

BOROUGH OF REIGATE AND BANSTEAD

EXECUTIVE

Minutes of a meeting of the Executive held at the New Council Chamber - Town Hall, Reigate on 20 June 2019 at 7.30 pm.

Present: Councillors M. A. Brunt (Leader), T. Schofield (Deputy Leader), T. Archer, R. H. Ashford, R. Biggs, N. J. Bramhall, A. C. J. Horwood and G. J. Knight.

Also present: Councillors R. Absalom, N. D. Harrison, S. A. Kulka and R. S. Turner.

12. MINUTES

RESOLVED that the minutes of the Executive meeting held on 30 May 2019 be approved as a correct record and signed.

13. APOLOGIES FOR ABSENCE

Executive Members: Councillor E. Humphreys and Councillor V.H. Lewanski.

Non-Executive Members: Councillor S. Walsh and Councillor C.T.H. Whinney.

14. DECLARATIONS OF INTEREST

None.

15. SUPPORTING OUR VOLUNTARY AND COMMUNITY SECTORS (VCS)

Councillor R.H. Ashford, Executive Member for Community Partnerships, introduced a report setting out the findings of a review on how the Council supported the Voluntary and Community Sector. It was noted that the intention was not to reduce funding but to increase the impact and value of the support provided.

As set out in the report, the Executive Member for Community Partnerships highlighted that the review had identified a number of opportunities to strengthen the Voluntary and Community Sector and its impact. It was noted that these included updating the financial support that was available, alongside a host of opportunities to regularise and enhance the non-financial support to the sector, with closer alignment to the Council's corporate priorities.

Councillor Ashford explained that the financial proposals, set out in the report before the Executive, would enable key partners to be supported through a new commissioning fund. In response to questions, it was noted that partners would be invited to enter into service level agreements with the Council, for up to 3 years. This would provide greater certainty for partners, which would enable them to focus on maximising and demonstrating the impact of funding provided by the Council.

In terms of proposals for a medium grants fund the Executive was informed that this would be the key source of financial support for most previously core funded organisations who were not moving to the commissioning fund.

In response to questions about the small grants fund, the Executive Member for Community Partnerships explained that this would place the onus on potential grant recipients to identify any unmet needs for residents and to demonstrate how small amounts of Council funding could help address these needs. It was noted that this fund, and the application process, would be piloted during 2019/20 and evaluated towards the end of the financial year to help inform arrangements for 2020/21 and beyond.

The Executive Member highlighted a number of opportunities in relation to non-financial support, including:

- Providing greater in kind support such as access to staff expertise or the use of Council meeting rooms;
- Improving understanding of the Voluntary and Community Sector's support needs; and
- Increasing skills based volunteering.

During the discussion a number of issues were considered in relation to working with Voluntary Action Reigate and Banstead and opportunities for increasing work experience placements for all ages.

RECOMMENDED that the **Officer Scheme of Delegation** in the Council's Constitution be amended to reflect the changes at Resolution 1 below by, replacing paragraph 2.8 (*"Determine applications for capital grants, including Local Area Capital Grants, and allocate core grant funding"*) and paragraph 2.9 (*"Approve Councillor Community Awards in accordance with the agreed criteria"*) with:

- (i) *"Determine applications for the small and medium sized grants fund on the basis of the financial limits and criteria determined by the Executive"*, with authority delegated to the Head of Service with responsibility for Voluntary Sector funding, in consultation with the Portfolio Holder with responsibility for the Voluntary Sector funding.
- (ii) *And "Enter into and manage service level agreements for commissioned VCS services on the basis of the financial limits and criteria determined by the Executive"*, with authority delegated to the Head of Service with responsibility for Voluntary Sector funding, in consultation with the Portfolio Holder with responsibility for Voluntary Sector funding.
- (iii) **Removing the Councillor Community Awards Scheme from the Constitution with effect from the 2019/20 Municipal year.**

RESOLVED that:

- (i) The Council's financial support arrangements for the Voluntary and Community Sectors (VCS) be replaced, on a cost neutral basis, with: (a) **A Small Grants Fund** of £45,000 from 2020/21 (£30,000 for 2019/20), offering grants of up to £2,000, based on the criteria for award set out at Appendix 2 to the Executive's report; (b) **A Medium Grants Fund** of £50,000 offering grants for expenditure from 2020/21 of £2,000 - £20,000, based on the criteria for award set out at Appendix 3 to the Executive's report; and (c) **A Commissioning Fund** of £285,000 for expenditure from 2020/21, targeted at some of our currently core funded VCS partners whose services are

