

CORPORATE SERVICES OVERVIEW AND SCRUTINY PANEL

TUESDAY, 5 DECEMBER 2017

PRESENT: Councillors Colin Rayner (Chairman), David Burbage (Vice-Chairman), Richard Kellaway and Lynne Jones

Also in attendance: Councillor MJ Saunders

Officers: Russell O'Keefe, Barbara Richardson, Rob Stubbs and David Cook.

APOLOGIES

Apologies for absence were received by Cllr L Evans, Cllr Ilyas, Cllr Quick and Lead Member Cllr Rankin. Cllr Kellaway attended as a substitute.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

FINANCIAL UPDATE

The Panel considered the latest financial update report due to be presented to Cabinet.

The Head of Finance provided an overview of the Cabinet report and informed that the current year financial performance forecast levels of reserves at year end was just under £7.8m. A number of significant variances continued to be reported, in particular the ongoing material increase in the volume of vulnerable young people needing care arrangements. Children's Services therefore projected an overspend by year end of £1.5m. However there were also a variety of underspends to offset the pressures.

Cllr Jones asked what the authorities current level of borrowing was and the Panel were informed that it was £57 million.

The Chairman asked what the level of interest was on our debt and was informed that there was a range detailed in the Treasury Management report but on average it was about 5%.

Cllr Kellaway mentioned that with regards to the DSG a £900k savings plan had been put forward but the report was showing a net deficit of over £483k.

The Chairman asked if there were any pressures not in the report and was informed that if there were future pressures they were usually from demand lead services.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously approved the recommendations. Following comments previously made to Cabinet the Panel requested an update on York House be presented to their next meeting where the Panel would decide if a Task and Finish Group was required.

COUNCIL TAX BASE 2018-19

The Panel considered the Cabinet report seeking approval of the council tax base for 2018/19. The Lead Member explained that this was an annual report.

The Chairman asked if the Council still gave a grant to some parish councils and the Lead Member explained that this would be included in the Budget Report due to go to Cabinet and Council in February. Some parish councils were using their precept to decrease the need for subsidies whilst others were reducing their precept and thus there may be a need for a top up.

Cllr L Evans had emailed a question that was read out by the clerk, *Cllr L Evans requested that the name of the 'Sunninghill' be changed to its full name of 'Sunninghill and Ascot' within the report.*

Cllr L Evans also questioned the table on age.29 as the numbers in the second and 6th column there was a large differences between parishes. The numbers presented are absolute figures and thus make it difficult to compare like with like. Residents in Sunningdale, Sunninghill and Ascot appear to have had a disproportionately high Change in Valuation (Column 2: 106.55 and 56.46). Of all other parishes only three have changes near 20 mark while 7 have their changes between 4.78 and 1.67. In absolute terms the change in Sunningdale is 122.68 which is more than all other parishes added together safe three (Old Windsor, White Waltham and Wraysbury).

The Lead Member replied that the level of precept was for the parish council and that the question would be more appropriately be asked to each individual parish.

The Head of Finance reported that column 2 related to valuation changes such as new properties in the parish.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously approved the recommendations.

TREASURY MANAGEMENT REPORT 2016/17

The Panel reviewed the report due to be considered by Cabinet regarding the Royal Borough's treasury management arrangements during 2016/17. Cabinet were required to review and note the report.

The Lead Member explained that the report set out how the council managed cash balances flowing in and out of the council. Members were informed that the Council followed its prudent approach in not investing into high risk ventures.

Cllr Burbage mentioned that as there had only been just over £2 million invested the financial risks to the authority were negligible. The Lead Member explained that the Financial Update report showed the fluctuation in our cash balances and how they needed to be optimised as our loans increased.

The Chairman asked about the expected returns from the regeneration projects and the Lead Member informed that these would come into fruition in the medium to long term.

The Chairman also asked if there were safeguards in place with regards to who could authorise transactions. The Panel were informed that there was a list of authorised officers with safeguards in place.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet report and unanimously approved the recommendations.

(Cllr Saunders left the meeting)

PROPERTY COMPANY

The Panel considered the Cabinet Regeneration Sub Committee report that provided an update on the RBWM Property Company Ltd.

Barbara Richardson, property company Managing Director, informed that this was an important update that would be provided on a regular basis as the momentum built up with both the town centre and golf club joint ventures.

The report updated Members on the business plans, key performance indicators, governance, new appointments, properties and development programmes.

Cllr Jones asked if the portfolio of properties would be borough wide and if we would be purchasing on the open market or just using our sites. The Corporate Director informed that we were currently focusing on our own sites as the Council had a number of land assets that could be utilised. Other assets may be considered in the future.

Cllr Burbage asked for clarification on the development programme and was informed that this was the four joint venture sites and the selection process for the Maidenhead Gold Club site. Other smaller sites currently under evaluation had not been included.

Cllr Burbage also mentioned that the report did not give a complete picture of the plans for the next 1 to 5 years. Members were informed that this level of detail would be included in the revised business plan.

Cllr Kellaway asked if the property managing director was also the managing director for the joint venture and was informed that there was a contractual joint venture with Countryside.

The Chairman asked who was responsible for the upkeep of properties transferred to the property company and who would be letting them. The Panel were informed that as a Council asset the Council was responsible for any redevelopment costs and that they were looking to use Housing Solutions to rent and manage the properties.

The Chairman asked what the major risks for the company were and was informed that these would be a major decrease in house prices affecting the housing market or oversupply of rental properties. If the company went into liquidation the council would take control.

The chairman asked if there were any strategies to prevent fraud and was informed that this was managed by the Council's finance teams.

Cllr Kellaway asked if the Brocket was due to be developed into residential properties and was informed that there had been no decision yet and that the final decision would be made by the Council.

Cllr Burbage asked for clarification on the issue regarding the Environment Agency and Ray Mill Road East. The Panel were informed that the Environment Agency had changed the flood zone evaluation so instead of 70% of the site being open to development this had been reduced to 40%. The decision would be challenged and it was hoped that the decision would be reversed.

Resolved unanimously: that the Corporate Services O&S Panel considered the Cabinet Regeneration Sub Committee report and unanimously approved the recommendations.

The meeting, which began at 6pm, finished at 7pm

CHAIRMAN.....

DATE.....