

BOROUGH OF REIGATE AND BANSTEAD

EXECUTIVE

Minutes of a meeting of the Executive held remotely on 25 March 2021 at 7.30 pm.

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

Also present: Councillors M. S. Blacker, J. C. S. Essex, S. A. Kulka, S. McKenna and S. T. Walsh.

72. MINUTES

RESOLVED that the minutes of the meeting of the Executive held on 28 January 2021 be approved.

73. APOLOGIES FOR ABSENCE

There were no apologies for absence received from Members of the Executive. Apologies of absence were received from Visiting Members Councillor Harrison and Councillor Ritter.

74. DECLARATIONS OF INTEREST

There were none.

75. CLIMATE CHANGE AND SUSTAINABLE CONSTRUCTION SUPPLEMENTARY PLANNING DOCUMENT FOR CONSULTATION

The Executive Member for Planning Policy and Place Delivery, Councillor Biggs, introduced the report by explaining that the draft Climate Change and Sustainable Construction Supplementary Planning Document had been prepared to demonstrate how developments can meet various sustainability requirements in the Development Management Plan.

Councillor Biggs explained that the Supplementary Planning Document:

- Will demonstrate what the Council expects from developers in relation to the sustainability requirements
- Will result in the adoption of a uniform and standardised approach which will help planning officers to assess the acceptability of proposed sustainability measures
- Had been prepared with input from the Council's Sustainability Project Officer and Surrey County Council's Climate Change Project Manager
- Had also been reviewed by the Development Management Advisory Group and the cross-party sustainability working group before being sent to all members for comment. Comments received had been incorporated in the draft document.

During the discussion, it was confirmed that advice from the Monitoring Officer would be sought on the consultation period. It was also confirmed that the document would be available in alternative languages.

In response to questions from a Visiting Member it was confirmed that the Planning Department would work with the Communications Department to ensure that the consultation would have a broad reach to encourage engagement with the consultation, and that the Executive Member for Planning Policy and Place Delivery would provide a written response in answer to a question about writing to the Secretary of State to outline that the Council would like all developments to meet the sustainability requirements in the Supplementary Planning Document.

RESOLVED:

1. To approve the draft Climate Change and Sustainable Construction Supplementary Planning Document for public consultation, and to begin the consultation at a time specified by the Monitoring Officer.
2. That the Head of Planning in consultation with the Executive Member for Planning Policy, be authorised to make any necessary minor amendments to the draft Climate Change and Sustainable Construction Supplementary Planning Document prior to consultation.

76. WILDLIFE FRIENDLY PUBLIC SPACES

The Executive Member for Neighbourhood Services, Councillor Bramhall, explained that the report provided an update on progress towards the achievement of the objectives of the wildlife friendly open spaces motion tabled at Council in September 2019.

Councillor Bramhall highlighted that:

- Support of the motion had been in response to a motion passed by Surrey County Council in July 2019 which sought improvement to the management of verges for the benefit of wildlife
- The report gave progress on initiatives implemented since the motion was passed
- It remained necessary to be aware of cost and other implications which could arise due to future alterations to the Council's environmental management practices
- Officers were investigating means to extend the scope of improvements. Further discussions would take place with the County Council to agree the future focus and funding arrangements. A further update would be provided at an appropriate point in the future.
- The Council was engaging with members of the public, and the Earlswood Common Management Steering Group were due to bring forward a management plan for Earlswood Common.

In response to questions from Visiting Members, it was confirmed that:

- The Council was working closely with Surrey County Council to achieve the aims of the motion. Within the past year, great strides forward had been made.
- There was a need to carefully consider the frequency of grass cutting so that it was clear to residents that it was a conscious effort to improve biodiversity. There were also financial implications in reducing the frequency of grass cutting due to additional specialist machinery being required to undertake the

operation. The regime agreed with Surrey County Council was for four cuts a year for verges, and this was reduced in the areas listed in the report.

- Some species of weed can only be removed through the use of glyphosate.
- Future update reports would include details about the cost of the work being undertaken.

Councillor Bramhall explained that Officers were knowledgeable and concerned about the biodiversity in the Borough. This was evidenced by the good work they had done, including giving a clear steer to enable good decision making.

RESOLVED:

To note progress made towards the achievement of the aims set out in the September 2019 motion relating to wildlife friendly public spaces.

