likely that not all would be eligible to register, which would restrict the extent of the savings accordingly.

RECOMMEND that -

the Council's guidelines for the determination of discretionary relief for charities and other non-profit making organisations be amended as set out above.

(The above recommendation was approved by the Council on 9 March 2004)

SURREY ARMY CADET FORCE - APPLICATIONS FOR NATIONAL NON DOMESTIC RATE DISCRETIONARY RELIEF

The Committee gave consideration to an application from the Surrey Army Cadet Force for discretionary rate relief of up to £1,590 p.a. in respect of premises at Drill Hall Road, Chertsey and School Lane, Addlestone. The Cadet Force had a full rate liability of £7,947 but was already in receipt of mandatory relief of 80% of this total. Members recognised the value of the Cadet Force to the local community but noted that the application did not meet the criteria for the award of discretionary relief where there was also an entitlement to mandatory relief. Mindful of the significant support already given to the organisation from public funds in the form of mandatory relief, and the need to minimise the burden on Council Tax payers, the Committee therefore felt that further relief should not be granted.

RESOLVED that -

the application from the Surrey Army Cadet Force for discretionary rate relief be refused.

VIREMENT REQUEST

The Committee approved a virement of £13,900 within the financial services budget in order to meet the cost of consultants engaged to cover for staff vacancies within the Internal Audit section.

RESOLVED that -

a virement of £13,900 be approved from salaries to consultancy within the financial services budget.

INFORMATION STRATEGY MEMBER WORKING GROUP - MINUTES

The Minutes of the meeting of the Information Strategy Member Working Group held on 8 January 2004, attached at Appendix 'B', were received and noted. Members took the opportunity to welcome the recent nomination of Councillor R.J. Ray as the Labour Group representative.

COMMUNICATIONS STRATEGY WORKING GROUP - MINUTES

The Minutes of the meeting of the Communication Strategy Working Group held on 12 February 2004, attached at Appendix 'C', were received and noted.

PERSONNEL STRATEGY MEMBER WORKING GROUP - MINUTES

The Minutes of the meeting of the Personnel Strategy Member Working Group held on 4 December 2003, attached at Appendix 'D', were received and noted.

135/137 STATION ROAD, ADDLESTONE

(Ref: Minutes of Economic Development Committee, January 2004, page 1189, para. 650)

The Chairman agreed that this item should be considered as a matter of urgency in view of the need for rapid corrective works.

The Committee noted that there was a need to undertake emergency repair work to Council owned premises at 135/137 Station Road, Addlestone. Minor works in preparation for the letting of the building had revealed a problem with the external wall at first floor level. A timber beam supporting the upper floor had rotted away, causing the brickwork to bow. The structure was unsafe and the only viable option was to take down the brickwork, insert a new beam and rebuild. Provisional estimates indicated that this was likely to cost between £25 - 40,000. Some £20,000 could be met from existing maintenance budgets but a supplementary revenue estimate was required to meet the potential shortfall.

RESOLVED that -

a supplementary revenue estimate for the 2004/05 financial year in the sum of £20,000 be approved in order to carry out emergency repair work at 135/137 Station Road, Addlestone.

WRITE OFFS

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 agreed that a number of debts should be written off as irrecoverable. Members noted that while the consideration of arrears cases in private session precluded the publication of debtors' details in the local press, it was possible to identify individual circumstances without risk of challenge under Data Protection or Human Rights legislation.

RESOLVED that -

- i) the Council Tax arrears, totalling £4,724.60 as detailed in Exempt Appendix '1' to the agenda, be written off as irrecoverable; and**
- ii) the non-domestic rate arrears, totalling £12,213.50 as detailed in Exempt Appendix '2' to the agenda, be written off as irrecoverable.**

Chairman

(The meeting ended at 8.53 p.m.)

FUND MANAGER POLICY STATEMENTS – MATURITY LIMITS

Investec Fund - Maturity Limits for Long Term Investment

General

1. The Fund will normally be invested in instruments or deposits carrying rates of interest fixed for up to one year from the date of purchase.

Long Term Maturity Limits

2. At any one time a maximum of 75% of the Fund may be invested in securities carrying interest rates fixed for periods between 1 and 10 years. Within this 75% limit, 20 % of the Fund may be invested in securities carrying interest rates fixed for periods over 10 years.

