

Minutes of a Meeting of the Executive held on Tuesday 26th September 2017 at Pippbrook, Dorking, from 7.00pm to 8.40pm

Present:

Executive Members: Councillors Vivienne Michael (Leader/Chairman), Charles Yarwood (Deputy Leader), Simon Edge, Metin Huseyin, Duncan Irvine, David Mir and Corinna Osborne-Patterson

Non-Executive Members: Councillors Margaret Cooksey, Stephen Cooksey, David Draper, David Harper and Paul Kennedy

17. Minutes

RESOLVED: That the minutes of the meeting of the Executive held on 27th June 2017 and the special meeting of the Executive held on 11th July 2017 be approved as a correct record and signed by the Leader.

18. Apologies for Absence

An apology for absence was received from Councillor Lucy Botting

19. Disclosure of Interests

None

20. Councillor Question Time

(1) The following question was submitted by Councillor Margaret Cooksey:

“What representations has Mole Valley Council made to Surrey County Council with regard to it's current 'consultation' on options for closing or dispersing the Surrey Performing Arts Library, currently located at Denbies; and what steps has it taken to help ensure that this vital institution is preserved for the benefit of our local choirs, orchestras, theatre, dance and other performing arts groups as well as local venues, audiences, and festivals such as Arts Alive and the Leith Hill Music festival?”

Councillor Vivienne Michael (answering on behalf of Councillor Lucy Botting) responded as follows:

“Surrey County Council has indicated that the operation of the Surrey Performing Arts Library which is currently located at the Denbies Wine Estate needs to be cost neutral by 1st April 2018. This represents a saving of £180,000. Views are being invited on three options to achieve this: (i) the Surrey Library Service would retain the written and recorded material relating to the performing arts but relocate it and deliver the material from an existing library or through a local Surrey library; (ii) transfer ownership to a community or other organisation on the understanding that the stock remains available to the public and (iii) close the Performing Arts Library if neither of the two previous options deliver the required savings.

The consultation closes on 1st October. To date, Surrey County Council have not themselves approached Mole Valley District Council directly for a view on this issues. We are however working on a submission before the deadline and we are publicising the consultation to ensure that as many interested residents as possible respond.

The Performing Arts Library has a long association with Dorking. It provides a most valuable resource for individuals and groups across Surrey and we will be urging the County Council to make every effort to ensure the library's collection of material remains intact and accessible.

This Chamber is well aware of the financial difficulties faced by the County Council and that it is looking at a myriad of ways to reduce costs. Districts and Boroughs however can't be expected to step into the breach financially in each case, even where there is a shared history.

Councillor Botting will be working with officers to finalise our response and would welcome the views of Cllr Cooksey and any other members who may have experience of using the facility to help frame

our comments before they are submitted.”

Councillor Margaret Cooksey asked the following supplemental question:

“Does that mean we are not going to do anything particularly positive, but there will be a response and will I be invited to a meeting to talk with Councillor Botting or will I be expected to put in some comments for her to use?”

Councillor Vivienne Michael replied as follows:

“We are responding positively in publicising the consultation and urging interested residents to respond and give the County Council their views on what we regard as an important asset in the community. I will take your comments on a meeting away to Councillor Botting, as it’s for Councillor Botting to respond to that. I’m sure she will be welcoming your views and those of any other Members with an interest in this particular issue.”

(2) The following question was submitted by Councillor David Harper:

“On 27th June, it was reported that £1.22M had been allocated out of £2.37M Section 106 planning agreements. Please advise further progress on spending the rest to create more homes?”

‘Are there any agreed rural exception sites that have been agreed either in principle or with planning permission that are not being built out for whatever reason, and what steps can the council take to bring forward the construction to this calendar year?’

Councillor Corinna Osborne-Patterson responded as follows:

A number of affordable housing schemes without planning permission are being discussed with housing associations, which the Council will hopefully be able to subsidise with capital grant. Confirmation of grant allocations will be given when there is a degree of certainty and the schemes have been granted planning permission and the housing associations have agreed the terms for these developments.

There has been no further firm financial commitments since June. Unfortunately the large commitment made with Circle Housing for £1.12m to subsidise 16 affordable rented homes is not progressing. The scheme had planning permission and Circle had agreed terms. At the final stages however Circle considered the scheme carried too many risks outside of their control, to enable them to proceed.

The financial commitment for this year has reduced to £50,000, which is being put towards two rented units at the Photo Me Site in Bookham with Mount Green Housing Association. Mount Green’s original grant request was £100,000 but they have been able to reduce it to £50,000. The affordable housing programme for 2017/18 includes the completion of 40 affordable homes this year with a further 87 to be completed over the next two years.

