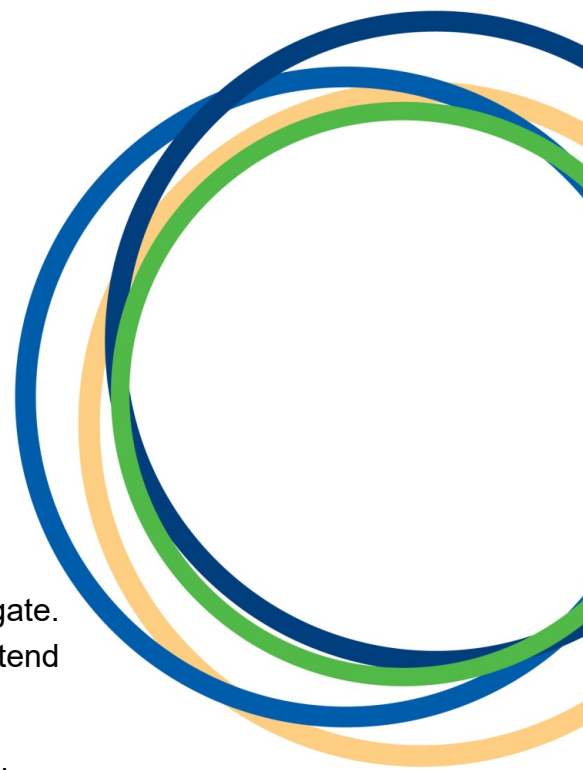


Agenda

Council



Thursday, 30 March 2023 at 7.30 pm

New Council Chamber, Town Hall, Reigate



Members will assemble at the Town Hall, Reigate. Members of the public and Officers may attend remotely.



Members of the public may observe the proceedings live on the Council's [website](#).

Members of Reigate and Banstead Borough Council are respectfully summoned to attend a meeting of the Borough Council on Thursday, 30 March 2023 at 7.30 pm.

Prior to the commencement of the meeting, prayers will be said by the Mayor's Chaplain

Mari Roberts-Wood
Managing Director

For enquiries regarding this agenda;

Contact: 01737 276182

Email: democratic@reigate-banstead.gov.uk

Published 22 March 2023

Reigate & Banstead
BOROUGH COUNCIL
Banstead | Horley | Redhill | Reigate

1. Minutes (Pages 5 - 12)

To sign the Minutes of the meeting of the Council held on 9 February 2023.

2. Apologies for absence

To receive any apologies for absence.

3. Declarations of interest

To receive any declarations of interest.

4. Urgent business

To consider any urgent business.

5. Public questions

To consider any questions received from members of the public **TO FOLLOW**
under Council Procedure Rule 2.14.

6. Questions by Members

To consider any questions received from Members of the Council **TO FOLLOW**
under Council Procedure Rule 2.15.

7. Recommendations

To receive and consider the recommendations of the Council's Executive, Committees and Sub-Committees for decision, **TO FOLLOW**
including:

Executive meeting held on 23 March 2023:

- Risk Management Strategy 2023/24 – 2025/26
Related Committee agenda, reports and minutes are available [here](#).
- Quarter 3 2022/23 performance Report
Related Committee agenda, reports and minutes are available [here](#).
- Council Chamber IT upgrade
Related Committee agenda, reports and minutes are available [here](#).

8. Statements

To receive any statement from the Leader of the Council, Members of the Executive, Chairmen of Committees or the Managing Director.

9. Overview & Scrutiny Committee Annual Report 2022/23 (Pages 13 - 26)

To receive the Annual Report of the Overview & Scrutiny Committee for 2022/23.

10. Overview and Scrutiny Committee Work Programme 2023/24 (Pages 27 - 36)

To agree an Overview and Scrutiny Work Programme for 2023/24.

11. Audit Committee Annual Report 2022/23 (Pages 37 - 52)

To receive the Audit Committee Annual Report for 2022/23.

12. Leader's announcements

To receive any announcements by the Leader of the Council.

13. Constitution Updates

To receive two reports on updates to the Constitution.

a) **Audit Committee and Overview & Scrutiny Revised Terms of Reference** (Pages 53 - 60)

b) **Request to change the Constitution to allow Executive Members to sit on the Planning Committee** **TO FOLLOW**

14. Mayor's announcements

To receive any announcements from the Mayor.



Our meetings

As we would all appreciate, our meetings will be conducted in a spirit of mutual respect and trust, working together for the benefit of our Community and the Council, and in accordance with our Member Code of Conduct. Courtesy will be shown to all those taking part.



Streaming of meetings

Meetings are broadcast live on the internet and are available to view online for six months. A recording is retained for six years after the meeting. In attending any meeting, you are recognising that you may be filmed and consent to the live stream being broadcast online, and available for others to view.



Accessibility

The Council's agenda and minutes are provided in English. However, the Council also embraces its duty to anticipate the need to provide documents in different formats, such as audio, large print or in other languages. The Council will provide such formats where a need is identified prior to publication or on request.



Notice is given of the intention to hold any part of this meeting in private for consideration of any reports containing "exempt" information, which will be marked accordingly.

Minutes of a meeting of the **Council** held at the **New Council Chamber - Town Hall, Reigate** on **Thursday, 9 February 2023 at 7.30 pm.**

Present: Councillors F. Kelly (Mayor) and M. A. Brunt (Leader); R. Absalom (Deputy Mayor), T. Schofield (Deputy Leader), G. Adamson, T. Archer, R. H. Ashford, H. Avery, J. Baker, R. Biggs, M. S. Blacker, N. J. Bramhall, J. S. Bray, G. Buttironi, P. Chandler, V. Chester, Z. Cooper, J. C. S. Essex, P. Harp, R. Harper, N. D. Harrison, G. Hinton, J. Hudson, A. King, J. P. King, S. A. Kulka, V. H. Lewanski, S. McKenna, R. Michalowski, N. C. Moses, C. M. Neame, S. Parnall, A. Proudfoot, R. Ritter, S. Sinden, C. Stevens, M. Tary, D. Torra, R. S. Turner and S. T. Walsh

Attended remotely: Councillors J. Booton

56 Minutes

RESOLVED that the Minutes of the Full Council meeting held on 1 December 2022 be approved as a correct record and signed.

57 Apologies for absence

Apologies for absence were received from Councillors Elbourne, Humphreys, Sachdeva and Thompson.

58 Declarations of interest

There were no declarations of interest.

59 Urgent business

There was no urgent business.

60 Public questions

Jemma De Vincenzo asked a question about the regulation and maintenance of property standards for social housing within the borough. A response was given by Councillor Caroline Neame, Executive Member for Housing and Support.

Note: For more information on responses to Council questions, please see this page on the Council's website:

<https://reigate-banstead.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13798>

Agenda Item 1

Council, Thursday, 9th February, 2023

61 Questions by Members

7 questions on notice were asked, and responses were given as follows:

Question by	To be answered by	Subject
Councillor Ritter	Councillor Ashford, the Executive Member for Community Partnership Support	Resident use of Community Partnership Support
Councillor Kulka	Councillor Schofield, Deputy Leader, and Executive Member for Finance & Governance	Voter ID Publicity
Councillor Essex	Councillor Schofield, Deputy Leader, and Executive Member for Finance & Governance	Pre-payment Meters
Councillor Torra	Councillor Bramhall, Executive Member for Neighbourhood Services	Pedestrian Zones in Redhill Town Centre
Councillor Booton	Councillor Bramhall, Executive Member for Neighbourhood Services	Benches on Earlswood Common
Councillor Chandler	Councillor Bramhall, Executive Member for Neighbourhood Services	Electric Vehicles as part of the RBBC Fleet
Councillor McKenna	Councillor Biggs, Executive Member for Planning Policy, and Place Delivery	National Planning Framework Consultation

Note: For more information on responses to Council questions, please see this page on the Council's website:

<https://reigate-banstead.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13797>

62 Recommendations

The Council received recommendations arising from the Executive meetings held on 15 December 2022 and 26 January 2023, relating to:

- (i) Treasury Management Mid-Year Report 2022/23 (Executive minute 50);
- (ii) Budget and Capital Programme 2023/24 (Executive minute 57);
- (iii) Council Tax setting 2023/24 (Executive minute 58); and,
- (iv) Calendar of Meetings for 2023/24 (Executive minute 61).

(i) Minute 50, Treasury Mid-Year Report 2022/23

RESOLVED that the recommendations of the Executive, from its meeting on 15 December 2022, in respect of minute 50 (Treasury Management Mid-Year Report 2022/23) be adopted.

(ii) Minute 57, Budget and Capital Programme 2023/24

The Leader of the Council, Councillor Brunt, moved the recommendations and in doing so commended the work of the officers and Members who contributed to it, including the Overview and Scrutiny Committee and Budget Scrutiny Panel.

The Deputy Leader & Executive Member for Finance and Governance, Councillor Schofield, seconded the original recommendations, and reserved the right to speak.

Members' discussion of the [original recommendations of the Executive on 26th January 2023](#) included the following considerations:

- The Budget Scrutiny Panel concluded that the revenue budget savings, the additional income and the cost increases were achievable, realistic and based on sound financial practices and reasonable assumptions.
- The revenue and capital budget proposals for 2023/24 sought net service budget growth of £0.271m to reflect unavoidable growth (e.g. inflation, legislative change or increased demand on services) of £0.442m, funding risks relating to property voids and energy cost pressures of £1.35m, and planned investment in the Council's IT Strategy of £0.493m. This growth was offset by the proposed savings of £0.828m and additional income generation of £1.186m. Further income was expected to be generated from the 2023/24 municipal year as a result of the completion of the Rise development in Marketfield Way.
- Although the proposed savings were not expected to have a significant impact on service scope or quality, some reductions were proposed in the grants and funding to voluntary organisations. There was concern about the impact on residents of reducing funding for voluntary organisations.
- A Government settlement in December 2022 provided a new minimum funding guarantee to provide an extra 5% in core spending power, plus increased new homes bonus. The net result has been a £1.9m reduction in the use of

Agenda Item 1

Council, Thursday, 9th February, 2023

earmarked reserves to balance the budget. Earmarked reserves of £0.5m was allocated to support the IT Strategy, and £0.5m to fund the net deficit on Housing Benefit Subsidy where government grant funding did not meet the Council's legal obligations.