- central to our corporate priorities, as set out in paragraphs 11 and 12 of the Executive's report and Table 11 of Appendix 1.
- (ii) The Head of Community Partnerships, in consultation with the Portfolio Holder with responsibility for Community Partnerships and other Executive Members and Heads of Service as appropriate, be authorised to strengthen the Council's offer of 'in kind support' to the VCS by: (a) Developing and introducing a policy for free / discounted use of Council meeting rooms; (b) Developing and introducing an employee volunteering policy, with an emphasis on skills based volunteering; and (c) Responding to specific in kind support requests from VCS partners.
 - (iii) The Head of Community Partnership's proposals to improve dialogue with the Council's VCS partners, set out in paragraph 16 of the Executive's report and paragraph 8.4 of Appendix 1, be endorsed.
 - (iv) The Head of Community Partnerships be authorised to implement proposals to increase skills based volunteering, amongst the business community, local residents and the Council's own workforce.
 - (v) The Head of Community Partnerships be authorised to raise public awareness of the activities of the Borough's VCS in order to give greater recognition of the value of volunteering to local residents.
 - (vi) The Head of Community Partnerships be authorised to undertake a programme of activities to assist with the development of the skills and performance of the Council's VCS partners.

Reason for decisions: To strengthen the Borough's VCS through partnership working with individual organisations and Voluntary Action Reigate and Banstead (VARB). To also encourage business and resident communities to strengthen the VCS through greater skills based volunteering.

Alternative options: To reject the findings from the VCS review and continue the previous approach to supporting the VCS, or to support implementation of only some of the reviews findings.

16. QUARTERLY PERFORMANCE REPORT (Q4 2018/19)

A report was submitted which presented the headline issues in relation to the Council's overall performance for the period up to the end of Quarter 4 (January to March) of 2018/19. It was noted that no new strategic risks had been identified during the quarter.

Councillor T. Schofield, Deputy Leader and Executive Member for Finance, highlighted that nine of the fifteen Key Performance Indicators (KPIs) were on target or within agreed tolerances for the period. In response to questions, Councillor Schofield explained KPIs 4-8 were contextual homelessness indicators, introduced to reflect changes required under the Homelessness Reduction Act (2017). It was noted that the performance in 2018/19 had influenced the targets set for 2019/20.

In relation to the number of affordable home completions, it was explained that KPI 3 was off target at the end of Quarter 4. It was noted that against a target of achieving 100 affordable home completions by the end of the year, 68 had been achieved. It was explained that achieving this target was heavily dependent on delivery across a few large sites. It was therefore recognised that this figure could change from quarter to quarter as affordable homes were often completed at these

sites in bulk. Councillor Schofield informed the Executive that at the end of Quarter 4 there were 55 affordable dwellings under construction and a further 5 commenced within the quarter. It was also highlighted that in the four financial years since 2014, when the Core Strategy was adopted (2014/15 - 2017/18), the delivery of affordable homes within the borough had averaged at just over 100 per year (407 in total).

It was highlighted that the report before the Executive had been considered by the Overview and Scrutiny Committee on the 6 June 2019. Councillor N.D. Harrison, Chair of the Overview and Scrutiny Committee, explained that the Committee had made several observations on the report. These had been captured in the minutes of the meeting. In addition, the Executive was informed that the Committee had made two recommendations which concerned key performance indicators. It was explained that the Committee had requested an opportunity to review the revised KPIs for 2020/21 before they were adopted and for affordable housing targets to be reported by type.

During the discussion a number of issues were considered with questions being answered by the Leader of the Council, Deputy Leader and Executive Member for Finance, the Executive Member for Community Partnerships, and the Executive Member for Housing and Benefits.

RESOLVED that:

- (i) The Council's performance for the fourth quarter of financial year 2018/19, outlined in the report of the Head of Projects and Performance, be noted
- (ii) The requests from the Overview and Scrutiny Committee (6 June 2019) that it had an opportunity to review Key Performance Indicators for service delivery for 2020/21 before they are adopted, and that affordable housing targets be reported by type, be accepted.

Reason for decision: To consider the performance for the fourth quarter of the financial year 2018/19.

Alternative options: None.

17. FIVE YEAR PLAN PERFORMANCE REPORT 2018/19

Councillor M.A. Brunt, Leader of the Council, introduced the report concerning the Council's performance against the Five Year Plan (2015-2020) priorities for the period 1 April 2018 to 31 March 2019. Councillor Brunt highlighted the positive progress made, outlined in Annex 1 of the report, and the Executive noted a number of achievements, under each of the plan's themes of People, Place and Organisation, including:

People

- Supporting residents to enjoy healthy and happy lifestyle, with the Council's Family Support programme going from strength to strength. It was highlighted that 96% of families, supported by the programme, had rated the service as 'good' or 'excellent'.
- The Wellbeing Prescription Service was noted as being the largest of its kind in the country.

