



Reigate and Banstead Borough Council Statement of Decisions made at a meeting of the Executive on Thursday, 16 December 2021

Published: 20 December 2021

The following decisions were made by the Executive at its meeting on **Thursday, 16 December 2021**. These decisions will come into force on **30 December 2021**. A decision by the Executive may be called-in (in accordance with Procedure Rule 5.14 of the Council's Constitution) by **29 December 2021**. Should you have any queries about any decision that has been made, contact should be made in the first instance to Democratic Services at democratic@reigate-banstead.gov.uk. Any declaration of interest made by any member of the Executive is shown below.

	Item	Reason for Decision:	Alternative options:	Lead officer:
4	<p>Observations of the Overview and Scrutiny Committee on the Budget Proposals for 2022/23</p> <p>RESOLVED to note the following observations from the Overview and Scrutiny Committee in response to the Service and Financial Planning 2022/23 report:</p> <ol style="list-style-type: none"> 1) The national and local policy context and significant uncertainties at this stage of the budget-setting process were noted. 2) The Service and Financial Planning 2022/23 report forecasts a budget gap of over £700k. In the light of this and given that assumptions and individual budgets were to be reconsidered following the December Government financial settlement announcement, the Committee did not draw a conclusion on the overall Budget proposals for 2022/23. 3) The Committee requested that the final Service and Financial Planning 2022/23 report to Executive on 27 January to be an agenda item for discussion at Overview and Scrutiny Committee on 20 January. 	<p>To take account of the views of the Overview and Scrutiny Committee on their consideration of Service and Financial Planning for 2022/23.</p>	<p>Option 1: Accept the report and note the comments of the Overview and Scrutiny Committee (Recommended); or</p> <p>Option 2: Request that the Overview and Scrutiny Committee undertake additional scrutiny of all or part of the service and financial plans for 2022/23.</p>	<p>Interim Head of Finance</p>

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	<p>4) The Committee considered the explanations in the Budget report for year on year changes in the budget and found the following to be achievable, realistic and based on sound financial practices and reasonable assumptions, subject to the outstanding matters set out in (i) and (ii):</p> <ol style="list-style-type: none"> a. Medium Term Financial Plan Summary b. Revenue Budget Savings and additional income proposals totalling £0.566m c. Revenue Budget Growth proposals totalling £0.567m d. Forecast ongoing income budget pressures in 2022/23 onwards as a consequence of the COVID-19 pandemic totalling £1.3m e. Revenue Reserve Balances as of 1 April 2021 of £41.738 <p>5) The Committee reviewed savings proposals in service delivery: to pause the Medium Grants and Small Grants scheme, to withdraw the taxi voucher scheme and to reduce the Borough News publication to a single issue a year, and asked they be reconsidered.</p> <p>6) The Committee expressed concerns about recent inflationary pressures with short term inflation well above the Bank of England 2% target which would put unbudgeted upward pressure on the cost of goods and services and on staff costs/pay demands.</p> <p>7) In relation to potential future cost savings the Committee supported initiatives to:</p> <ul style="list-style-type: none"> • Assess the potential reduction of office space reflecting the impact of hybrid working. • Implement joint working with the boroughs and districts in East Surrey to share costs and improve services. <p>The Committee asked these initiatives to be accelerated.</p> <p>8) The Committee recommended that the need to fill vacant headcount positions be reconsidered (currently 22 full-time equivalent staff (FTE) equating to £1m salary and on-costs). These vacancies had been confirmed as part of the Service and Financial Planning reconciliation of HR establishment records and service budgets for all services.</p> <p>9) Implementation of the Council's Commercial Strategy was vital to meeting budget gaps in future years, as Government funding is further reduced. Part 2 of the</p>			

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	<p>Commercial Strategy report was an agenda item at Overview and Scrutiny Committee on 9 December and due to be approved by Executive on 16 December. At this stage the Committee noted that no substantial additional commercial income from investments was included in the current 2022/23 budget.</p> <p>10) The Committee noted that the Executive intends to come forward with a Financial Sustainability Plan to be integrated with the Medium-Term Financial Plan (MTFP) in Quarter 1 2022/23</p>			

