

# Agenda

## Executive

Thursday, 21 March 2024 at 7.30 pm

New Council Chamber, Town Hall, Reigate



This meeting will take place in the Town Hall, Castlefield Road, Reigate. Members of the public, Officers and Visiting Members may attend remotely or in person.



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

### Members:

#### R. Biggs (Leader)

V. H. Lewanski

H. Avery

A. King

J. P. King

R. Michalowski

N. C. Moses

C. M. Neame

**Mari Roberts-Wood**  
Managing Director

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

- 1. Apologies for absence**

To receive any apologies for absence.
- 2. Minutes** (Pages 5 - 18)

To approve the Minutes of the meeting on 1 February 2024.
- 3. Declarations of interest**

To receive any declarations of interest.
- 4. Review of the Council's Environmental Sustainability Strategy** (Pages 19 - 100)

The Executive Member for Environment and Sustainability.
- 5. Local Plan Core Strategy Review and Statement of Community Involvement Update** (Pages 101 - 282)

The Executive Member for Place, Planning and Regulatory Services.
- 6. Risk management - Q3 2023/24** (Pages 283 - 306)

The Executive Member for Corporate Policy and Resources.
- 7. Risk management - 2024/25** (Pages 307 - 344)

The Executive Member for Corporate Policy and Resources.
- 8. Quarter 3 2023/24 performance report** (Pages 345 - 408)

The Executive Member for Corporate Policy and Resources, and the Deputy Leader and Executive Member for Finance, Governance and Organisation.
- 9. Debt Write Off 2023/24** (Pages 409 - 414)

The Deputy Leader and Executive Member for Finance, Governance and Organisation.
- 10. Treasury Management Strategy 2024/25** (Pages 415 - 464)

The Deputy Leader and Executive Member for Finance, Governance and Organisation.
- 11. Appointment to the Board of Banstead Commons Conservators (2024)** (Pages 465 - 488)

The Leader of the Council.

**12. Overview and Scrutiny Proposed Annual Work Programme 2024/25** (Pages 489 - 498)

The Leader of the Council.

**13. Statements**

To receive any statements from the Leader of the Council, Members of the Executive or the Managing Director.

**14. Exempt business**

RECOMMENDED that members of the Press and public be excluded from the meeting for the following item of business under Section 100A(4) of the Local Government Act 1972 on the grounds that:

- (i) it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and
- (ii) the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**15. Any other urgent business**

To consider any item(s) which, in the opinion of the Chairman, should be considered as a matter of urgency – Local Government Act 1972, Section 100B(4)(b).

(Note: Urgent business must be submitted in writing but may be supplemented by an oral report).



### **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. 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**

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**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.

## BOROUGH OF REIGATE AND BANSTEAD

### EXECUTIVE

Minutes of a meeting of the Executive held at the New Council Chamber - Town Hall, Reigate on 1 February 2024 at 7.30 pm.

Present: Councillors R. Biggs (Leader), V. H. Lewanski (Deputy Leader), H. Avery, A. King, J. P. King, R. Michalowski, N. C. Moses and C. M. Neame.

Also present: Councillors J. C. S. Essex, M. S. Blacker, J. Booton, P. Chandler, S. A. Kulka and M. Smith.

#### **56. APOLOGIES FOR ABSENCE**

An apology for absence had been received from Cllr Harrison, Chair of the Overview and Scrutiny Committee.

#### **57. MINUTES**

The minutes from the meeting held on 14 December were **APPROVED**.

#### **58. DECLARATIONS OF INTEREST**

There were none.

#### **59. RESPONSE TO MOTION: CLIMATE CHANGE**

Councillor Moses, Executive Member for Environment and Sustainability, stated that the report responded to a motion presented to Full Council on 30 November by Councillor Essex. The motion was referred, by the Mayor, for consideration by the Executive.

The motion made 4 requests, relating to climate change and nature. These were:

- To declare a climate emergency, and reflect this in our Environmental Sustainability Strategy;
- To fully endorse the Surrey Climate Strategy and Surrey Local Transport Plan in the update of our Environmental Sustainability Strategy;
- To support the Climate and Ecology Bill; and
- To write to local MPs informing them that the motion has been passed.

The report considered each motion request in turn, providing some background information and setting out options and a proposed response. When it came to declaring a climate emergency, the Executive of course has the option to do this. However, the report recommends a continuation of the Council's previously stated approach. That is, to recognise the continuing need for urgent action on climate change and to take action, in line with the Council's agreed Environmental Sustainability Strategy and Action Plan.

Moving on to the request to fully endorse Surrey's Climate Strategy and Local Transport Plan. The recommendation was that the Council acknowledged the need to work with Surrey County Council, and other districts and boroughs, to achieve a wide range of shared climate change and sustainability objectives. This this was a

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broader recommendation than that requested by the motion, which was focused just on two specific documents.

When it came to supporting the Climate and Ecology private members Bill, while the Executive had the option to express its support for the Bill, this was not recommended in the report. Instead, the suggestion was to focus on the Council's own activity. Recommendation (i) also recognised the need for urgent action on nature recovery and that the Council would take action through its Environmental Sustainability Strategy.

Finally, the report included a third recommendation which reflected the spirit of the fourth motion request. This was for Councillor Moses to contact local MPs to outline the Borough Council's approach to climate change and environmental sustainability. To ask for the opportunity to discuss with them how the Government can help the Council achieve its objectives in the future.

The Council's current Environmental Sustainability Strategy explained how the Council was taking action on both climate change and nature issues. The Strategy review that was currently underway would continue the Council on this journey. The Council was already making good progress. The recommendations in the report reiterate the Council's ongoing commitment to continue to do more.

Councillor Moses therefore commended the recommendations for approval by the Executive.

Councillor Booton requested that the Executive set an example by declaring a climate emergency. Six neighbouring authorities, Surrey County Council and Parliament have all declared a climate emergency and the Executive had this opportunity too. In 2019 the Executive did not approve a climate emergency and five years on there had been no change.

In response Cllr Moses explained that the Council was taking the issue seriously, however it was not necessary to use these words. The Council was moving forward in terms of sustainability and was not shying away from action.

Councillor Essex stated that the Council produced a fraction of the carbon emissions in the borough, however it should lead by example. The Council buildings should be retrofitted with solar panels for example. The Council was 3 years into a 5 year programme and little had been achieved; solar panels had not been fitted on the Town Hall roof. It was disappointing that the Council would not use the words "climate emergency" like neighbouring authorities. Surrey's climate strategy should work as one public estate and the Council should endorse Surrey's climate strategy.

Since 2020, the Government has watered down its transport strategy; housing and transport should be considered together. The Executive was urged to reconsider declaring a climate emergency and endorse the Surrey strategy and collaborate with them along with the local transport plan.

The Leader of the Council stated that the second recommendation was to work closely with Surrey County Council. The Executive wanted action rather words and would continue with that approach. It was noted that the Council would not receive additional funding by declaring a climate emergency. The neighbouring six

authorities that had declared a climate emergency were doing less in terms of the environment than this Council and this Council had an Executive Member for Environment and Sustainability.

In terms of putting solar panels on the Town Hall roof, the weight of these may not be able to be sustained by the roof, however solar panels were being placed on other Council buildings. The Council was undertaking a number of initiatives such as purchasing an electric bin lorry as one example, others were also detailed.

Councillor Booton replied, stating that he appreciated the comments however declaring a climate emergency would be an easy step to take. Councillor Essex stated that both words and actions were important, and a sense of urgency needed to be shown to move this up the political agenda.

Councillor Blacker stated that the Council was working to reducing carbon emissions and that this Council was doing more than many.

**RESOLVED that:**

- (i) The Council recognises the continuing need for urgent action on climate change and nature recovery, and is committed to maintaining an up-to-date Environmental Sustainability Strategy and Action Plan which will provide the basis for its work at a Council level and within Reigate & Banstead Borough;**
- (ii) The Council is committed to continuing to work closely with Surrey County Council and Surrey district and borough authorities to achieve shared climate change and environmental sustainability objectives; and**
- (iii) The Council agrees that the Portfolio Holder for Environment & Sustainability write to local MPs informing them of the Council's approach to taking action on climate change and nature recovery, and requesting to meet to discuss how the Government's future approach to policy and legislation can assist in this.**

**60. HOUSING RENT REVIEW**

The Executive Member for Housing and Support addressed the Executive, stating that this report concerned the annual rent increase to council social housing and housing debt write off policy.

This report sought agreement to a 7.7% increase to the Council's social and affordable rent homes. The increase would be the lower of 7.7% or the Local Authority Housing Allowance rate.

It also sought agreement for the Head of Housing and Head of Finance to set the annual service charge for social rent homes.

Finally, it sought approval of the Housing Debt Write Off Policy.

The Council could increase rents annually. This year the maximum increase allowed was 7.7%. Rent income supports the Council to manage, maintain and improve its homes.

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Local Authority Housing rates were a factor when looking at rent increases for households living in Affordable Rent homes. These rates would be increased in 2024/25 and this report aimed to support the future affordability for these households.

Social Rents continued to be the lowest rents. Some of these homes have service charges. These were not material. For clarity, Affordable Rents included service charges.

Finally, the proposed housing debt write off policy would support action to manage debt. The Council aimed to collect all housing charges, sometimes this was not possible. The Policy sets out how this process would be managed.

Councillor Smith stated that an increase of 7.7% seemed like quite a jump in rent and affordability could be difficult for some tenants with this rise. It was questioned as to whether there had been an impact assessment of tenants. In response it was stated that the Council will keep rents below the Housing Allowance. Last year the rent increase was only 2.3%. Rents had to be increased in April and the Council also considered the rent increases being made by other providers such as Raven. Properties had to be maintained and the Council had to consider the sinking fund as well.

Councillor Blacker stated that maintenance costs continued to increase. Those that had affordability issues could receive additional help from the Council through discretionary payments.

It was noted that a 3-bed property at the social rent level was priced at 60% of the market value.

Councillor Essex requested that a letter be written to Central Government to request an increase in Housing Benefit.

## **RESOLVED – that the Executive:**

- (i) Approves a 7.7% rent increase for Council-owned social and affordable rent homes in 2024/25, being the lower of a 7.7% increase or the Local Housing Allowance rate;**
- (ii) Delegates authority to agree the annual service charge to the Head Housing in consultation with the Head of Finance; and**
- (iii) Approves the Write Off Policy for Housing Service Debts at Annex 1.**

## **61. BUDGET & CAPITAL PROGRAMME 2024/25**

The Deputy Leader and Executive Member for Finance, Governance and Organisation addressed the Executive stating that this report presented the final revenue and capital budget proposals for 2024/25 resulting in a net revenue budget requirement of £23.167 million along with a recommended council tax increase of 2.99% (equivalent to £7.47) for the average Band D property.



The key components of the revenue and capital budget were outlined and firstly provided Executive Members with some context of how the Council has approached this year's Budget and the challenges faced in the preparation and delivery of it.

Firstly, it was announced that the Council had been able to set a balanced revenue budget for 2024/25 without any requirement to use its General Fund Balances. This was a very positive outcome as it was reported that many other councils (estimated to be up to 40%) may have to consider drawing on Reserves to achieve a balanced budget.

It was confirmed that the Council (as a result of many years of prudent financial management) was nowhere near a position where a Section 114 notice might have to be considered. The Executive would be aware that many other councils across the country were struggling with this dilemma, and this was not a concern for this Council which was very reassuring news.

There was also additional comfort that the Local Government funding reforms had once again been pushed back, now to 2025/26 at the earliest; this meant that the prospect of future funding cuts, when the reforms took place remained a threat but was not imminent.

The net General Fund revenue budget for 2024/25 of £23.167 million was actually lower than the previous year's budget of £23.194 million. Whilst this may be only a small difference (of -£27k), it demonstrated the commitment that Officers and Members have made to reduce costs and find efficiency savings and income wherever possible to protect funding for the Council's front-line services.

The Council has also maximised the use of capital resources to promote its environmental and sustainability ambitions across the borough. This included investment in solar compacting bins and a new electric refuse vehicle as well as a move to HVO fuel for other vehicles.

In terms of the economy, the Council remained in difficult times, both nationally and internationally. Geopolitical concerns across the globe (such as the war in Ukraine and the Israel/Palestine crisis) continued to have a marked effect on the UK economy. And in turn on this Council's spending plans and those of our residents.

In the U.K. the cost of living crisis continued along with housing shortages and significant temporary accommodation pressures, were all impacting on this Council's budgets. Plus the ongoing impacts of housing benefit cost pressures due to shortfalls in Government subsidy which the Council has to fund.

In terms of the UK domestic economy, the Council still faced stubbornly high inflation with CPI at 4.0% at January (an increase from 3.9% in December), coupled with Bank of England interest rates at 5.25% with no definitive indication of when they might reduce.

In terms of the Council Tax the Council had little choice but to raise this Council's share of the bill by 2.99% and the Executive was advised that whilst the Council considered this an unavoidable increase, it was still below the level of CPI inflation at 4.0%.

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The need to increase Council Tax by 2.99% was compounded by the Council's reduced levels of Business Rate income due to the government formulae which determined how much of the rates collected can be retained locally.

In terms of direct government grant funding, for 2024/25 the Council was receiving an increase of just £220k compared to 2023/34.

But on a more positive note it was announced that this report proposed a new Local Council Tax Reduction Scheme for 2024/25 onwards, which provided means tested reliefs to Council Tax payers who were facing hardship. One of the scheme benefits is that 1,800 households would now qualify up to the full 100% reduction award.

Despite the challenges outlined, the Council has nevertheless set a balanced and robust budget which addressed the challenges outlined.

For example

- The Council has allocated £694k of funding to manage the risks of housing benefit subsidy losses.
- The Council continued to maximise its capital financing strategy to avoid external borrowing costs.
- The Council has been able to provide Budget growth to fund delivery of our environmental sustainability strategy.
- The Council has also found significant efficiency and income generation savings to help balance the overall budget requirement.

Councillor Lewanski gave more detailed component parts of the budget.

The Council was recommending net Service Budget growth of £1.112m for next year. This reflected:

- Pay growth for Services of £316k and;
- Non-Pay growth for Services of £716k

The main unavoidable components of this growth comprised of :-

- ICT increased system and maintenance costs £200k
  - Property costs – maintenance and running costs £254k
  - Cost of introducing HVO fuel for green vehicles £121k
  - 5 new posts (IT / Sustainability / Ecology / Environmental Health) £316k
- This growth of £1.112m was offset and effectively absorbed by a larger amount of income from savings which comprised of:

- Savings and income generated of (£1.754m), and ;
- Additional income raised from fees and charges of (£0.540) million.

The main components of the income and savings were:-

- Additional income from The Rise at Redhill (£770k)
- Savings from rationalisation of energy contracts (£350k)
- Car parking savings following the transfer of on-street control back to SCC (£162k)
- Additional car parking fees and charges (£138k)
- Additional Waste and Recycling charges (£146k)

In total the Budget would generate a total of (£2.294m) of savings and income, which was a significant achievement in light of the impacts of the COVID-19 pandemic a couple of years back.

In terms of Central Budgets these were set to rise by a net overall figure of £1.319m.

This comprised of £1.750m for staff pay increases and pension contributions which were offset by Treasury Management savings of (£255k) plus deletion of an unused pay budget allocation from the last financial year of (£243k).

With regard to net Council Tax income this would rise by just over £382k next year while our share of Business Rates would decrease by £650k compared to recent years, largely due to the level of tariff payment the Council had to pay over to central government.

The Provisional Local Government Settlement was announced on 18 December 2023. In terms of direct grant funding the Council received an additional net increase of just 220k from a combination of increases in the Minimum Funding Guarantee Grant and the Services Grant, offset by a reduced level of New Homes Bonus.

The Council also received another ringfenced grant of £695k for homelessness prevention which has been allocated to the Reserve set aside to help the Council manage homelessness risks, so that the funds were available to draw down as needed.

The Council was now awaiting the Final Local Government settlement announcement which was expected on 6 February 2024.

In the meantime, there was an unexpected Government announcement on 24 January indicating that councils would receive a further small tranche of funding equivalent to an extra 1% on top of the existing 3% Minimum Funding Guarantee in the settlement.

The Council was now awaiting confirmation of what this extra funding meant for this Council, presumably as part of the Final Settlement figures on 6 February 2024. Going forward the Council would continue to take a broad view across all budgets through our Financial Sustainability Programme. This will included:

- continuing to look at how the Council's assets were performing and options for their future use;
  - pursuing opportunities to generate new sources of income and savings;
- and
- ensuring that all services delivered value for money.

The forecast gap over the medium term required that all options for securing financial stability continue to be considered.

As outlined in the budget report, the Council continued to hold a healthy level of Reserves that were available to help the Council to continue to manage budget risks and opportunities.

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The General Fund Balance at £3.5 million remained more than adequate to cover financial risks while other Earmarked Reserves were forecast to be £26 million by April.

This report also included details of the Council's Capital investment plans which demonstrated the breadth of activity across the borough to improve and enhance its asset base.

Capital growth for 2024/25 totals £4.5 million, primarily to fund the final stages of Marketfield Way and to pay for an electric refuse vehicle.

The capital programme for 2024/25 to 2028/29 has also been re-profiled as part of budget setting to rationalise capital schemes which were no longer required or require re-scheduling to future years.

In summary - overall, the 2024/25 Revenue Budget and Capital Programme was based on a full and robust assessment of what the Council did and how services were funded. This work has been carried out by Executive members, supported by the Management Team.

The proposals have been subject to thorough review by Members of the Budget Scrutiny Panel and the Overview & Scrutiny Committee. Their findings and recommendations were reported separately to Executive in December. Overview & Scrutiny also made time to consider the final budget proposals at their most recent meeting.

Members and Officers were thanked for their valuable contribution to the budget process.

Cllr Michalowski was thanked for pointing out the drafting error in Table 8.1 in paragraph 59. The £'000 symbol top of the second column in from the right, should have read the word "DEMAND" instead.

Councillor Lewanski was pleased to recommend this report to the Executive and to Full Council as a firm foundation for our future financial plans.

Subject to the Executive's agreement of recommendations (i) to (xi), the proposed budget would go forward for consideration by Full Council on 20th February 2024.

The Leader of the Council thanked the Chief Finance Officer, her team and the Budget Scrutiny Panel for their work on the budget.

It was noted that the addendum to the Executive agenda papers included comments from the Overview and Scrutiny Committee.

