

BOROUGH OF REIGATE AND BANSTEAD

EXECUTIVE

Minutes of a meeting of the Executive held as a Remote Meeting on 28 July 2020 at 7.30 pm.

Present: Councillors M. A. Brunt (Leader), T. Schofield (Deputy Leader), R. H. Ashford, R. Biggs, N. J. Bramhall, A. C. J. Horwood, E. Humphreys and V. H. Lewanski.

Also present: Councillors M. S. Blacker, J. C. S. Essex, N. D. Harrison, S. A. Kulka, S. McKenna, R. Ritter and S. Sinden.

20. MINUTES

RESOLVED that the minutes of the meeting of the Executive held on 25 June 2020, be approved.

21. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Archer and Councillor Knight.

22. DECLARATIONS OF INTEREST

There were none.

23. ENVIRONMENTAL SUSTAINABILITY

The Executive Member for Neighbourhood Services, Councillor Bramhall, described how the Environmental Sustainability Strategy committed the Council to undertake activities across three themes:

- Energy and carbon
- Low impact consumption – (the consumption of natural resources); and
- Biodiversity and the natural environment

The themes were then translated into actions which would help the Council, and the borough, become more environmentally sustainable, and to move toward a reduction in net carbon emissions.

Councillor Bramhall cautioned that the Council's continuing response to the Covid-19 emergency (and any future waves) may impact on the staff or financial resources available to deliver the action plan, which would be regularly reviewed. The emergency also presented an opportunity to change the way people live and work, and those opportunities would be further explored as part of the Council's recovery work. Additional resources would be required to deliver the Strategy and initial provision had already been made in the 2020/21 budget.

Councillor Bramhall stressed that contextually, as a second tier authority, there were limits to the powers that were available to generate change. Therefore, it was important that the Council continued to work closely with Surrey County Council and the other Surrey boroughs and districts to agree a jointly owned action plan, which

would enable the best use of the powers and resources that were available, and provide a stronger voice to lobby for more.

Progress in delivering the Environmental Sustainability Strategy would be reported annually to the Overview & Scrutiny Committee, and the established cross-party task group would continue to review progress.

The Leader of the Council, Councillor Brunt, commended the Strategy and emphasised that it set out the ambition of the Council, and reaffirmed the need for urgent action on climate change and environmental sustainability issues, as previously identified in the Corporate Plan.

In response to questions and observations from Visiting Members, Executive Members explained that:

- The Council was already demonstrating its commitment to environmental sustainability through, for example, working with partners in relation to the Green Homes Initiative, the local cycling plan, the introduction of electric vehicles; and the recruitment of a dedicated resource to drive the delivery of the strategy
- A climate conference would be a meaningful engagement opportunity in the future and resident feedback was already being sought via the Surrey Greener Futures tool
- The Council would continue to seek external funding opportunities
- Subject to clarification from Officers, the notes of the cross-party task group would be made available on the Council's website
- Whilst some Councils had declared a climate emergency, they may not have a strategy or action plan to achieve change
- Training on environmental sustainability would be provided for Planning Committee Members
- A written response to a query about the funding of Reigate Baths would be provided to Councillor Sinden.

RESOLVED that:

1. That the Executive recognises the need for urgent action on climate change and environmental sustainability issues
2. That the Environmental Sustainability Strategy (Annex 1) and accompanying action plan and performance measures (Annexes 2 and 3) be approved for publication and implementation
3. That the Head of Corporate Policy be authorised, in consultation with the Portfolio Holder for Neighbourhood Services, to make any additional minor amendments to the Environmental Sustainability Strategy to ensure factual accuracy and clarity prior to publication
4. That the Executive agrees to continue with the cross-party member task group to review and feed back on the implementation of the Environmental Sustainability Strategy, and that progress in delivering the strategy will be reported annually.
5. That the Executive supports the overall approach within the recently adopted Surrey County Council Climate Change Strategy and commits to continue to work with the County Council and other Surrey boroughs and districts to

develop a jointly owned action plan and achieve shared climate change objectives.

Reason for decision:

Approval of the Environmental Sustainability Strategy reflects the Council's recognition of the need for urgent action on climate change and environmental sustainability issues and explains how it will focus its activities and resources to deliver positive progress towards achieving national targets. To deliver its climate change and environmental objectives the Council will need to work closely with a range of partners, including Surrey County Council and other Surrey boroughs and districts.

Alternative options: As set out in the report, and decision notice.

24. TREASURY MANAGEMENT OUTTURN REPORT 2019/20

Councillor Schofield, Executive Member for Finance and Deputy Leader of the Council, reported that with one exception, the Council had complied with its legislative and regulatory requirements. The exception related to the year-end when the Government paid over tens of millions of pounds in emergency funding to the Council at short notice as part of the national COVID-19 pandemic response. It had not been possible to spread those funds across a range of banks and financial institutions to ensure compliance with the limits set out in the Treasury Management Strategy. Councillor Schofield explained that this was now being resolved, through opening additional accounts with new institutions to spread the counterparty risk. Overall, the report showed that the Council's treasury management activity for the last year had been robust, and complied with the limits that had previously been approved.