- In relation to the council tax and business rates, with higher collection rates than anticipated during the pandemic, it had been possible to release surpluses from the Collection Fund accounts. Council tax setting for 2023/24 was recommended to increase by 2.99%, however acknowledging that the 1% increase in Council Tax was not anticipated when drafting the budget, and recognising the ongoing financial challenges facing residents, the Council had established an 'Economic Pressures Reserve' of £0.150m to provide extra discretionary support to those who needed it.
- The Pay Award for 2023/24 was commended as a fair and practical approach which achieved balance with ongoing budget pressures.
- Some Members sought additional funding for the Council's environmental sustainability strategy, roll-out of recycling scheme, greenspaces management plans, and the provision of social housing and affordable homes; and therefore, sought to move an amendment.

Councillor Chandler proposed, and Councillor Essex seconded, an amendment to recommendations iii (revenue budget requirement), iv (service budget growth), vi (revenue reserves), and vii (capital programme).

The amendments sought additional funding growth in the revenue and capital programme for 2023/24, as listed within the [Notice of Amendment published with the addendum on 7th February 2023](#), to support the delivery of:

- a Community Support Programme to increase support for households in fuel poverty.
- The Council's Environmental Sustainability Strategy.
- The roll-out of the Council's recycling scheme to all properties in the borough.
- The establishment of a new Empty Homes Officer to deliver the conversion of empty homes into housing for social rent.
- Improved Countryside and Biodiversity Management, town centre and street environments, and social housing developments.

Members' discussion of the amendment included the following considerations:

- Whether the additional funding arising from:
 - the additional 1% increase in the Council Tax setting for 2023/24 (proposed at 2.99% in total); and,
 - the government settlement in December 2022 –

Agenda Item 1

Council, Thursday, 9th February, 2023

- should be used to deliver the objectives outlined within the amendment instead of following the original recommendations, which sought to allocate surplus funds to the revenue reserves.
- The Council continued to manage an ongoing funding shortfall with the use of its reserves to balance the annual budget. The amendment would commit the Council to drawing an additional £0.5m annually from its reserves, at a time when the Council, through its Financial Sustainability Programme, was seeking to find savings and efficiencies to reduce its reliance on reserves to balance the budget.
- Whilst there was not consensus in support of the amendment as a whole, some Members did support elements of the amendment, including the proposals to:
 - strengthen countryside management and biodiversity.
 - accelerate progress to complete the scheme to roll-out a full recycling service across the borough.
 - continue funding support for local charities and voluntary organisations.
 - introduce food waste bins.
- The Executive contended that the amended recommendations relating to countryside management and biodiversity were addressed by the original recommendations, insofar that:
 - funding for a replacement Countryside Officer was already provided, and that a recruitment process to fill that vacancy was in progress.
 - The Countryside Officer would support a revised Greenspaces Strategy and greenspaces management plans in consultation with local communities and interest groups.
- The amended recommendation in respect of funding a Town Centre Manager post to improve the day-to-day management of the borough's town centres was considered to be a duplication of the work already undertaken by the borough's business guilds and liaison meetings with stakeholders such as Horley Town Council.

The Mayor called upon the Managing Director to conduct a recorded vote on the amendment to the recommendations of Executive Minute 57 (Budget and Capital Programme 2023/24) as within the addendum, and voting was recorded as follows:

For: Councillors Chandler, Chester, Essex, Kulka, McKenna, Proudfoot, Ritter, Sinden, and Torra.

Against: Councillors Absalom, Archer, Ashford, Avery, Baker, Biggs, Blacker, Bramhall, Bray, Brunt, Buttironi, Cooper, Harper, Harrison, Hinton, Hudson, A. King, J. King, Lewanski, Michalowski, Moses, Neame, Parnall, Schofield, Stevens, Tary, Turner, and Walsh.

Abstain: Councillors Adamson, Harp, and Kelly (the Mayor).

Agenda Item 1

Council, Thursday, 9th February, 2023

The Mayor declared the amendment lost. Accordingly, the original recommendations, as moved, were voted upon and voting was recorded as follows:

For: Councillors Absalom, Adamson, Archer, Ashford, Avery, Baker, Biggs, Blacker, Bramhall, Bray, Brunt, Buttironi, Cooper, Harp, Harper, Harrison, Hinton, Hudson, A. King, J. King, Lewanski, Michalowski, Moses, Neame, Parnall, Schofield, Stevens, Tary, Turner, and Walsh.

Against: Councillors Chandler, Chester, Essex, Kulka, McKenna, Proudfoot, Ritter, Sinden, and Torra.

Abstain: Councillor Kelly (the Mayor).

The Mayor declared that the original recommendations were adopted.

At 10:05pm the meeting was adjourned for ten minutes for a comfort break. At the resumption of the meeting at 10:18pm, the Council **RESOLVED** in accordance with Council Procedure Rule 2.6.2 of the Constitution to continue the meeting after 10:30pm so that all of the business on the agenda could be completed.

(iii) Minute 58 (Council Tax Setting 2023/24)

The Mayor called upon the Managing Director to conduct a recorded vote on the recommendation under Executive Minute 58 (Council Tax Setting 2023/24), which was recorded as follows:

For: Councillors Absalom, Adamson, Archer, Ashford, Avery, Baker, Biggs, Blacker, Bramhall, Bray, Brunt, Buttironi, Cooper, Essex, Harp, Harper, Harrison, Hinton, Hudson, A. King, J. King, Kulka, Lewanski, McKenna, Michalowski, Moses, Neame, Parnall, Proudfoot, Ritter, Schofield, Sinden, Stevens, Tary, Torra, Turner, and Walsh.

Against: Councillor Chandler.

Abstain: Councillors Chester and Kelly (the Mayor).

(iv) Minute 61, Calendar of Meetings for 2023/24

RESOLVED that the recommendation of the Executive, from its meeting on 15 December 2022, in respect of minute 61 (Calendar of Meetings for 2023/24) be adopted.

63 Statements

The Council received a statement from Councillor Biggs, Executive Member for Planning Policy and Place Delivery, about a statutory public consultation by Natural England in relation to the Surrey Hills Area of Outstanding Natural Beauty (AONB).

The consultation run for 14 weeks, starting on 7th March 2023. The Council was a statutory consultee under Section 83 of the Countryside and Rights of Way Act 2000, however Natural England had extended the consultation to other stakeholders, including local parish councils, partnership members, businesses, landowners, community organisations, recreational interest groups, and the wider public.

Further details would follow about how the public could participate in the consultation, such as webinars, stakeholder events and in-person drop-in sessions at accessible venues hosted by Natural England.

Councillor Biggs also updated the Council about 'The Rise', a new commercial and residential development in central Redhill, which was nearing completion and was expected to open on 15th March 2023. The development included a variety of leisure facilities including a cinema, shops, restaurants, and bars.

64 Pay Policy for 2023/24

The Managing Director presented the report on the adoption of the Pay Policy Statement for 2023/24 in accordance with the requirements of the Localism Act 2011.

The statement set out the Council's existing approach to pay and included details of the highest and lowest earners and the relationship between the two.

The pay policy statement was required to be approved by the Council in advance of the following financial year and, to ensure transparency, it was required to be published on the Council's website.

The statement reaffirmed the Council's ongoing commitment to paying a fair and Real Living Wage to all employees and workers, above national minimum wage levels.

The recommendation set out in the report was moved by Councillor Lewanski, as Chair of the Employment Committee, and seconded by Councillor Schofield.

RESOLVED that the Pay Policy Statement for 2023/24 be approved.

65 Report of the Independent Remuneration Panel on Members' Allowances for 2023/24

The report of the Independent Remuneration Panel (IRP) and Parish Remuneration Panel (PRP) set out recommendations for the Members' Allowances Schemes for Reigate and Banstead Borough Council; and, Horley Town Council and Salfords and Sidlow Parish Council respectively.

The Leader of the Council, Councillor Brunt, moved an amendment to recommendations 1 and 3 of the IRP's report, which sought to lower the increase to the basic allowance proposed by the IRP to 2.99%, in line with Council Tax increase

Agenda Item 1

Council, Thursday, 9th February, 2023

adopted for 2023/24, and to freeze the Leader's special responsibility allowance with no increase from the 2022/23 rate.

RESOLVED to adopt the amended recommendations within the officer's report.

66 Constitution update: Governance Task Group

RESOLVED to adopt the recommendations within the officer's report.

67 Leader's announcements

RESOLVED to adopt the recommendations within the officer's report.

68 Mayor's announcements

The Mayor gave thanks to Andy Nash and his team at the Belfry Shopping Centre in Redhill. Over the festive season the shopping centre had facilitated fundraising opportunities for numerous local charities and helped them to raise thousands of pounds.

The annual Poppy Appeal for Remembrance Day in November raised £18,000 in donations to support the Mayor's charities (SASH and The Include Project). The event was held at the Belfry Centre in Redhill and was supported by many other local charities including Stripey Stork, Renewed Hope, Autism All Stars, The Lucy Rayner Trust, Home Start, The Orpheus Centre Trust, Active Prospects, Sight for Surrey and The Children's Trust.

The Mayor also congratulated the cast, staff, and the volunteers for the Cinderella Pantomime performance and production at the Harlequin Theatre in Redhill, which raised £2,157.80 for the Mayor's chosen charities.

Friday 27 January marked Holocaust Memorial Day. The Mayor lit a candle in memory of all those killed in the holocaust and other genocides in Bosnia, Cambodia, Darfur and Rwanda.

The Mayor attended a business guild event held at the Town Hall during the previous evening and commended the work of the borough's Business Guilds in promoting the borough's towns as vibrant places to live and work, including organising events such as the Christmas Fayre and Town Christmas Lights in Reigate.

The Mayor sought support on behalf of SASH, which supported East Surrey Hospital, for a project to repair some of the old benches on the hospital grounds which were in poor condition, and in doing so, called for people with DIY skills who would be able to refurbish some of these benches to get in touch with the Mayor's Office for further details.