A visiting member observed that the Police precept was now increasing more than the Borough Council's precept.

Councillor Essex stated that that there remained £30million in the pipeline for investment in affordable housing at a time when the waiting list for housing was increasing. The Leader of the Council responded that up to £20million had previously been allocated of which £1million had already been spent. There was no

urgency to call on those funds while the Government continued to make other funding available (up to £6-8million). The Council was currently focussing on purchasing properties to provide temporary accommodation having previously invested in developments like Wheatley Court.

Written responses would be provided to visiting Members questions on:

- An update on Household Support Fund spend and activity; Members noted that this was due to cease in March 2024;
- The total value of investment to date in properties for housing refugees in the borough;
- Whether the budget includes funding for an ecology officer; and
- Whether the current year's funding contribution from the NHS is expected to continue.

Responses were provided to a visiting Member's questions:

- A full recycling service was being rolled out to 5,500 flats.
- It would have to be verified if the 757 base property figure included The Rise and Wheatley Court.
- It was confirmed that the Council retained a small proportion of business rates collected.

In respect of council tax recovery, it was noted that the number of summons had increased by 3%. In response to a Member's question about how taxpayers experiencing financial hardship were managed, it was confirmed that officers always try to engage but some residents were reluctant to respond.

**RESOLVED – that the Executive recommend to Council:**

- i. **The latest Medium-Term Financial Plan forecast at Annex 1;**
- ii. **An increase in Reigate & Banstead's Band D Council Tax of £7.47 (2.99%) and a final taxbase of 64,252.30 Band D equivalents;**
- iii. **A Revenue budget requirement of £23.167 million for 2024/25, as set out in this report and at Annex 1, which reflects:**
  - a) **Service budget growth proposals totalling £1.112 million, savings of (£1.754) million, including fees and charges income of (£0.540) million, plus forecast issues, risks and opportunities totalling £0.304 million;**
  - b) **Central Revenue Budget net savings and growth proposals totalling (£0.431) million and £1.750 million growth for the 2024/25 pay award plus forecast issues and risks totalling £0.694 million;**
- iv. **The forecast for Revenue Reserves (Annex 3) and the recommended use of £0.998 million from Reserves in 2024/25 comprising:**
  - a) **£0.304 million from the IT Strategy Reserve to fund implementation of the approved IT Strategy (as detailed in the Services budget); and**
  - b) **Up to £0.694 million from the Government Funding Risks Reserve, where necessary, to fund the forecast reduction in housing benefit subsidy (as detailed in the Central budget);**
- v. **A Capital Programme of £53.680 million for 2024/25 to 2028/29 as set out in this report, including net Capital Programme Growth Proposals of £6.919 million (net after allowing for a reduction of (£0.796) for capital programme re-profiling);**
- vi. **That the following changes to the Local Council Tax Support Scheme be approved and adopted from 2024/25:**

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- a) **Removal of the maximum award of 90% Council Tax liability for 1,800 households and increasing the award to 100%;**
- b) **Removal of the minimum requirement for a household to qualify for £5 per week before support is provided;**
- c) **Expansion of support awards to cover full Council Tax liability for residents in Bands F to H;**
- vii. **That the following changes Council Tax premiums on empty properties be approved and adopted from 2024/25:**
  - a) **Removal of the empty homes discount of 28-days where a property becomes empty and unfurnished;**
  - b) **For empty and furnished second homes – charge 200% council tax after the first 12 months; and**
  - c) **For long-term empty properties – commence charging the 100% premium after 12 months.**
- viii. **Continued funding support for Banstead Commons Conservators for a further three years (2024/25 to 2026/27);**
- ix. **Agreement of a new 10 year Section 136 funding agreement with Horley Town Council;**
- x. **The Chief Finance Officer's report on the robustness of the Budget estimates and adequacy of Reserves.**

**That Executive authorise:**

- xi. **The Chief Finance Officer to make any necessary final technical adjustments to the Budget and Council Tax arising from final budget refinements or changes to Government funding.**

## **62. COUNCIL TAX 2024/25**

The Deputy Leader and Executive Member for Finance, Governance and Organisation introduced the report stating that following on from the Budget report, this was the technical report that allowed full Council to debate and set the Council Tax for next year when it meets on 20th February 2024. The provisional Local Government Settlement announced on 18 December 2023, gave district and borough councils the option to raise Council Tax levels by up to 2.99% without referendum.

The reasons for this Council's recommended increase of £7.47 (2.99%) were set out in the budget report. In particular it was emphasised that this was an increase of 0.14p per week for the average household. This 2.99% increase was a below inflation increase with CPI (at January) currently being at 4.0%.

The County Council was meeting on 6th February, and it was expected that their share of the council tax would rise by 3.99%, which included the adult social care precept. Any variations to this share (if the need arises) would be recalculated and reported to Full Council under delegated authority of the Chief Financial Services Officer.

This followed on from the Police and Crime Commissioner considering the Surrey Police budget on 6th February where a £13.00 increase (4.19%) is expected to be approved. Again, any variations to this would be reported and recalculated to Council.

Overall, this meant that the Reigate & Banstead element is just over 11% of the combined Band D Council Tax (including precepts) which would increase by £95.93 or 4.15% in total from April. In addition, sums will be charged where applicable, for the parish and town councils as detailed in the report.

Councillor Lewanski recommended this report to Executive and Full Council, specifically recommendations (i) through to (vii).

Clarification was sought regarding the relevance of the figures in the final total row in table 2. The Chief Finance Officer advised that the table format was in line with the guidance for council tax setting but would ask the Finance team to confirm.

## **RESOLVED – that the Executive:**

- (i) **Noted that on 30 November 2023 the Council calculated:**
  - a) **The Council Tax base 2023/24 for the whole Council as 64,252.3 [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the “Act”)] and;**
  - b) **For dwellings in those parts of its area to which a Parish precept relates:**
    - **Horley Town Council 11,186.2**
    - **Salfords & Sidlow Parish Council 1,453.7**

**The ‘tax base’ is the number of Band D equivalent dwellings in a local authority area.**

**Detailed calculations of the Council Tax are set out in Annexes 1, 2 & 3.**
- (ii) **Calculate that the Council Tax requirements for the Council’s own purposes for 2024/25 (excluding Parish precepts) is £16,524,407**
- (iii) **That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Act:**
  - (a) **£68,428,760 – being the amounts which the Council estimates for the items set out in Section 32(2) of the Act taking into account all precepts issued to it by Parish Councils**
  - (b) **£51,253,593 – being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.**
  - (c) **£17,175,167 – being the amount which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 32(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 32(4) of the Act).**
  - (d) **£267.31 – being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).**
  - (e) **£650,760 - being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix).**
  - (f) **£257.18 - being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for**

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dwelling in those parts of its area to which no Parish precept relates.

(g) Horley Town Council £311.18

Salfords & Sidlow Parish Council £289.28

Being the amounts given by adding to the amount at 3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (iv) It be noted that the figures in the attached Appendix being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportions set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of dwellings listed in different valuation bands.
- (v) Having calculated the aggregate in each case of the amounts 1 to 5, above, the Council, in accordance with Section 30(2) of the Act, hereby sets the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown in Annex 3.
- (vi) It be noted that for the year 2024/25 Surrey County Council and Surrey Police and Crime Commissioner have not yet stated amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown in Appendix 2.
- (vii) Authorise the Chief Finance Officer to make any amendments to the Council Tax demands as might prove necessary as the result of changes to the estimated demands issued by preceptors on the Council's Collection Fund.

## 63. CALENDAR OF MEETINGS 2024 - 2025

The Calendar of Meetings for 2024/25 drew on the pattern of meetings from previous municipal years. It has been designed to ensure all business is achieved as efficiently as possible. The draft Calendar of Meetings for 2024/25 has been subject to a full consultation process having been considered by Group Leaders' and Leader's meetings both held on 15 January 2024. The Executive was asked to consider, and recommend to Council, the draft Calendar of Meetings for the 2024/25 Municipal Year. The calendar of meetings was subject to approval by Council in February.

Councillor Essex thanked officers for preparing this, commending the fact that there were no meetings in school holidays.

**RESOLVED** that the Executive recommends to Council, the draft Calendar of meetings for the 2024/25 Municipal Year.



**64. STATEMENTS**

There were no statements.

**65. ANY OTHER URGENT BUSINESS**

There was none.

**66. EXEMPT BUSINESS**

There was no exempt business.

The Meeting closed at 8.43 pm

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# Agenda Item 4



<b>Signed off by</b>	Head of Corporate Policy, Projects and Performance
<b>Author</b>	Catherine Rose, Head of Corporate Policy
<b>Telephone</b>	Tel: 01737 276766
<b>Email</b>	Catherine.Rose@reigate-banstead.gov.uk
<b>To</b>	Overview & Scrutiny Committee Executive
<b>Date</b>	Thursday 14 March 2024 Thursday 21 March 2024
<b>Executive Member</b>	Portfolio Holder for Environment and Sustainability

<b>Key Decision Required</b>	Y
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Review of the Council's Environmental Sustainability Strategy
----------------	---

<b>Recommendations</b>
<p><b>That the Overview &amp; Scrutiny Committee:</b></p> <p>(i) <b>Notes the findings of the Environmental Sustainability Strategy Scrutiny Panel, the officer responses at Annex 3, and the revised Environmental Sustainability Strategy at Annex 1 and Action Plan at Annex 2, and make any observations to the Executive</b></p> <p><b>That the Executive:</b></p> <p>(i) <b>Approve the revised Environmental Sustainability Strategy at Annex 1 and Action Plan at Annex 2</b></p> <p>(ii) <b>Authorises the Head of Service for Corporate Policy, Projects &amp; Performance in consultation with the Portfolio Holder for Environment &amp; Sustainability to make minor typographical or factual amendments prior to publication of the Strategy on the Council's website</b></p>
<b>Reasons for Recommendations</b>

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To ensure that the Council continues to have an up-to-date Environmental Sustainability Strategy and Action Plan to set the framework for delivery, supporting the Executive's recently reaffirmed statement that urgent action is needed on climate change and nature recovery.

## **Executive Summary**

In September 2023, the Executive agreed that officers should commence a light-touch review of the Council's 2020 Environmental Sustainability (ES) Strategy to ensure it remains up-to-date.

The proposed revised ES Strategy and Action Plan are included at Annexes 1 and 2 of this report.

The Strategy has been revised with factual and contextual updates. New content has also been added - clarifying the scope of the Strategy and the scope of the Council's organisational net zero target; incorporating a new theme focusing on Climate Adaptation and Resilience; and providing more information on preparing for reporting Scope 3 carbon emissions and carbon offsetting.

The Strategy vision and Council's net zero targets remain unchanged, and the original four themes of Energy and Carbon, Low Impact Consumption, the Natural Environment and Effective Implementation have been retained.

The Action Plan has been fully reviewed and refreshed, to include 91 new actions across the five themes. The format of the Action Plan has also been updated, to include more information about who is responsible for delivery and how (in general terms) actions will be funded.

A draft version of the ES Strategy and Action Plan were considered by a specially constituted Environmental Sustainability Strategy Scrutiny Panel on 12<sup>th</sup> February 2024. The minutes from the Panel are provided for the O&S Committee. The comments of the Panel have been reflected upon, with Annex 3 of this report providing more information about specific suggestions from the Panel and how each has been responded to.

Combined, the 'Council-level' actions will reduce our fleet emissions to less than 10% of our vehicle emissions baseline and deliver considerable reductions in carbon emissions from our buildings; however at 2030 there will be some residual emissions that will need to be offset. This is consistent with our net zero aim.

The 'Borough-level' actions recognise the role the Council has to play in working with other public bodies and partners to improve the environmental sustainability of the borough as a whole, moving us towards a net zero borough in by 2050. Many of these actions also deliver wider benefits for residents such as financial savings and improved health and wellbeing.

Information about budgetary provision for environmental sustainability activity is detailed at paragraphs 45-49 of the report.

Subject to agreement of the revised ES Strategy and Action Plan by the Executive, it will be published on the Council website. Annual progress reports will continue to be provided to the Overview & Scrutiny and Executive Committees.

**Executive has authority to approve the above recommendations**

## Statutory Powers

1. Under the Local Government Act 2000, the Council has a duty to promote the social, economic, and environmental wellbeing of its area. The Council also has related statutory duties around environmental health, waste, and planning.
2. The Climate Change Act 2008 and subsequent amendments<sup>1</sup> sets out much of the UK's policy response to climate change. The Environment Act 2021<sup>2</sup> provides the legal framework relating to environmental protection.

## Background

3. The Council adopted its first Environmental Sustainability (ES) Strategy in late Summer 2020, accompanied by an Action Plan and some Performance Indicators. This Strategy and associated documents are available to view online<sup>3</sup>.
4. Following adoption of the Strategy, a small Sustainability Team was appointed to help facilitate the delivery of the Strategy, with progress reports being provided annually to the Overview & Scrutiny Committee and the Executive. These progress reports are available on the Modern.Gov website with the latest annual report being provided to the Executive in September 2023<sup>4</sup>.
5. A commitment was made to review the ES Strategy after it had been in place for three years. In September 2023, the Executive therefore agreed that officers should commence a light-touch review of the current Strategy and Action Plan to ensure they remained up to date.
6. In October 2023, the Overview & Scrutiny (O&S) Committee agreed to convene an Environmental Sustainability Strategy Scrutiny Panel (the ESSS Panel) to review the proposed updates to the Strategy. The Scrutiny Panel met on 12 February 2024 to consider a draft version of the revised Strategy and Action Plan. The minutes from its meeting are included for O&S Committee members.
7. Following the ESSS Panel meeting, the updated ES Strategy and Action Plan have been finalised and are included at Annexes 1 and 2 for consideration by the Overview & Scrutiny Committee and for agreement by the Executive.

## Key Information

### SCOPE OF THE REVIEW

8. As described in papers to the O&S Committee and the Executive in September 2023, the overall purpose of the Strategy review has been “to reflect progress and build on the collective knowledge gained since the Strategy was drafted in 2020, whilst [also] reflecting the changing legislative, technical and policy landscape.”
9. Consistent with the approach set out to members, the review has been a ‘light touch’ one, retaining the Strategy vision, objectives and net zero targets, while developing

<sup>1</sup> [Climate Change Act 2008 \(legislation.gov.uk\)](https://legislation.gov.uk)

<sup>2</sup> [Environment Act 2021 \(legislation.gov.uk\)](https://legislation.gov.uk)

<sup>3</sup> [Our approach to environmental sustainability | Our approach to environmental sustainability | Reigate and Banstead \(reigate-banstead.gov.uk\)](https://reigate-banstead.gov.uk)

<sup>4</sup> [Agenda for Executive on Thursday, 14th September 2023, 7.30 pm | Reigate and Banstead Borough Council \(moderngov.co.uk\)](https://moderngov.co.uk)

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new short and medium term actions to deliver the objectives, and updating the Strategy with relevant new information.

10. The review of the ES Strategy has also provided the opportunity to incorporate improvements identified in the 2023 Internal Audit into the current 2020 Strategy, (which concluded with an Opinion of Reasonable Assurance<sup>5</sup>).

## **HOW THE REVIEW WAS UNDERTAKEN**

11. The original ES Strategy was developed for the Council by consultancy firm Waterman. This three-year review has been undertaken 'in-house' by the Council's Sustainability Team.
12. The review has included engagement with the Council's officer-level Sustainability Steering Group, service areas and staff across the organisation, local interest groups and residents attending local events and community locations. Views and input have also been sought from members (via a workshop and online survey), the Cross Party Member Sustainability Group and from partner organisations. A fuller report of the engagement that has taken place is included at Annex 5.

## **FINDINGS FROM THE ES STRATEGY SCRUTINY PANEL**

13. As noted above, the ESSS Panel was convened to review the revised draft Strategy and Action Plan.
14. The Panel asked a wide range of questions, as well as making observations and some specific suggestions about how the Strategy and Action Plan could be amended.
15. Where the Panel made specific suggestions about how the documents provided could be amended (rather than questions or observations), these have been considered individually in finalising the Strategy and Action Plan now attached at Annexes 1 and 2. A schedule of how each Panel suggestion has been responded is included at Annex 3.
16. One of the main observations from the Panel related to ensuring that progress in delivering the Action Plan could be clearly tracked and reported on, through inclusion of meaningful timeframes, performance indicators and, as appropriate, milestones or trajectories. It was, however, also noted that quantitative measures would not be appropriate for all actions, and in some cases reporting would need to take the form of a narrative description of progress. This approach would be consistent with the approach taken in the 2022/23 annual report.
17. As a result of these observations:
  - Timeframes for all actions in the Action Plan have been reviewed, with commencement dates provided for all actions, and indication provided of when actions will be ongoing over subsequent years
  - Performance indicators have been reviewed, with changes made in a number of instances to make it clearer what information will be provided to assist members to review progress. It remains the case that performance indicators are a combination of both quantitative and qualitative measures.

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<sup>5</sup> The Auditors' general definition of Reasonable being "There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited."

- Additional illustrative information is provided later on in this covering report and Annex 4 about our overarching carbon reduction targets, including illustrating how the actions relating to our buildings and our fleet will over time move us towards our net zero organisational target.

## **CHANGES PROPOSED AS A RESULT OF THE REVIEW**

### **Strategy document**

18. The updated Strategy Document is included at Annex 1. The main substantive changes to the document are as follows (factual updates have also been made):
  - Clarification of the scope of the Strategy (that is, what falls within and out-with its remit)
  - Clarification of the scope of the Council's carbon footprint (that is, what is included in our carbon emissions calculations and what is excluded)
  - Progress updates since the original Strategy was agreed in 2020
  - Addition of a new chapter specifically addressing climate adaptation and resilience
  - Addition of a new chapter providing more detail about work that is needed to prepare for reporting our Scope 3 carbon emissions and to determine an agreed approach to carbon offsetting of residual emissions from 2030
  - Explanation of the main constraints and challenges associated with delivering the Strategy and Action Plan, and associated opportunities for wider benefits to be secured through the actions being taken.

