

Addendum

Executive

Dear Councillor,

Executive Addendum - Thursday, 14 September 2023, 7.30 pm

I enclose, for consideration at the meeting of the Executive to be held on Thursday, 14 September 2023 at 7.30 pm, two minutes from Overview and Scrutiny Committee meeting on 7 September 2023 for consideration by Executive Members.

Mari Roberts-Wood
Managing Director

4. **O&S Addendum - Environmental Sustainability Strategy: Annual Report(Pages 3 - 6)**

The Executive Member for Environment and Sustainability.

6. **O&S Addendum - Quarter 1 2023/24 performance report(Pages 7 - 10)**

The Deputy Leader and Executive Member for Finance, Governance and Organisation.

For enquiries regarding this addendum;

Contact: 01737 276182

Email: democratic@reigate-banstead.gov.uk

Published 13 September 2023



This page is intentionally left blank

Minute from Overview & Scrutiny Meeting on 7 September 2023

Environmental Sustainability Strategy: Annual Report

The Committee received the third annual update on the progress in delivering the Council's Environmental Sustainability Strategy, adopted in July 2020.

Councillor Moses, Portfolio Holder for Environment and Sustainability, outlined the work that had taken place over the past year, challenges and next steps. In addition, the agenda pack included Annex 2 which is summary of the external studies that have been commissioned to assist in the Council's journey to net zero. The Council's sustainability work is very wide ranging and split across two main areas - at a council level – where there is direct control – and also more widely working with others to improve sustainability across the borough as a whole.

The following areas were highlighted:

Data and Evidence

Annex 2 provides a useful summary of the background work that is ongoing to ensure the evidence base is up to date.

This work is important: The Council has choices about how it achieves its sustainability targets while also meeting service delivery and financial sustainability commitments. This information will help inform those choices.

The Council still faces some issues with data availability, as described in the report, but this has improved since the Strategy was adopted and will continue to do so.

Progress on the Action Plan

The Council continues to make good progress on the actions in the Action Plan.

Members will recall that the original action plan included over 100 actions.

Annex 1 shows the progress that is being made against all of these. It shows those that have been completed, those that are underway and (in a few instances) where the Council has not been able to complete actions or where actions have needed to be postponed.

Carbon Emissions

The organisation's carbon emissions have increased as we have come out of the two years of pandemic-related lockdowns. During this period, a number of Council buildings were closed, and activities restricted.

Overall, however, emissions are down from the pre-Covid baseline year.

The covering report (at paragraphs 26 to 31) explains some of the specific interventions being progressed to continue and accelerate this reduction in the short term. It explains how these will be funded and the carbon savings they are expected to generate. Annex 2 includes information about the trajectory towards net zero.

Funding

The Council has allocated £239,000 of external UK Shared Prosperity Funds to deliver a range of sustainability activities over a three-year period. £850,000 of Strategic CIL funding has also been secured to reduce energy use across Council buildings; this will also save money on the Council's energy bills.

Agenda Item 4

Other funding to improve Council buildings and reduce carbon emissions from the fleet will be sought via internal budget setting processes or from external sources.

Funding allocations will be linked to there being satisfactory business cases for these activities.

Review of the Strategy

More information about the scope of this is provided in the covering report at paragraphs 32 to 34.

There will be Member engagement as part of this process, and any relevant suggestions from Committee members tonight will be factored into that review process.

Several advance questions on this item had been submitted prior to the meeting. The advance questions and their responses can be viewed here:

[Document Advance Questions and Answers OS 7 September 2023 | Reigate and Banstead Borough Council \(moderngov.co.uk\)](#)

The Executive Member for Corporate Environment and Sustainability, Councillor Moses, invited Members to ask questions on the Environmental Sustainability Strategy Annual Report provided in the agenda pack. In response, the following clarifications were provided:

Carbon emissions

The Council's own emissions constituted 0.2% of emissions in the Borough. The remainder of emissions in the Borough come from several sources, such as domestic, transport, and industrial usage; The Local Government Association suggests that 33% of all emissions are within the influence of local authorities. The Council is working with businesses to help them reduce their carbon emissions. It was confirmed that the Council has a good working relationship with Surrey County Council at officer level and that it also works closely with other partners in the local area on collaborative working to reduce carbon emissions. National funding is sought, which is often delivered county-wide but at the local level, value is added through local promotion, using local data and evidence, and marketing.