The meeting finished at 10.39 pm



Signed off by	Head of Legal and Governance
Author	Marie Crabtree, Democratic Services Officer
Telephone	01737 276657
Email	marie.crabtree@reigate-banstead.gov.uk
To	Overview and Scrutiny Committee, Thursday 16 March 2023
Date	Thursday, 16 March 2023
Executive Member	Councillor Nick Harrison, Chair of Overview & Scrutiny

Key Decision Required	N
Wards Affected	(All Wards);

Subject	Overview and Scrutiny Annual Report 2022/23
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Recommendations	
<ul style="list-style-type: none"> (i) That the Annual Report of the Overview and Scrutiny Committee for this year be noted and recommended to Council. (ii) That any additional observations be made to Council on 30 March 2023. 	

Reasons for Recommendations	
<p>The Overview and Scrutiny Committee serves as a critical friend to the Council and Executive. Holding an authority's decision-makers to account is important to the successful functioning of local democracy, governance, and leadership. Effective scrutiny helps secure the efficient delivery of public services and drives improvements. The Annual Report of the Committee provides a summary of the work of the Committee during 2022/23 to Full Council for approval at its meeting on 30 March 2023.</p>	

Agenda Item 9

Executive Summary

The Overview and Scrutiny Committee and its Scrutiny Panels examine whether Council services and policies are being delivered in the most efficient and effective way possible, and whether they are meeting the needs of local residents, businesses and users of Council services.

There are strong performance management arrangements in place and the Overview and Scrutiny Committee receives management information quarterly.

The Annual Report of the Committee provides a summary of the work of the Committee in 2022/23 to the Council. This report therefore supports awareness of the role and actions of the Committee by the Council.

The above recommendations are subject to approval by Full Council.

Statutory Powers

1. The requirement for local authorities in England to establish overview and scrutiny committees is set out in sections 9F to 9FI of the Local Government Act 2000, as amended by the Localism Act 2011. The functions of the Committee are set out in the Council's Constitution and in the terms of reference of the Committee.

Background

2. This Annual Report 2022/23 of the Overview and Scrutiny Committee sets out the work of the Committee in 2022/23. Membership and attendance information for the year is set out in Annex 1. The Committee's Annual Work Programme 2023/24 is set out in a separate report to the Committee for consideration by Executive on 23 March and approval by Full Council on 30 March.

Annual Report

3. This report reflects the work of the Committee as the Council continued the recovery work from the COVID-19 global pandemic emergency and the increasing cost of living pressures to support the borough's residents and keep services operating. The Committee scrutinised this fast-changing programme of work through updates to Committee meetings throughout the year.
4. This year, the Overview and Scrutiny Committee saw a return to meetings in person held in the New Council Chamber, Town Hall. One planned meeting was cancelled as it was scheduled for 8 September 2022, the day that Her Majesty the Queen died. The business from this meeting was largely carried forward to the following meeting on 13 October, however, an additional meeting was held on 9 November to accommodate the remainder of this business. The full Committee met eight times on 16 June 2022, 14 July 2022, 13 October 2022, 9 November, 8 December 2022, 19

January 2023, 23 February 2023 and 16 March 2023. A Budget Scrutiny Panel was constituted and completed their work and recommendations in 2022/23.

Holding the Executive to Account

5. Executive Members, the Managing Director, Directors, and Officers supported the Committee's scrutiny activities and attended meetings of the Committee throughout the year. Executive Portfolio Holders and Officers attended and supported the Budget Scrutiny Panel.
6. The Committee held the Leader and Executive Members to account through:
 - The attendance of the Leader, the Deputy Leader and Portfolio Holders at the Committee or its Panels to explain how the Executive proposed to deliver its plans and strategies;
 - Portfolio Holders presenting and reporting on their work and objectives for each of their service areas and responding to questions from the Committee;
 - Considering a number of proposed Executive decisions and providing commentary and recommendations to the Executive where judged appropriate.

Leader's Updates

7. Councillor Brunt, Leader of the Council, provided a briefing on the work of the Council at the Committee meeting in October 2022. The Leader briefed the Committee on Council initiatives and projects, future challenges and engagement between the Executive and the Overview and Scrutiny Committee including leadership updates on the Financial Sustainability Plan, progress on the Marketfield Way development, Cromwell Road housing development, a £4million investment agreement for emergency and short-term local accommodation, the development of a new Leisure & Culture Strategy, an update on the work of the Refugee Support Team with both Ukranian and Syrian refugees, cost of living support and continuing work on environmental sustainability. The Leader's update scheduled for March 2023 has been postponed until June 2023.

Executive Member Objectives and Updates

8. Executive Members presented the work and objectives of their service areas to the Committee under the three corporate themes of Organisation, People and Place.

Organisation Executive Updates – 9 November

9. Councillor Schofield, Deputy Leader and Portfolio Holder for Finance and Governance, gave an overview of Finance and Governance service areas. This included updates on Service and Financial Planning, continuing COVID-19 budget impacts, Medium-Term Financial Plan 2022/23 to 2024/25, the preparation of a new Procurement & Contract Management Strategy, and the introduction of Voter ID.

Agenda Item 9

10. Councillor Archer, Portfolio Holder for Investment and Companies, gave an oversight of the Council's commercial agenda, investments and companies, commercial strategy and other work overseen by the Commercial Ventures Executive Sub-Committee. This included updates on the Marketfield Way (The Rise) development and making effective use of Council owned assets.
11. Councillor Lewanski, Portfolio Holder for Corporate Policy and Resources, provided a briefing on Council's Performance Management, Corporate Policy, ICT, Organisational Development and HR, Legal and Customer Contact areas. This included the IT Strategy, approved by Executive on 24 March 2022, the new draft HR & OS Strategy and the continuing work of the Data Insight Team

People Executive Member Updates – 19 January

12. In January, the Committee received a briefing from the People Portfolio Holders on the People service areas.
13. Councillor Neame, Portfolio Holder for Housing & Support, gave an overview of the work on the Housing Delivery Strategy, housing support, homelessness as well as the work of Family Support, Money Support and Refugee Settlement teams and the work of Housing Benefits and Fraud.
14. Councillor Sachdeva, Portfolio Holder for Leisure & Culture gave an overview of Leisure Centres and Leisure Strategy as well as the Harlequin. The new Leisure & Culture Strategy would be delivered early in 2023, aiming to reduce the level of funding required by The Harlequin by increasing its revenue streams.
15. Councillor Ashford, Portfolio Holder for Community Partnerships, gave an update on community and voluntary work as well as an update on the progress of the three Community Centres in Banstead, Woodhatch and Horley and the Council's response to cost of living pressures.

Place Executive Member Updates – 16 March

16. In March 2023 the Committee received briefings from the three Place Portfolio Holders on the Place service areas.
17. Councillor Biggs, Portfolio Holder for Planning Policy and Place Delivery, provided an update to the Committee, on the Council's work within the Planning Policy and Local Plan, CIL, Transport, Building Control and Place Projects & Delivery.
18. Councillor Humphreys, Portfolio Holder for Economic Prosperity, provided a briefing on the Council's ongoing work to support local businesses.
19. Councillor Bramhall, Portfolio Holder for Neighbourhood Services, gave an update on her portfolio areas which included Environmental Health, Licensing, Waste and Recycling, Greenspaces, Fleet management and Cleansing services.

20. The Committee welcomed the opportunity to examine in detail the work of Executive Portfolio Holders, to test the relationship of this work to the Council's corporate objectives and to scrutinise the performance of the Council's services.

Annual Community Safety Partnership Scrutiny – 'Crime and Disorder'

21. On 23 February, the Committee held an annual meeting as part of its scrutiny responsibilities under the Crime and Disorder Reduction Act 1998 and the Anti-Social Behaviour, Crime and Policing Act 2014. Councillor Ashford, Portfolio Holder for Community Partnerships gave an overview of the Council's work with Surrey Police and Surrey County Council over the last year.
22. The Surrey Police Borough Commander for Reigate and Banstead, Inspector Alex Macguire attended as a key community safety partner.
23. Michelle Blunsom, CEO of East Surrey Domestic Abuse Services, attended as a key community safety partner.
24. The Committee questioned the speakers on a wide range of community safety issues such as tackling domestic abuse, the issuing of Community Protection Notices, the specialist Proactive Team, anti-social behaviour, and exploring current activity areas and priority concerns.

Performance Monitoring

25. The Committee continued to monitor the Council's performance. This included reviewing the following information:
 - Service Performance Management (quarterly)
 - Key Performance Indicators (KPIs) (quarterly)
 - Revenue and Capital Management (quarterly)
 - Budget Monitoring (quarterly)
 - Update on the Corporate Plan 2020-25 (Reigate and Banstead 2025 Annual Report 2021/22).
 - Environmental Sustainability Strategy – Progress Report 2022
26. The quarterly performance reports and KPIs showed that the Council continued to respond well to pressures following the pandemic and the recovery work with officers across the organisation redeployed to assist critical services where still required and to continue to work to maintain 'business as usual' services for residents. Any comments from the Committee on performance were reported to the Executive for their consideration.
27. More detailed reporting information on the work of Council services was provided via programme dashboards available on the Members' area of the ModGov intranet.

Agenda Item 9

Advance Questions

28. The Advance Questioning procedure is in use for the Overview and Scrutiny Committee. This allows members of the committee to submit questions in advance of the meeting based on the information received in the agenda pack, which is published five clear working days before the meeting. Advance questions are then forwarded to the relevant officers to provide written responses which are then circulated to committee members the day before the committee meeting and are published in the Council's web library. This procedure allows Council officers and Executive Members to prepare detailed answers to questions arising regarding the agenda item and to provide these detailed answers during the meeting
29. The Advance Questioning procedure was used to support Member questions on quarterly performance reports as well as advance questions on published reports and presentations in advance of formal Committee meetings (such as Portfolio Holder briefings).
30. The Managing Director, Directors, Monitoring Officer and relevant Heads of Service supported meetings of the Overview and Scrutiny Committee to answer additional questions on the Council's performance or via written answers.
31. The Committee also keeps an "Action Tracker", a register of questions raised in meetings which require further research before they can be responded to. Answers are given subsequently in writing and reviewed at subsequent meetings of the Committee, to ensure issues are addressed.