In response to questions and observations from Visiting Members, Executive Members explained that:

- Each commercial opportunity explored by the Council would continue to take account of statutory guidance on Minimum Revenue Provision (MRP) and the Council's own MRP Policy
- Loans to subsidiaries, to date, had been made from internal borrowing
- The interim Head of Finance would provide a clarification briefing note on the company loans and Minimum Revenue Provision, to those Members present, after the meeting.

Resolved to Recommend to Council:

- 1. To note the Treasury Management Performance for 2019/20;**
- 2. To approve the outturn against the 2019/20 Prudential and Treasury Management Indicators and the Annual Treasury Management Report (Annex 1).**

Reason for decision:

Compliance with the requirements of the regulatory framework for treasury management.

Alternative options: As set out in the report, and decision notice.

25. MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26

Councillor Schofield, Executive Member for Finance and Deputy Leader of the Council, introduced the report and explained that local government continued to face a challenging financial situation. Government funding was set to reduce further, and the Council was continually challenged to find new ways to make more efficient use of existing resources whilst at the same time seeking new sustainable income streams.

The Government had not provided clarity of the timing for many of the proposed funding changes, and there was a further delay due to the COVID-19 pandemic. The Council would, however, continue to plan for the future, and had started budget preparations for next year despite the competing demands of responding to the COVID-19 crisis and the additional uncertainty it represented.

The Medium-Term Financial Plan provided a detailed initial assessment of the information that would be used for budget setting for 2021/22 onwards. It included a five-year forecast for the budget gap that would emerge if action was not taken to reduce costs or increase income. Work was underway with Officers to develop the detailed budget proposals for consideration by the Executive in November.

Councillor Schofield explained that Members of Overview & Scrutiny Committee would be invited to provide feedback on how to address the forecast revenue budget challenge for 2020/21 onward, which would be then be considered in the preparation of budget proposals.

In response to questions and observations from Visiting Members, Executive Members explained that:

- Each project or initiative to deliver the Environmental Sustainability Strategy, including any capital funding, would be considered as part of the service and financial planning process for 2020/21
- The Plan confirms when borrowing will be necessary to fund the approved capital programme, and that the Council would continue to seek new forms of income generation to mitigate the revenue budget challenges identified in the Plan
- The budget allocation relating to Preston Regeneration, as shown on page 138, would be clarified by the interim Head of Finance, for those Members present, after the meeting.

RESOLVED that the Medium-Term Financial Plan be adopted as the framework for the budget elements of service and financial planning for 2021/22 onwards.

Reason for decision:

The Council is required to set a budget by 11 March each year. This report and the associated documents will support this obligation for 2021/22.

Alternative options: As set out in the report, and decision notice.

26. CAPITAL INVESTMENT STRATEGY 2021/22

Councillor Schofield, Executive Member for Finance and Deputy Leader of the Council presented the Capital Investment Strategy 2021/22. The Strategy described how the Council's capital decisions took account of stewardship, value for money, prudence, sustainability, and affordability. This was the second year since the requirement to publish a Strategy had been introduced, and it now included more detailed information about the assets owned by the Council, how they were used and how they were performing. It also included information about the new assets that the Council was planning to invest in and how they would be funded.

The Strategy reflected the outcome of the work that had been carried out over the past year to further develop the Council's approach to capital and commercial investment, which was overseen by the Commercial Ventures Executive Sub-Committee, and Officer Board.

Councillor Schofield affirmed that further work would be undertaken on future capital investment plans as part of the 2020/21 service & financial planning process.

In response to questions and observations from Visiting Members, Councillor Schofield explained that:

- To date no external borrowing had been necessary to acquire existing buildings, and the guidance on Minimum Revenue Provision would apply to any new borrowing
- Whilst the gross yield on buildings was stated in the Strategy, the interim Head of Finance would provide an update on the net yield to Members present, after the meeting
- The proposed changes to the availability of Public Works Loan Board funding will be taken account of, when confirmed

The Leader of the Council thanked the Executive Member for Finance; and commended the detailed work produced by the interim Head of Finance, her team, and the property services team in preparing the Strategy.

RESOLVED That the Capital Investment Strategy be adopted as the framework for the capital programme elements of service and financial planning for 2021/22 onwards.

Reason for decision:

The Council is required to set a budget by 11 March each year. This report and the associated documents will support this obligation for 2021/22.

Alternative options: As set out in the report, and decision notice.

27. STATEMENTS

There were none.

28. ANY OTHER URGENT BUSINESS

There was none.

29. EXEMPT BUSINESS

There was none.

The Meeting closed at 8.52 pm