- The work undertaken to support refugee resettlement through working directly with refugees to help them establish their new lives within the borough. It was highlighted that the Council had provided support in relation to developing skills and finding employment. It was noted that of the refugees resettled within Reigate and Banstead, 80% had entered, or were in the process of entering, the workforce.

Place

- The Council's continued support for local businesses and maintaining a healthy local economy. It was noted that the Council, in the past year, had provided grants to local businesses totalling £57,000.
- The healthy business environment was evidenced by Reigate and Banstead having the highest five year business survival rate within Surrey. Moreover, it was highlighted that in the latest Grant Thornton Vibrant Economy Index the borough was ranked 29th out of 324 local authority areas.
- The collection of the Community Infrastructure Levy. As set out in the report, more than £3.3 million had been collected since the adoption of the Levy in 2016. This went directly into developing local infrastructure for the local benefit of residents and businesses.

Organisation

- As set out in the report, property investment and development had been crucial to achieving the Council's ambition of achieving financial self-sufficiency. It was noted, during the past year, that a net income of £3.57 million had been achieved from the Council's investments, which had helped to protect valuable front line services.

During the discussion a variety of issues were considered in relation to the Council's Joint Enforcement Team and the importance of working in partnership with Surrey County Council, other local authorities and key partners on a range of other matters.

Councillor Brunt concluded by informing the Executive that a review of the Council's Five Year Corporate Plan was underway and that performance against the current Plan would be taken into account in developing the new Plan, including performance indicators.

RESOLVED that the positive progress against the Council's Five Year Plan (2015-2020) priorities, set out in the report of the Head of Projects and Performance, be noted.

Reason for decision: To receive the Five Year Plan progress for 2018/19.

Alternative options: None.

18. ANNUAL GOVERNANCE STATEMENT 2018/19

Councillor T. Schofield, Deputy Leader and Executive Member for Finance, explained that the Council was required to publish an annual statement on its

corporate governance arrangements as part of the Council's annual Statement of Accounts.

It was noted that statutory regulations recommended that the body charged with overall responsibility for governance within the Council (in this case the Executive) should review and endorse the statement prior to its formal signature by the Leader of the Council and the Chief Executive.

A statement for the year ended 31 March 2019 was presented to the Executive as an Annex to the report. This was based on the following sources of evidence:

- Annual Internal Auditor Report;
- External Audit and Inspection Reports;
- Issues identified from the Council's Risk Registers; and
- Annual assurance statements signed by the Management Team that confirmed that the Council had achieved 'best value' and had complied with all relevant legislation, regulations and codes of practice.

The statement included reference to the independent opinions of the Council's internal and external auditors, which provided considerable assurance in respect of the Council's governance arrangements. These also identified some enhancements to the framework of risk management, governance and internal control that would ensure that it remained adequate and effective.

Overall the Council was confident that it had good governance arrangements in place to ensure that resources were directed toward identified priorities which in turn would seek to ensure continued value for money.

The Executive recognised that there was always room for improvement but overall the control and governance framework had been judged to be sound by all who examined it.

RESOLVED that the Annual Governance Statement, set out in Annex 1 to the report of the Head of Finance and Assets, be endorsed.

Reason for decision: To consider the Council's Annual Governance Statement before it was included within the annual Statement of Accounts.

Alternative options: To reject or amend the contents of the statement.

19. PROVISIONAL OUTTURN REPORT 2018/19

Councillor T. Schofield, Deputy Leader and Executive Member for Finance, introduced the report and advised the Executive of the provisional revenue and capital expenditure for 2018/19.

The Executive was informed that the capital programme had progressed well in 2018/19 with a lower underspend than recent years of £3.29 million or 8% compared to original forecasts. In response to questions, Councillor Schofield highlighted that significant progress had been delivered across a number of major projects which had supported strategic objectives, including Marketfield Way. It was

also noted that the Council had invested in additional commercial properties in order to achieve sustainable new income sources as well as maintaining operational assets, including play areas and car parks.