Action Plan

It was confirmed that the action plan would be reviewed as part of the strategy review. In relation to the trajectories, there were a number of uncertainties, particularly around technology; currently there was no certainty when low carbon HGVs that meet the service's needs will be available, but as technology evolves, that was expected to change. The expectation was for the O&S Environmental Sustainability Strategy Review Panel to meet early in 2024.

Tree planting

It was important to ensure that the right type of trees were planted in the right areas. It was confirmed that 6,600 trees had been planted by Surrey County Council and now that the Countryside Officer was in place, this officer and the Woodland Officer could liaise with Surrey County Council on the type of trees planted and their location.

Hydrotreated Vegetable Oil (HVO)

It was confirmed that virgin crops could not be used in the production of HVO; this oil must be produced from recycled oil from industries, such as the food industry, and

was audited and tested to ensure compliance. Hydrogen powered vehicles were also being explored as an option by the Council.

Transition to electric vehicles

It was confirmed that these trajectories were based on transitioning vehicles to electricity and that replacement of vehicles would be on a rolling basis. The charging capacity would be a consideration and had not yet been factored into the trajectories; work to explore this had already begun including discussions with UK Power Networks.

Agricultural Council-owned land

It was suggested by a committee member that Council-owned land adjacent to Banstead Wood could be converted to woodland to support environmental sustainability, which could potentially be part-funded by woodland planting funding to celebrate the coronation of King Charles. The Portfolio Holder would discuss this possibility with the Countryside and Woodland Officers.

Recycling and waste

It was confirmed that all newly built flats were directly added to the recycling service and that the Waste and Recycling team were embedding recycling for flats. However, there was a backlog of flats waiting for full recycling service, exacerbated by the delay in publication of The Government's Waste and Resources Strategy. The chair noted that officers had previously agreed to supply members with details of the backlog of properties in their ward. A written response would be provided with an update on the plans for the service being provided to all flats.

A committee member requested that provision of industrial-sized recycling bins for organisations, such as Reigate College, could be considered in the action plan.

It was confirmed that the Waste and Recycling team have secured CIL funding to introduce solar compacting bins in public locations and that consideration would be given to how best to direct residents on which bin to use for different streams of waste, to reduce contamination of recycling bins.

Greenspaces Strategy

The Greenspaces Strategy could not be undertaken until the Strategy Guidance document had been approved. Once the guidance has been approved, the Greenspaces Strategy would be started; more would be known early in 2024.

Improvements to Council buildings

In improving operational buildings, consideration must be given to how these buildings would be used in future; reviews would be undertaken and then infrastructure built to support the uses, which would take meticulous planning, to avoid the need for works to be revised if the building underwent a change of use.

A written response would be provided with an update on LED replacement roll out across Council buildings.

RESOLVED that the Committee:

- i. Noted the Environmental Sustainability Strategy Annual Progress Report at Annex 1 and made observations to the Executive.
- ii. Agreed to request Democratic Services (in consultation with the O&S Chair and relevant Head of Service) to prepare a scoping report looking at establishing a

Agenda Item 4

time limited Scrutiny Panel for the forthcoming Environmental Sustainability Strategy Review, to be considered at a future meeting.

Minute from Overview & Scrutiny Meeting on 7 September 2023

Quarter 1 2023/24 Performance Report

The Committee received reports on the Council's performance for the first quarter of 2023/24 including Key Performance Indicator (KPI) reporting, as well as revenue and budget monitoring. The reports were due to go to the Executive on 14 September 2023.

The Executive Member for Corporate Policy and Resources, Councillor James King, presented the Quarter 1 Performance Report 2023/24 covering the period April to June 2023.