In response to Cllr Harper’s follow up question about rural exception sites, I can advise him that there is one rural exception site in Ockley that had planning permission granted on 24 January 2014 which has not been built out. The planning applicant is the landowner who intended to develop and fund the build of the properties. Contact has been made with the applicant from time to time to enquire about progress, though it remains unclear whether works will commence.

There are no rural exception sites agreed in principle. Numerous sites throughout Mole Valley are discussed and for various reasons are not progressed, sometimes this because the land cannot be secured with the landowner. Rural exception sites only become confirmed once planning permission has been granted.

Councillor David Harper asked the following supplemental question:

“Are the figures in the affordable housing programme based on planned sites for a forecast?”

Councillor Corinna Osborne-Patterson replied as follows:

“It is based on planned sites.”

(3) The following question was submitted by Councillor Paul Kennedy:

“What steps does the Council propose to take to enforce the conditions designed to ensure an appropriate contribution by developers to the reinstatement of the highway and verges in River Lane in Fetcham once the current development work is complete?”

Councillor Vivienne Michael (answering on behalf of Councillor Duncan Irvine) responded as follows:

“Linden Homes are building twenty six new homes off River Lane, Fetcham. Local residents have been expressing concern that vehicles related to the site’s construction have caused damage to the surface of River Lane and its verges. The Surrey County Council’s Highway Engineers have been discussing these issues with Linden Homes and local residents. The advice we have received from them is that they consider the surface of River Lane does not have any severe defects and the surface is not materially worse than might be expected through wear and tear on what is an old road surface. They also took into account that HGV traffic from the previous use of the site being redeveloped by Linden Homes could have had on the road surface. The County Council’s Highway Engineers do not believe there is any substantive evidence to demonstrate significant deterioration to the road surface arising from construction traffic from the Linden Homes development. In terms of verge damage, the County Council’s Highway Engineers concluded that a lot of the damage is being caused by residents parking and other developments along River Lane and could not be directly attributed to the Linden Homes development.

The Planning Team is continuing to work with Linden Homes and the County Council’s Highway Engineers to look at ways of ensuring the road surface and verges are fit for purpose.”

Councillor Paul Kennedy asked the following supplemental question:

“The reason there is no evidence is because Linden Homes failed to provide a pre-commencement highways survey that was a planning condition for this development. Given that residents have been providing evidence of damage caused by Linden Homes lorries both on the highways and the verges, will the Council take a robust approach to dealing with Linden Homes given that they are in default to ensure that there is an appropriate contribution which will save Surrey Highways money in the long run and where there is damage on both sides there is a proportionate contribution.”

Councillor Vivienne Michael replied as follows:

“Given that I am responding on behalf of Councillor Irvine, I will take away the points you have made. As I said in the original answer the Planning team is continuing to work with Linden Homes and the County Council and we are aware of residents’ and local Member concerns.”

(4) The following question was submitted by Councillor Paul Kennedy:

“Allowing for transitional arrangements and payments by and to third parties on the Council’s behalf, what is the current best estimate of the projected ratio of the overall pay package including expected bonuses of the Council’s new Chief Executive to the median pay package of the Council’s other employees, and how does this compare with that ratio for her predecessor?”

Councillor Metin Huseyin responded as follows:

“The post for the Chief Executive is evaluated to a pay band in accordance with our pay policy. The current pay band is £101,113 to £112,891 per annum.

Aside from employer’s pensions and national insurance contributions there are no bonuses or other allowances associated with the role. The only enhancements are those in relation to election duties (evaluated and paid by the Electoral Commission). There is also a payment for evening meetings (paid as a disturbance allowance to account for additional travel/disruption). This is currently £36.68 per evening meeting, (in the event that the post holder does not claim back the time).

The previous Chief Executive reached the top of the pay band since her original appointment in 2012.

There were no further payments made by MVDC or on MVDC's behalf other than those made in relation to her salary/pensions/national insurance contributions for the post of Mole Valley's Chief Executive.

The new Chief Executive has been appointed at the top of the band in accordance with our recruitment policy, having given consideration through the recruitment process to reasonable salary expectations in the context of overall assessment for suitability and the salary for the previous job. There have been no payments associated with transitional arrangements.

The current best estimate of the projected ratio of the remuneration and salary paid to the new Chief Executive to the Council's other employees can therefore be based on the most recent calculation of the pay ratio that was conducted in relation to the previous Chief Executive.

This ratio was reported to Council in March 2017 in accordance with our requirements under the Localism Act 2011 taken from data extracted on 2nd February 2016, set out for ease of reference below.