Strategy and Policy Development

32. The Committee commented on the following draft strategies and policies:
 - Medium Term Financial Plan 2022/23 - 2026/27 (through the budget scrutiny process)
 - Commercial Strategy Part 2
 - Capital Investment Strategy 2022/23
 - Annual Environmental Sustainability Strategy
 - Local Plan Development Scheme
 - Leisure & Culture Strategy
 - Community Infrastructure Levy Strategic Infrastructure Programme 2 Assessment Process

Companies Performance

33. The Committee received two Companies Performance Update reports into the progress of companies owned and part-owned by the Borough Council in June 2022 and December 2022.
The Spring update informed members that the future strategy for Greensand Holdings Limited was under review and that the Horley Business Park Development LLP was not considered to be performing in line with expectations. It was also

reported that the Council was seeking management information from Pathway for Care Limited in order to review its performance.

The Winter update informed committee members that a resolution had been reached in principle, regarding the Horley Business Park Development LLP and that an agreed approach would be progressed in order to move forward in a way which aligns with the Council's objectives. Information on the performance of Pathway for Care Limited had not been provided, despite requests to company management.

Calendar of Meetings 2023/24

34. The Committee received and considered the Calendar of Meetings for 2023/24. Comments from the committee regarding holding meetings outside of Surrey school holidays were considered and the calendar was amended and later agreed at Council on 9 February 2023.

Work of the Banstead Common Conservators

The Committee received a presentation from the Banstead Common Conservators at their meeting on 9 November 2022. Lucy Shea, Clerk to the BCC, Vic Broad, Chair of the BCC and David Hatcher, member of the BCC, gave an update to Members which included information on site management, active wildlife monitoring, visitor numbers and public engagement, as well as the challenges of fly tipping and anti-social behaviour.

A link to the minutes from this meeting can be found below:

[Agenda for Overview and Scrutiny Committee on Wednesday, 9th November, 2022, 7.30 pm | Reigate and Banstead Borough Council \(moderngov.co.uk\)](#)

35. Budget Scrutiny Review Panel

Councillor Brunt, Leader of the Council, and Councillor Schofield, Deputy Leader and Portfolio Holder for Finance and Governance, attended the Budget Scrutiny Panel on 29 November 2022, to support the Panel's scrutiny of the Council's Service and Financial Planning for 2023/24. These councillors also attended the Committee meeting at which the report of the Budget Scrutiny Panel was received and considered, to further support this process, and respond to questions from the Committee.

36. The Budget Scrutiny Review Panel reviewed the Service & Financial Planning (Provisional Budget) 2023/24 report. The Panel undertook a robust review and considered 76 advance questions along with further questions and comments that were raised within the meeting.

37. The Panel recognised and appreciated the significant amount of work that had gone into preparing the service and financial plans for 2023/24 and concluded that the budget proposals were achievable and realistic and based on sound financial practices and reasonable assumptions.

Agenda Item 9

38. The Panel noted the national and local policy context and significant uncertainties at that stage of the budget-setting process. It noted that the Service and Financial Planning 2023/24 report forecast a balanced Revenue Budget for 2023/24 subject to final confirmation of outstanding items. The Panel noted that the Budget for 2022/23 included the use of £2.407 million funding from earmarked Reserves, as necessary, and that the use of these Reserves was necessarily a one-off source of funding.

The Panel reviewed savings proposals in service delivery: reduced funding for voluntary organisations, although not expected to have a significant impact on service scope or quality, the Panel were concerned about the impact on residents and urged the Council to communicate with residents about available assistance. The Panel recommended that the Local Council Tax Support Scheme be reviewed during 2023/24 and the outcome be reported as part of Service & Financial Planning for 2024/25. The Panel expressed concern about recent inflationary pressures which put short-term inflation well above the Bank of England target and suggested this would put unbudgeted upward pressure on the cost of goods and services and on personnel costs. The Budget Scrutiny Panel report and recommendations was reported to the main Committee at its meeting on 8 December 2022. The Committee debated the findings including budget savings, Environmental Sustainability funding and the announcement from government that district councils could increase Council Tax by 2.99% without a referendum. The Committee resolved to support the recommendations of the Budget Scrutiny Panel report which went to Executive for consideration at its meeting in December 2022.

39. At the Overview and Scrutiny Committee meeting on 19 January 2023, an update for the Committee on the Budget and Capital Programme 2023/24 was given to Members. It was reported to the Committee that the Government settlement had been positive. The positive measures included the allocation of a new grant to achieve the Government's aim of all authorities having an extra 5% in core spending power. This minimum funding guarantee and the ability to increase Council Tax by a further 1% had achieved a positive overall impact on the 2023/24 budget. This made it possible to avoid drawing on reserves as much as had been anticipated when the budget was previously reviewed by the Committee in December 2022. Members asked questions on Council Tax and Business Rates income, the Government Funding Risk Reserve, Economic Pressures Reserve. The Committee noted the updated elements of the Budget and provided observations to Executive on 26 January 2023.

Call-in of Executive Decisions

40. Call-in is a provision of the Local Government Act (2000) that enables councillors on Overview and Scrutiny committee to ensure that the principles of decision making set out in the council's Constitution are adhered to. It allows Overview and Scrutiny

committees to require the council's Executive to reconsider a decision which has been made, but not yet implemented.
Call-in is only intended to be used in exceptional circumstances.

41. There were no Call-Ins of Executive Decisions during 2022/23.
This indicates that there is a good working relationship between Overview and Scrutiny and Executive, in which Overview and Scrutiny are consulted on forthcoming Executive business avoiding use of the call-in procedure.

Operational arrangements

42. The Chair and Vice-Chair of the Committee had regular meetings with the Managing Director (Mari Roberts-Wood), Director (Luci Mould), Chief Finance Officer (Pat Main), and relevant Heads of Service. This focused the planning and delivering of the Committee's work programme. In accordance with the Overview and Scrutiny Committee's Procedure Rules, the Committee's work programme for 2022/23 was discussed with the Leader.

Conclusion

43. The Committee recognises that the Council continues to focus on outcomes for residents and businesses and is responding well to continuing financial pressures and managing its processes in an efficient manner. The work of the Overview and Scrutiny Committee has maintained a streamlined approach in 2022/23 and in developing its annual work programme for the coming year 2023/24 has sought to continue this.
44. The Committee has worked hard on behalf of the Council and community in scrutinising the Council's decision-making process, holding Executive Members to account, and monitoring the Council's performance, as well as contributing to strategic policy development such as the Capital Investment Strategy 2023/24 to 2027/28 and the Leisure & Culture Strategy.

Options

45. The Committee has the option to support the Annual Report of the Overview and Scrutiny Committee 2022/23 and make any additional observations.
46. The Committee has the option not to support the Annual Report of the Overview and Scrutiny Committee 2022/23. This is not the recommended course of action.

Legal Implications

47. There are no immediate legal implications arising from this report. The Overview and Scrutiny Committee is a strategic function of the authority and central to the organisation's corporate governance.

Agenda Item 9

Financial Implications
48. There are no direct financial implications arising from the annual report.
Equalities Implications
49. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to: <ul style="list-style-type: none">• Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;• Advance equality of opportunity between people who share those protected characteristics and people who do not;• Foster good relations between people who share those characteristics and people who do not.
50. The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.
51. The Committee should ensure that it has regard for these duties by considering them through the course of its work. This should include considering: <ul style="list-style-type: none">• How policy issues impact on different groups within the community, particularly those that share the nine protected characteristics;• Whether the impact on particular groups is fair and proportionate;• Whether there is equality of access to service and fair representation of all groups within the Borough;• Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised.
Communication Implications
52. There are no significant communications implications arising from this report.
Consultation
53. In accordance with the Overview and Scrutiny arrangements contained in the Council's constitution, the Committee's Annual Report was discussed with the Chair and Vice-Chair of the Overview and Scrutiny Committee.
Annexes
54. Annex 1 - Overview and Scrutiny Committee 2022/23 - Membership and Member Attendance

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Overview and Scrutiny Committee 2022/23

Membership and Attendance

(Note – 8 O&S meetings up to 16 March 2022)

Councillor N. Harrison	Chair	8 meetings
Councillor S. Walsh	Vice-Chair	8 meetings
Councillor H. Avery	Member	7 meetings
Councillor M. Blacker	Member	8 meetings
Councillor G. Buttironi	Member	6 meetings
Councillor M. Elbourne	Member	6 meetings
Councillor J. Essex	Member	8 meetings
Councillor G. Hinton	Member	6 meetings
Councillor A. King	Member	6 meetings
Councillor N. Moses	Member	8 meetings
Councillor S. Parnall	Member	6 meetings
Councillor A. Proudfoot	Member	8 meetings
Councillor R. Ritter	Member	6 meetings
Councillor M. Tary	Member	5 meetings
Councillor R. Turner	Member	5 meetings

Virtual Attendance

Councillor H. Avery	Member	1 meeting
Councillor M. Tary	Member	1 meeting
Councillor R. Turner	Member	2 meetings

Substitutes at meetings

Councillor R. Absalom	Substitute Member	3 meetings
Councillor Chandler	Substitute Member	1 meeting
Councillor Harp	Substitute Member	2 meetings
Councillor S. Kulka	Substitute Member	2 meetings
Councillor S. Sinden	Substitute Member	1 meeting

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Signed off by	Head of Legal and Governance
Author	Marie Crabtree, Democratic Services Officer
Telephone	01737 276657
Email	marie.crabtree@reigate-banstead.gov.uk
To	Overview and Scrutiny Committee - 16 March 2023 Executive - 23 March 2023 Council - 30 March 2023
Date	Thursday, 16 March 2023
Lead Member	Chair of Overview and Scrutiny Committee

Key Decision Required	N
Wards Affected	(All Wards);

Subject	Overview and Scrutiny Proposed Annual Work Programme 2023/24
----------------	--

Recommendations
(i) That the proposed Work Programme for 2023/24 as set out at Annex 1 and detailed in the report be approved.
Reasons for Recommendations
To agree a Work Programme for the Overview and Scrutiny Committee for the 2023/24 Municipal Year.
Executive Summary
The Overview and Scrutiny Committee proposed annual Work Programme 2023/24 sets out a programme of activity that is in line with the Council's priorities. The Work Programme for the coming year is considered and agreed by the Overview and Scrutiny Committee for consultation with the Executive.