### **Action Plan**

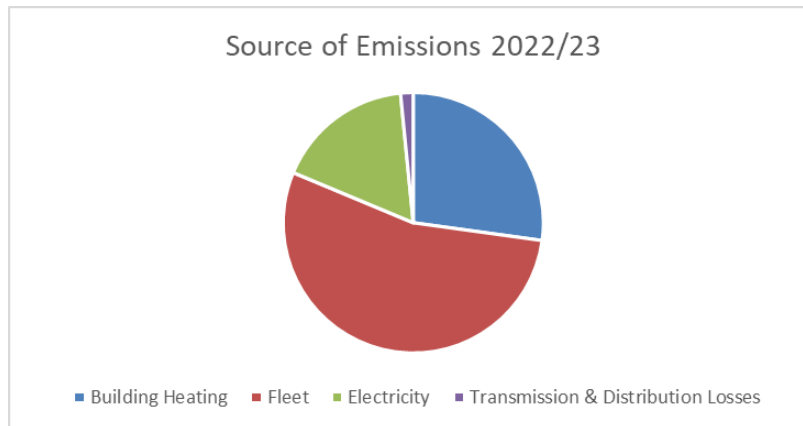
19. A comprehensive review of the Action Plan has been undertaken, both in terms of its format and content. Some minor changes have been made to the objectives for readability, clarity and succinctness and new objectives have also been prepared specifically for the newly added Climate Adaptation and Resilience theme. The revised Action Plan is included at Annex 2.
20. **Action Plan Format:** A more comprehensive format is proposed, with more information about each action than was previously provided. Actions have been allocated to specific teams in response to the 2023 internal audit of the 2020 ES Strategy. Responding to another internal audit recommendation, performance indicators are included for all objectives, including those within the 'effective implementation' theme, and as noted above these have been reviewed and updated following feedback from the ESSS Panel.
21. More information has also been included about the benefits that each action will secure, the scale of financial cost and how in general terms the action is to be funded. For succinctness, rather than listing potential risks or challenges associated with each activity, these are summarised in the main Strategy.
22. **Action Plan Content:** As noted above, the Action Plan has been completely reviewed. A handful of actions have been carried forward from the last Action Plan, either where these had not been implemented (or not fully implemented) or where they had been identified for delivery after 2023/24.

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23. To accompany the revised Action Plan, a new reporting template will be developed; with annual reports also including updates on progress towards delivering the net zero organisational target. Annual reports to O&S and Executive will continue to be provided.

## DELIVERY OF THE ORGANISATIONAL 2030 CARBON TARGET

24. The graph below, taken from the September 2023 ES Annual Report, shows our main sources of organisational emissions.



25. The overall approach to reducing these emissions is based around the following:
26. **Firstly, reducing overall energy and fuel use:** The Action Plan includes a number of actions that will deliver a reduction in the total amount of energy and fuel that we use. This includes Actions 5, 6, and 11 to improve the energy efficiency and energy use in our buildings, and Action 8 to reduce vehicle fuel use through more efficient driving and route optimisation. The Action Plan also includes cross-cutting actions to encourage behavioural change, which will contribute to a reduction in energy use (Actions 7, 8, 10, 66-68 and 86-91).
27. **Secondly, transitioning away from Scope 1 fossil fuels:** This requires us to move away from diesel and petrol usage in our vehicles, and away from gas heating in our buildings.
28. Relevant actions in the Action Plan include Action 2 (reduction in gas consumption), Actions 23 and 24 (supporting moving our fleet away from internal combustion engine vehicles), and Action 22 (the use of hydrotreated vegetable oil (HVO) as an interim fuel until such time as diesel and petrol vehicles can be phased out).
29. Implementing these actions will mean that eventually we rely more on electricity to run our vehicles and heat our buildings.
30. **Finally, obtaining the electricity that we do still need from renewable sources:** Ideally, renewable electricity will be secured from self-generation, with Action 14 covering the installation of renewable energy measures across Council operated buildings, and Action 13 to look at other opportunities to generate our own renewable energy.
31. Recognising that this will take time, Action 15 (procuring renewable electricity tariffs) represents an interim solution to ensure that the electricity (and potentially gas) we do need to purchase can be accounted for as from renewable sources.

## Trajectory for emissions reduction, residual emissions and offsetting



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32. Implementation of the actions relating to our vehicle fleet, together with charging electric vehicles via a renewable tariff, will result in less than 10% of our 2019 baseline vehicle-based carbon emissions remaining in 2030.
33. Fully moving from gas to electric heating will reduce carbon emissions associated with our buildings considerably as demonstrated by the graph above, although it should be noted that this transition will take time and will be more challenging in some of our larger buildings. Energy efficiency and energy reduction and renewable generation measures will reduce this further (although given the inter-relationships between individual measures including behavioural change it is not possible to accurately quantify this).
34. Annex 4 sets out the expected pathway of organisational carbon emissions reduction for our organisational (scope 1 and scope 2) emissions by measure and by timescale. It should be noted that this is based on the best information available at this time, and has necessitated a number of assumptions. The annual reporting process will report actual carbon emissions, and as more information becomes available (for example, as detailed business cases for some actions are developed) these pathways will be refined.
35. At 2030, Annex 4 demonstrates that there will be some residual emissions that will need to be offset. A new section has been added to the Strategy about how we prepare for this.

### **DELIVERY OF THE BOROUGH 2050 CARBON TARGET**

36. It is widely recognised that achieving net zero by 2050 cannot be achieved by local authority action alone, with less than 1% of emissions within our direct control. But it is also clear that both upper tier authorities (such as Surrey County Council) and lower tier authorities (such as Reigate & Banstead) have an important role to play. For example, the Local Government Association suggests that local authorities have an influence over more than a third of emissions in their area.
37. As well as actions to deliver our organisational carbon target, our Action Plan therefore includes a wide range of actions to improve the environmental sustainability of the borough as a whole.
38. These borough-level actions, combined, will make a positive contribution towards moving us towards our target of a net zero borough by 2050, and will help build momentum for further progress. These include actions which will lead to a reduction in carbon emissions from domestic properties (for example, Actions 1, 7 and 12), and from transport (for example, Actions 17-20, and 28). The work we do at a Council-level activity will also raise the profile of the benefits of taking action locally, something we are already seeing from the borough-level work undertaken to date.
39. To secure the achievement of our 2050 borough-wide target (and the county target, as is acknowledged by Surrey County Council), a step change in national policy and investment in decarbonisation is required, and we need to work closely with other organisations to maximise the impact of our activity. This is why our Action Plan includes actions both in respect of partnership working and lobbying government for further change (Actions 69-72).
40. It is also worth highlighting the additional benefits that our borough-level sustainability activity can bring. As set out in the Action Plan, this includes health

# Agenda Item 4

benefits and financial savings for residents and increased community engagement and resilience.

## **CONSTRAINTS, RISKS AND CHALLENGES**

41. It must be acknowledged that a number of constraints, risks and challenges exist in relation to decarbonising our buildings and fleet. These are summarised in the Strategy at section 1.5 and chapter 9, and include:
- Uncertainty about the future use of some of our buildings (for example the Harlequin Theatre), meaning that detailed proposals for these are currently on hold; and about our ability to charge large numbers of electric vehicles at the Earlswood Depot, with substantial upgrades likely to be required to enable this.
  - Challenges associated with the retrofitting of both historic buildings (the Town Hall) and buildings that are in continual operational use (such as community centres and the Depot), meaning works have to be carefully and sensitively designed, coordinated and phased.
  - The continuing evolution of the building decarbonisation sector and the electric vehicle market (both in terms of prices and technology), determining the extent to which transitioning both our buildings and fleet away from Scope 1 fuels is both operationally and financially viable.
  - Operational challenges (particularly as a result of the national Resources and Waste Strategy 'Simpler Recycling' proposals) which may increase the fleet mileage required and therefore fuel consumption and carbon emissions.

## **Options**

42. The Overview & Scrutiny Committee has the following options:
- Recommendation (i)
- Option 1: Note the findings of the ES Scrutiny Panel, and the content of Annexes 1, 2, and 3 and make no observations to the Executive.
  - Option 2: Note the findings of the ES Scrutiny Panel, and the content of Annexes 1, 2, and 3 and make observations to the Executive.
43. The Executive has the following options:
- Recommendation (i)
- Option 1: Approve the revised ES Strategy and Action Plan.  
This option is recommended as it ensures that the Council continues to have an up-to-date Strategy and Action Plan for 2024/25 and beyond and reflects the Executive's position that urgent action is on climate change and nature recovery is needed.
  - Option 2: Do not approve the revised ES Strategy and Action in its current form.  
This option is not recommended as it means that the Council's ES Strategy will become increasingly out of date and will result in a lack of clarity about the actions to which the Council is committing to, to continue to make progress in this important area of work.

## Recommendation (ii)

- Option 1: Authorise officers, in consultation with the relevant portfolio holder, to make minor typographical or factual amendments prior to publication of the Strategy on the Council's website.

This option is recommended to minimise the risk of delay to publication of the Strategy on the website.

- Option 2: Do not authorise officers, in consultation with the relevant portfolio holder, to make minor typographical or factual amendments prior to publication of the Strategy on the Council's website.

This option is not recommended as it may result in delay to the publication of the Strategy on the website.

## Legal Implications

44. No specific legal implications have been identified as arising from the information within this report or the accompanying annexes.

## Financial Implications

45. Specific budgetary provision for the implementation of the ES Strategy currently includes (from 2024/25 onwards):

46. Revenue Budget provision as follows:

- An annual Revenue Budget allocation for one Sustainability Manager and one Sustainability Project Officer. A second Sustainability Project Officer is currently funded via the UK Shared Prosperity Fund.
- Additional revenue funding of £0.121m to cover the cost uplift of using HVO in our refuse collection vehicles and of £0.016m to cover the estimated additional cost associated with charging one electric bin lorry; and
- £0.251m in an ear-marked Environmental Sustainability Reserve, which is currently being used to contribute to the cost of other sustainability workstreams.

47. Capital Programme allocations as follows:

- £0.236m that is available for investment in Environmental Sustainability Projects
- £0.242m allocation to cover the cost uplift associated with the purchase of one electric garden waste collection vehicle. This is in addition to the rolling Capital Programme allocation for fleet replacement
- £0.100m for the installation of improved energy management technology in our buildings
- £1.145m within the Capital Programme, plus £0.800m to be funded from a Strategic CIL allocation - to fund the installation of solar panels on nine Council buildings, plus energy efficiency and energy management measures at two community centres and some smaller sites; and

# Agenda Item 4

- £0.089m from Surrey County Council to fund the installation of solar panels across a number of temporary and emergency housing units owned by the Council.

48. The Action Plan includes information about the likely scale of budget allocation and source(s) of Council funding required for each action. For many of the initiatives identified, costs will be met by the relevant Council department from existing agreed revenue and/or capital budgets, with the Environmental Sustainability Revenue Reserve and Environmental Sustainability Projects Capital Programme allocation also available for use.
49. Where additional funding requirements are identified (for example, once further work has been undertaken to determine detailed costs for a particular project), these will be pursued either from external sources, or in the usual way using established internal procedures – that is, via the annual budget setting process or stand-alone capital growth requests (supported by a business case) to the Executive / Full Council as appropriate. In some cases, operational costs may be reduced leading to lower energy bills, either immediately or at the end of a pay-back period, which will be reflected in relevant business cases.

## **Equalities Implications**

50. The equalities implications of the overall Strategy and Vision, and the Action Plan, have been assessed. The findings are summarised below.

## **Strategy and Vision**

51. The Strategy 2050 vision should have an overall positive impact on advancing equality of opportunity, and fostering better relations between those who share a protected characteristic and those who do not.
52. All elements of the vision have the potential to have a potential equalities impact. However, in some instances, without appropriate mitigations, there may be a risk of some more vulnerable residents (including those with protected equalities characteristics) being unable to access or share in identified benefits.
53. It will therefore be important – via the regular reviews of the supporting Action Plan – that actions that mitigate or remove any such negative impacts are included.

## **Action Plan**

54. The potential equality implications of actions within the Action Plan have been assessed; with actions falling within three main groups:
- A number of actions have no identified impact due to them not impacting on individuals or the level of service provided (for example, where the actions relate to a process improvement).
  - A number of actions have no identified impact arising from the specific action, however the action itself may lead to a subsequent proposal which could have equality impacts (for example where the action is to investigate an opportunity, leading to its potential implementation). In these instances, any subsequent proposals will need to be screened and as appropriate their equality impact assessed. This can be done via existing established processes, including the corporate Project Management Framework and the Executive report process.

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- A number of actions have been identified as potentially having an impact, however the nature and extent of the impact is unknown due to the early stages which action implementation is at. In these instances, impact mitigation and/or avoidance measures have been identified, for example:
  - Ensuring equality impact is assessed at the time of scheme design or strategy production. This can be done via existing established processes, including the corporate Project Management Framework and the Executive report process.
  - Ensuring that communications material is provided in accessible formats.

55. A number of actions have been identified as having positive equality impacts, and for others, added-value activities have been identified which can increase opportunities for positive equality impact.

## **Communication Implications**

56. Communicating about environmental sustainability is an important element of delivery the Strategy. Actions 66 to 68 within the Effective Implementation section of the Action Plan, cover this. Communications activity will include campaigns, behavioural change messages and information about what the Council is doing itself. A range of communication and engagement channels will continue to be used.

57. Subject to agreement by the Executive, the updated ES Strategy and Action Plan will be published on the Council website, and appropriate communications activity undertaken to raise awareness of it.

## **Environmental Sustainability Implications**

58. These are covered in the Background and Key Information Sections of the report.

## **Risk Management Considerations**

59. Inclusion of a new chapter on Climate Adaptation and Resilience recognises that “Responding to a Changing Climate” is on the Council’s Strategic Risk Register and that action needs to be taken to respond to this risk.

60. A range of risks and challenges to the delivery of the Strategy and Action Plan are set out in the updated Strategy document at Chapter 9. These will be kept under review and escalated to operational risks should the need arise.

## **Procurement/Contract Management and Subsidy Considerations**

61. No specific procurement, contract management or subsidy considerations have been identified as arising directly from this report. In the event that procurement is required to deliver actions within the Action Plan this will be undertaken in line with adopted Council procedures. In the event that the Council develops grants or loans to facilitate the delivery of Strategy objectives, subsidy control implications will be considered.

## **Other Implications**

## **Human resource implications:**

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62. The Council's Sustainability Team sits within the Corporate Policy, Projects & Performance service. Along with the Head of Service, the team comprises two Sustainability Project Officers (1.8FTE). Recognising the need to accelerate action to deliver the revised ES Strategy, additional funding has been secured for 2024/25 onwards for a new Sustainability Manager. Recruitment to this post will commence shortly.
63. It is important to note that responsibility for delivering the Strategy, and the actions in the Action Plan, rests with services across the Council. The breadth of different services' involvement can be seen within the Action Plan. In most cases, services will be able to deliver actions using existing staff resources, but in some cases additional project specific (fixed term) resource, or expert consultancy resource, may be required. Where possible, the opportunity will be taken to share expertise with other districts/boroughs and/or Surrey County Council.
64. Should changes to national legislation or policy occur which result in an enhanced role for local authorities, the current level of staff resourcing may need to be reviewed. In such an event, the Council would lobby for new burdens funding to support this.

## Consultation

65. A range of engagement activities have been undertaken to inform the Strategy and Action Plan review process, and are detailed in Annex 5. The documents have been considered by the ESSS Panel (see Annex 3 for officer responses to the suggestions raised).
66. As a subsidiary strategy to the Corporate Plan which seeks to deliver against a Corporate Plan objective, and in line with the recently agreed operational guidance on developing and reviewing strategies, formal public consultation is not required.

## Policy Framework

67. The Council's Corporate Plan 2020-2025 includes in its vision that the Council will be "proactive about tackling climate change and reducing our environmental impact".
68. The Plan also includes a commitment to environmental responsibility, and an objective to "reduce our own environmental impact, support local residents and businesses to do the same, and make sure our activities increase the borough's resilience to the effects of climate change". It explains that the Council will publish an Environmental Sustainability Strategy to deliver on this, whilst also recognising that social, economic and environmental objectives may not always align and therefore the Council's decision-making will sometimes need to balance competing priorities and reflect the financial constraints we face as a Council.
69. The ES Strategy, whilst not forming part of the Corporate Policy Framework, is a subsidiary strategy to the Corporate Plan and an important tool to help deliver it. As noted above, the first ES Strategy was published in 2020, and the purpose of this review is to ensure it remains fit for purpose, and that the Action Plan is updated to reflect progress and evolving priorities.

70. The recently agreed operational guidance on developing strategies has been taken into account as part of the review process, to the extent appropriate given that this has been a light-touch review.

## **Annexes**

1. Annex 1: Updated ES Strategy
2. Annex 2: Updated ES Action Plan
3. Annex 3: Officer responses to ESSS Panel suggestions
4. Annex 4: Expected organisational carbon reduction by 2030
5. Annex 5: Engagement report

## **Background Papers**

1. [Corporate Plan 2025](#)
2. [2020 Environmental Sustainability Strategy](#), [Action Plan](#), [Performance Indicators](#) and [2021 Additional Actions](#)
3. [Latest \(2022-23\) ES Strategy Annual Report](#)

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# Environmental Sustainability Strategy

March 2024

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Version 1 – July 2020 (Waterman Environment)

Version 2 – March 2024 (R&BBC):

- Addition of new Sections 1, 6, 8 and 9.
- Minor text amendments for clarity or to update the text.
- Addition of Section 3 net zero diagram and associated text and updating of graphs and tables.
- Changes as a result of Scrutiny Panel suggestions

**Foreword (will be added prior to publication)**

## 1. Introduction

### 1.1 The 2020 Environmental Sustainability Strategy

Our Corporate Plan, Reigate and Banstead 2025, explains our priorities for the next five years and how we will deliver services to those living, working and spending time in our borough. The Vision for the Plan includes 'being proactive about tackling climate change and reducing our environmental impact' and to achieve this the Plan committed to publish a new Environmental Sustainability Strategy to deliver the commitment to reducing our "own environmental impact and supporting local residents and businesses to do the same".

In 2020, we commissioned a consultant to develop an Environmental Sustainability Strategy (ES Strategy), which was then agreed by the Executive, published on our website and for which we provide annual progress updates. There was a commitment to regularly review the ES Strategy. This document is therefore an update to the 2020 ES Strategy as a result of a review of the 2020 document.

### 1.2 The Review

Since the ES Strategy was agreed in 2020, worldwide carbon emissions have continued to rise, biodiversity loss has accelerated<sup>1</sup> and the effects of climate change attributable to human activities have become more apparent.