Key Performance Indicators

Of the ten KPIs reported on, seven were on target or within agreed tolerances. Two KPIs were off target and outside of their tolerance: KPI 7 – Net affordable housing completions, and KPI 10 – Percentage of household waste recycled and composted. Although Affordable housing completions had not met their target within this quarter, the Council has already delivered 1,139 affordable units against the overall target of 1,100 affordable units set out in the 15 year plan. The percentage of household waste recycled or composted in the Borough was 51.9% against a target of 60%. This figure is reported one quarter in arrears and Q4 performance remained broadly in line with that of previous years. KPI 8 - Local Environmental Quality Survey was unable to be reported on during Q1, due to resourcing challenges.

Advance Questions

Several advance questions on the Key Performance Indicators had been submitted prior to the meeting. The advance questions and their responses can be viewed here:

[Document Advance Questions and Answers OS 7 September 2023 | Reigate and Banstead Borough Council \(moderngov.co.uk\)](#)

The Executive Member for Corporate Policy and Resources, Councillor James King, invited Members to ask questions on the Quarter 1 202/24 Performance Report provided in the agenda pack. In response, the following clarifications were provided:

KPI 3 – Staff turnover

It was confirmed that the level of staff turnover had reduced; It was expected that the level would remain below that of 2022/23, but it was noted that the employment market is very buoyant and competitive, and some fluctuation was to be expected. This authority strives to be an employer of choice.

KPI 5 – The % of positive homelessness prevention and relief outcomes

It was reported that the housing team assess all approaches for homelessness; certain criteria apply around those people presenting as homeless to the authority to assess their priority. There is a legal duty to assist certain people, who are given priority. For those the authority does not have a statutory duty to assist, the authority provides information to help source private sector accommodation, contact information for other authorities with which they have a local connection, contact information for Citizens Advice Reigate and Banstead, or CDA, who are a debt or organisation that the authority works with. Unfortunately, demand for housing exceeds supply. The Council

Agenda Item 6

was working as hard as it can on this issue and the resource in the Housing team was being increased.

The Housing team would supply a written answer detailing the number of local properties available for emergency accommodation and the intended number for the entire year.

KPI 2 – The % of Business Rates collected

It was confirmed that this data related to the percentage of all business rates which are due, as opposed to the potential business rates if all rateable properties were occupied. It was confirmed that the data on the potential business rates if all rateable properties were occupied was collated and would be shared as a written answer with committee members.

KPI 6 – Net housing completions and KPI 7 – Net affordable housing completions

It was commented that it was difficult to evaluate performance over one quarter for these KPIs and that it was helpful to look at the performance over the (local) plan period. The Leader confirmed that the Council is working hard to deliver as much affordable housing as possible in the Borough. Housing completion figures would be fluid over a twelve month period and the Council had no control over commercial factors but the Leader was confident that housing completion targets would be met over the fifteen year period. The Leader confirmed that the Local Plan targets were fixed, but that the Local Plan would be reviewed and renewed, which could provide opportunities to make changes.

Finance

The Deputy Leader and Executive Member for Finance, Governance, and Organisation, Councillor Lewanski, gave an overview of the Council's Revenue and Capital Budget position for Quarter 1 to 30 June 2023. For the first time, this report also included the Treasury Management Outturn Position for the previous year and an update on current year Quarter 1 treasury management activities.

Revenue Budget

At Quarter 1 the projected full year outturn is £22.52million against a management budget of £23.19million resulting in an underspend for the year of £0.670million (2.9%). Details of the more significant budget variances are set out as usual in the report; a positive variance of £0.632 for Treasury Management being the main driver. At this stage in the year there are no significant areas of concern, but further work is being carried out to look into the adverse variances.

Capital Programme

The full year Capital Programme forecast at the end of Q1 of £20.47million is 28% below the approved Programme for the year. The variance is as a result of £8.14million slippage.

The reason for the forecast slippage is primarily because of updated forecasts of the time required to deliver the larger programmes.