Agenda Item 10

Following consultation with the Executive and the Leader, the Work Programme is submitted for approval by the Council so that it can be agreed before the start of the next Municipal Year.

Statutory Powers

1. The Local Government Act 2000 (as amended) established Overview and Scrutiny Committees within the Leader with Cabinet model of governance. Subsequent legislation including the Police and Justice Act 2006, the Local Government Public Involvement in Health Act 2007, the Local Democracy, Economic Development and Construction Act 2009, the Localism Act 2011 and the Local Authorities (Overview and Scrutiny Committees) (England) Regulations 2012 has provided additional responsibilities on the Committee.

Background

2. As required by the Constitution, an outline of the Committee's work programme for the year is discussed between the Leader of the Council and the Chair of the Committee with representatives from the Management Team.
3. The Committee's work programme is designed to help it plan its business during the year and is set out in various categories in paragraphs 8 to 23.
4. To provide flexibility (to accommodate matters not contained within the work programme) the following protocol has been established: *"In addition to the Committee's agreed work programme it needs to allow flexibility for additional priority work that emerges during the course of the year. In those circumstances the Committee should be permitted to undertake that piece of work following consultation and agreement with the Chairman of the Committee and appropriate Executive Member and Management Team Manager. In the event that this is not possible a report should be made to the Executive requesting the inclusion of the issue within the work programme"*.
5. The prioritisation of the Work Programme may be adjusted by the Chair during the year to manage the business effectively.
6. An important element of the Committee's work is to ensure that it continues to assist the Council in driving forward the Corporate Plan's key objectives and priorities. The Committee's work programme is therefore designed in a constructive way to link with the Executive's work programme.
7. Annex 1 sets out a summary of the Committee's proposed Work Programme 2023/24 and further details are set out below.
8. **Policy Framework consultations** – It is proposed that the Work Programme includes Policy Framework consultation documents as required by Policy Framework procedures within the Council's Constitution. There are no new Policy Framework consultations documents currently in progress, however any that emerge during the course of the year will be reported to the Committee.

9. **Strategies and Plans** - A plan is prepared administratively which continues to identify all of the strategies/plans that will be reviewed by the Executive. Work is also underway to implement other important strategies such as the Commercial Strategy and the Leisure and Culture Strategy. Progress will be reported in line with the arrangements set out in those strategies. Where an updated strategy is being prepared, and where the proposed strategy is not significantly different, or where changes have been tested through Member briefings/seminars, then following consultation with the Chair and Vice-Chair, a formal report will not usually be brought to the Committee.

For 2023/24, it is proposed that the Committee works with the Executive to create a Strategy toolkit to guide how strategies are created and what they should comprise/include. Following this the Committee will consider the Council's proposed Greenspaces strategy.

10. **Work Programme rolled forward from 2022/23** – The Review of the work of the Greenspaces Team originally scheduled for January 2023 will be rolled forward to 2023/24, due to a management vacancy in the Greenspaces team; this item would be guided by and follow approval of the Greenspaces strategy discussed above.

The Leader's Update originally scheduled for March 2023 will also be rolled forward to 2023/24, due to additional urgent items being added to the March agenda.

11. **Portfolio Holder Objectives** – The Committee has continued to work closely with Executive Members during 2022/23 and has received presentations from Portfolio Holders on a number of the Council's priority work streams. The Committee proposes to continue this approach in 2023/24. The Committee will receive an update on the implementation of the Leisure & Culture Strategy.

12. **Leader Updates** – To support effective cooperation of the Committee and the Executive, the Committee receives twice-yearly updates from the Leader of the Council on the Council's overarching activities and strategic objectives. The Committee proposes to continue this approach in 2023/24.

13. **Performance Management Monitoring Activities** – The Committee has a role to monitor the performance of the Council. Programme and project dashboards are made available each month on the ModernGov intranet library. The monitoring activities have been fulfilled by reporting on the following matters, which the Committee consider appropriate to continue for 2023/24:

- Quarterly Revenue and Capital budget monitoring forecasts
- Quarterly Service Performance Management Monitoring
- Corporate Plan performance (annual basis).

14. **Local Plan Update** – Group Leaders agreed that the Portfolio Holder for Planning Policy and Place Delivery should give six-monthly updates to Overview & Scrutiny Committee to monitor progress and address any issues arising from the Local Plan. These updates would take place in March and October, with the first taking place in October 2023.

Agenda Item 10

15. **Panels for 2023/24** – In addition to the annual Budget Scrutiny Panel and the Local Plan Scrutiny Panel, three members of the Committee have been appointed to the Local Plan Advisory Group.
16. **Budget Scrutiny Panel** – The Committee has established an annual Budget Scrutiny Panel. The Budget Scrutiny Review Panel held one meeting in 2022/23 (29 November 2022) and reviewed the Service and Financial Planning 2023/24 report and supporting documents. A streamlined approach, supported by an advance questioning process, continued to work well and allowed the Panel to conclude its work in one meeting.
17. It is therefore suggested that the Panel's work in 2023/24 be based on considering the Provisional Budget proposals for 2024/25 (including any updated assumptions within the Medium Term Financial Plan, appropriate revenue projections and a progress report on the Capital Programme projections).
18. **Local Plan Scrutiny Review Panel** – The Local Plan Scrutiny Review Panel did not meet in 2022/23. A Local Plan Scrutiny Review Panel is planned for 2023/24 to review the Redhill and Horley Design Code.
19. **Externally Focused Overview and Scrutiny work** – The Committee has successfully undertaken scrutiny with and of partner organisations in recent years. The Committee has not at this stage identified any proposed work in this area for 2023/24.
20. **Crime and Disorder Scrutiny** – The Committee is the 'crime and disorder' scrutiny committee for the purposes of the Police and Justice Act 2006. This requires the Committee to undertake scrutiny activity of crime and disorder matters once every 12-month period. The Committee has worked well with partners such as the Reigate and Banstead Borough Commander, Surrey Police and Surrey County Council in developing this work.
21. In 2022/23 the Committee invited the Portfolio Holder for Community Partnerships, along with representatives of the Police and Community Safety Partnership and the CEO of East Surrey Domestic Abuse Services to this meeting (on 23 February 2023) to assist. It is proposed that the Committee continue to undertake this activity in 2023/24.
22. Members discussed a review of recycling, to include food waste and services to flats and social housing. It was agreed this review would be held as 'pending' following the anticipated Resources and Waste Strategy expected shortly from government, which was likely to require the revisions to the Council's own Waste Strategy.
23. **Council Corporate Scrutiny** – the Managing Director, Directors, Leader, and Chair of the Overview & Scrutiny Committee considered the balance between effective scrutiny, with the need to protect commercial confidentiality and enable the Council's services to operate competitively.
24. In 2022/23, updates on Council-owned companies were considered by the Committee bi-annually. This is planned to continue.

25. **Call-Ins** – The Committee would also consider matters that have been called in for review. There were no Call-Ins of Executive decision in 2022/23.

Options

26. The Executive has the option to support the proposed Overview and Scrutiny Work Programme 2023/24 as set out in the report.
27. The Executive has the option not to support the proposed work programme as set out in the report and request it to be reconsidered. This is not recommended as the Committee would not then have a scrutiny work programme in place for 2023/24 to enable them to carry out effectively their scrutiny of the Executive.

Management Team Comments

28. Management Team are supportive of the Work Programme proposed
29. The work of the Committee is clearly a valuable part of the overall checks and balances needed to ensure that the authority makes decisions that are robust and challenged with the best interests of the community and the delivery of quality services at the heart of this remit.

Legal Implications

30. There are no immediate legal implications arising from this report. However, if the proposed Work Programme is not adopted then this will mean that the work of the Council will not have the overview and scrutiny that is a strategic function of the authority and central to the organisation's corporate governance. The Work Programme provides councillors, who are not in decision-making roles, a work plan to set out what and how it wants to hold the Executive publicly to account over the coming year.

Financial Implications

31. There are no direct financial implications arising from the recommendations set out in this report. Should any of the work undertaken by Overview and Scrutiny generate recommendations with financial implications then these will be highlighted at that time.

Equalities Implications

32. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between people who share those protected characteristics and people who do not;

Agenda Item 10

- Foster good relations between people who share those characteristics and people who do not.

33. The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.

34. The Committee should ensure that it has regard for these duties by considering them through the course of its work. This should include considering:

- How policy issues impact on different groups within the community, particularly those that share the nine protected characteristics;
- Whether the impact on particular groups is fair and proportionate;
- Whether there is equality of access to service and fair representation of all groups within the Borough;
- Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised.

Resource Implications

35. The main role of the Council in considering the Overview and Scrutiny Committee's Work Programme is to ensure that the work streams are appropriate and not duplicating ongoing work. More importantly the Council must ensure appropriate resources are available to add value to that Work Programme and balance the demands of the Committee against the overall priorities of the Council. Given the proposed work programme, no specific resource implications beyond those planned are anticipated.

Consultation

36. In accordance with the Overview and Scrutiny arrangements contained in the Council's Constitution, the Committee's future work programme was discussed with the Leader and the Chair/Vice-Chair of Overview and Scrutiny.

Policy Framework

37. Policy framework considerations are noted in paragraph 8 and 9.

Annex

Annex 1 sets out a summary outline of the proposed O&S Annual Forward Work Programme 2023/24.