"9.0 Relationship between pay and remuneration of Chief Executive post and all other employees

The mean salary of all employees excluding the Chief Executive is £29,527. Mean remuneration is £42,893. Therefore the pay ratio between the Chief Executive post and all other employees within the Council is 3.7:1 for pay and less than 2.8:1 for total remuneration. All the above ratios are therefore within the maximum ratio of 20:1 identified as a maximum pay multiple within the Hutton review of Fair Pay in the Public Sector".

It will be noted that the figure reported is the mean. Using the figures supporting the calculation made at the time of the publication of the pay policy we can also provide you with analysis of the proportion of the Chief Executive's salary to overall median officer salary. That figure is 4.4:1.

As explained above, given the two salaries were both at the same scale and using the calculations based on the establishment at the time of the pay policy analysis, there is no discrepancy between the two."

(5) The following question was submitted by Councillor David Harper:

"What are the latest figures for Mole Valley compared to same time last year for

- a) number of people rough sleeping
- b) number of families in temporary accommodation

And what is the amount of money spent year to date

- preventing homelessness versus
- providing temporary accommodation?"

Councillor Corinna Osborne-Patterson responded as follows:

"Following Department of Communities and Local Government guidance, an annual estimate of rough sleeping is taken annually by all the districts and boroughs in Surrey on an agreed night in November. A wide range of agencies participate and report rough sleepers they are aware of on the agreed November night. The figure for Mole Valley in November 2015 was 3 and in November 2016 it was 1. Plans are in place for the estimate to take place this November.

The East Surrey Outreach Service, funded by Mole Valley and the other East Surrey district and boroughs, works proactively with single homeless people, rough sleepers and sofa surfers and records statistics about their clients, who are generally single adult males. During August 2017 they had a case load of 99 clients across the East Surrey area and of these, six slept rough on more than one occasion in Mole Valley. The figure was also six in August 2016, though the clients were different.

In response to Cllr Harper's question about families in temporary accommodation I can advise him that the total number of households in all forms of temporary accommodation with homelessness applications under investigation or with accepted homelessness applications was 40 in September 2016 and 42 in September 2017.

In terms of the cost of preventing homelessness, the 2017/18 budget projection (at August 2017) is £421,000 net. This figure is the cost of providing the housing register and nominations, housing options and advice, homelessness prevention and homelessness functions).

The 2017/18 budget projection (at August 2017) of providing temporary accommodation is £70,000 net. This takes account of the rental income stream for temporary accommodation and bed and breakfast."

21. Report of the Scrutiny Committee

The Chairman of the Scrutiny Committee advised that apart from Executive reports to be considered elsewhere on the agenda, the Committee had considered the Terms of Reference for the Scrutiny Panels it wished to establish for 2017/18. There are three proposed Scrutiny Panels (Car Parking, Planning, and Asset Investment). The Committee agreed the Terms of References and Memberships with a minor amendment to the Terms of Reference for the Planning Panel. It was noted that further items may be considered for inclusion in the scope of the Panels work should the Panel Members feel it was necessary.

22. Report of the Audit Committee

The Chairman of the Audit Committee advised that he was reporting back from their meeting to highlight some enhancements and recommendations to the Executive that have been approved by the Audit Committee in relation to MVDC's risk management arrangements. In particular, that the following observations of the Audit Committee on the current Risk Management procedure be communicated to the Executive:

- (i) The Health & Safety position should be reviewed in the light of recent events, in particular the Grenfell fire;
- (ii) The Data Protection risks should be reviewed, particularly given the postponement of the Internal Audit and the changes expected in the General Data Protection Regulations (GDPR);
- (iii) The language used to describe probability (remote, possible, likely, probable, highly probable) should be reviewed and improved to make the distinctions clearer and sharper.

Councillor Metin Huseyin, Executive Member for Finance and Corporate Service confirmed that in response to the first point raised regarding Health and Safety arrangements in the light of recent events at Grenfell Tower, the Executive was confident that MVDC Health & Safety arrangements and procedures were robust, and that they had been subject to an internal audit in 2016. In the light of the recent events at Grenfell Tower, MVDC responded quickly in partnership with Circle Housing to provide assurances to both residents and central government with regards the safety of social housing in the district. MVDC had also reviewed its arrangements in respect of the Council's responsibilities as a landlord. Arrangements to ensure that all tenanted properties meet statutory compliance requirements, which includes fire safety, had been reviewed and updated.

In relation to data protection it was confirmed that MVDC, like other local authorities, had a corporate project underway to ensure that the organisation was compliant with the introduction of GDPR in May 2018. The internal audit had been timed to take place during 2018/19 to provide assurance that the arrangements put in place were robust, and to highlight any areas for improvement.