77. LEE STREET DEVELOPMENT

The Executive Member for Housing and Support, Councillor Knight, explained that the Lee Street Development was needed to help house single people. The Council had been assisting a greater number of single people since the introduction of the Homelessness Reduction Act in 2018.

The Lee Street scheme had secured planning permission and a tender exercise had been completed in November 2020. However, higher than anticipated construction costs resulted in a budget shortfall. A budget increase was therefore sought to progress the project to completion. This would be funded initially through the allocation of additional Section 106 funds, pending an application of grant funding from Homes England.

Councillor Knight explained that the Lee Street scheme would make use of underused Council land and would deliver affordable housing for local single people. He thanked Executive Members and Officers for their support for the project.

The Leader of the Council, Councillor Brunt, explained the importance of the project and the desire to progress it.

RESOLVED:

1. To approve the updated Capital Programme scheme cost of £850,389 and the allocation of £190,000 additional funding to the scheme (through the further allocation of Section 106 funds pending confirmation of Homes England grant funding).
2. That the Head of Housing be authorised, in consultation with the
 - Head of Finance
 - Head of Legal and Governance
 - Executive Member for Housing & Benefits
 - Executive Member for Finance & Deputy Leader
 - Executive Member for Investment & Companies

- a) To enter into a contract to build with the recommended contractor subject to costs falling within the revised capital budget as detailed in the exempt report in Part 2 of the agenda.
 - b) To appoint and enter into contracts (as required) with any remaining consultants or suppliers, including entering into collateral warranties to allow the contract to progress to completion.
 - c) To allocate and spend any capital grant allocated by Homes England for the scheme to the approved budget.
3. The Head of Housing be authorised in consultation with the:
- Head of Legal and Governance
 - Executive Member for Housing & Benefits
 - Executive Member for Finance & Deputy Leader
 - Executive Member for Investment & Companies
- a) To appoint and enter into contracts (as required) with any inspectoral bodies or warranty providers (i.e. NHBC/LABC)
 - b) To enter into any Easements, Licences, Covenants, or Wayleaves as required on the development
 - c) Complete Party Wall agreements as required on the development

78. TREASURY MANAGEMENT STRATEGY 2021/2022

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, introduced the report which set out the draft Treasury Management Strategy for 2021/22. The purpose of the Strategy was to guide all Treasury Management activity for 2021/22.

Councillor Schofield provided a summary of the four main sections contained in the Strategy:

- The introduction set out the background in terms of regulations and guidance and the functions and definitions of Treasury Management;
- The Capital Prudential Indicators confirmed the financial implications of the Council's expenditure plans, which were aligned with the Capital Programme previously agreed by the Executive, the Capital Financing Requirement, anticipated Borrowing Profile and recommended Minimum Revenue Provision Policy;
- The Borrowing section set out how the Council planned to fund approved capital projects and made recommendations on the required borrowing limits to manage these activities, and;
- The Treasury Investment Strategy which was focussed on counterparty security, keeping the Council's money safe and ensuring the Council took full advantage of appropriate investment opportunities in accordance with the risk profile.

A Panel of Members drawn from the Audit Committee and the Overview and Scrutiny Committee had met with the Council's Treasury advisors to discuss the underlying drivers for the Strategy and raise questions on the contents.

The Vice-Chairman of the Overview and Scrutiny Committee, Councillor Walsh, explained that the Committee had received and considered the Strategy and received a summary document which outlined changes in the Minimum Revenue

Provision Policy, a reduction in the Operational Boundary for borrowing, and expectations of continuing lower bank rates forecasts. The Committee:

- Noted that the level of spending on investments and regeneration in 2020/21 had been delayed. This delay had impacted on the level of borrowing required in the current year.
- Noted that the counterparty limits were to be increased to reflect the need to hold significant additional funds that were being received from government on a temporary basis during the COVID-19 pandemic.
- Had no further observations or recommendations

In response to a question from a Visiting Member it was confirmed that capital receipts reflect income the Council receives for the disposal of capital assets.

RECOMMENDED to Council for approval:

- 1. Treasury Management Strategy Statement 2021/22**
- 2. Prudential Indicators 2021/22**
- 3. Minimum Revenue Provision Statement 2021/22**
- 4. Borrowing Limits Provision Statement 2021/22**

79. DEBT WRITE OFF AND RECOVERY 2020/21

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, introduced the report which recommended the write-off of 22 debts valued at £170,288. He explained that all possible recovery action had been taken in each case.