Overview and Scrutiny Committee

Annex 1 - Proposed Annual Forward Work Programme 2023/24

What is scrutinised by O&S each year

Topic	How often
Service and Financial Planning Budget Scrutiny Panel	Budget Scrutiny Panel plus scrutiny of Service and Financial Planning reports for the following financial year (December)
Performance Management Monitoring: <ul style="list-style-type: none"> • Quarterly Revenue and Capital Budget monitoring forecasts • Quarterly Service Performance Management Monitoring (KPIs) • Reigate and Banstead 2020-25 (Corporate Plan) – Performance Report 2022/23 	Quarterly 7 Sept - Q1 2023/24 7 Dec - Q2 2023/24 14 March – Q3 2023/24 13 June – Q4 2023/24 1 meeting – June or July
Leader’s Update	Twice yearly
Portfolio Holder updates: <ul style="list-style-type: none"> • Organisation: Corporate Policy & Resources, Finance & Governance, Investment & Companies • People: Housing & Support, Leisure & Culture, Community Partnerships To include the Leisure and Culture Strategy Update. • Place: Planning Policy & Place Delivery, Neighbourhood Services, Economic Prosperity, Corporate Policy & Resources 	Three times a year at three separate meetings 12 Oct 2023 / 25 Jan 2023 / 14 March 2024
Companies Performance Updates	Twice yearly (partial Exempt)
Environmental Sustainability Strategy update	Annually (Autumn)

Local Plan Update	Twice yearly (October and March)
Policy Framework consultations	No new policy consultations in progress
Annual Community Partnership Scrutiny 'Crime and Disorder Scrutiny'	Once a year - February
O&S Annual Forward Work Programme	March
O&S Annual report	March

Scrutiny Panels planned 2023/24

Budget Scrutiny Review Panel	29 November 2023
Local Plan Scrutiny Panel – Redhill and Horley Design Code	To be agreed

Member Suggestions – brought forward from 2022/23

Work of the Green Spaces team in regard to the Countryside spaces in the Borough, and delivery of the Green Spaces work programme. For clarity, this excludes the Council's parks, gardens and play areas, work on highways verges and grassed areas, the spaces managed by the Banstead Commons Conservators and matters to do with Planning (Core Strategy and Development Management Plan). The aim of the review is to see how improvements can be made to services. This item would be guided by and would now follow approval of the Greenspaces strategy, discussed below.

Member Suggestions – additional scrutiny topics - Overview and Scrutiny Committee 2023/24

To work with the Executive to create a strategy toolkit to identify how strategies are created and what they should comprise/include. Following this, to consider the Council's proposed Greenspaces strategy.

To review the recycling service, following proposed revisions to the service as a consequence of the Government's Resources and Waste Strategy, Agreed to hold this topic as a pending item.

O&S Meeting dates 2023/24

Seven O&S Committee meetings a year (plus one - Annual Community Safety Partnership Scrutiny) and Budget Scrutiny Panel, and Local Plan Scrutiny Panel (if required).

15 June 2023(Election of Chair/Vice-Chair), 6 July 2023, 7 Sept 2023, 12 Oct 2023, 29 Nov 2023 (Budget Scrutiny), 7 Dec 2023, 25 Jan 2024, (22 Feb 2024 - Annual Community Safety Partnership), 14 March 2024

(As at 17 March 2023)

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Signed off by	Chief Finance Officer
Author	Liane Dell, Democratic Services Officer
Telephone	Tel: 01737 276865
Email	Liane.Dell@reigate-banstead.gov.uk
To	Audit Committee
Date	Tuesday, 15 March 2023
Member	Councillor James King, Audit Committee Chair

Key Decision Required	N
Wards Affected	(All Wards);

Subject	Audit Committee Annual Report 2022/23
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Recommendations

- | |
|---|
| <ul style="list-style-type: none"> (i) That the Annual Report of the Audit Committee be noted and, subject to any changes agreed at this meeting, recommended to Council. (ii) That the Audit Committee’s Forward Plan for 2023/24 be approved. |
|---|

Reasons for Recommendations

<p>The purpose of the Audit Committee is to provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment. The Annual Report of the Committee provides a summary of its work during 2022/23. It also confirms the scope of the Committee’s work programme for 2023/24.</p>

Executive Summary

<p>The Audit Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and strong public financial standards and management. It scrutinises the Council’s governance, risk management and control frameworks and oversees the integrity of financial reporting and annual governance processes. It oversees the work of treasury management, internal audit and external audit, helping to ensure efficient and effective independent assurance arrangements are in place.</p>
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Agenda Item 11

During 2022/23 the Committee received three reports on treasury management and quarterly reports on internal audit and risk management. It also considered and provided feedback on the Annual Governance Statement and Code of Corporate Governance.

The roles and responsibilities of the Audit Committee are set out in its written terms of reference, which include the requirement to provide an annual report to the Council which presents a summary of work undertaken over the previous year and its plans for the coming year.

The above recommendations are subject to approval by the Committee.

Statutory Powers

1. The functions of the Audit Committee are set out in the Council's Constitution, in line with the Local Government Act 2000 as amended by the Localism Act 2011 and the Local Audit and Accountability Act 2014 and the Local Audit and Accounts Regulation 2015

Background

2. The Annual Report 2022/23 sets out the work of the Audit Committee in 2022/23 and considers its forward work programme for 2023/24.

Key Information

Introduction

3. The Accounts & Audit (England) Regulations 2015 require:

[The] authority must ensure that it has a sound system of internal control which – facilitates the effective exercise of its functions and the achievement of its aims and objectives;

- (a) ensures that the financial and operational management of the authority is effective; and*
- (b) includes effective arrangements for the management of risk.*

4. The Chartered Institute of Public Finance & Accountancy (CIPFA) sets out further detail on the role of Audit Committees in their Practical Guidance for Local Authorities 2018. It states that “...the purpose of the Audit Committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes...”

Audit Committee Overview

5. The Committee has continued to work well and has an established forward work programme which is examined periodically by the Chair, Officers and the Committee as a whole. The programme is amended when new requirements and issues are identified which ensures the Committee remains dynamic and focussed on its functions.
6. There were nine Council members appointed to the Committee for 2022/23; Councillor James King was elected as Chair and Councillor Baker was elected as Vice-Chair.
7. On 27 February 2023, Robert Coyle's resignation was received in respect of his appointment as Independent Member to the Audit Committee. The Committee thanks Mr Coyle for his commitment and work with the Committee during his time as its Independent Member.
8. There have been four scheduled meetings during the 2022/23 Municipal year.
9. Members of the Committee were invited to attend the training courses and member briefings listed below. Seven of the ten current members that were appointed to the Committee attended at least one of these sessions.
 - Introduction to The Knowledge and Skills of the Audit Committee – 14 September 2022 – CIPFA
 - Risk Management Strategy update – 7 September 2022 – RBBC
 - Code of Corporate Governance update – 7 December 2022 – RBBC
 - Update for Local Authority Audit Committee Members – 9 February 2023 – CIPFA

Programme of Work 2022/23

10. The Audit Committee has considered the following during 2022/23:
 - Annual Report & Opinion 2021/22, 2022/23 progress reports and the Internal Audit Plan and Charter 2023/24 from the Southern Internal Audit Partnership (SIAP)
 - Quarterly updates on Strategic Risks
 - Risk Management Strategy - 2023/24-2025/26
 - Treasury Management Strategy Monitoring 2022/23
 - Draft Annual Governance Statement 2021/22
 - Update of the Code of Corporate Governance
 - Audit Committee Introduction and Overview

Agenda Item 11

Internal Audit 2021/22 and Internal Audit Opinion

11. At its meeting held on 14 June 2022, the Committee considered the Council's internal audit opinion for 2021/22. The Southern Internal Audit Partnership (SIAP) gave an overall opinion of "reasonable assurance" on the Council's framework of risk management, governance and control.
12. At its meeting on 7 September 2022, the Committee was informed that two additional reviews had been added to the 2022/23 audit plan:
 - Test and Trace Contain Outbreak Management Fund (COMF)
 - Test and Trace Support Payment Scheme Funding (TTSP)

In order to accommodate these reviews within the 2022/23 plan, the audit on the Corporate Plan was deferred until 2023/24.

13. Throughout the year, the Committee requested further detail on overdue low and medium priority management actions and regular updates were provided by officers. This included monitoring three overdue high priority management actions regarding IT disaster recovery, which was audited in 2020/21, and continued to be a concern for the Committee throughout 2022/23.
14. The Committee will consider the internal audit opinion for 2022/23 at the first meeting of the Audit Committee of 2023/24 (currently scheduled for 14 June 2023).

Risk Management

15. Audit Committee has responsibility for oversight and ensuring robustness of strategic risk-setting and assessing the adequacy of the risk management process. The Committee may raise any observations to the Executive where necessary. The Committee receives quarterly updates on all strategic risks and any red-rated operational risks.
16. Strategic risks are defined as those risks that have 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 (MTFP).
17. Operational risks are risks that are encountered in the course of the day-to-day delivery of services. However, if an operational risk cannot be fully managed within the service or it has a wider organisational impact then it will be considered for inclusion in the operational risk register by the Council's Corporate Governance Group. Heads of Service have delegated responsibility for managing operational risks.
18. During the year the committee also considered the proposed update to the Council's risk management strategy.

Treasury Management

19. The Committee has responsibility for oversight of the Council's treasury management activities. This is part of formal reporting requirements under the CIPFA Code of Practice on Treasury Management.
20. At its meeting held on 7 September 2022, the Committee considered the Treasury Management outturn report and the performance of the Council's treasury management activities for the previous financial year (2021/22).
21. At its meeting held on 7 December 2022, the Committee considered the Treasury Management mid-year report for 2022/23. Members requested further briefings on the current trading position of the Council's companies and the risks of having to write off investment losses. Following robust discussions in the public and exempt part of the meeting, the Committee also asked for assurance on the Executive's plans to mitigate any risks identified. The outcome was for the Committee to approve option 2, *"To note the report and ask Officers to provide more information and/or clarification on any specific points"*; however this decision was not unanimous as some Members remained dissatisfied with the scope of the information presented on the Council's company investments. The Committee's feedback was reported to Executive on 15 December 2022.