In response to the third point concerning the language used to define probability, it was confirmed that the language used by MVDC was based on standard risk management definitions. The definitions were designed to provide a description of an increasing level of likelihood. This enabled appropriate conversations to take place that identify actions to mitigate the risk.

On behalf of the Executive, Councillor Huseyin thanked Councillor Kennedy and the Members of the

Audit Committee for their feedback, and for taking such a focussed approach on this important matter.

23. Month 5 (August) – 2017/18 Business and Budget Monitoring

The Executive Member for Finance and Corporate Services, Councillor Metin Huseyin introduced the report, highlighting a number of projects that had contributed towards the Council achieving the priorities set out in the Corporate Strategy including the following:-

- Heritage Opens Days had been held with approximately 80 events taking place across the District
- The first stage of public consultation on 'Future Mole Valley – Issues and Options' had recently been completed, with an excellent response rate.
- There had been good work on tackling fly-tipping, with a number of fixed penalty notices issued
- The Rural Community Strategy was launched in July, which brought a focus on actions to address issues and challenges facing of the rural communities of Mole Valley.
- The outcome of the Dorking Parking Review began to be implemented from the beginning of July, including 24 free 30 minute parking bays across the car parks in the town to encourage people to 'pop and shop'

It was confirmed that at present an overspend of £498,000 was forecast in the revenue budget, which could be attributed to large overspends in three areas, namely the Environmental, Planning and Property Services. These overspends would continue to be monitored during the year and offsetting savings would be identified where possible. However, if the overspend remained at the year end, the Council had sufficient reserves to cover the shortfall. At present there was also a large overspend of £2m in the capital budget that had been incurred due to an unforeseen need to clear contaminated and hazardous soil from the Meadowbank site. This has also caused an overspend in the revenue budget for the Property service due to the opening of the new facility being delayed.

It was noted that the report requested Executive approval to enable MVDC to apply, along with Surrey County Council and all other Surrey Districts and Boroughs, for pilot status in the Government's development of business rate reforms. Pilot status would be financially beneficial as it would enable the Council, temporarily at least, to retain a greater share of its rates income.

The Leader of the Council highlighted that the improvements planned for the Swan Centre had been expanded to allow for the installation of charge points for electric vehicles. The Council had also written to Govia Thameslink to encourage them to promote the availability of charge points around Dorking Railway Station.

The Executive Member for Communities, Services and Housing provided an update on the preparation for the Government's new Homelessness Reduction Bill, advising that staff had undergone training on the new legislation and new software was being purchased. It was also confirmed that a report would be coming forward later in the year to amend MVDC's Housing Allocation Policy. Concern was raised about the number of homeless families being placed in bed and breakfast accommodation, as the figure was higher than earlier in the year. It was explained that the number of homeless families needing accommodation tended to fluctuate during the year and the Executive was committed to doing all it could to lower the use of bed and breakfast accommodation.

As the report indicated that the overspend in the Planning Service could be attributed to staffing costs, it was questioned what action was being taken to address this issue. It was explained that these costs were mainly attributable to the use of contract staff to cover maternity and sick leave and assurance was given that every effort was being made to recruit new staff. It was however highlighted that the difficulty recruiting suitably experienced staff was not unique to Mole Valley and was an issue across the country.

RESOLVED:

1. That the Council's performance and financial position for the end of August (Month 5) 2017/18 be noted.
2. That the participation of Mole Valley District Council in the joint bid by Surrey CC and all Surrey Districts and Boroughs for pilot status in the Government scheme to test the new Business Rates reforms be approved.

24. North Leatherhead Community Centre and Kingston Road Recreation Ground Charity

The Executive Member for Assets and Investments, Councillor Charles Yarwood, introduced the report, thanking officers for the hard work that had been put in to pull the Community Centre back from the brink of closure and in building goodwill in the local community. In order to ensure the future of the Community Centre the Council needed to submit an application to the Charity Commission to change the objects of the charity to permit the provision of a social club/bar which would improve the long term viability. If this was agreed by the Charity Commission then the Council would be able to proceed with agreeing a new lease with an appropriate resident led community organisation to run the Community Centre and a sub-lease with Rippingale Promotions Ltd to run the bar.

The Chairman of the Scrutiny Committee advised that they had been supportive of the recommendations set out in the report, but it had been suggested that there may be an opportunity to offer more diverse activities at the Community Centre to create a more equal environment for the community. The Executive Member agreed to investigate what could be done in this regard, but acknowledged that it would be important not to tie the hands of the trustees from making a success of the facility.