Counter Party Limit for Long Term Investments

3. For securities other than Government stock, up to 30% of the fund may be held in long term investments maturing between 1 and 10 years from the date of purchase.

Invesco Fund - Maturity Limits for Long Term Investment

Long Term Maturity Limit

1. A maximum of 50% of the fund may be invested in securities with a maturity over 364 days.

Counter Party Limits

2. Investments over 364 days are limited to securities issued by the Government (gilts). Investments can also be made in bonds issued by bodies listed in Schedules 1 and 2 of the Local Authorities (Capital Finance) (Approved Investment) Regulations 1990. Schedule 1 comprises bonds issued by an organisation of which the UK is a member (e.g. the EU). Schedule 2 comprises local authorities and other public bodies.

Overall Duration Limit

3. The maximum average duration of the fund must not exceed 3 years.

**NATIONAL NON-DOMESTIC RATE
DISCRETIONARY RELIEF FOR CHARITIES AND OTHER NON-PROFIT MAKING BODIES**

POLICY GUIDELINES ON THE DETERMINATION OF RELIEF

Background

1. Under the provisions of the Local Government Finance Act 1988 Act there are three ways in which charities and other non-profit making bodies can be protected from the effects of the National Non-Domestic Rate (NNDR):
 - (i) Exemption: Although these organisations are not exempt in their own right, the premises they occupy may be exempt because of the purpose for which they are used. Examples of properties that may be exempt include places of religious worship and premises used wholly for the provision of training, welfare or sheltered employment services for the disabled. Since 1 April 1990 such properties have not been included in the local Rating List, compiled by the District Valuer and Valuation Officer of the Inland Revenue, and therefore no liability arises.
 - (ii) Mandatory Relief: Section 43(5) of the 1988 Act provides that if a property is occupied by a charity, or the trustees of a charity, and it is used wholly or mainly for charitable purposes, then its liability to the rate is restricted to 20% of the rate that would be payable if the premises were occupied by someone other than a charity. Similar provisions exist in S45(5) for empty premises that will be used wholly or mainly for charitable purposes when next occupied.
 - (iii) Discretionary Relief: Under Section 47 of the 1988 Act, the local authority may exercise its discretion to grant relief from the rate. It is this category of relief at which these guidelines are directed.
2. The decision to grant discretionary relief is left to the billing authority in which the premises are located. The authority may grant relief for all or part of the rate.

In cases of charitable occupation, the authority may grant additional top-up relief from all or part of the balance of the rate for which the charity would otherwise be liable (ie up to 20% of the full rate).

There are limitations over the backdating of relief. Paragraph 23 of Schedule 3 to the Local Government and Rating Act 1997 amended Section 47(7) of the 1988 Act to provide that, from 1 April 1997, local authorities may reach a decision to grant discretionary rate relief for a financial year for up to six months after the end of that year. This is a change from the previous provisions under which authorities had to decide within the financial year concerned. Backdating is therefore limited to a maximum of 18 months.

3. The cost of relief under these provisions is borne as follows:

	<u>NNDR Pool</u>	<u>Local Council Taxpayers</u>
Mandatory only	100%	Nil
Discretionary top-up	25%	75% *
Discretionary only	75%	25%

* ie if the discretionary top-up is for the full remainder of the rate then the NNDR pool will pay for all of the mandatory element (80%) plus one quarter of the balance (5%). The local council taxpayers will fund the rest (15%).

4. Each case must be considered on its own merits. The Department of Environment, Transport and Regions considers that blanket decisions by the authority may be *ultra vires* and advise authorities to draw up readily understood policies for granting rate relief.

5. Guidelines

- 1) Organisations eligible for mandatory rate relief (80%) will not normally be considered for any discretionary relief with the following exceptions:
 - (a) Official Scout and Guide Organisations shall be granted discretionary rate relief from the remaining rate liability (20%); provided they can demonstrate that their premises are used solely or mainly by them, or by them and other non-profit making services, for the benefit of the Community. This would be subject to certification at each renewal of the relief or upon request by the Council's authorised officers, whichever shall be the sooner.
 - (b) Community Associations;
 - (c) Village Halls; and
 - (d) Day Centres for the elderly and other groups (together with their administrative offices where remote from the operational centre).