Corporate Governance

22. The Code of Corporate Governance sets out the principles of good governance and the arrangements in place to ensure that the Council conducts its business in accordance with the law and proper standards. It provides assurance that the Council is meeting best practice in protecting its assets and serving the community.
23. This is reported to the Audit Committee on an annual basis. For 2022/23, the changes were relatively minor as follows:
 - Fix broken links to referenced documents under each principle.
 - To add references to the Council's financial sustainability programme under principles 2, 3, 4, 6, and 7.
 - To refer to the Council's Commercial Strategy under principle 2; and,
 - To refer to the Council's Asset Management Plan and IT Strategy under principle 3.

External Audit Opinion and Statement of Accounts

24. At the time of preparing this report the authority was still awaiting confirmation of the external auditor's ISA260 report on the Statement of Accounts for 2020/21 and 2021/22. Additional meetings of the Committee will be arranged to consider the auditor's reports and the statement of accounts when the audits are concluded.

Agenda Item 11

Acknowledgement

25. Once again it is acknowledged that 2022/23 has been a productive year and thanks were offered to the SIAP, the Finance Team, the Projects and Business Assurance Team and Democratic Services for their contributions in enabling the work of the Committee in 2022/23.

Future Work Programme 2023/24

26. A Forward Plan for the Committee has been compiled and can be found at Annex 1. This is likely to be subject to change as required by the Committee during the year.

Conclusions

27. The Committee provides independent assurance to the Council of the adequacy of the risk management framework, the internal control environment and financial reporting.
28. The Committee's work programme continues to be dynamic to reflect emerging information and will continue to be reviewed to ensure the Committee maximises its contribution to governance and the control framework.
29. The work programme for 2022/23 has been delivered in line with the Committee's remit.
30. In accordance with the Audit Committee's Terms of Reference, the Committee is requested to consider and recommend this Annual Report to Council.

Options

31. The Committee has two options:
 1. To approve the Annual Report of the Audit Committee 2022/23 as written and recommend it to Council; or
 2. To suggest amendments to the Annual Report of the Audit Committee 2022/23 prior to its recommendation to Council.

Legal Implications

32. Audit Committee terms of reference are based upon CIPFA Guidance and meet the requirements of the Accounts & Audit (England) Regulations 2015 which require the Audit Committee to consider the work of internal and external audit to give assurance to give assurance to elected members and the public about the governance, financial reporting and performance of the Council.
33. In approving the above recommendations, the Audit Committee is promoting sound robust risk management in accordance with its statutory responsibilities.

Financial Implications

34. There are no direct financial implications arising from the annual report.

Equalities Implications

35. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination harassment and victimisation and any other conduct prohibited under the Act.
- Advance equality of opportunity between people who share those protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

36. The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.

37. The Committee should ensure that it has regard for these duties by considering them through the course of its work. This should include considering:

- How policy issues impact on different groups within the community,
- Particularly those that share the nine protected characteristics;
- Whether the impact on particular groups is fair and proportionate;
- Whether there is equality of access to service and fair representation of all groups within the Borough;
- Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised.

Communication Implications

38. There are no significant communications implications arising from this report.

Environmental Sustainability Implications

39. There are no direct environmental sustainability implications arising from this report.

Risk Management Considerations

40. Oversight of the Council's risk management arrangements is a key responsibility of this Committee and is considered throughout the wider audit process.

Consultation

Agenda Item 11

41. In accordance with the Audit arrangements contained in the Council's Constitution, the Committee's Annual Report was drafted in consultation with the Chair and Vice-Chair of the Audit Committee.

Annex

42. Annex 1 – Audit Committee Forward Plan 2023/24.

REIGATE AND BANSTEAD BOROUGH COUNCIL:

AUDIT COMMITTEE

Date of issue: 22 March 2023



Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
14 June 2023								
Luke Harvey, Project & Performance Team Leader	Portfolio Holder for Corporate Policy and Resources	Head of Corporate Policy, Projects and Performance	Risk Management – Quarter 4 2022/23 To note the Quarter 4 2022/23 update on risk management provided by the report and associated annexes and make any observations to the Executive.		22 June 23		Open	
Luke Harvey, Project & Performance Team Leader	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Internal audit 2022/23 – Quarter 4 progress report To consider progress in Q4 against delivery of the 2022/23 internal audit plan.				Open	
Luke Harvey, Project & Performance Team Leader	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Annual Internal audit report and opinion 2022/23 To consider the audit report opinion for 2022/23.				Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Treasury Management Strategy 2023/24 To consider the Treasury Management Strategy 2023/24		22 June 23			
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Draft Annual Governance Statement 2022/23 To review the Draft Annual Governance Statement				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	External Audit Plan 2023/24 To note the External Audit Plan for 2023/24.				Open	
6 September 2023								
<i>Pat Main, Chief Finance Officer</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Treasury Management Outturn 2022/23 To report to members the performance of the Treasury function in the financial year 2022/23		14 Sept 23	21 Sept 23	Open	
<i>Luke Harvey, Project & Performance Team Leader</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Internal audit 2023/24 – Quarter 1 progress report To consider progress in Q1 against delivery of the 2023/24 internal audit plan.				Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
<i>Luke Harvey, Project & Performance Team Leader</i>	Portfolio Holder for Corporate Policy and Resources	Head of Corporate Policy, Projects and Performance	Risk Management – Quarter 1 2023/24 To note the Quarter 1 2023/24 update on risk management provided by the report and associated annexes and make any observations to the Executive.		14 Sept 23		Open	
6 December 2023								
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Treasury Management Mid-Year Report 2023/24 To consider the Treasury Management Mid-Year Report 2023/24.		14 Dec 23	20 Feb 24	Open	KEY
<i>Luke Harvey, Project & Performance Team Leader</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Internal audit 2023/24 – Quarter 2 progress report To consider progress in Q2 against delivery of the 2023/24 internal audit plan.				Open	
<i>Luke Harvey, Project & Performance Team Leader</i>	Portfolio Holder for Corporate Policy and Resources	Head of Corporate Policy, Projects and Performance	Risk Management – Quarter 2 2023/24 To note the Quarter 2 2023/24		14 Dec 23		Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
			update on risk management provided by the report and associated annexes and make any observations to the Executive.					
<i>Alex Vine Electoral and Democratic Services Manager</i>	Portfolio Holder for Corporate Governance	Commercial and Investment Director	Update of the Code of Corporate Governance To adopt the updated Code of Corporate Governance.					
13 March 2024								
<i>Luke Harvey, Project & Performance Team Leader</i>	Portfolio Holder for Corporate Policy and Resources	Head of Corporate Policy, Projects and Performance	Risk Management – Quarter 3 2023/24 To note the Quarter 3 2023/24 update on risk management provided by the report and associated annexes and make any observations to the Executive.		21 Mar 24		Open	
<i>Luke Harvey, Project & Performance Team Leader</i>	Portfolio Holder for Corporate Policy and Resources	Head of Corporate Policy, Projects and Performance	Risks Management – 2024/25 To consider risk management arrangements for 2024/25.		21 Mar 24		Open	
<i>Luke Harvey, Project & Performance</i>	Deputy Leader and Portfolio Holder for	Chief Finance Officer	Internal audit 2023/24 – Quarter 3 progress report				Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
<i>Team Leader</i>	Finance and Governance		To consider progress in Q3 against delivery of the 2023/24 internal audit plan.					
<i>Luke Harvey, Project & Performance Team Leader</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Internal audit plan 2024/25- and Charter 2024/25 To approve the internal audit plan for 2023/24 and Charter 2023/24.				Open	
<i>Pat Main Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Treasury Management Strategy 2024/25 To consider the Treasury Management Strategy 2024/25.		24 Mar 24	28 Mar 24	Open	KEY
<i>Liane Dell - Democratic Services Officers</i>	Portfolio Holder for Corporate Policy and Resources	Head of Legal and Governance	Audit Committee Annual report 2023/24 and Forward Work Programme 2024/25 To consider the Audit Committee's Annual Report and forward work programme for 2023/24				Open	
Meeting Date TBC for 2020/21 reports								
<i>Pat Main Chief Finance Officer, Jacqueline Aboagye, Finance</i>	Deputy Leader and Portfolio Holder for Finance and	Chief Finance Officer	Final Annual Governance Statement 2020/21 To consider the Final Annual				Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
<i>Manager</i>	Governance		Governance Statement 2020/21					
<i>Pat Main, Interim Head of Finance and Assets</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Audited Statement of Accounts 2020/21 To consider the Audited Statement of Accounts 2020/21				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	External Auditor Report (ISA 260) 2020/21 This report, from the Council's external auditors, summarises conclusions and significant issues arising from the audit of the 2020/21 Annual Financial Report.					
Meeting Date TBC for 2021/22 reports								
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Final Annual Governance Statement 2021/22 To consider the Final Annual Governance Statement 2021/22				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Audited Statement of Accounts 2021/22 To consider the Audited Statement of Accounts 2021/22				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	External Auditor Report (ISA 260) 2021/22 This report, from the Council's external auditors, summarises conclusions and significant				Open	

Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
			issues arising from the audit of the 2021/22 Annual Financial Report.					
Meeting Date TBC for 2022/23 reports								
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Final Annual Governance Statement 2022/23 To consider the Final Annual Governance Statement 2022/23				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	Audited Statement of Accounts 2021/22 To consider the Audited Statement of Accounts 2022/23				Open	
<i>Pat Main, Chief Finance Officer, Jacqueline Aboagye, Finance Manager</i>	Deputy Leader and Portfolio Holder for Finance and Governance	Chief Finance Officer	External Auditor Report (ISA 260) 2022/23 This report, from the Council's external auditors, summarises conclusions and significant issues arising from the audit of the 2022/23 Annual Financial Report.				Open	

Contact: Democratic Services

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Report Author(s)	Lead Member(s)	Officer sign off	Subject	O&S	Executive	Council	Open / Exempt	Key
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SIGNED OFF BY:	Chief Finance Officer
AUTHOR:	Pat Main
TELEPHONE:	01737 276063
E-MAIL:	pat.main@reigate-banstead.gov.uk
TO:	Council
DATE:	Thursday 30 March 2023
EXECUTIVE MEMBER:	Deputy Leader and Portfolio Holder for Finance and Governance

KEY DECISION REQUIRED:	NO
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SUBJECT:	Constitution Review: Audit Committee and Overview & Scrutiny Committee – Revised Terms of Reference
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RECOMMENDATIONS:

That the amendments set out in this report be adopted and incorporated into the Council’s Constitution (Part 3a, Responsibility for Functions) with regard to the Audit Committee and Overview & Scrutiny Committee:

- (i) To amend the Audit Committee’s Membership to five elected Members plus one Independent Member; and**
- (ii) To amend the Audit Committee’s Terms of Reference to remove responsibility for scrutiny of the Treasury Management Strategy and associated reports, and consequentially amend the Overview and Scrutiny Committee’s Terms of Reference to add responsibility for Treasury Management scrutiny.**

REASONS FOR RECOMMENDATIONS:

The purpose of the recommendations is to ensure that:

- a) The Audit Committee continues to provide effective and independent assurance to the Council on the adequacy of the risk management framework and the internal control environment, as detailed under paragraphs 2 to 6; and
- b) The Council continues to comply with relevant guidance and Codes of Practice, as detailed under paragraphs 7 to 9.