2023/24 capital spending plans were based on information available at the start of 2023 and, six months later, some timescales have been revised.

Agenda Item 6

Further information is provided by the scheme managers to explain the reasons for the significant areas of slippage in response to an advance question from O&S Members. This would be circulated after the meeting.

The balance of the £30.0 million that was previously approved for investment in Housing schemes remains available but not yet committed. This was not referenced in this report and the Portfolio holder confirmed that it will be included in future updates.

Treasury Management

Annex 4 sets out the outturn position for 2022/23. All activities were carried out within the limits specified in the Treasury Management Strategy for that year.

Annex 5 sets out the position for the current year to the end of June 2023. Once again, it confirms that treasury activities are in line with the Strategy that Council approved in July 2023 and that was reported to O&S and Executive in June 2023, following a Member briefing with the Council's treasury advisors Arlingclose.

The Deputy Leader and Executive Member for Finance, Governance, and Organisation, Councillor Lewanski, highlighted the question of why the Council has taken out short-term borrowing when it appears to have healthy investment balances. As explained in the Strategy, this is purely for cashflow management reasons. The Council needs to ensure that a minimum of £10 million in liquid assets is retained at all times and there was a period of time between March and July 2023 where day to day income streams were not keeping pace with expenditure, therefore access to additional short-term funds was required. This was primarily until the capital receipt for sale of the apartments at The Rise was received. In these circumstances the Council borrows from other public authorities for short periods of time at relatively low rates. The £35.7 million was received from the sale of The Rise on 4 August 2023.

The return on Council investments continues to outperform similar authorities and this is a key factor contributing to the favourable revenue budget outturn forecasts.

Members were asked to note that the report also sets out the current position with regard to the Council's non-treasury (company) investments. These investments were discussed in depth at the previous meeting of this Committee and the Portfolio Holder confirmed that there are no further updates to report at this stage, pending further reports to the Partner, Shareholder and Trustee Committee as new information becomes available.

Advance Questions

Several advance questions on the Revenue Budget, Capital Expenditure and Treasury Management updates had been submitted prior to the meeting. The advance questions and their responses can be viewed here:

[Document Advance Questions and Answers OS 7 September 2023 | Reigate and Banstead Borough Council \(moderngov.co.uk\)](https://www.moderngov.co.uk/Document-Advance-Questions-and-Answers-OS-7-September-2023-Reigate-and-Banstead-Borough-Council)

The Deputy Leader and Executive Member for Finance and Governance, Councillor Lewanski invited Members to ask questions and comment on the Quarter 1 2023/24 Performance Report provided in the agenda pack.

In response to the questions raised, the following clarifications were provided:

Agenda Item 6

Capital Programme

The Chief Finance Officer confirmed that the slippage of £0.423 million for Horley Public Realm Improvements – Phase 4 includes expenditure on projects for Delivering Change in Horley Town Centre.

The Chief Finance Officer also confirmed that there was a typographic error in para 23 of the report: as set out in Annex 3, the figure of £8.14 million is 28% below the approved Programme for the year, rather than the 2% reported at para 23.

The Chair noted that an update on The Rise, including an up to date budget outturn forecast from the programme manager, remained outstanding.

Treasury Management

In response to a question from a Committee Member, the Chief Finance Officer offered to circulate a written explanation of the treasury management benchmarks and their relevance.

Service Budgets

A written response would be provided to explain more detail about the forecast overspends in the IT and HR & OD budgets.

RESOLVED that the Overview & Scrutiny Committee:

- (i) Noted the Key Performance Indicator (KPI) performance for Q1 2023/24 as detailed in the report and in Annex 1 and made observations to the Executive;
- (ii) Noted the Revenue Budget and Capital Programme forecasts for Q1 2023/24 as detailed in the report and at Annexes 2 and 3 and made observations to the Executive;
- (iii) Noted the Prudential and Treasury Management Indicators and Treasury Management Outturn Report for 2022/23 at Annex 4 and the Quarter 1 Treasury Management Performance Update for 2023/24 at Annex 5 and made observations to the Executive;