RESOLVED:

The Executive, as Trustee of the Kingston Road Recreation Ground charity, authorises:

1. an application to the Charity Commission, to change the objects of the Kingston Road Recreation Ground (KRRG) charity to permit a wider use more appropriate to the use of the NLCC as a community centre, in particular including the provision of a social club/bar facility.
2. the development of a long term lease of the NLCC, with an appropriate resident led community organisation, and, (subject to 1 above), a sub-lease with Rippingale Promotions Ltd for the social club/bar area.
3. an independent valuation of the proposed leases and publication of the proposed 'disposal' of the NLCC, (to meet the requirements of the Charities Act 2011), prior to a report being brought back to the Executive, (as Trustees of the KRRG charity), for a final decision.

25. Gatwick Diamond Local Strategic Statement 2016

The Executive Member for Economic Development and Transform Leatherhead, Councillor Simon Edge, introduced the report advising that the document the Executive was being asked to endorse was an update on one that had previously been agreed in 2012. The Gatwick Diamond was an important economic area and as such it was essential for Mole Valley to play its part in the group, although by endorsing the statement it would not mean that MVDC was bound by its content.

MVDC would be contributing £10,000 a year to the overall £130,000 per year budget of the organisation. In return the Council would have opportunities for networking, influencing decision making, while also enabling the authority to demonstrate that it was complying with its duty to cooperate with other local planning authorities that was introduced in the Localism Act 2011.

The Chairman of the Scrutiny Committee acknowledged the benefits of being part of the Gatwick Diamond, but advised that concerns had been raised about the cost of participating in the group, particularly in officer time, which was often unaccounted. It was also highlighted that many of the actions for the Group were ongoing and as such it was questioned how the success of the strategic statement could be measured. In response it was advised that the amount of officer involvement was

minimal with only 2 – 3 meetings per year. It was also acknowledged that the targets set in the strategy were deliberately aspirational, but through involvement in the group the Council could look to possibly tighten the Key Performance Indicators to deliver more tangible outcomes.

RESOLVED:

That the Gatwick Diamond Local Strategic Statement 2016 be agreed.

26. Claire House & James House – Development Strategy

The Executive Member for Economic Development and Transform Leatherhead, Councillor Simon Edge, introduced the report advising that the Council had purchased the Claire House and James House site in 2015 as it formed a key opportunity within the wider Transform Leatherhead project to deliver a scheme that would improve the underutilised 'Riverside Quarter' of the town. The Transform Leatherhead consultation had also demonstrated that there was considerable public support for redevelopment in this area of the town.

Having acquired the site, in July 2016 the Executive agreed the allocation of £100,000 from the Transform Leatherhead Development Reserve to commission the Consortium, who had delivered the Transform Leatherhead masterplan, to produce a detailed 'Development Brief' which identified and analysed a shortlist of options for the site. Following an extensive review, the report established that the most viable option for the site was a residential development with restaurant or café use on the ground floor.

To deliver this option, it had been estimated that a total of £600,000 would be required to procure the full professional services team and undertake the necessary site investigations and reports required to submit an outline planning application. A further £20,000 would also be required to cover the costs payable to MVDC for the planning application.

It was noted that during the Scrutiny Committee meeting held on the 12th June, questions were raised about alternative uses for the site, specifically in relation to either a hotel or office use. Subsequently the full 'Development Brief' had been made available on the Members Extranet to allow Members to better understand the rationale for identifying residential use as the most viable for this location. Additionally, it was advised that the Claire House and James House site would not be an appropriate location for either of the suggested alternative uses. However, both the hotel and office use options would be considered as part of the wider Transform Leatherhead programme and the future development of Bull Hill.

The Scrutiny Committee had also raised concern about the costs involved in relation to achieving planning consent for the development of the site. It was advised that following the Scrutiny Committee meeting, the costs for delivering a planning application had been reviewed and it had been decided to take a more prudent approach. It was highlighted that until a tendering exercise had been completed, the fees set out in the report should be regarded as indicative only, but were within the expect region for fees on a development of this scale.

RESOLVED:

That a budget allocation of up to £620,000 from the Transform Leatherhead Development Reserve be approved to procure a professional services team, via the national Pagabo framework to:

- a. produce an outline planning application, and associated documentation, for the replacement of Claire House and James House, Leatherhead; and
- b. promote that outline planning application through the planning process. The planning application will be on the basis of a significant, high quality design building, incorporating a food/beverage facility on the ground floor, with residential units above (likely to be in the range of 40-50), likely to achieve a positive financial return on the development.