Elmbridge Borough Council

Cabinet

Report of a meeting held on 3 July 2019

Members of the Cabinet:

* S.J. Selleck (Leader)
* A. Davis (Deputy Leader)
* Mrs. C. Elmer
* C.R. Green
* Mrs. M. Marshall
* Mrs. K. Randolph
* C.R. Sadler
* Mrs. T. Shipley
* Mrs. J.R. Turner

Also present:

S. Bax, J.W. Browne, A.P. Burley, B. Fairbank, N. Haig-Brown, N. Houston, M.F. Howard, D.J. Lewis, Mrs. V. Macleod, Mrs. R. Mitchell, M. Rollings and S.J. Waugh

8/19 Declarations of Interest

There were no declarations of interest.

9/19 Opening Remarks

The Leader invited Portfolio Holders to provide a brief update in respect of each of their Portfolio remits.

The Portfolio Holder for Planning updated that work was progressing in respect of the Local Plan and a public consultation in this regard would commence on 19 August 2019 for a period of six weeks. She encouraged all Members and residents to actively engage in this consultation.

In respect of the Community and Corporate Development Portfolio, the Portfolio Holder reported that she had attended various meetings and conferences over the last month which had included a Walton-on-Thames Business Improvement District meeting; the Junior Citizen event held at Walton Fire Station; and the Elmbridge Business Leaders’ Conference held at Mercedes-Benz World in Weybridge.

The Portfolio Holder for Housing provided a brief update in respect of numbers of households placed in temporary accommodation. As at the end of the previous week, disappointingly there were 13 families placed in nightly bed and breakfast accommodation. He further advised that work was progressing on a new Housing and Homelessness Strategy 2020-24, which Cabinet would be considering in October 2019.
In respect of the Environment Portfolio, the Portfolio Holder was pleased to update that improvements had been made in May and June 2019 in respect of missed bin collections and the special cleaning schedule was progressing successfully. With regard to Licensing matters, she reported that the Council would shortly be consulting the taxi trade on a new policy to phase out the use of diesel vehicles with a view to improving air quality, and comments would also be sought on alterations to the taxi rank at Walton-on-Thames Railway Station.

The Portfolio Holder for Social Affairs provided a comprehensive update in respect of her Portfolio. She updated on the various products available through the Community Alarm and Telecare service, which included the recently launched ElmAssist mobile personal alarm. Whilst all the Centres for the Community continued to thrive, she updated on the recent ‘Magic Table’ dementia activity launch at the Thames Ditton Centre for the Community and provided a brief update on the Men in Sheds and Gardeners under Glass projects. She reminded Members of the Partnership Fund whereby the Council and Walton Charity had both allocated £15,000 each towards supporting organisations within the Borough to address social isolation. In this regard, she was pleased to report that Walsingham Care had now joined the partnership and therefore for 2019 there would be an available Partnership Fund of £45,000.

In respect of the Leisure and Culture Portfolio, the Portfolio Holder reported on the successfully held Elmbridge School Choirs Festival that the Council had organised in partnership with The RC Sherriff Trust. She was also pleased to report that Elmbridge had come second in the recently held Surrey Youth Games. She had attended the recent Countryside Tour and updated that a new Healthy Walks and Cycle Rides programme had been launched.

Finally, the Portfolio Holder for Transport updated that he was in the process of producing a Strategy for developing a managed car park system and a report in this regard would be considered by the Cabinet in the Autumn.

Recommendation to Council on 17 July 2019

10/19 Investment Property Portfolio Annual Report

(Link to Council Priorities: All)

In the Portfolio Holder for Resources absence, the Leader introduced the item which set out the second annual report on the Council’s investment property portfolio.

The Cabinet noted that there were 12 investment properties within the portfolio and that at the end of March 2019, the investment properties held by the Council had been valued at £91.8 million. Whilst the gross rental income received during 2018/19 had been £3.9 million, it was noted that at 2019/20 rent levels, these investment properties were expected to produce a total of £4.3 million gross annual income. Once all the expenses and interest charges had been removed, the Leader advised that this would provide the Council with a net income of approximately £1.5 million. It was acknowledged that this
income was crucial to the Council given the range of services that it provided to the residents, particularly as Government grants and support from Surrey County Council continued to diminish.