Councillor Schofield, explained that:

- The Council took debt recovery very seriously. The Council continued to use all the tools the law allowed to recover debt until it became impossible, unlawful or uneconomic to do so
- The impact on the Council when forced to give up on a council tax or business rate debt was a fraction of the total amount
- Write-off of debts was an accounting process and a book-keeping requirement to protect the Council against misstatement of the accounts
- The Council remained high performing in regard to debt recovery. The write-offs recommended in the report represented less than one percent of the Council's annual budget.

In response to a question from a Visiting Member, it was confirmed that two cases related to a benefits overpayment that could not be recovered.

RESOLVED:

That twenty two irrecoverable debts totalling £170,288.71 (as detailed in annex 1 of the report) be written out of the Council's accounts.

80. QUARTER 3 2020/21 PERFORMANCE REPORT

The Executive Member for Corporate Policy and Resources, Councillor Lewanski, introduced a report which outlined the Council's performance up to the end of Quarter 3 and proposed key performance indicators for 2021/22.

Of the ten indicators in Quarter 3, nine were on target or within the agreed tolerance. One indicator, KPI7, which tracks the number of affordable housing completions, was red rated. Councillor Lewanski explained that the impact of covid-19 on construction weighed on performance. However, looking at longer term trends, overall performance in affordable housing completions was on track, and 265 affordable housing units were under construction at the end of the Quarter.

Councillor Lewanski noted that the report proposed the roll forward of the Key Performance Indicators for next year with two proposed for removal. The Overview and Scrutiny Committee had considered the proposed Key Performance Indicators and requested that the removal of KPI12 'Movement in investment income as a % of the Council's budget' be reconsidered.

The Vice-Chairman of the Overview and Scrutiny Committee, Councillor Walsh, confirmed that the Committee had received and reviewed the Quarter 3 report and the proposed Key Performance Indicators, and that the Committee considered KPI12 an important measure for the Council. The Committee requested that it should continue to be reported.

In response, Councillor Lewanski proposed the following recommendation in addition to those contained in the report:

That the Executive delegates responsibility to agree the approach to KPI 12 in 2021/22 to the Portfolio Holder for Corporate Policy & Resources, in consultation with the Portfolio Holder for Finance and Governance, the Portfolio Holder for Investment and Companies, and the Chair of the Overview and Scrutiny Committee.

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, presented the Council's Revenue and Capital Budget position for Quarter 3.

Councillor Schofield explained that the details of the significant budget variances and the details of individual scheme variances in the Capital Programme were set out in the report.

The main area of concern was the impact of the covid-19 pandemic. The situation was continuing to be monitored closely and the Council had more clarity on the extent to which Government would help fund the extra costs incurred and reimburse the Council for income losses. Confidence had increased that there would not be a significant financial burden to be funded by the Council in 2020/21. However, the picture for 2021/22 remained uncertain. The longer-term impacts on council tax and business rates income streams were likely to be confirmed well into the next financial year.

Councillor Schofield confirmed that the Council would do everything possible to minimise the impact.

Councillor Walsh confirmed that the Overview and Scrutiny Committee had noted the forecast of a satisfactory outturn, and that, in relation to covid-19, the net forecast impact for 2020/21 was cost neutral, taking into account covid-19 grant funding, although accurate forecasting remained challenging. It was also noted that

not all the expenditure charged to the Feasibility Studies (Commercial Ventures) Reserve seemed to be related to commercial ventures, but included some broader capital projects.

The Leader of the Council, Councillor Brunt, thanked Members and Officers for their hard work in monitoring the impact of covid-19 and for providing information which had been valuable in enabling clear decisions to be made. The Leader also thanked the Overview and Scrutiny Committee for their work in scrutinising the performance.

RESOLVED:

1. To note the Key Performance Indicator performance for Q3 2020/21 as detailed in the report and annex 1
2. To approve the Key Performance Indicators to be reported on for 2021/22 as detailed in annex 1.1
3. To note the Revenue budget performance for Q3 2020/21 as detailed in the report and at annex 2
4. To note the Capital Programme performance for Q3 2020/21 as detailed in the report and at annex 3.
5. That the Executive delegates responsibility to agree the approach to KPI 12 in 2021/22 to the Portfolio Holder for Corporate Policy & Resources, in consultation with the Portfolio Holder for Finance and Governance, the Portfolio Holder for Investment and Companies, and the Chair of the Overview and Scrutiny Committee.