This 2024 document updates the Strategy in light of the changes that have occurred since the original was written, including:

- The Covid19 pandemic starting in 2020, the associated lockdowns, and the return to a 'new normal' that has resulted from living with Covid.
- The ongoing change to working patterns that stemmed from Government encouragement to work from home where possible during the lockdowns and to avoid non-essential contact.
- Developments from national Government in policy, legislation and funding streams, for example the Environment Act 2021.
- The publication in 2020 of the [Surrey County Council 'Greener Futures' Climate Change Strategy](#), and its supporting [Delivery Plan](#) which includes actions for the County Council and the eleven district and borough councils, as well as strategies and action plans from our neighbouring local authorities.
- Growth in our collective knowledge about the potential solutions to decarbonise Council buildings and vehicles.
- Technology has developed and prices for renewable technologies, such as solar photovoltaics, have fallen. In tandem with rising grid energy prices, this has substantially improved financial payback times.
- The publication in 2023 of the [Surrey County Council Adaptation and Resilience Strategy](#), known as Surrey Adapt.

Progress has been made in achieving the objectives of the 2020 Strategy, with annual reports published on our website.

This review and revision of the Strategy will ensure we have the knowledge, tools and resources in place, and we are working on the correct actions to meet our vision, objectives and targets.

#### 1.1.1 The Scope of the Review

The 2023-2024 review has considered the following:

- the 2020 ES Strategy document;
- addition of any new themes;

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<sup>1</sup> IPBES (2019): Summary for policymakers of the [Global Assessment Report on Biodiversity and Ecosystem Services](#) | IPBES secretariat <https://www.ipbes.net/global-assessment> page 14 paragraph 6.

- addition of any new objectives;
- review of any outstanding actions from the 2020 Action Plan (as updated in 2021);
- development of new actions;
- review of performance indicators.

The review has not changed:

- the target to get to net zero carbon by 2030 for the Council (scope 1 and 2 emissions);
- the aim to achieve net zero for scope 3 emissions as soon as possible after 2030
- the target to get to net zero carbon by 2050 for the borough;
- the vision statements that describe how a future Council and borough could look if the objectives are achieved;
- the four themes within the 2020 Strategy;
- the overall intention of the Strategy objectives, (however these were reviewed to determine if there was potential to combine objectives or reword to make the intention clearer).

### 1.3 The Scope of the Strategy

The ES Strategy covers two complementary areas – Council activities and activities within the wider borough. The scope of these two areas is summarised in Figure 1 below, with more detail in the following subsections.

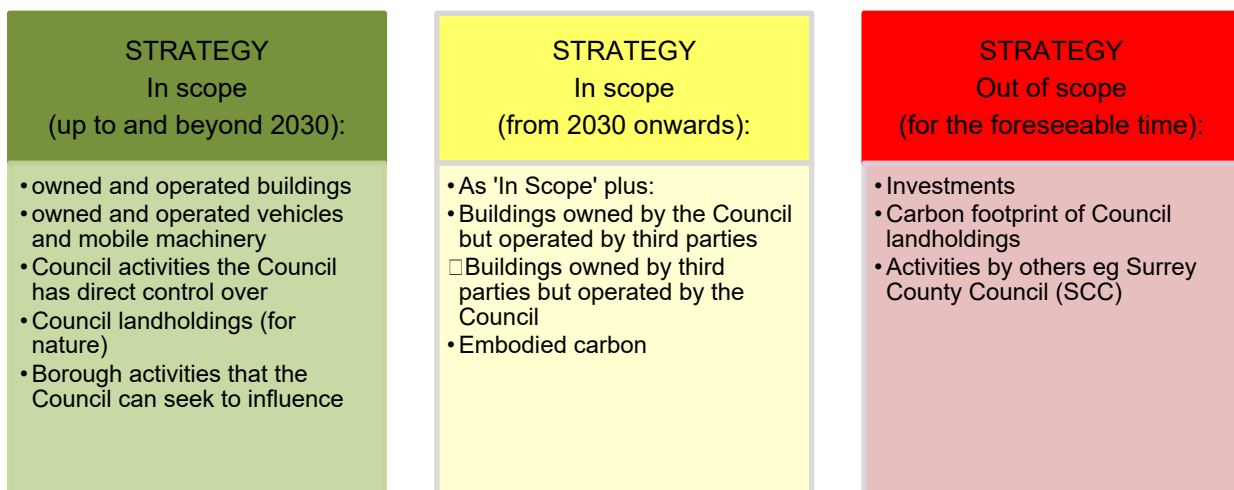


Figure 1: Scope of the ES Strategy

#### 1.3.1 Council activities

Council activities are those operations under the direct control of the Council:

- Owned and operated buildings. These comprise the Town Hall, Harlequin theatre, Earlswood Depot, the three community centres and various smaller buildings.
- Owned and operated vehicles and machinery. These comprise all road-going and non-road-going vehicles and machinery.
- Council activities that the Council has direct control over. These include activities of staff across all departments of the Council.
- Council landholdings are in scope in terms of improvements we can make for nature, biodiversity, water management and wellbeing, as are landholdings that we can use for the generation of renewable energy. Carbon sequestration may be a co-benefit of these activities, or we may take actions to improve carbon sequestration of the land, but we do not currently propose to estimate or measure the carbon of our landholdings for inclusion in our carbon footprint (see section 1.4 below). However, this will be kept under review as science and carbon

measurement methodologies develop.

### 1.3.2 Borough activities

Borough activities are those within the borough over which the Council has no direct control but which we can seek to influence through our work with residents, businesses, other public sector partners and local organisations. This includes the main emitters of carbon within the borough, that is transport and domestic buildings.

### 1.3.3 Activities currently out of scope but to be included from 2030

The following activities are currently outside the scope of the Strategy due to issues such as lack of data or contractual arrangements which we will aim to resolve. These activities will be kept under review with the aim that they will be bought into scope no later than 2030 via a future review of the Strategy. They include:

- Buildings owned by the Council but operated by third parties – there are opportunities to influence tenants as and when leases come up for renewal.
- Buildings owned by third parties but operated by the Council – there are opportunities to begin discussions with landlords about sustainability improvements that can be made.
- Embodied carbon – this is an area of much research and developing guidance by external bodies that we can look to use and implement once it is available. <sup>2</sup>

### 1.3.4 Activities outside of scope

Due to lack of data, complexity or not having control, the following activities remain outside the scope of the Strategy at present:

- Investments;
- Council landholdings (in respect of the carbon footprint);
- Activities under the control of others, for example Surrey County Council (SCC) are responsible for waste disposal, street lighting, highways, schools, libraries and social care.

## 1.4 The Scope of our Carbon Footprint

The Energy and Carbon theme of the Strategy is the principal mechanism for reducing the Council carbon footprint. As such, the scope of the carbon footprint is narrower than the scope of the ES Strategy.

The Council commits to becoming net zero for Scope 1 (direct) and Scope 2 (indirect – fuel) emissions by 2030 and for Scope 3 (indirect – suppliers) emissions as soon as possible thereafter. An explanation of carbon footprint scopes is presented in Section 3 and summarised in Figure 2 below.

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<sup>2</sup> See, for example, [Embodied Carbon | UKGBC https://ukgbc.org/our-work/topics/advancing-net-zero/embodied-carbon/](https://ukgbc.org/our-work/topics/advancing-net-zero/embodied-carbon/)

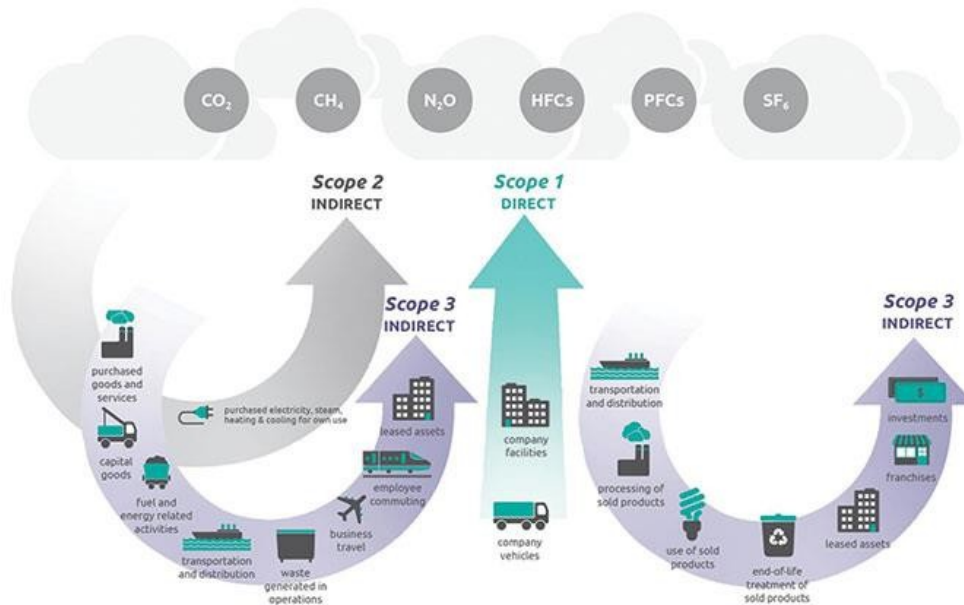


Figure 2 - Overview of Greenhouse Gas Protocol scope and emissions across the value chain. Source: GHG Protocol

Appendix 1 provides more detail on the scope of our 2030 target, what emissions will be included from 2030, and what operational areas are deemed to be out-of-scope – this is summarised in Figure 3 below.

Carbon Footprint (In scope from now to 2030 & beyond): Scope 1 - fuels	Carbon Footprint (In scope from now to 2030 & beyond): Scope 2 - electricity	Carbon Footprint (In scope from 2030 onwards): Scope 3 - suppliers
<ul style="list-style-type: none"> <li>natural gas from owned buildings</li> <li>fuels used in owned and leased vehicles and mobile machinery (diesel and petrol, and any future fuels such as Hydrotreated Vegetable Oil HVO or Hydrogen)</li> </ul>	<ul style="list-style-type: none"> <li>purchased electricity used in owned buildings</li> <li>purchased electricity used in owned and leased vehicles</li> <li>renewable energy generated on owned land / buildings</li> </ul>	<ul style="list-style-type: none"> <li>purchased goods and services, including water consumption and treatment</li> <li>business travel (mileage, public transport, hotels)</li> <li>employee commuting</li> <li>waste generated in operations (treatment and disposal)</li> <li>upstream leased assets (where RBBC is tenant)</li> <li>downstream leased assets (where RBBC is landlord, case-by-case as and when lease arrangements allow)</li> <li>purchased electricity transmission and distribution (T&amp;D)</li> </ul>

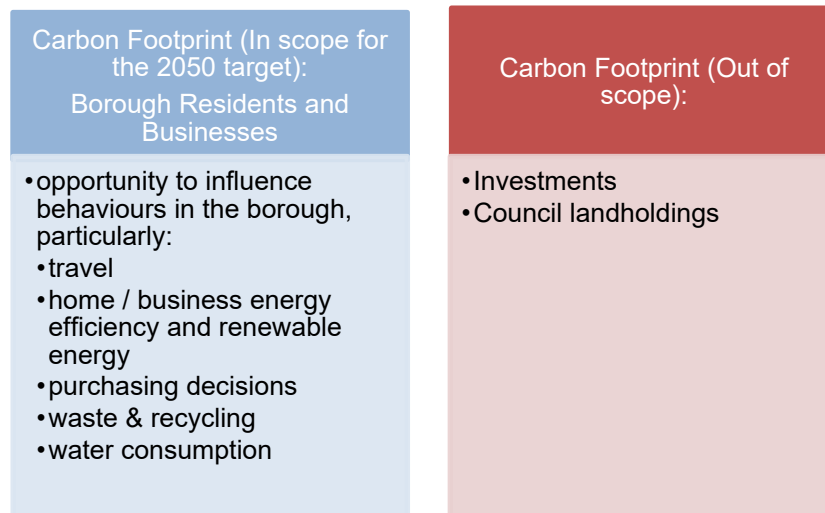


Figure 3: Scope of the RBBC Carbon Footprint

## 1.5 Constraints to Delivering the Strategy

Progress has been made since the Strategy was published in 2020, however the next steps to deliver significant carbon reduction measures and nature improvement need some strategic decisions to allow progress. These decisions relate to:

- **The future of our key buildings.** Uncertainty over the future of our buildings<sup>3</sup> is delaying short term investment in energy efficiency, renewable energy and zero carbon heating systems that will decarbonise our built estate. Although it can be argued that these improvements should be made regardless of whether the building is to be retained or sold on, it is not financially or environmentally sensible to make improvements that may then need to be amended or removed if the future use of the building changes and it needs to be remodelled.
- **The layout of the Earlswood Depot.** To fully electrify our fleet, the Depot will need to be redesigned to create capacity for charging stations, or alternatively a new site may need to be identified and developed. There is space to install some solar generation and battery storage, but an enhanced grid connection is also likely to be required. A project to develop options is urgently required to allow the infrastructure to be in place such that the phased replacement proposed in the Fleet Replacement Strategy can be implemented.
- **Budget.** Although many decarbonisation measures will deliver savings once the original investment is made (eg energy efficiency measures, solar PV), during consultation for this Review, some concern has been expressed over the budgetary implications of including sustainability measures in new purchases, new builds, building refurbishments and during maintenance. This can be mitigated by ensuring project proposals include both 'business as usual' and sustainable options, developing robust business cases that take account of sustainability benefits, and having a commitment to a long-term sustainability budget.

Some further challenges and how these will be overcome are outlined in Section 9 below.

## 2. The Context

As part of our Corporate Plan for 2020-2025, we have committed to being proactive about tackling climate change and reducing the borough's environmental impacts. This includes reducing the Council's direct impact and supporting residents and businesses to do the same.

<sup>3</sup> At the time of writing, the Harlequin Theatre is shut, but it remains in the carbon footprint baseline and Scope 1 and Scope 2 Harlequin activities that are undertaken elsewhere will be reported in the 2023/24 carbon footprint and annual report.



While the climate crisis is a global issue, the importance of each country taking action to limit greenhouse gas emissions cannot be underestimated. In response to the adoption of the Paris Climate Agreement in 2015, the UK became the first major economy in the world to pass legislation to bring all greenhouse gas emissions to net zero by 2050.

Achieving net zero will require a combination of conventional mitigation techniques - that is reducing energy and resources consumption in our buildings, infrastructure, industrial processes and our daily lives, and in parallel, a transition from carbon-emitting fossil fuels towards renewable sources of energy. There will always be however residual carbon emissions that will have to be compensated for through carbon removal technologies (e.g. reforestation, afforestation, carbon capture and storage).

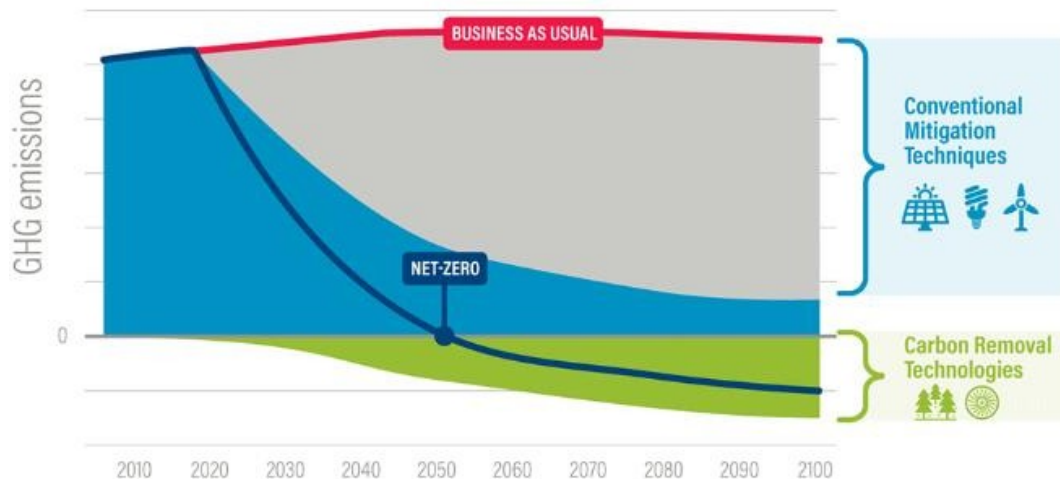


Figure 4 – Net Zero diagram – Source: World Resources Institute (WRI)

To support the Government in achieving net zero by 2050, we recognise that the role of local government is critical in helping to embed measures and support residents and businesses to make the necessary changes to meet this national legislation.

In addition to focusing on limiting actions and processes that contribute to the climate crisis, at the Council we have also considered our environmental impacts more broadly. Recent history has demonstrated that there is an increasing disconnect between society's consumption of natural resources (e.g. plants, air, water, soils, minerals) and ecosystem services (e.g. water and air purification, crop pollination and pest control) and the ability of our ecological and environmental systems to replenish themselves. Currently, UK consumption exceeds what can be produced (see Figure 11 in Section 4 below).

The challenges of embedding sustainability within our practices and then influencing the wider borough are wide ranging and summarised in more detail in Section 9 below. The scope of our ES Strategy has therefore been influenced by the areas of responsibility that we hold.

Surrey County Council (SCC) is responsible for issues such as transport, highways, schools and education and has developed its own Climate Change Strategy – [Greener Futures](#). This is complimented with a Climate Change Delivery Plan<sup>4</sup>, Local Transport Plan (LTP4)<sup>5</sup> and the Surrey Adapt Strategy<sup>6</sup>. We are committed to continuing to work closely with SCC and Surrey district and borough authorities to achieve shared climate change and environmental sustainability objectives, and the objectives and priorities within this Strategy reflect this.