Organisations in (b), (c) or (d) shall be granted discretionary rate relief from the remaining rate liability (20%).

In all instances the cost of granting this relief is borne 25% nationally and 75% by local Council Taxpayers.

Relief so allowed is to be taken into account in any revenue grant aid made by the Council.

- 2) Non-profit making leisure and sporting organisations that have registered with the Inland Revenue as Community Amateur Sports Clubs (CASCs) are entitled to receive mandatory rate relief of 80% and will not normally be considered for any discretionary rate relief. Non-profit making leisure and sporting organisations that are not eligible as CASCs whose activities:
 - (i) Enhance or supplement the Council's own services; and
 - (ii) Mainly serve the local area

will be considered, on their own merits, for discretionary relief of up to 50%.

Relief so allowed is to be taken into account in any revenue grant aid made by the Council.

6. Authority to determine relief

- Determinations for the granting of relief in cases that fall within the scope of Guideline 1 (topping-up) shall be made by the Borough Treasurer.
- Determinations for the granting of relief in cases that fall within the scope of Guideline 2, and other applications not specified, shall be brought before the Policy and Resources Committee for consideration and determination on each occasion.
- The Borough Treasurer may, at his discretion, make a determination to revoke the relief in accordance with Section 47(6) of the 1988 Act if, during a period for which an organisation is in receipt of relief:
 - (i) there is a material change in an organisation's circumstances; or
 - (ii) there is a material change in the use of the premises; or
 - (iii) the organisation fails to provide relevant information regarding its current status.

In respect of those cases that fall within the scope of Guideline 2, the Borough Treasurer shall inform the Committee of any revocation in a report to the next available meeting.

- Aggrieved claimants shall have the right of appeal to the Council.

**ANNUAL CONFERENCE AND EXHIBITION 2004:
Making the Difference: Local Public Services
6-9 JULY 2004**

CONFERENCE PROGRAMME

Tuesday 6 July

11.00	General Assembly and Conference registration opens
12.30 - 1.00	Refreshments and light lunch for political group meetings
1.00 - 2.30	Political group meetings for General Assembly
2.30 - 3.00	Refreshment break
3.00 - 4.00	Conference opening and General Assembly appointment of officers
4.00 - 5.00	Plenary 1
5.30 - 6.15	Civic reception <i>Hosted by Bournemouth Borough Council</i>
7.30	Political group receptions/dinners

Wednesday 7 July

8.00 - 8.45	Early bird fringe sessions
8.30	Exhibition and conference registration opens
9.30 - 9.50	Plenary 2
9.50 - 10.50	Plenary 3
10.50 - 11.20	Refreshment break
11.20 - 12.35	LGA breakout sessions
12.35 - 2.00	Delegate lunch and lunch-time fringe sessions
2.00 - 2.40	Plenary 4
2.40 - 3.10	Refreshment break
3.10 - 4.25	LGA breakout sessions

4.45 - 6.30 **Political group sessions**
6.30 - 7.15 Drinks reception for all delegates
7.30 Fringe receptions

Thursday 8 July

8.00 - 9.00 Early bird fringe sessions
8.30 Exhibition and conference registration opens
9.30 - 10.45 **LGA debates**
10.45 - 11.15 Refreshments and travel break
11.15 - 12.30 **Political group sessions and Chief Executive/Officer sessions**
12.30 - 2.00 Delegate lunch and lunch-time fringe sessions
2.00 **Start of 24 hour Conference within a Conference**
2.00 - 2.45 **Plenary 5**
2.45 - 3.30 **Plenary 6**
3.30 - 4.00 Refreshment break
4.00 - 5.15 **LGA breakout sessions**
6.00 - 8.00 Fringe receptions and events

Friday 9 July

8.00 - 9.00 Early bird fringe sessions
8.30 Exhibition and conference registration opens
9.30 - 10.15 **Plenary 7**
10.15 - 11.30 **LGA breakout sessions**
11.30 - 11.50 Refreshment break
11.50 - 12.30 **Plenary 8**
12.30 Conference closing session and exhibition close