In respect of the investment portfolio by sector, the Leader reminded Members that the Council took a conservative approach to purchasing investment properties and all the purchases were within the Borough spread across the retail, commercial and residential sector. It was acknowledged that the Council’s Property Acquisition Strategy was different to many other Surrey districts who invested across the country.

The Cabinet was pleased to note that the performance of the portfolio remained stable and consistent and the assets had generally held up well given the uncertainty surrounding the property market particularly in respect of Brexit. It was recognised that assets purchased with a view to development / regeneration purposes would not produce an immediate income stream and there could be occasions when a tenant triggered their break clause or vacated at the end of the lease resulting in a potential letting void. For these purposes, the Council did hold a Contingency and Rent Risk reserve which could be used to mitigate rental shortfalls due to voids.

**Recommended:** that

(a) the progress made in implementing the Property Acquisition Strategy be noted; and

(b) the strategic aims of the Council’s Investment Property Portfolio continue as set out in the report.

**Matters of Report**

11/19 **Reopening of the Hersham Village Hall**

(Link to Council Priorities: All)

The Portfolio Holder for Leisure and Culture introduced the report and reminded Members that in September 2018, initial funding had been made available to enable the Council to evaluate potential options for the Hersham Community Centre and Village Hall, part of which was to develop a strategic document that would include master planning together with stakeholder engagement.

Following the appointment of a professional team, and the creation of a Member Reference Group, a full public consultation exercise was undertaken in January 2019. A total of 1,131 responses had been received, with the overwhelming response being in favour of the reopening of the Village Hall for hiring out and general community space. This had been fully supported by the Member Reference Group and, whilst the Group had acknowledged that new homes, including affordable, were essential, they considered that Hersham was due some respite given that the area had already seen several new developments.
The Member Reference Group had met in March 2019 and had discussed three options for the site and after careful consideration had agreed to pursue Option 1. Option 1 would involve undertaking the necessary works required to reopen a statutory compliant hall with a guaranteed life expectancy of at least a further five years. Any enhancements, including the provision of new kitchen and toilet facilities, could be considered as Phase 2 of the project and an application in this regard could be submitted to the Esher and Hersham Local Spending Board for Community Infrastructure Levy (CIL) funding towards these enhancements, at a future date.

The Portfolio Holder advised that the Member Reference Group had met in June 2019 and had been advised that certain areas within the Hall had not been surveyed due to the lack of utility connections within the building. This included surveying the lifts, electricals, asbestos etc. As the Pick Everard condition survey had only been a visual inspection, a more in-depth survey had been commissioned and was currently being undertaken. In this regard, the Portfolio Holder proposed that until the findings of this further survey were known, a decision on how to proceed with the Hersham Village Hall should be deferred and brought back to Cabinet in September 2019 for consideration.

The Portfolio Holder for Housing, who was also one of the Hersham Village Ward Councillors, commented that whilst the residents of Hersham wanted the Hall to be reopened as soon as possible, it was sensible to defer consideration of the report so that the findings of the survey could be discussed and considered further. He was disappointed that a new kitchen and toilet facilities had not been included within Option 1 which he considered would improve the usage of the Hall going forward.

The Leader then invited Councillor N. Haig-Brown, a Hinchley Wood and Weston Green Ward Councillor, to address the meeting. Councillor Haig-Brown asked the Portfolio Holder for Leisure and Culture whether she was confident that the findings of the in-depth survey would cover all possible options so that a decision could be made. The Portfolio Holder for Leisure and Culture commented that she hoped the report would enable a sensible decision to be made and that in order to do this the detail of the in-depth survey was required. As a follow-up question, as the report would focus on what was required to enable the refurbishment of the Hall, Councillor Haig-Brown understood there were other options available for the site and asked whether the right option would be chosen based on the findings of this report. The Portfolio Holder for Leisure and Culture commented that she hoped the right decision would be made given that a lot had changed since the Hall had been closed some three years ago. There was a need to see what was possible and a holistic view would be taken once all the information was known.

The Leader then invited Councillor Mrs. R. Mitchell, a Hersham Village Ward Councillor, to address the meeting. Councillor Mrs. Mitchell asked whether the in-depth survey would be extensive enough to give the information that was required and also when Members would be able to view the report. As the survey was currently underway, the Portfolio Holder for Leisure and Culture hoped that the report would be available in the next few weeks.
available, the Member Reference Group would be provided with a copy and a site visit to the Hall would also be arranged.