<sup>4</sup> [Greener futures climate change delivery plan 2021 to 2025 - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/greener-futures-climate-change-delivery-plan-2021-to-2025)  
<https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/greener-futures-climate-change-delivery-plan-2021-to-2025>

<sup>5</sup> [Local Transport Plan \(LTP4\) - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/roads-and-transport/policies-plans-consultations/transport-plan) <https://www.surreycc.gov.uk/roads-and-transport/policies-plans-consultations/transport-plan>

<sup>6</sup> [Climate change adaptation and resilience - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/adaptation-and-resilience)  
<https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/adaptation-and-resilience>

Acknowledging the range and complexity of issues required to achieve sustainable development, the 2020 Strategy was broken down into three environmental themes and an overarching theme of effective implementation. The 2020 Strategy included climate change adaptation and resilience within the other themes, however we now believe that this needs greater emphasis and therefore include it in this 2024 update as a fourth environmental theme. Our themes are therefore:

1. Energy and carbon
2. Low impact consumption
3. Biodiversity and the natural environment
4. Climate adaptation and resilience (new)
5. Effective implementation

To support the delivery of the ES Strategy an Action Plan has also been developed for each of these themes to formalise how we intend to embed and achieve the Strategy. The Action Plan for the first version of the Strategy contained actions for the years 2020-21 through to 2023-24. This 2024 update contains actions for 2024-25 and going forward. The main focus of the Action Plan is the next three years, but longer term and ongoing actions are also included.

As part of each priority theme there are a range of key issues to ensure its successful realisation. Overarching objectives set out the Council's approach within each theme, with a number of actions identified for each objective.

Performance indicators have been developed to assist with monitoring progress against the objectives and evaluating the success of the actions. For this 2024 update, the performance indicators have been reviewed to ensure data is easily available and each indicator provides value to the reporting process.

The full Action Plan is available at Appendix 1. Those actions that are likely to deliver significant progress on the Council's priorities are detailed in the following sections of this Strategy document.

## 3. Energy and carbon

### 3.1 Overview

In June 2019 the Government amended the Climate Change Act 2008 and is now targeting a 100% reduction in greenhouse gas emissions (compared to 1990 levels) by 2050. This is otherwise known as a net zero target which will be achieved through a combination of efficiency measures, renewable energy production and carbon sequestration (e.g. reforestation). This target would effectively mean that the UK will end its contribution to global emissions by 2050.

We are responding to this challenge by aiming to achieve net zero (based on Scopes 1 and 2 emissions - Figure 2) by 2030, against a 2019/20 baseline.

We aim to achieve net zero for scope 3 emissions as soon as possible after 2030.

It is worth highlighting that the carbon emissions directly under the control of the Council represent only about 0.2% of the emissions released within the borough (Table 1).

This highlights the importance for us to also concentrate our efforts in influencing businesses and residents' behaviour and purchase patterns to adequately curb borough emissions. We will work in partnership with SCC and other key partners and stakeholders to achieve carbon neutrality across the borough by 2050.

It should also be recognised that early action to reduce emissions is preferable to delivering all the reductions

#### Definition of Scope 1,2, 3 emissions

**Scope 1** includes direct emissions from the **combustion of fuels** by sources owned or controlled by the reporting organisation.

**Scope 2** includes the emissions from the combustion of fuels to **generate electricity**, steam, heating, and cooling purchased and consumed by the reporting organisation.

**Scope 3** includes all other **indirect emissions** that occur in an organisation's value chain.

in 2029, as it reduces cumulative carbon emissions.

We are adopting the following definition of net zero for our operational emissions:



Figure 5: RBBC definition of net zero

The gross carbon footprint is derived from the in-scope emissions from our operational activities (see section 1.4 above). To calculate our net carbon footprint we will remove the emissions avoided from renewable electricity. We will reduce emissions as far as possible with an aim to have our residual net carbon footprint less than 10% of baseline by 2030. From this net carbon footprint we will offset the remainder using verified offsets (see Section 8.2 below) to achieve net zero carbon.

### 3.1.1 Annual greenhouse gas emissions

To demonstrate progress, a net zero target needs to refer to a baseline year. For us, the first year when we had an almost complete set of data from which to calculate our carbon footprint was the financial year 2019/20. Table 1 below indicates the verified greenhouse gas emissions from our operations in our baseline year, alongside Government estimates of territorial greenhouse gas emissions in the Borough<sup>7</sup>. This is updated from the 2020 Strategy to reflect the actual R&BBC baseline emissions (financial year 2019-20) and equivalent Borough-level estimates for the calendar year 2019.

Scope	Description	Annual carbon dioxide emissions	
		Council level (2019/20)	Borough level 2019 <sup>8</sup>
Scope 1	Fuel consumption (diesel)	1,241 tCO <sub>2e</sub>	758,000tCO <sub>2</sub> <ul style="list-style-type: none"> <li>▪ Transport 46%</li> <li>▪ Domestic (elec., gas, fuel) 31%</li> <li>▪ Businesses (elec., gas, fuel) 23%</li> </ul>
	Fuel consumption (petrol)	17 tCO <sub>2e</sub>	
	Purchased gas	385 tCO <sub>2e</sub>	
	<b>Sub-total</b>	<b>1,643 tCO<sub>2e</sub></b>	
Scope 2	Purchased electricity	393 tCO <sub>2e</sub> (2018)	
	<b>Sub-total</b>	<b>393 tCO<sub>2e</sub></b>	
<b>Total Scope 1 &amp; 2</b>		<b>2,036 tCO<sub>2e</sub></b>	<b>758,000tCO<sub>2</sub></b>

Table 1 – Reigate and Banstead’s estimated annual carbon emissions

The table and the graph below (Figure 6) illustrate that the carbon emissions over which we have direct control are tiny compared to the borough emissions, which we can work with residents, businesses and partners to influence.

<sup>7</sup> BEIS / DESNZ figures are territorial emissions of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O (which form 97% of GHG emissions in the UK). Each year the entire time series, going back to 2005, is revised to take account of methodological improvements. Therefore future presentations of this data may be slightly different. Table 1 borough level emission figures are from the dataset released by the government on 6 July 2023.

<sup>8</sup> Figures based on BEIS - UK local authority and regional carbon dioxide emissions national statistics: 2005-2017

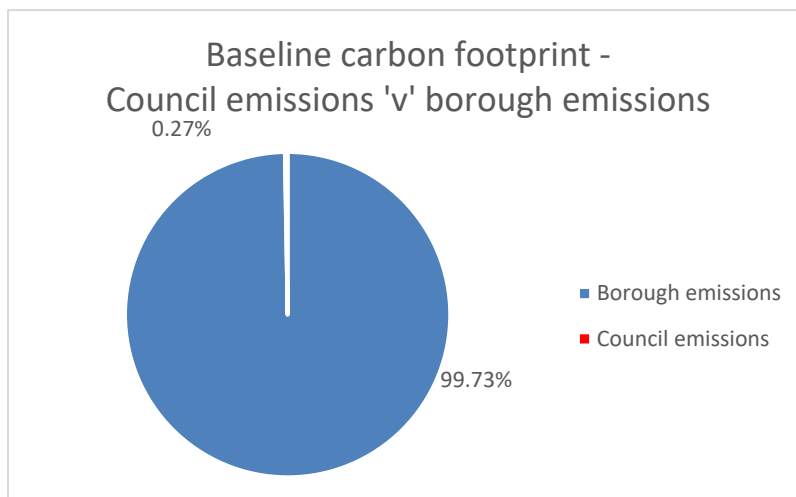


Figure 6: Comparison of the RBBC Carbon Footprint against the borough carbon footprint for the baseline year (note the borough data is for the calendar year, the Council data is for the financial year)

Figure 7 illustrates the relative changes in Council greenhouse gas emissions over time, from our baseline year 2019/20 to the most recent reporting year, 2022/23. During the years 2020/21 and 2021/22 our activities were affected by the lockdowns and restrictions associated with Covid19. Although refuse services continued, other activities were significantly affected. It is likely that the carbon footprint for 2022/23 is more representative of the 'new normal'. It should also be noted that due to the failure of one of the Council's energy providers and smaller sites not being on smart meters, energy data availability has been impacted.

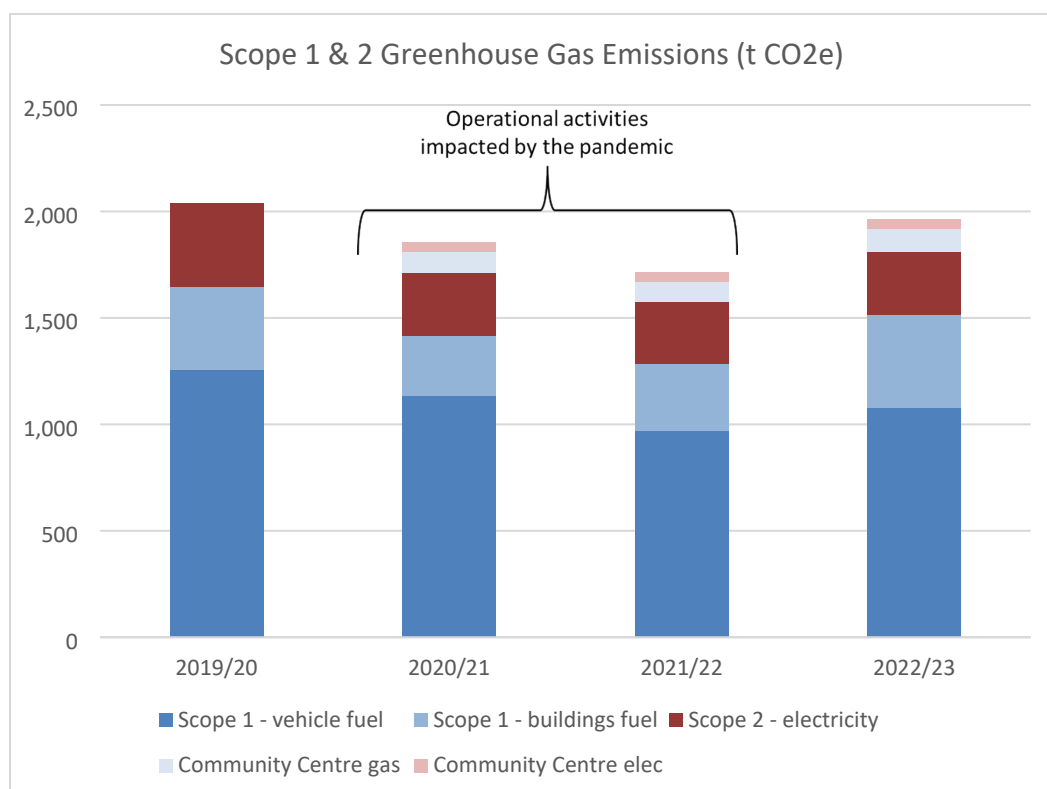


Figure 7: RBBC Carbon Footprint from 2019/20 to 2022/23. NOTE: Community centres returned to the Council in 2020/21 and their energy consumption is included in the carbon footprint for that year and onwards. We do not have a breakdown of their separate carbon emissions for 2020/21 and 2021/22 so they are presented here indicatively.

### 2050 Vision

- All Council's energy needs are met through renewable energy generated within the borough or through reputable green tariffs.
- The entire Council's fleet is powered by clean energy (i.e. either electricity from renewables, biodiesel from organic waste or other clean fuels such as hydrogen).
- All businesses and residents are generating their own renewable energy and/or have switched to a reputable green tariff.
- All residents walk or cycle for short journeys, where possible. Residents have moved away from car ownership; they use public transport or a car-sharing system for longer journeys. Where private car remains a necessity, these run on 100% renewable energy.

## 3.2 Priorities

Under the energy and carbon section we have set a number of objectives under four key priorities:

**Energy minimisation:** Reduction of operational energy (regulated and unregulated) through efficiency measures (e.g. insulation, LEDs) and behaviour change.

**Renewable energy:** Generation of renewable energy locally, procurement of renewable energy through reputable green tariffs and working towards the elimination of fossil-fuel consumption.

**Low carbon transport:** Minimisation of transport emissions through reducing personal car travel, promoting electric vehicles, developing public transport and encouraging cycling and walking.

**Embodied carbon:** Reduction in embodied carbon in new infrastructure or building projects through lean engineering and construction techniques.

We will seek to reduce energy consumption first, and then obtain the remaining energy from low carbon sources.

In 2022/23, greenhouse gas emissions from operation of our main buildings formed 45% of our carbon footprint (up from 38% in the baseline due to a reduction in vehicle fuel consumption, an increase in gas consumption and the later inclusion of our three community centres). Energy audits have identified opportunities to save energy, replace fossil-fuel heating systems and generate renewable energy, and these measures will be implemented as part of any planned upgrade and works on our assets (subject to decisions on future operational use of buildings). Whole-life cost analysis will form an integral part of the decision-making process as part of any procurement activities to ensure that any mechanical and electrical plant to be replaced are future-proofed moving away from like-for-like replacement if this isn't the best long-term strategy. Emphasis will be on transitioning from fossil-fuels to zero / low carbon technologies. We will continue to monitor the changing timetables for implementing the Minimum Energy Efficiency Standards (MEES) for Council-owned housing and our commercial properties.

### Progress:

#### Our fleet:

- 13 fossil-fuel vehicles replaced with low emission hybrids and EVs
- Installation of EV charging points in 3 Council car parks and at Council sites

#### Our buildings:

- Building energy audits conducted to guide retrofit activity
- One solar PV installation completed

#### Borough:

- Social Housing Decarbonisation Fund with Raven Housing to deliver solar PV on 26 properties
- Promoting grants and advice for residents on energy efficiency retrofits
- Supporting SME businesses to facilitate their net zero ambitions, and provided Carbon Literacy training

At the Council level, we switched to a renewable energy tariff for our electricity in 2023. When the contract comes up for renewal, we will explore options to also procure a renewable gas tariff as an interim measure while we work to reduce gas consumption.

The Council's fleet represented circa 55% of its carbon footprint in 2022/23 (down from 62% in the baseline). We will gradually replace our fleet with electrical vehicles and machinery as part of the scheduled fleet renewal programme where these are suitable and available, whilst also keeping other low emission fuels under consideration. To enable the infrastructure to be put in place for charging electric Refuse Collection Vehicles (RCVs), the RCV fleet will be run on renewable Hydrotreated Vegetable Oil (HVO) in the short-term. It is recognised that there are some sustainability concerns around the use of HVO and these concerns will be addressed by:

- ensuring the procurement process specifies responsibly sourced fuel
- time-limiting the use of HVO to allow installation of electrical charging infrastructure or maturation of other low emission fuel supplies

Use of HVO provides greenhouse gas reduction benefits and some limited local air quality benefits, however transition to electric vehicles powered by renewable electricity will virtually eliminate carbon emissions, eliminate tail-pipe emissions resulting in better air quality, reduce engine noise and we anticipate that this will also provide a pleasanter working environment for our RCV crews.

At the borough level, we will continue to work with residents and businesses to encourage them to adopt more sustainable lifestyles. We will also continue to promote grants and group-buying schemes to residents and businesses to enable them to reduce their energy consumption and decarbonise their buildings and vehicles. Borough level domestic carbon dioxide emissions per capita figures show that Reigate & Banstead residents consume more energy to run their homes than the average person in the rest of England (see Figure 8 below). There is therefore scope for us to concentrate efforts on energy efficiency and to enable a transition towards renewable energy purchase and generation across the borough. The 2020 ES Strategy proposed considering the suitability of developing community-owned renewable energy projects and exploring the possibility to negotiate preferential energy tariffs with reputable renewable energy providers for residents and businesses by teaming up with Surrey County Council – these actions were not progressed due to Covid and the 2022-23 energy price crisis and will be kept under consideration.

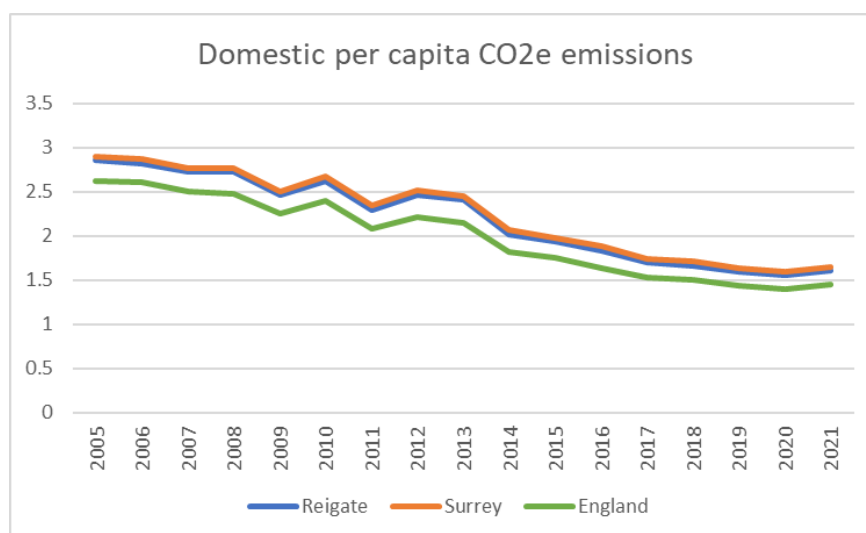


Figure 8 Domestic per capita greenhouse gas emissions (t CO2e) <sup>9</sup>

As indicated in Figure 9, transport emissions in the borough are above the national average so we will work with SCC to deliver the Local Walking and Cycling Implementation Plan (to deliver appropriate

<sup>9</sup> Source: National Statistics, Department for Energy Security and Net Zero [UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021)  
<https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021>

infrastructure) and with local organisations to engage staff, residents and businesses in reducing personal car and business mileage by identifying low carbon alternatives.

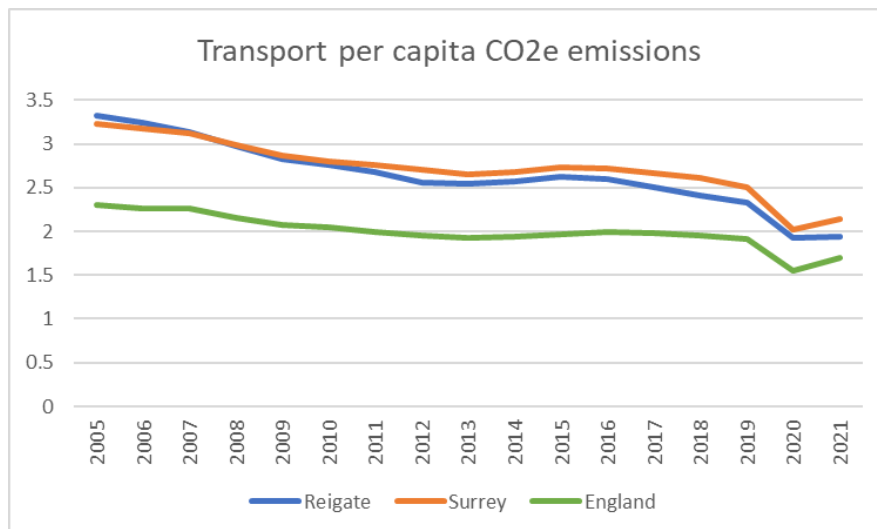


Figure 9 Transport per capita greenhouse gas emissions (t CO2e) <sup>10</sup>

The measures to reduce greenhouse house gas (GHG) emissions associated with the Council and borough activities will have wider benefits beyond limiting contributions to the climate crisis. Initiatives around promoting active travel (e.g. walking and cycling) and reducing gas consumption will improve air quality and overall well-being, energy efficiency can make energy bills more affordable, and measures such as insulation can make a building more comfortable. The latter two issues are particularly important during the current (2023) cost-of-living issues.