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5	<p>Commercial Strategy - Part 2</p> <p>RESOLVED that the Executive approves the Commercial Strategy Part 2.</p>	<p>Having an approved Commercial Strategy will ensure that the Council takes commercial decisions in a clear, consistent and effective way, and in a manner consistent with corporate objectives and its statutory responsibility to promote economic, environmental and social wellbeing in the borough.</p>	<p>Option 1: Approve the Commercial Strategy Part 2 appended at Annex 1. This option is recommended. Having an up-to-date strategy in place will ensure clarity and transparency about what the Council is seeking to achieve through its commercial activity and the processes in place to achieve this.</p> <p>Option 2: Request amendments to the Commercial Strategy Part 2 appended at Annex 1 before it is approved. This option is not recommended. The strategy at Annex 1 has been subject to consultation with the CVESC and the Commercial Scrutiny Panel, as well as the Overview & Scrutiny Committee; and further delay may constrain or delay the ability of the Council to progress its activity in this area.</p> <p>Option 3: Do not approve the Commercial Strategy Part 2. This option is not recommended. The Executive has previously agreed that a Part 2 should be developed, and further delay may constrain or delay the Council's ability to progress commercial activity, which will impact on the longer-term financial sustainability of the Council.</p>	<p>Head of Paid Service</p>

	Item	Reason for Decision:	Alternative options:	Lead officer:
6	<p>Treasury Management Mid-Year Report 2021/22</p> <p>RESOLVED to note the Treasury Management Performance for the year to date and the updated prudential indicators, and to RECOMMEND to Council to note.</p>	<p>This report confirms compliance with the requirements of the regulatory framework for treasury management. The Council is required to receive and approve, as a minimum, three treasury reports each year, which incorporate relevant policies, estimates and actuals:</p> <ol style="list-style-type: none"> 1) Prudential and Treasury Indicators and Treasury Strategy – sets the framework for treasury management activities in the following financial year. <ul style="list-style-type: none"> • The Treasury Management Strategy and Performance Indicators for 2021/22 were previously approved by Council on the 8 April 2021. 2) Half-Year Treasury Management Report – updates Members on the current borrowing and investment position, whilst amending prudential indicators and revising policies where necessary. <ul style="list-style-type: none"> • This report. 3) Annual Treasury Management Outturn Report – a backward-looking review focussing on the previous year's performance. <ul style="list-style-type: none"> • The outturn report for 2020/21 was reported to Executive on 16 September 2021 and approved by Council on 23 September 2021. It was also reported to Audit Committee on 28 September 2021. It was re-submitted to the Audit Committee on 25 November 2021 and included the previously outstanding information at Section 6 of the Outturn Report. 	<p>Option 1: Note the report and recommend its approval by Council.</p> <p>Option 2: Note the report but ask officers to provide more detail on specific issues contained in the report before it can be submitted to Council for approval.</p> <p>Option 3: Reject the report. This would result in non-compliance with the Treasury Management Code of practice and associated regulations.</p> <p>The Executive was asked to approve Option 1.</p>	<p>Interim Head of Finance</p>

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7	<p>Quarter 2 Performance Report 2021/22</p> <p>RESOLVED to:</p> <ol style="list-style-type: none"> 1. Note Key performance Indicator performance for Q2 2021/22 as detailed in the report and in Annex 1; 2. Note the Budget Monitoring forecasts for Q2 2021/22 as detailed in the report and at Annexes 2 and 3. 	<p>For the Council's performance to be reviewed and for appropriate KPI reporting and budget monitoring arrangements to be in place.</p>	<p>Option 1: Note the Q2 2021/22 KPI and budget performance and make no observations/comments to the Head of Corporate Policy, Projects and Business Assurance and/or Head of Finance.</p> <p>Option 2: Note the Q2 2021/22 KPI and budget performance and make any observations/comments to the Head of Corporate Policy, Projects and Business Assurance and/or Head of Finance.</p>	<p>Interim Head of Finance</p>

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8	Risk Management - Quarter 2 2021/22 RESOLVED to note the Q2 update on risk management provided by the report and associated annexes.	The Executive's constitutional responsibilities require the regular receipt of updates on risk management.	Option 1: Note this report.	Head of Corporate Policy