The Leader then invited Councillor M.F. Howard, a Walton South Ward Councillor, to address the meeting. Councillor Howard asked whether the agreed £650,000 budget would be sufficient or whether this would need to be increased. The Portfolio Holder for Leisure and Culture commented that she was unable to confirm either way until the findings of the survey were known but was keen to demonstrate value for money to the residents. If an increase in the budget was required, this would need to be considered by the Cabinet in the future.

The Cabinet agreed to defer consideration of the report and it was acknowledged that, once received, the report of the recently commissioned in-depth survey would be circulated to the Member Reference Group and a site visit to the Hersham Village Hall would be arranged accordingly.

Resolved that the report be deferred.

12/19 2018/19 Revenue & Capital Outturn and 2019/20 Budget Update

(Link to Council Priorities: All)

In the Portfolio Holder for Resources absence, the Leader introduced the report and updated Members on the Revenue and Capital Outturn for 2018/19 and the 2019/20 in-year budget.

The Leader reported that the Council had again met the requirement to issue the Statement of Accounts by the end of May and also noted that the collection rates for Council Tax and Business rates were at around 99%.

Members noted that in February 2018 the Council had approved the 2018/19 net budget for council tax setting purposes at £16.8 million. As a result of variations and other changes in the anticipated spend, a revised forecast figure had been reported in February 2019 which, after taking account of the movements in provisions, had predicted an overspend of £0.4 million. It was noted that this overspend had been funded from the use of gains from the Non-Domestic Rates (NDR) Pilot. The actual outturn position was broadly in line with the revised forecast.

The overall position for the General Fund balance showed it remaining at £4.0 million, the required level set by the Council in accordance with the Medium and Long Term Financial Strategy.

With regard to Capital outturn, the position was £24 million, an underspend of £11 million compared to the revised programme of £35 million. The Cabinet noted that in the majority of cases, the underspends had been due to slippage in project timeframes and accordingly the funding would be carried forward into the 2019/20 Capital Programme subject to a review by the Council Management Board.
With regard to significant issues on closing the 2018/19 Accounts, two issues had been identified, namely Community Infrastructure Levy (CIL); and Provisions, the details of which were outlined in the report.

With regard to the 2019/20 Budget, the Leader advised that there continued to be uncertainty around the central Government and retained Business Rates funding for the Council and any decisions made would need to be mindful of the uncertainty. Having recently met with one of the local MPs for the Borough, he updated that no additional information was available in respect of the Government’s ‘Fair Funding’ Review, which was expected in the Autumn 2019.

During consideration of the report, a discussion took place regarding the summary of the results of the 2018 Resident Panel survey. Given that the results for 2018 were disappointingly low, the Cabinet considered that the current membership of the Panel of 250 members was too low for the survey to be statistically reliable and representative of the views of the residents within the Borough. It was also acknowledged that the 2018 response rate of 261 was below the Local Government’s Association’s recommended minimum of 500 responses for an effective survey.

The Portfolio Holder for Community and Corporate Development reported that the Organisational Development Team was currently looking at ways to expand the Resident Panel membership and how best customer satisfaction could be analysed going forward.

The Chief Executive further commented that the 2018 survey results were statistically unreliable, and the Council Management Board and Organisational Development Team were therefore considering the commissioning of an independent survey in this regard.

Resolved that

(a) the outturn for 2018/19 be noted; and

(b) the early budget update for 2019/20 and the emerging spending pressures, as detailed in paragraph 9 of the report, be noted.

The meeting commenced at 7.00 pm and concluded at 7.43 pm
These Minutes should be referred to in conjunction with the Minutes of the subsequent meeting of the Council, where they are presented; and for completeness to the next relevant meeting when the Minutes are adopted.

Democratic Services Officer
Mrs. T. Hulse Principal Committee and Member Services Officer

Other Officers in attendance
R. Moran Chief Executive
Mrs. S. Selvanathan Strategic Director and Deputy Chief Executive
R. Lee Strategic Director
A. Harrison Head of Legal Services
Mrs. E. Jones Sports Development Officer