Figures 8 and 9 above, and 10 below, show the borough greenhouse gas emissions from 2005-2021 (the latest dataset available) compared to emissions from the county of Surrey and nationally. Per capita emissions from industrial and commercial sources are lower in the borough than the national average due to the lack of heavy industry. We will engage with local businesses to seek to positively influence the trajectory of these emissions.

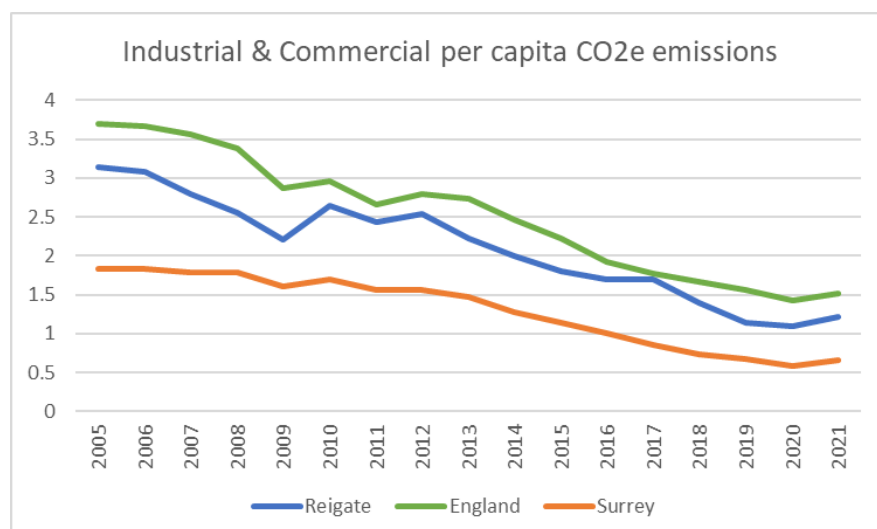


Figure 10 Industrial, commercial and other sources of greenhouse gas emissions per capita (t CO2e) <sup>11</sup>

<sup>10</sup> Source: National Statistics, Department for Energy Security and Net Zero [UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021) <https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021> (Table 1.1 emissions divided by annual population)

<sup>11</sup> Source: National Statistics, Department for Energy Security and Net Zero [UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021)

### Key Actions:

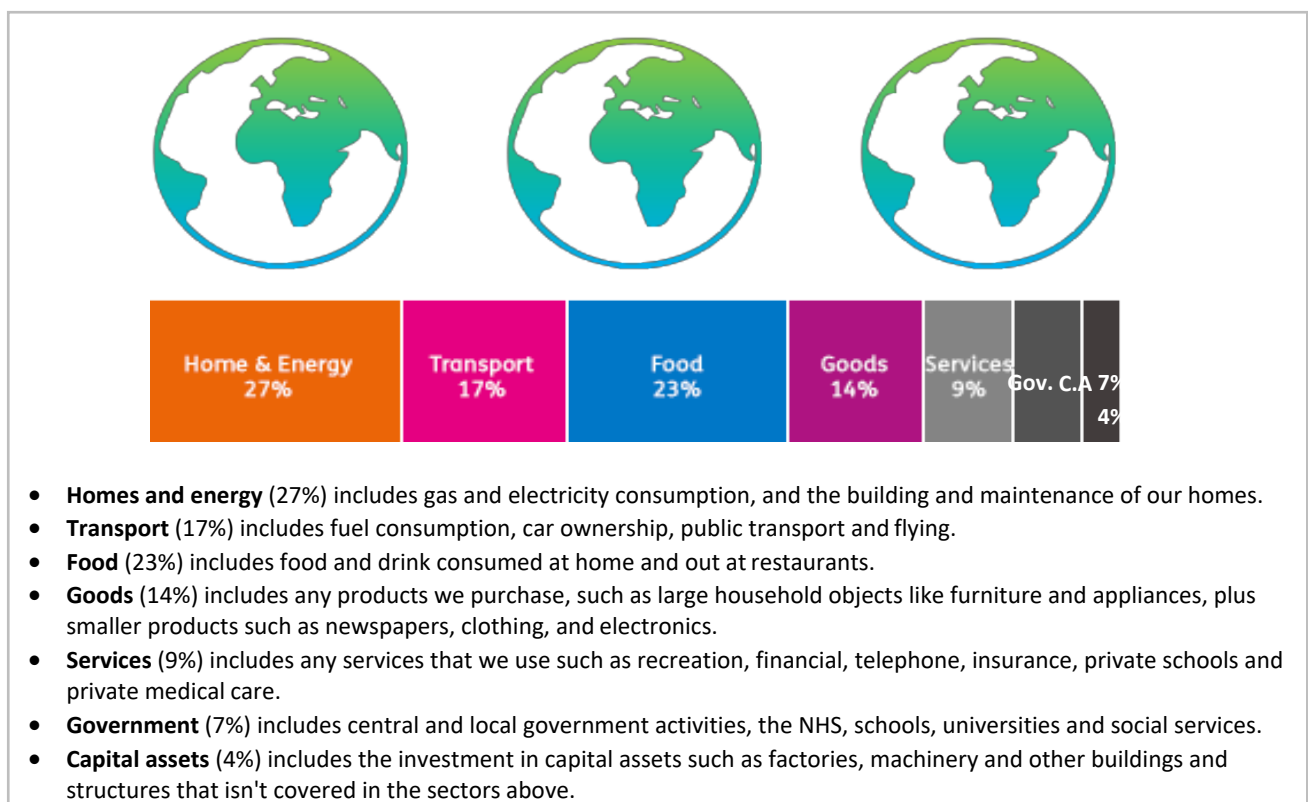
- Implement building energy audit recommendations to deliver energy efficiency
- Continue to promote grants and group-buying schemes to residents and businesses to enable decarbonisation of borough buildings
- Install solar PV on roofs of suitable Council owned and operated buildings
- Continue to procure a renewable electricity tariff
- Convert RCV fleet to HVO as a transition fuel while investigating long-term options
- Continue fleet replacement programme with EV or other low carbon options
- Working with SCC to promote active travel and uptake of low carbon transport
- Working with SCC to implement the Local Cycling and Walking Implementation Plan to deliver improved active travel infrastructure

## 4. Low impact consumption

### 4.1 Overview

Living by consuming a fair share of the earth's resources is key to reduce environmental and social impacts associated with over-consumption. It requires us to reflect on our habits to make more informed decisions in our day-to-day activities with a view to consume more responsibly.

We currently deplete natural resources at an alarming rate, much faster than our ecosystems can replenish them. Studies show that an average UK resident requires 5.4gha of biologically productive land and water<sup>12</sup> to support its lifestyle. This means that if everyone on earth consumed as much as the average person in the UK, we would need the equivalent of three planets to support us, as shown in Figure 11 below.<sup>13</sup>



<https://www.gov.uk/government/statistics/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics-2005-to-2021> (Table 1.1 emissions divided by annual population)

<sup>12</sup> Biologically productive land and water is the required area to produce the goods we consume and to assimilate the wastes we generate: cropland, grazing land, fishing grounds, built-up land, forest area, and carbon demand on land.

<sup>13</sup> <http://calculator.bioregional.com/findoutmore.php>



Figure 11 – UK resident ecological footprint breakdown. Source: Bioregional

Challenges associated with consumption are demonstrated at a borough level. Provisional results for 2022/23 indicate residents in the borough collectively produced 52,508 tonnes of waste, a small decrease compared to the baseline 2019/20 of 52,766 tonnes, with the recycling rate remaining almost static at a provisional 54.2% in 2022/23 against 54.3% in 2019/20, although still putting the Council in the top 20% of local authority recycling rates.

In terms of water use, Reigate & Banstead borough falls into the SES Water supply area, where consumption has increased from 143.3 litres per person per day in the baseline year of 2019/20, to 150.8 litres per person per day in 2022/23<sup>14</sup>.

The Council recognises its role in demonstrating leadership on these issues. As part of the review of our own activities we have considered measures to reduce our impacts through the more efficient management of our estate and the set-up of a responsible procurement process. We also propose to support initiatives to see improvements on a borough wide scale. We will continue to utilise the waste hierarchy (Reduce – Reuse – Recycle) to drive down consumption and waste generation.

### 2050 Vision

- The borough operates as part of a closed-loop system where residents consume only their fair share of the earth's resources.
- Circular economy principles underpin our manufacturing and industrial processes: waste is transformed into valuable resources and pollution is prevented.
- Residents and businesses recycle or compost as much as possible of their waste, and processing takes place as locally as possible.
- Water is viewed as a precious resource, and it is kept as close to its source as possible.

## 4.2 Priorities

Under the low impact consumption section, we have set a number of objectives under three key priorities:

**Waste reduction:** Minimisation of waste arisings through better procurement choices (e.g. longer-lasting or better quality products) and recycling unavoidable waste in local treatment facilities.

**Water efficiency:** Reduction of water consumption by promoting water efficiency to help alleviate water scarcity issues, and good water management to reduce flooding.

**Responsible sourcing:** Use of materials and products produced responsibly (i.e. not causing any environmental or social harm).

At the Council level, there is still work to do to quantify and reduce waste and implement alternatives to remaining single use plastics. As part of any planned refurbishment or upgrade of our assets, avenues to reduce water energy

### Progress:

#### Our operations:

- Started to investigate types of Scope 3 emissions and options for data collection
- Rainwater collected from the Depot roof is used for landscape watering

#### Borough:

- Working in partnership with SES Water to distribute water saving devices to residents at events
- The borough recycling rate remains competitive at 54.2% in 2022/23.
- Increasing numbers of properties are signing up to the Green Waste collection scheme.

<sup>14</sup> [SES Water annual performance report | SES Water](https://seswater.co.uk/about-us/publications/our-annual-performance-report) <https://seswater.co.uk/about-us/publications/our-annual-performance-report>

consumption (as well as energy consumption) will be pursued. In parallel, we will look to ensure that responsible sourcing is considered in all purchasing decisions and development of sustainable procurement procedures is an action carried forward from the first Strategy Action Plan.

In partnership with the Surrey Environment Partnership (SEP) there is work to do in communicating the implications of our food choices. Food waste is a big issue as the food needs to be grown, processed, transported, stored and disposed of – a commonly reported statistic is that if food waste was a country it would be the third largest emitter of greenhouse gas emissions in the world<sup>15</sup>. Producing food also puts pressure on land use, there are animal welfare issues, there is pollution from agriculture and certain food products have a high carbon intensity (for example meat, and particularly beef)<sup>16</sup>. Wasting food costs residents money and also requires the Council to collect the waste for disposal.

At borough level, the Council collects waste, dry mixed recyclables and food from borough households, with an optional charged garden waste service. The Council provides a Trade Waste option for businesses that currently offers collections of residual waste and paper / cardboard for recycling. In October 2023, implementation targets associated with the Government's Resources & Waste Strategy were announced<sup>17</sup> and there is an action in the updated Strategy Action Plan to determine how to implement these new requirements. The requirement for all residential properties to receive a full recycling collection (including food waste) can be expected to increase the borough's domestic recycling rate, as around 5500 flats are currently unable to participate in kerbside recycling. The requirements for business recycling will also help deliver overall recycling objectives. We will continue to look for opportunities to reduce consumption and therefore reduce waste.

There is also a role for the Council to use its planning powers to encourage developers to reduce material consumption as part of their design, facilitate waste reduction during construction and increase water and energy efficiency levels during operation.

#### Key actions:

- Implement the requirements of the Government's Resources and Waste Strategy to increase borough recycling rates and reduce residual waste
- Work with SES Water to reduce consumption of mains water, and with the Refill scheme and other organisations to reduce packaging and single use plastics
- Replace the Council vehicle wash with a more efficient model
- Implement the procurement actions under the Effective Implementation theme

## 5. Natural environment and biodiversity

### 5.1 Overview

The natural environment is essential for human existence and for maintaining a good quality of life. It provides crucial ecosystem services which deliver fundamental requirements such as clean water, food, resources and services such as pollination, carbon storage, climate regulation, and natural protection from hazards such as flooding and erosion<sup>18</sup>.

Impact from human activity through pollution, habitat loss and fragmentation has caused stress to the natural environment, accelerated during the Industrial Revolution and continues to this day. This presents a

<sup>15</sup> [Food waste is responsible for 6% of global greenhouse gas emissions - Our World in Data](https://ourworldindata.org/food-waste-emissions)

<https://ourworldindata.org/food-waste-emissions> and [Promoting Sustainable Lifestyles | North America | UNEP - UN Environment Programme](https://www.unep.org/regions/north-america/regional-initiatives/promoting-sustainable-lifestyles#:~:text=Globally%2C%20if%20food%20waste%20could,3.3%20billion%20tons%20of%20CO2) <https://www.unep.org/regions/north-america/regional-initiatives/promoting-sustainable-lifestyles#:~:text=Globally%2C%20if%20food%20waste%20could,3.3%20billion%20tons%20of%20CO2>.

<sup>16</sup> 'How bad are bananas?' by Mike Berners Lee (2020), suggests a portion of protein from peas causes the emission of 1/100<sup>th</sup> of greenhouse gases compared to a portion of protein from beef (he references beef from cattle raised on deforested land so beef from the UK will have a lower carbon footprint).

<sup>17</sup> [Government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/consistency-in-household-and-business-recycling-in-england/outcome/government-response) <https://www.gov.uk/government/consultations/consistency-in-household-and-business-recycling-in-england/outcome/government-response>

<sup>18</sup> IPBES (2019): Summary for policymakers of the global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services [https://ipbes.net/system/tdf/ipbes\\_global\\_assessment\\_report\\_summary\\_for\\_policymakers.pdf?file=1&type=node&id=35329&mc\\_cid=4df044f04d&mc\\_eid=%5bUNIQID%5d&mc\\_cid=4df044f04d&mc\\_eid=2754a8280b](https://ipbes.net/system/tdf/ipbes_global_assessment_report_summary_for_policymakers.pdf?file=1&type=node&id=35329&mc_cid=4df044f04d&mc_eid=%5bUNIQID%5d&mc_cid=4df044f04d&mc_eid=2754a8280b)

substantial risk to the future of the UK’s native wildlife and also to the crucial ecosystem services they provide (these are services the natural environment provides that benefit people)<sup>19</sup>. Future climate change is only likely to accelerate current rates of decline and loss of ecosystem function<sup>20</sup> as the natural ability of species and ecosystems to adjust and adapt is reduced.

Access to greenspaces, parks and gardens play an important role in our health and well-being. A 2019 Government report stated that across the UK 65% of people had visited the natural environment at least once a week<sup>21</sup>, which rose to 69% by March 2023<sup>22</sup>. The importance of maintaining a healthy natural environment cannot therefore be understated.

The borough of Reigate & Banstead is fortunate to benefit from a rich and varied natural environment. Table 2 shows this includes four Sites of Special Scientific Interest (SSSI), Local Wildlife sites (eg 53 Sites of Nature Conservation Importance SNCI) and the Surrey Hills National Landscape (formerly an Area of Outstanding Natural Beauty) with 69% of the borough designated as metropolitan Green Belt, a figure unchanged since the baseline in 2019/20<sup>23</sup>.

Designation	Type of designation	Area (ha)	% of borough
Green Belt	National, Policy	8,888ha	69%
Surrey Hills Area of Outstanding Natural Beauty	National, Landscape	1,549	12%
Area of Great Landscape Value	Local, Landscape	4,740	37%
Mole Gap to Reigate Escarpment Special Area of Conservation	International, Biodiversity	450	3%
Sites of Special Scientific Interest	National, Biodiversity	796	6%
Sites of Nature Conservation Importance	Local, Biodiversity	1,172	9.1%
Ancient Woodland	National, Biodiversity	597	4.6%

Table 2: The extent of policy and environmental designations in Reigate and Banstead in 2019 (from the RBBC Development Management Plan – Green Infrastructure Strategy, August 2017).

The Council owns approximately 1250 hectares of countryside, including internationally rare lowland heath and chalk grassland. This includes three Local Nature Reserves (LNRs) at Banstead Woods, Reigate Heath and Earlswood Common<sup>24</sup>.

### 2050 Vision

- Nature forms an integral part of our urban environment.
- New developments include parks or recreational spaces that have been designed to benefit wildlife and contribute to residents’ overall well-being.
- Our drainage systems are designed to respect the natural water cycle, provide valuable habitat to wildlife and deliver amenity benefits where possible.
- Permeable paving solutions have replaced hard surfaces wherever possible.
- Harmful products that have a detrimental impact on our ecosystems or our health are not used.

<sup>19</sup> An introductory guide to valuing ecosystem services - GOV.UK ([www.gov.uk](http://www.gov.uk))

<sup>20</sup> UK Climate Change Risk Assessment 2017: Evidence Report, Chapter 3: Natural environment and natural assets

<sup>21</sup> Monitor of Engagement with the Natural Environment – The national survey on people and the natural environment. Headline report 2019, September 2019, Natural England.

<sup>22</sup> [Adults' Year 3 Annual Report \(April 2022 - March 2023\) \(Official Statistics\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/the-people-and-nature-survey-for-england-data-tables-and-publications-from-adults-survey-year-3-april-2022-march-2023-official-statistics/adults-year-3-annual-report-april-2022-march-2023-official-statistics)  
<https://www.gov.uk/government/statistics/the-people-and-nature-survey-for-england-data-tables-and-publications-from-adults-survey-year-3-april-2022-march-2023-official-statistics/adults-year-3-annual-report-april-2022-march-2023-official-statistics> (Chart 2.2)

<sup>23</sup> RBBC Environment and Sustainability Monitor Data Report 31 March 2019 and 31 March 2022. Sourced from: [https://www.reigate-banstead.gov.uk/info/20088/planning\\_policy/1102/plan\\_monitoring/8](https://www.reigate-banstead.gov.uk/info/20088/planning_policy/1102/plan_monitoring/8)

<sup>24</sup> [https://www.reigate-banstead.gov.uk/info/20082/countryside\\_management/77/special\\_greenspaces](https://www.reigate-banstead.gov.uk/info/20082/countryside_management/77/special_greenspaces)

## 5.2 Priorities

Under this natural environment and biodiversity section we have set a number of objectives under three key priorities:

**Ecological enhancement:** Improvement of the tree and soft landscaping cover to create and maintain habitats that are of benefit to wildlife.