81. STRATEGIC RISKS - 2021/22

The Executive Member for Corporate Policy and Resources, Councillor Lewanski, introduced the report by explaining that strategic risks were those risks that had an impact on the medium to long term ambitions and priorities of the Council as set out in the Corporate Plan and Medium Term Financial Plan. Annex 1 to the report detailed the proposed strategic risks for 2021/22.

There were two key differences from the 2020/21 strategic risk register:

- SR1 – Brexit was recommended for closure in the Quarter 3 2020/21 risk management report.
- SR4 – Partner public sector funding decisions. It was expected that this risk would be recommended for closure in the Quarter 4 2020/21 risk management report.

Councillor Lewanski explained that the Audit Committee considered the report at its meeting on 11 March and made no formal observations or recommendations to the Executive.

In response to a question from a Visiting Member it was confirmed that the residual risk around the UK leaving the European Union was proposed for inclusion under economic prosperity risks.

A Visiting Member expressed concern around SR11 reform of planning and the potential impact on affordable housing in the Borough. The Leader acknowledged this concern, which the Executive shared, and confirmed that the Council had been clear about the risk to affordable housing provision in response to the Government's white paper.

RESOLVED:

To approve the strategic risks for 2021/22 as detailed in annex 1 of the report.

82. RISK MANAGEMENT - QUARTER 3 2020/21

The Executive Member for Corporate Policy and Resources, Councillor Lewanski, introduced the report which provided an update on risk management in Quarter 3 of 2020/21.

Annex 1 of the report provided an update on strategic risks. There were no new strategic risks identified in Quarter 3. The strategic risk on Brexit (SR1) was recommended for closure. There was one red rated operational risk the details of which were in the exempt part 2 annex.

Councillor Lewanski explained that the Audit Committee had considered the report at its meeting on 11 March and made no formal observations or recommendations to the Executive.

The Leader of the Council, Councillor Brunt, commented that risk management was regularly discussed between Executive Members, Directors and Service Managers.

RESOLVED:

1. To note the Q3 update on risk management provided by the report and associated annexes.
2. Approve the closure of the strategic risk on Brexit (SR1) as detailed in the report and in annex 2.

83. OVERVIEW AND SCRUTINY PROPOSED WORK PROGRAMME 2021/22

The Leader of the Council, Councillor Brunt, invited the Vice-Chairman of the Overview and Scrutiny Committee, Councillor Walsh, to introduce the Committee's proposed Work Programme for 2021/22.

Councillor Walsh explained that the Committee had reviewed the Work Programme and had resolved:

- That the planned Scrutiny Panels would include a Budget Scrutiny Panel in December 2021 and a Commercial Strategy Scrutiny Panel. The Local Plan Scrutiny Panel would be constituted if required.
- That two Member requests for be included on the work programme.
 - i) Representatives from Raven Housing Trust would be invited to attend a meeting of the Overview and Scrutiny Committee and ii) any forthcoming Leisure Strategy for the Council would be scrutinised by the Committee.

Councillor Walsh explained that Members of the Overview and Scrutiny Committee at its meeting on 18 March had additionally asked to scrutinise the ICT Strategy in response to changing working practices due to the COVID-19 pandemic. The Committee wanted to understand what future hybrid ICT working arrangements would mean for officers and Members, what improvements would be made to benefit residents, the resilience of the Council's ICT systems and the costs, challenges and risks associated with remote working.

Councillor Brunt proposed an additional recommendation that the wording on Work Programme in relation to the proposed scrutiny of ICT Strategy would be agreed by the Leader of the Council and the Chairman of Overview and Scrutiny.

RECOMMENDED to Council:

- 1. That the proposed Work Programme for 2021/22 as set out in the report and summarised in Annex 1, with the addition of reviews of the Leisure Strategy and a review of future hybrid working arrangements for Officers and Members and future IT provision, following their inclusion on the work programme at the Overview and Scrutiny Committee on 18 March 2021, be approved.**

RESOLVED:

2. That the wording of the proposed review of future hybrid working arrangements for Officers and Members and future IT provision on the Work Programme would be agreed by the Leader of the Council in consultation with the Chairman of Overview and Scrutiny in accordance with Overview and Scrutiny Procedure rule 5.7.1.

84. STATEMENTS

There were none.

85. ANY OTHER URGENT BUSINESS

There was none.

86. EXEMPT BUSINESS - TO CONSIDER THE EXEMPT REPORT TO ITEM 6 - LEE STREET DEVELOPMENT

There was none.

The Meeting closed at 8.57 pm