EXECUTIVE SUMMARY:

This report recommends that the Council adopts amendments to the membership and terms of reference of the Audit Committee and the terms of reference of the Overview and Scrutiny Committee as demonstrated under Annex 1, which sets out the amendments to be made to Part 3a of the Constitution, to offer assurance that the Overview & Scrutiny Committees remains compliant with the CIPFA Codes of Practice with regard to treasury management.

Agenda Item 13a

Council has authority to approve the above recommendation.

STATUTORY POWERS

1. The functions of the Audit Committee are set out in Part 3a of the Council's Constitution, in line with the Local Government Act 2000 as amended by the Localism Act 2011 and the Local Audit and Accountability Act 2014 and the Local Audit and Accounts Regulation 2015

BACKGROUND

Audit Committee Membership, Training & Support

2. The Audit Committee was established in 2020/21 and has responsibility for oversight of the Council's corporate governance arrangements.
3. The technical nature of the Committee's responsibilities and the associated expectation that Committee Members acquire sufficient knowledge to fulfil their responsibilities places significant demands on those Members. To date the majority of training for Audit Committee Members has been delivered through generic webinars organised by third parties such as CIPFA. In response to feedback, going forward the intention is to move to more in-person briefings that are tailored to RBBC's specific circumstances. These will include training for Committee Members on:
 - (i) The role and responsibilities of the Audit Committee;
 - (ii) Governance, including the Council's Code of Corporate Governance and Annual Governance Statement;
 - (iii) The Council's Risk Management Strategy and Strategic Risk Register;
 - (iv) The role of Internal Audit; and
 - (v) The Council's Statement of Accounts and the External Auditor's Annual Report.
4. This change of emphasis is designed to support Committee Members in carrying out their responsibilities, but success will depend on Members being available to participate in the training provided.
5. It is therefore also recommended that the number of Members on the Committee be revised to five (previously nine), plus an Independent Member, so that more in-depth briefings with officers and external advisors can be organised. Members will be nominated to the Committee at Annual Council in May each year, in accordance with the prevailing political balance.
6. The proposed approach to Member training is consistent with that adopted for other Council committees where specialist knowledge is considered to be important in order that the Committee operates effectively. It is also consistent with the latest CIPFA and Government guidance on the importance of raising the skills and knowledge of Audit Committees in local government. Group Leaders will be asked to ensure that nominees are made aware of the requirement to participate in training when Committee Members are confirmed each year.

Treasury Management Strategy and Reporting Scrutiny

7. The Chartered Institute of Public Finance & Accountancy (CIPFA) publishes the Code of Practice for Treasury Management and the Prudential Code for Capital Finance that set the framework for treasury management and borrowing activity in local government. The Codes were revised in 2021 and, with effect from April 2023, there is a new requirement for treasury management performance to be included in the quarterly performance and budget monitoring reports that are presented to Overview & Scrutiny Committee and Executive.
8. Over the past two years responsibility for scrutiny of the Council's treasury management strategy and associated performance reporting has been delegated to the Audit Committee. These latest changes to the CIPFA Codes mean that it will be necessary to transfer these responsibilities back to Overview & Scrutiny for 2023/24 onwards.
9. In line with previous practice, the expectation is that the Overview & Scrutiny Committee will establish a cross-party Panel of Members that will receive training and briefings from the Council's Finance team and its treasury management advisors to support the Committee in carrying out its additional responsibilities in this area. This Panel is anticipated to include Members from both the Overview & Scrutiny and the Audit Committee.
10. 2023/24 is anticipated to be a busy year for Audit Committee as the external auditor's reports on the statement of accounts for 2020/21 and for 2021/22 are scheduled for completion. This will require the scheduling of additional Audit Committee training and briefings during the year. Moving responsibility for treasury management back to Overview & Scrutiny has the additional benefit of freeing up Audit Committee time to help accommodate this additional activity.
11. Annex 1 sets out the amendments to be made to the Constitution to effect the changes recommended in this report

OPTIONS

12. Council has two options:

OPTION 1: Adopt the recommendations set out in this report – this would offer assurance that the Overview & Scrutiny Committees remains compliant with the CIPFA Codes of Practice with regard to treasury management. Also that Audit Committee Members have more access to focussed training and support to help them fulfil their responsibilities.

OPTION 2: Take no action – this would prevent compliance with the revised CIPFA Codes on treasury management and the Audit Committee is less likely to develop the required in-depth knowledge to carry out its responsibilities.

LEGAL IMPLICATIONS

13. The Council's Audit Committee is defined by the Local Government Act 2000 and its purpose is to give assurance to elected members and the public about the governance, financial reporting and performance of the Council.

FINANCIAL IMPLICATIONS

Agenda Item 13a

14. There are no specific financial implications arising from the recommendations in this report.

COMMUNICATIONS IMPLICATIONS

15. There are no specific communication implications arising from the recommendations in this report

EQUALITIES IMPLICATIONS

16. There are no specific equalities implications arising from the recommendations in this report

RISK MANAGEMENT CONSIDERATIONS

17. There are no additional risk management implications. The proposal in this report support the Audit Committee in carrying out its responsibilities for oversight of governance and risk arrangements.

CONSULTATION

18. The Monitoring Officer, the Chief Finance Officer, the Leader of the Council, Portfolioholder for Finance & Deputy Leader, Group Leaders, Chair of the Audit Committee and Chair of the Overview and Scrutiny Committee have been consulted on the proposals in this report.

POLICY FRAMEWORK

19. The proposals in this report are compliant with the Council's Policy framework and Constitution.

Background papers:

CIPFA *Treasury Management in the Public Services: Code of Practice 2021*

CIPFA, *Prudential Code for Capital Finance in Local Authorities 2021*

CIPFA, *Audit committees: cipfa.org/ 2022 edition practical guidance for local authorities and police, 2022*

DLUHC, Report of Sir Tony Redmond, *Independent Review into the Oversight of Local Audit and the Transparency of Local Authority Financial Reporting, 2020*

Annexes

- 1 Constitution Extract: Part 3b Responsibility for Functions – Recommended Amendments

Constitution Extract: Part 3b Responsibility for Functions
Recommended Amendments

Committee	Membership	Function	Delegation of Functions
Audit	5 Members of the Authority plus one Independent Member	<p>Our Audit Committee is a key component of Reigate and Banstead Borough Council's corporate governance arrangements. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The purpose of the audit committee is to provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment. It provides independent review of Reigate and Banstead Borough Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective independent assurance arrangements are in place.</p> <p><u>Internal Audit and Governance Responsibilities</u></p> <ol style="list-style-type: none"> 1. Approve the Council's internal audit charter 2. Approve (but not direct) the Council's annual internal audit plan. 3. Receive quarterly reports to review progress in relation to the delivery of the risk-based audit plan. Seek assurance that appropriate action has been taken where necessary and give consideration to agreed management actions that have not been implemented within a reasonable timescale 4. To approve significant interim changes to the risk-based internal audit plan. 5. To consider the annual report and opinion of the Chief Internal Auditor 6. Consider the Council's corporate systems and controls, compliance with legislation and control procedures 7. To be satisfied that the authority's assurance statement, including the annual governance statement, properly reflects the risk environment and any actions required to improve it. 	No change

Committee	Membership	Function	Delegation of Functions
		<p>8. To confirm, as necessary, and monitor (contd.) compliance with the Code of Corporate Governance at least annually and advise the Council or the Leader/Executive, as appropriate, on any matters it wishes to draw to their attention.</p> <p>9. To receive any reports received by the internal audit service provider of an external assessment as a provider that is required under the Public Sector Internal Audit Standards (PSIAS).</p> <p>10. To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.</p> <p><u>Statement of Accounts and External Audit Responsibilities</u></p> <p>11. To approve appointment of the Council's external auditor, as recommended by Public Sector Audit Appointments.</p> <p>12. To approve the annual audit plan from the external auditor.</p> <p>13. To review and approve the financial statements, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit.</p> <p>DELETE: <u>Treasury Management Responsibilities</u> Ensure effective scrutiny of the treasury management strategy and procedures</p> <p><u>Risk Management Responsibilities</u></p> <p>15. To oversee and review any issue referred to it by the Chief Executive or a Director, or any Council body against the Council's strategy towards Risk Management, Anti-Fraud and Whistleblowing Strategies, Health and Safety policies and practices and all other published standards and controls.</p> <p>16. Consider the effectiveness of the authority's risk management arrangements, the control framework and seek assurance that action is being taken to mitigate those risks identified.</p> <p>17. Monitor the effective development and operation of risk management in the council Reporting.</p> <p>18. To submit an annual report on Audit Committee activities to the Council</p>	
Overview & Scrutiny	No Change	ADD: <u>Treasury Management Responsibilities</u>	No Change

Committee	Membership	Function	Delegation of Functions
		Ensure effective scrutiny of the treasury management strategy and procedures	

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