**Sustainable drainage systems:** Use of sustainable drainage systems (SuDS) to reduce flooding and the embodied carbon of drainage infrastructure whilst providing biodiversity and amenity benefits.

**Environmental impact and pollution prevention:** Avoid negative impacts to the wider environment i.e. pollution and habitat loss resulting from Council's activities (including procurement) and from activities in the wider borough (eg transport impacting on air quality).

At Council level the importance of the natural assets within the borough and the need to protect and enhance these assets has been recognised. As part of this work the Council has developed a 'Green Infrastructure Strategy'<sup>25</sup> (currently under revision) which seeks to make the most of the green infrastructure network that runs through the borough and beyond. The Strategy acknowledges the threat to the green infrastructure network from the competing needs to provide housing and employment land.

The priorities focus on maintaining and improving the most significant elements of the existing green infrastructure network in the borough and exploring ways to increase the size and connectivity of the network through new development and regeneration projects. Developing a Greenspaces Strategy and a Tree Strategy will provide the framework to make improvements across the Council's own estate and are key natural environment actions.

Urban trees are also important. The Action Plan contains broader measures around planning for new development (including Council development) which will provide guidance for incorporating urban trees. Trees on highways, which may be in urban or rural areas, are the responsibility of Surrey County Council, who have a scheme<sup>26</sup> to identify new locations for highway trees.

SCC are developing a Local Nature Recovery Strategy (LNRS)<sup>27</sup> to identify locations to improve nature and provide other environmental benefits (such as carbon sequestration, flood regulation and access to nature rich spaces). This will also link with the new planning requirement for Biodiversity Net Gain (BNG) which aims to ensure habitat for wildlife is left in a better state than it was before development. We are working closely with SCC to develop the LNRS.

Measures to increase soft landscaping and tree cover can have wide ranging environmental benefits which will also contribute to the achievement of other objectives within this Strategy, including:

- A reduction in carbon emissions (one large tree consumes circa 20.3 kgCO<sub>2</sub>e in a year)
- A reduction in air pollution (trees can remove pollutants such as nitrous oxide and particulate matter)

### Progress:

#### Our landholdings:

- Created new natural meadows by relaxing grass cutting during the cutting season
- Peat-free planters, hanging baskets and barrier baskets
- Converting some flower beds from annual to perennial planting

#### Borough:

- SCC planted approx. 6600 trees in the borough in 2022/23 as part of their 1.2 million tree target
- Developed a Community Tree Planting guide and helped support local tree planting schemes
- Provided website pages with advice on improving biodiversity at home

<sup>25</sup> Reigate and Banstead Borough Council 'Green Infrastructure Strategy', August 2017 <http://www.reigate-banstead.gov.uk/downloads/file/3600/green-infrastructure-strategy-and-action-plan>

<sup>26</sup> [Planting trees on the highway - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/roads-and-transport/permits-and-licences/planting-trees) <https://www.surreycc.gov.uk/roads-and-transport/permits-and-licences/planting-trees>

<sup>27</sup> [Local Nature Recovery Strategy \(LNRS\) - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/land-planning-and-development/local-nature-recovery-strategy-lnrs)

<https://www.surreycc.gov.uk/land-planning-and-development/local-nature-recovery-strategy-lnrs>

- from the atmosphere)
- A reduction in water scarcity
- Flood alleviation from slowed runoff rates and natural floodwater storage
- A reduction in urban heat island effect

Reducing impacts to the environment from pollution is part of the day-to-day work of the Council's Environmental Health team, including those statutory nuisances like noise and light pollution, as well as delivery of actions within the local Air Quality Action Plan and Strategy. Larger scale activities are regulated by the Environment Agency. There are opportunities to further review Council activities for opportunities to limit negative impacts on the environment, for example in operation of the cemetery and regulating events on Council land.

**Key actions:**

- Prepare and implement the Council Greenspaces and Tree Strategies
- Support community tree planting and wildlife measure initiatives
- Continue to maintain watercourses on the Council estate and work with SCC and the EA on flood mitigation projects
- Deliver the Council Air Quality Action Plan and Strategy

## 6. Climate Adaptation and Resilience

### 6.1 Overview

When our original ES Strategy was published in 2020, climate adaptation and resilience was incorporated as a cross-cutting issue that would appear across all themes. This approach was considered appropriate at the time, however the rapidity with which the climate is changing suggests that this would be better recognised as a theme in itself, acknowledging that there may be stand-alone actions as well as actions related to the other Strategy themes.

Adaptation is the actions we take to survive in the actual or expected climate, whilst resilience is our capacity to cope with shocks and to recover from their impacts<sup>28</sup>. For the Council, adaptation may be ensuring appropriate drainage to prevent flooding, or planting trees to cool urban areas. Climate resilience is a multi-dimensional approach to prepare, respond and recover from the impacts of climatic events and may involve system-level changes.

Summer 2022 saw record-breaking temperatures which resulted in an unprecedented number of heat-related deaths, drownings, wildfire incidents and significant infrastructure disruption in the UK<sup>29</sup>, and human-induced climate change made these temperatures at least ten times more likely than without human-induced climate change<sup>30</sup>.

Globally, 2023 has seen unprecedented levels of wildfires from Greece to Canada, and ocean and Antarctic temperatures higher than usual. July 2023 saw extreme heat in North America, Europe and China, leading to heat deaths, hospitalisations and negative impacts on crops. These heat events are becoming more frequent (approx. once every 5-15 years) but without human induced climate change these events would have been extremely rare (approx. once every 250 years in China)<sup>31</sup>.

The Climate Change Act 2008 requires the UK to produce a Climate Change Risk Assessment (to identify risks) with a National Adaptation Programme (to address the risks) every five years. Adaptation is also

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<sup>28</sup> What is the difference between climate change adaptation and resilience? - Grantham Research Institute on climate change and the environment (lse.ac.uk) <https://www.lse.ac.uk/granthaminstitute/explainers/what-is-the-difference-between-climate-change-adaptation-and-resilience/>

<sup>29</sup> [Progress in adapting to climate change - 2023 Report to Parliament - Climate Change Committee \(theccc.org.uk\)](https://www.theccc.org.uk/2023/07/23/progress-in-adapting-to-climate-change-2023-report-to-parliament-climate-change-committee/)

<sup>30</sup> [Without human-caused climate change temperatures of 40°C in the UK would have been extremely](https://www.bbc.com/news/health-63444444)

<sup>31</sup> [Extreme heat in North America, Europe and China in July 2023 made much more likely by climate change – World Weather Attribution](https://www.bbc.com/news/health-63444444)

embedded in the 25 Year Environment Plan.

The independent Climate Change Committee advises the UK Government on emissions targets and the progress being made in reducing GHG emissions and preparing and adapting to the impacts of climate change. It advises that "The UK must adapt to a minimum average global temperature rise of between 1.5 and 2°C for the period 2050 – 2100 and consider the risks up to a 4°C warming scenario"<sup>32</sup>.

Surrey County Council has recently adopted Surrey Adapt – the Surrey Climate Change Adaptation and Resilience Strategy<sup>33</sup>. This sets out how SCC proposes to respond to the hazards, risks, vulnerabilities and opportunities posed by climate change impacts for the period 2023-2028, working with partner organisations including district and borough authorities. A more detailed action plan is to be developed in 2024.

The Surrey Adapt report contains projections for what Surrey weather is likely to be in 2080 and these projections are summarised in the graphics below:

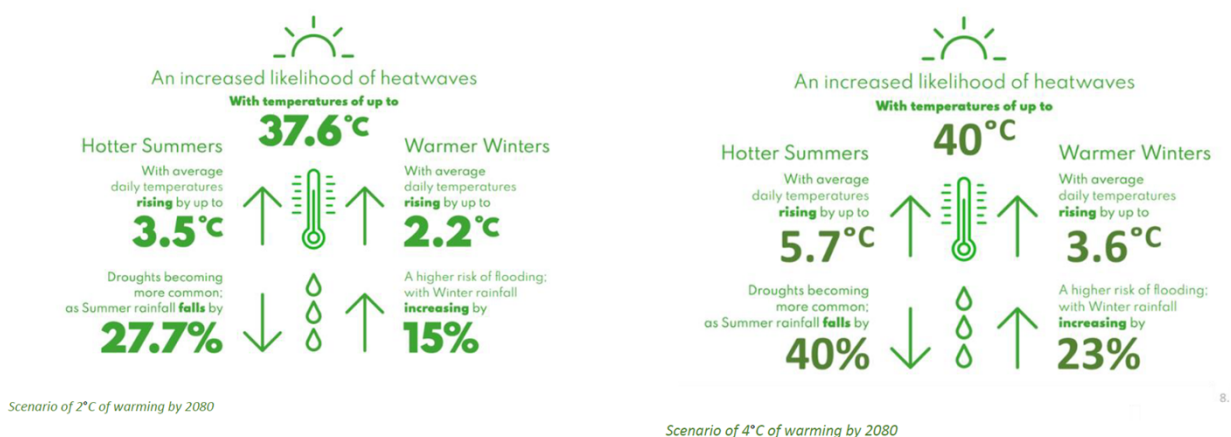


Figure 12: Projections for Surrey weather in 2080 (from draft Surrey Adapt report, SCC 2023)

Under both scenarios presented above it is likely that summers will become hotter and drier, making drought (and the risk of wildfires) more likely, whilst winters will be wetter and stormier. Rainfall is likely to be more intense leading to flooding.

The Council has an Emergency Planning team who - working with the Surrey Local Resilience Forum - will take the lead, with support from the Sustainability team, in reviewing climate risks and communicating these to service areas (who can implement appropriate plans and adaptation measures) and to borough residents and businesses.

### 2050 Vision

- Council buildings and services are prepared for and resilient to future climate predictions.
- Urban trees provide shade and cooling.
- Buildings utilise water storage devices; gardens and parks contain climate resilient plants.
- Flood risk from heavier rainfall has been reduced by implementation of sustainable drainage solutions, more trees and flood alleviation schemes.
- Some Council buildings are available as Cool and Warm Hubs (depending on season) for use by residents.

<sup>32</sup> <https://www.theccc.org.uk/wp-content/uploads/2021/10/Independent-Assessment-of-UK-Climate-Risk-Advice-to-Govt-for-Climate-Change-2021.pdf>

<sup>33</sup> Surrey County Council (2023) Surrey Adapt: Surrey Climate Change Adaptation and Resilience Strategy [https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/adaptation-strategy/\\_nocache\\_](https://www.surreycc.gov.uk/community/climate-change/what-are-we-doing/adaptation-strategy/_nocache_).

## 6.2 Priorities

Under the climate adaptation and resilience section we have set one objective:

**Adapting to Climate Change:** accelerate adaptation and develop resilience for the predicted future climate

In assessments of climate adaptation and resilience, all sectors of the community must be considered. Climate impacts are likely to impact the vulnerable in society most, so actions taken must ensure social equity.

At Council level, climate change is recognised as a risk on the Strategic Risk Register. Projects should record how the changing climate may impact delivery and operation and should record the measures taken to adapt to the future climate. Service teams must review operations and take appropriate measures to ensure services can continue to be delivered in the future climate.

At a borough level, the Council will work with SCC on relevant actions from Surrey Adapt, whilst ensuring adequate communications with residents and businesses.

### Key Actions:

- Ensure climate change risks are embedded across the organisation, including understanding the borough's flood and wildfire risk.
- Develop appropriate communications for residents and businesses
- Continue working in partnership with SCC and other local Districts and boroughs

### Progress:

#### Our processes:

- Recognition of the importance of adaptation and resilience and including it as a new theme in the ES Strategy
- Inclusion as a risk on the Council Strategic Risk Register
- Developed a [household emergency plan](#)
- Business continuity plans for extreme weather events

#### Borough:

- Supporting SCC 'Surrey Adapt: The Surrey Climate Change Adaptation and Resilience Strategy'
- Incorporation of adaption measures in Climate Change and Sustainable Construction SPD

## 7. Effective implementation

A series of overarching and supporting measures are needed to achieve the objectives set out in this Strategy and to implement the Action Plan.

### 7.1 Capacity-building, Communications and Engagement, Training, and Partnership Working

We know that we have an important role in encouraging businesses and residents within the borough to support actions which address the climate crisis and environmental sustainability. Recognising the importance of providing easily accessible and digestible information as part of this process, the original Action Plan proposed that an online central information resource be developed – this has been created and is kept up to date to benefit residents, businesses and other audiences<sup>34</sup>.

The success of the objectives outlined within the Action Plan will be reliant on support from communication campaigns to help aid the understanding of sustainability issues across the borough and within the Council, and to encourage behaviour change. The Council will therefore ensure that, where applicable, actions are supported by the dissemination of appropriate materials. As appropriate, information from other partner organisations, like SCC, will be shared and promoted too.

Engagement activities within the Council now include training for staff and councillors, sustainability drop-in sessions and a Staff Sustainability Network for interested staff members and these will continue and will be expanded as appropriate.

Engagement activities within the borough are wide-ranging and include attendance at events, business forums, and speaking with residents and resident's groups, and these will continue and grow as necessary.

There is also substantial engagement with Surrey County Council and our neighbouring local authorities at officer and Member level (eg via the Greener Futures Partnership Steering Group), whilst promotion of SCC grant schemes and other partner initiatives forms a central part of the borough engagement activities.

We have worked in partnership with Raven Housing, other housing providers and with other local authorities to gain Government funding for decarbonisation measures for borough housing. We work with SES Water to spread water efficiency messages and distribute free water saving devices. We are working with energy providers, both in terms of the local distribution network operator (DNO) and the local community energy sector and with local organisation to plant trees and hedgerows. We will continue to look for new ways to work with partners to deliver environmental sustainability and carbon reduction activities.

### 7.2 Planning policies

When considering the UK Government's target of achieving net zero carbon by 2050 it is clear that planning policy will have a crucial role in supporting the transition towards achieving this, as well as in adapting our borough to the changing climate. In light of the UK target, the Council recognises the impracticalities of continuing to grant planning permission for developments which are planned and built in a way that will

#### Progress:

##### Our processes:

- Produced a [climate change and sustainable construction Supplementary Planning Document](#) (SPD)
- Delivered training opportunities for staff and Council members
- Developed a set of [sustainability webpages](#) for residents and businesses
- Implementing a sustainability communications plan
- Produce annual Strategy progress reports

##### Borough:

- Continuing to work with partners across the voluntary, community, private and public sectors to share learnings, access funding and develop projects

<sup>34</sup> [Environmental sustainability and climate change](#)



require retrofitting in the near future.

As part of the Council's strategy to address the climate crisis and improve sustainability at a borough wide level there is an intention to focus on how the current planning policies and processes can be used to help deliver environmental sustainability across Reigate & Banstead, within the framework provided by national legislation and policy. This will include review of the Local Plan policies, including to help facilitate our ES Strategy objectives as part of the next review process (commencing in 2023/24).

### **7.3 Procurement**

Procurement is key to influencing change beyond the areas under our direct control. A number of objectives across all overarching environmental themes of the Strategy relate to products and services being supplied to the Council by third party providers/suppliers. In order to ensure that we select suppliers/providers with the right level of products and expertise to deliver this ES Strategy, changes to the internal procurement procedures will be required - this action is carried forward from the previous Action Plan.

It is proposed to include sustainability within a wider review of the procurement process that will also consider social impacts. Procurement documents will be updated to ensure that the objectives of the Action Plan relative to the service which is being tendered are reflected.

In parallel, the Council will develop general implementation guidance on key topics (e.g. embodied carbon) and consider training methods to facilitate uptake and ensure consistency in terms of implementation across different companies/suppliers. We will need to review whether we should provide training to key suppliers too.

The Council procures food to serve to the public at the community centres and the Harlequin theatre, whilst there are vending machines at Council offices and the Depot. There are opportunities to deliver environmental and financial savings by consolidating our approach and reviewing the environmental impacts of the food offered.

### **7.4 Resources and Governance**

The appointment of a dedicated sustainability resource has been essential in ensuring the delivery of the Strategy Action Plan to date. It is not sole responsibility of the Council's Environmental Sustainability Team to implement all measures within the Action Plan, rather its role is to guide and support the relevant Council departments in delivering their sustainability objectives in conjunction with other key stakeholders where applicable. The Council's ES Team currently has 1.8FTE officers, one with a focus on Council activities, and one focusing on engagement with the wider borough and partner organisations who can deliver borough-wide environmental improvements.

To achieve the objectives of this Strategy, staff resources in other teams will also be required to work to deliver the actions in the Strategy Action Plan. It is important that an understanding and commitment to sustainability is embedded across the Council so that it is recognised that every Council employee has a role to play in delivering the Strategy. A key action will therefore be to review HR policies and procedures to incorporate sustainability where possible.

To effectively deliver the Strategy, financial resources will also be required, and identified via the annual budget setting process or stand-alone funding bids. Wherever appropriate, sources of external funding will be pursued.

In terms of governance, it is proposed to review processes to ensure sustainability is given consideration both upfront (as proposals and projects are developed) and at key decision points.

## 7.5 Monitoring and Reporting

As part of the implementation of the ES Strategy it will be crucial to ensure that all objectives of the associated Action Plan are monitored. This will assist in understanding where measures have been successful and to identify where improvements to the implementation approach may be required.

Performance indicators have been reviewed, and the new performance indicators are presented in the Action Plan.

A Sustainability Steering Group, comprised of Heads of Services and other key officers with responsibility for Council-related operations that have environmental impact, meets quarterly to review activities and consider progress on the ES Strategy. This group receives updates on progress from service areas and has the opportunity to consider complementary or conflicting projects and identify and resolve blockers. This Group has also provided an overview function for this first ES Strategy Review.