In terms of the revenue budget, Councillor Schofield explained that the outcome for 2018/19 was a favourable variance of £1.6 million or 9% compared to original forecasts. It was noted that income receipts had been particularly buoyant. For example, recycle prices had been higher than expected, membership of the Garden Waste scheme had continued to increase, investment in the Council's property portfolio had resulted in new income streams, while planning fee income was higher than originally forecast. Councillor Schofield also explained that borrowing costs had been lower compared to the forecasts and that there were budget savings due to staff vacancies as new management structures were implemented. In response to questions, the Executive was informed that the main cost pressures during the year related to the continued requirement to buy in external legal services and a slightly lower than expected benefit subsidy from Government.

The report also confirmed the outturn position for the Headroom Contingency Budget. It was highlighted that this had taken into account the one-off charge to the accounts that had been necessary to resolve long-standing bank reconciliation balances. In response to questions, it was explained that details relating to this transaction would be reported to the Executive in July 2019 when the statement of accounts for the year were presented, following completion of the audit.

Councillor Schofield explained that the proposed use of the revenue underspend, to establish two new earmarked reserves, had been set out in paragraph 11 of the report. The Executive was informed that the first would help fund new posts which were being established across the Council during 2019/20 to support the delivery of corporate priorities. The second, to be overseen by the new Commercial Ventures Sub Committee, would be used to fund feasibility studies for new commercial initiatives to help ensure businesses cases were robust.

In terms of Treasury Management, it was noted that the report presented the outturn position for treasury activities and confirmed that the Council had complied with treasury policies previously approved. It was noted that this formed part of the formal reporting requirements of the CIPFA Code of Practice on Treasury Management.

The Overview and Scrutiny Committee considered the report on 6 June 2019. The Deputy Leader and Executive Member for Finance thanked the Committee for its questions, observations and comments. The suggestions put forward by the Committee were welcomed by the Executive and it was noted that these had been fully captured in the minutes from the meeting.

Councillor Schofield concluded by stating that despite the challenges, at a time when many local authorities were making cuts and selling off assets, that the Council would continue to be ambitious and would continue to deliver excellent services to residents.

RECOMMENDED that the 2018/19 prudential and treasury indicators, set out in the Annual Treasury Management report at Annex 3 of the report to the Executive from the Head of Finance and Assets, be approved.

RESOLVED that:

- (i) The provisional revenue and capital outturn position for 2018/19 be noted; and
- (ii) The use of reserves proposed in paragraph 11 of the report to the Executive be endorsed and the Head of Finance and Assets be authorised to make the necessary arrangements.

Reason for decisions: To advise Members of the revenue and capital expenditure for 2018/19, to seek authorisation for the proposed changes to reserves and to comply with the Council's reporting requirements in relation to Treasury Management activity.

Alternative options: To amend, or reject, the proposals to adjust reserves as set out in the report.

20. DEBT WRITE OFF & RECOVERY

Councillor T. Schofield, Deputy Leader and Executive Member for Finance, proposed that the Executive write off three debts. This proposal followed all possible action to recover these amounts.

Councillor Schofield stated that the Council took debt recovery very seriously, that it would work with individuals and companies in difficulty to bring things to a satisfactory conclusion, but that all legal tools would be used to recover the debt until it became impossible or uneconomic to do so.

It was also emphasised that write off was essentially an accounting process to protect the Council against mis-statement of the accounts and that in all cases it was only recommended when all possible avenues had been exhausted. If further information was received or if the circumstances surrounding the debts changed then they would be pursued again.

In response to questions, the Executive was informed that the three debts totalled just under £20,000. Of these debts, and as set out in the report, two related to Business Rates and one related to a Benefits Overpayment.

The Executive noted that despite the proposed write offs, Reigate and Banstead remained a very high performing Council in terms of debt recovery. In support of this, Members were advised that the impact of debt write-off on the Council was a fraction of the total amount incurred. In addition, the Executive Member highlighted that the Council had one of the very best recovery teams in the country.

RESOLVED that:

- (i) Three debts totalling £19,947.88 (as detailed in Annex 1 of the Executive's report) be approved for writing out of the Council's accounts; and
- (ii) The performance on debt recovery for the 2018/19 financial year be noted.

Reason for decision: Two of the debts related to National Non Domestic Rates, and one related to Housing Benefits overpayments. All possible action had been taken to recover these amounts and approval was sought to technically write them out of the accounts.

Alternative options: To accept the report, but ask Officers to provide more detail on specific issues contained in the report.

21. PROPERTY ACQUISITIONS

There was no business to be considered under this agenda item.

22. STATEMENTS

None.

23. ANY OTHER URGENT BUSINESS

None.

24. EXEMPT BUSINESS

There was no exempt business to be considered.

25. PROPERTY ACQUISITIONS (EXEMPT)

There was no exempt business to be considered under this agenda item.

The Meeting closed at 8.23 pm