The Council has also established an informal Cross Party Member Sustainability Group to review and feedback on the implementation of the Strategy.

A report on progress is presented to the Council Executive annually, and each report is available on the website<sup>35</sup>. A new template will be developed to assist in future progress reporting.

The ES Strategy will be kept under review to ensure that the Council's activities continue to take account of national policies, commitments and technological changes. This version 2 is the first review of the Strategy to do this. It is intended that Version 2 should be reviewed in 2027.

### Key Actions:

- Update and continue to deliver internal and external communication plans
- Continue to cultivate partnerships and work with partners to deliver projects
- Consider the climate crisis, decarbonisation and other environmental sustainability objectives in the Local Plan Review
- Develop a Sustainable Procurement Statement or Policy and associated training and guidance
- Develop a Corporate Development framework to embed environmental sustainability measures into all Council building projects
- Review Council project documentation, decision-making and governance to ensure environmental sustainability is given due consideration
- Review effective options for the future offsetting of residual Council carbon emissions

## 8. Preparing for 2030

### 8.1 Scope 3

The Strategy sets a net zero target of 2030 for Scope 1 and 2 Council operation greenhouse gas emissions with an aim to get Scope 3 emissions (see box) to net zero as soon as possible thereafter (as explained in Section 3.1 above). In order to be in a position to deliver actions and report on progress on Scope 3 there are preparations that will need to be made prior to 2030, such as ensuring the Council has mechanisms in place to obtain data from suppliers so a Scope 3 baseline can be developed and establishing a procedure for ongoing reporting.

For our leased assets, preparing for Scope 3 reporting now will give the Council the opportunity to start discussions with leaseholders about the types of actions they may be able to take, either alone or in partnership with the Council. The Council also has the opportunity to review the conditions of any leases or licences that come up for renewal or reletting to include a focus on sustainability and energy efficiency.

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<sup>35</sup> [Our approach to environmental sustainability](#)

For purchases, an initial approach will be to estimate the carbon impact from a year of purchases to prioritise the most significant emissions. Sustainable procurement, and training Council purchasers, alongside engagement with suppliers will be key to driving down emissions from the supply chain.

In terms of business travel and commuting, data will be collected to guide behaviour change and a review of HR policies will be conducted to incentivise lower carbon travel methods.

For waste generated within our operations, we need to estimate waste generation and work towards collection of accurate data. Education and messaging to prevent waste and to maximise recycling will also be key.

Regular readings of water meters will allow accurate data collection for calculation of emissions for water consumption and treatment, and again, education and messaging will be key to reduce water use.

We already have data for purchased electricity so can calculate the transmission and distribution (T&D) emissions. These will decrease as our consumption of grid electricity decreases due to efficiency measures.

**Carbon Footprint (In scope from 2030 onwards):  
Scope 3 - suppliers**

- purchased goods and services, including water consumption and treatment
- business travel (mileage, public transport, hotels)
- employee commuting
- waste generated in operations (treatment and disposal)
- upstream leased assets (where RBBC is tenant)
- downstream leased assets (where RBBC is landlord, case-by-case as and when lease arrangements allow)
- purchased electricity transmission and distribution (T&D)

## 8.2 Offsetting

The aim of our net zero target is to reduce emissions as far as possible. It is recognised that there are likely to be some obstinate emissions that we are unable to eliminate and, in line with best practice, we will endeavour to ensure these are less than 10% of baseline by 2030.

One of the actions of this revised Strategy is to research and develop a credible offsetting strategy for these residual emissions. It is important that we plan ahead so that we are able to implement effective offsetting from 2030. Questions that will be considered as part of this action include:

- Review of the Oxford Offsetting Principles<sup>36</sup> to guide the project.
- Whether it is more effective to invest in installing renewable energy, over and above what the Council consumes, as an offsetting mechanism
- Whether it is more effective to develop nature-based carbon offsetting on the Council's own land, and if so, should this be done by Council services or in partnership with other organisations
- What organisation(s) should the Council partner with if offsetting is to be outsourced
- Partnership opportunities if offsetting on Council land
- What type of projects should be supported
- How much will each option cost
- When the Council will need to begin investing in any offset scheme in order to realise the carbon reductions. This is particularly important for nature-based carbon removals where carbon takes time to be sequestered and a tree doesn't remove carbon from the atmosphere at an equal rate through its lifetime.
- Whether there are any forthcoming or predicted guidance or regulatory changes that will affect the offsetting strategy
- As the aspiration is to be net zero for Scope 3 emissions as soon as possible after 2030, when the Council will implement Scope 3 offsetting

It must be recognised that any offsetting strategy may need to evolve over time due to the different timescales associated with different opportunities.

<sup>36</sup> [The Oxford Offsetting Principles | Smith School of Enterprise and the Environment](#)

## 9. Challenges and Opportunities

### 9.1 Opportunities

There are many opportunities arising from achieving the Vision of this Strategy. Co-benefits will arise when the action to deliver an objective in one theme, also delivers on objectives for another theme, whilst some actions will have non-environmental benefits too. Co-benefits and opportunities include:

- **Financial** – Energy efficiency measures reduce energy consumption thereby lowering energy bills as well as greenhouse gas (GHG) emissions. Renewable energy sources provide low GHG emissions and ‘free’ electricity once the initial investment is paid back. Early action on climate adaptation is more cost-effective than delayed action.
- **Improved health** – measures to reduce GHG emissions from transport generally reduce air pollution by reducing exhaust emissions, whilst active travel options can play a part in increasing activity levels which lead to better health and wellbeing.
- **Less pollution** - measures to reduce GHG emissions from transport generally reduce air pollution by reducing exhaust emissions, uptake of active travel methods (rather than the use of private vehicles) will also reduce particulate pollution from car tyres, and electric heating and cooking will improve indoor air quality compared to using gas.
- **Building comfort** – better insulated buildings are generally less draughty and more comfortable, being warmer in winter and cooler in summer, with lower energy costs for occupants. Installing green roofs and walls can insulate a building as well as improving nature and air quality.
- **Improving wildlife** – adding trees, hedgerows, green roofs and walls, and wildflower meadows improves local wildlife whilst vegetation also absorbs pollutants and urban trees provide shade and cooling.
- **Reducing flood risk** – installing SUDS, creating ponds and planting trees can reduce run-off from intense rainfall, thereby reducing flood risk and these actions can also benefit wildlife.

### 9.2 Challenges

In common with most organisations, and particularly other local authorities, there are challenges to achieving net zero, particularly by 2030. Key challenges that are inhibiting our decarbonisation efforts are described in Section 2.5 above and repeated in the ‘Challenges specific to us’ point below. Sharing learning with our neighbouring authorities and utilising best practice from other organisations are the types of actions we can take to help overcome these challenges.

- **Unique challenges** – each of our buildings is one-of-a-kind in the borough and we have many task-specific vehicles and machinery that we will need to decarbonise, requiring bespoke solutions for each. However, other local authorities are facing the same situation so we can share our learnings to avoid ‘reinventing the wheel’. We can also learn from commercial operators, for example for our theatre and for our refuse fleet.
- **Fossil fuel use** – to achieve net zero without significant offsetting we need to transition our buildings away from using natural gas. We are developing a programme of works and budgets to achieve this, that recognise the unique challenges in each building, for example the listed, historic nature of the Town Hall.
- **Resourcing** – Council budgets are stretched. We will consider whole-life costs to demonstrate the value from all decarbonisation activities.
- **Skills** – the country is facing a skills shortage for the design and installation of decarbonisation technologies. SCC is developing a work programme around skills, commercial organisations are training their staff in the installation of low carbon heating systems and there are Government initiatives in ‘green’ training and apprenticeships which will slowly reduce the skills gap.
- **Involvement of communities** – improving the environment of the borough cannot be done by the Council alone so residents, businesses and organisations will need to contribute. Generally, people are engaged with environmental issues, but they lead busy lives in which they may not have capacity to take this on, whilst businesses need guidance to take advantage of the commercial benefits that

can accrue from having a more sustainable outlook. For areas like walking and cycling (highways) and what happens to our waste we are reliant on SCC. To help with local delivery we will continue to engage with the local community and our partners, with particular focus on the benefits that taking sustainability action can have, over and above the specific environmental improvements.

- **Competing priorities** – true for the Council, but particularly for local businesses and residents, the cost-of-living crisis can affect the priority that is given to environmental initiatives. Communicating the financial benefits of decarbonisation measures (such as insulation and renewable energy) and the wider benefits of environmental initiatives with the local community and members will help keep a high profile for environmental issues.
- **Electrical grid capacity** – the ability to install EV charging and renewable energy is dependent on approval from the Distribution Network Operator (DNO) and may require costly grid upgrades. To try to manage this we are holding early engagement with our local DNO.
- **Legislation and policy** – there is still some uncertainty in national policy (for example, whether hydrogen will play a big part in domestic and commercial heating) and associated legislation, and there have been delays to key policy (for example the outcomes of the Resources and Waste Strategy).
- **Technology** – much of the technology necessary to decarbonise our buildings and fleet is established but may be less well known or tested in the UK. Seeing these technologies in action in other local authorities or trialling equipment can help dispel doubts and concerns around reliability and durability.
- **Survival of tree planting** – ensuring sufficient watering of new planting, both for Council planting and for that done by community groups, is critical for newly planted trees and hedgerows to survive, and there is a requirement for ongoing investment in maintenance to ensure planting remains healthy. Options such as natural regeneration will be explored.
- **Organisational capacity** – unlike many larger organisations, but in common with other district and borough Councils, many delivery areas are dependent on small teams who are dealing with multiple workstreams. If staff leave, or corporate priorities change, this can delay implementation of sustainability actions.
- Challenges specific to us:
  - **Electrical capacity, space and layout at the Depot** – electrification of the refuse fleet is likely to require investment in increased electrical capacity. Space at the Depot is also constrained and there may need to be work to change the layout to optimise the available land.
  - **Uncertainty about building futures** – clarity is needed on future operational use patterns at a number of buildings which is holding back the design of and investment in energy efficiency measures and renewable energy solutions.
  - **Data** – to report on, and communicate, our progress it is important that we have robust and comprehensive data sets. More work is required, for example, to collect accurate energy data for our buildings. A programme of building sub-metering is proposed; and we will explore options to streamline data collection and presentation of data relating to this Strategy.

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Environmental Sustainability Strategy - 2023 Review - draft Action Plan

Annex 2

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
1 Energy & Carbon	1 - Energy minimisation: reduction of operational energy (regulated and unregulated) through efficiency measures (eg insulation, LEDs) and behaviour change)	<b>1 – Reduce operational energy consumption for new and existing buildings through a fabric first approach with energy efficient equipment for Council buildings by promoting and facilitating opportunities to deliver retrofit fo</b>											
		<b>Indicator - Council building energy consumption</b>								Council			
		<b>Indicator - Council CO2e footprint</b>								Council			
		<b>Indicator - borough CO2e estimates (DESNZ)</b>								Borough			
		1	BOROUGH: Continue to achieve a high take-up of national or other domestic energy efficiency grants and schemes through local marketing and networking campaigns.	2024/25 ongoing	Number of properties that have had a measure installed via a specific grant/scheme. Proportion of Surrey-wide funding secured compared to proportion of households.	N/A as this uses national and regional grant schemes	National grants	Finance Energy Carbon Resident comfort	Borough	Sustainability	Data Insight, Comms, Env Health	Residents, SCC, Action Surrey	
		2	COUNCIL: Implement a rolling programme of maintenance and improvement works to reduce gas consumption across the Council estate and implement as and when equipment needs replacing.	2024/25 ongoing	Reduction in gas consumption. Reduction in gas carbon footprint. Measures installed will be tracked and reported.	££ - £££	Revenue (maintenance) and Capital (replacement equipment)	Finance Energy Carbon Resources Adaptation	Council	Property	Sustainability	N/A	
		3	COUNCIL: Develop a plan to improve the energy efficiency of council-owned housing with a view to leveraging external funding to implement improvements.	2024/25	Plan developed. Plan reviewed every three years. Value of external funding leveraged.	£	Revenue	Potential: Finance Energy Carbon	Council and Borough	Property	Sustainability	N/A	
4	COUNCIL: Review potential energy efficiency savings for IT equipment. To include: - Review of power use and standby settings on laptops, monitors and printers; - Reviewing comms room and server room power consumption and temperature settings and removing unneeded equipment.	2024/25	Review completed; measures implemented will be tracked and reported.	N/A	N/A	Potential: Finance Energy Carbon	Council	IT	Sustainability	N/A			
5	COUNCIL: Implement energy efficiency measures across Council operational buildings as identified within the Building Energy Audits 'no regrets' scenario, and including any recommendations identified in Display Energy Certificates.	2024/25 ongoing	Reduction in building energy use. Reduction in building carbon footprint. Measures installed will be tracked and reported.	£££	Capital	Finance Energy Carbon User comfort	Council	Property	Sustainability	N/A			

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
1 Energy & Carbon	1 - Energy minimisation: reduction of operational energy (regulated and unregulated) through efficiency measures (eg insulation, LEDs) and behaviour change)	6	COUNCIL: Undertake further investigation into implementation of Building Energy Audits 'accelerated pathway' interventions for our operational buildings.	2025/26 ongoing	Investigation completed. (Note outcome will inform future action, indicators and funding bids).	££	Revenue	Potential: Finance Energy Carbon	Council	Property	Sustainability	N/A	
		<b>2 – Promote behaviour changes to reduce operational energy consumption</b>											
		<b>Indicator - number of initiatives delivered to staff to reduce operational energy consumption</b>									Council		
		<b>Indicator - number of initiatives delivered across the borough to reduce energy consumption</b>									Borough		
		<i>See also actions under Objective 17 - Communications</i>											
		7	BOROUGH: capacity build/enable local community groups across the borough to work on energy reduction projects.	2024/25 ongoing	Number of groups delivering schemes.	N/A	external grants only	Finance Energy Carbon Community capacity-building Engagement	Borough	Sustainability	Community partnerships	Community Groups	
		8	COUNCIL: With support from the Transport team, all service areas that have vehicles to: implement driver management, efficient driver training and review of how they use vehicles, including route optimisation.	2024/25 ongoing	Relevant services implementing driver management and route optimisation. Reduction in fuel usage.	££ (approx 30k)	revenue	Energy Carbon	Council	Transport	Waste Cleansing Greenspaces JET	N/A	
		9	Implement the Solar Big Belly Bin project in 2024 to reduce mileage in the Cleansing fleet.	2024/25	Project implemented. Reduction in cleansing fleet mileage.	£££	Capital (CIL)	Energy Carbon Litter	Borough	Waste & Recycling	Data & Insight	N/A	
		10	COUNCIL: Provide tenants in council-owned housing with energy efficiency and sustainability advice.	2024/25 ongoing	Number and % of tenants provided with advice.	N/A	N/A	Finance Energy Carbon	Borough	Housing and Community Partnerships	Sustainability	N/A	
		11	COUNCIL: Implement a rolling programme of energy smart meter improvements across key council buildings. (3 year programme)	2024/25 and ongoing	% of meters that are smart	N/K	Revenue/Capital	Potential: Finance Energy Carbon	Council	Property	N/A	N/A	
		1 Energy & Carbon	2 – Renewable Energy: Generation of renewable energy locally and	<b>3 – Promote the use of renewable energy through on/off-site generation and renewable tariff procurement and work towards the elimination of fossil-fuel consumption.</b>									
<b>Indicator - number of solar installations in the borough (DESNZ)</b>									Borough				
<b>Indicator - energy generated by solar installations on council buildings</b>									Council				



Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
1 Energy & Carbon	procurement of renewable energy through reputable green tariffs.	12	BOROUGH: Continue to achieve a high take up of national or other domestic renewable energy grants and schemes, through local marketing and networking campaigns.	2024/25 ongoing	Number of properties that have had a measure installed via a specific grant/ scheme. Proportion of Surrey-wide funding secured compared to proportion of households.	N/A	national and regional grant schemes	Finance Energy Carbon Resilience	Borough	Sustainability	Data Insight Comms, Env Health	Residents, SCC, Action Surrey	
		13	COUNCIL: Establish a project group to explore options for council owned ground mounted solar farm and/ or wind turbines in the borough including on-site or direct-wire use (PPA) to negate new grid connections, and any financial opportunities from roof rental for solar, variable and export tariffs, battery storage, demand side response etc. (approx 3y project)	2024/25	Project completed (note project outcome will inform future action and indicators).	££	Revenue	Potential: Finance Energy Carbon Resilience Influence	Council	Sustainability	Property Finance Place	Private companies, energy companies, SCC Community Energy etc	
		14	COUNCIL: Implement renewable energy measures across Council operated buildings as identified within Building Energy Audits 'no regrets' and 'accelerated pathway' scenarios; and investigate the potential for renewable generation on other council owned buildings.	2023/24 ongoing	Amount of renewable energy generated. Number of buildings with renewable energy installations. Measures installed will be tracked and reported.	££	Capital (inc some CIL)	Finance Energy Carbon Resilience	Council	Property	Sustainability	N/A	
		15	COUNCIL: Procure renewable tariffs for council electricity and explore options to procure renewable gas when contracts come up for renewal.	2024/25 ongoing (when contracts come up for renewal)	% of council electricity from a renewable tariff; % of gas from a renewable tariff.	N/K	Revenue	Carbon	Council	Property	Sustainability Procurement	Energy company	
	<b>3 – Low Carbon Transport:</b> Minimisation of transport emissions through reducing personal car travel, promoting electric vehicles, developing public transport and encouraging cycling and walking.	<b>4 – Reduce carbon emissions associated with transport through minimising travel and reliance on personal cars.</b>											
		<b>Indicator - number of events at which active travel has been promoted</b>							Borough				
		16	COUNCIL: Develop a programme of actions to incentivise and promote lower carbon business and staff travel that will include a Council Travel Plan (to cover all the key RBBC sites) and a review of policies and incentives. (approx 3y project)	2024/25	Programme of actions developed. Travel Plan in place. (note project outcome will inform future action and indicators).	££	revenue	Potential: Carbon Resilience Air Quality Health	Council	Sustainability, Comms	HR	N/A	

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners		
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough					
1 Energy & Carbon 66	3 – Low Carbon Transport: Minimisation of transport emissions through reducing personal car travel, promoting electric vehicles, developing public transport and encouraging cycling and walking.	17	BOROUGH: Continue to work with SCC to improve the uptake of active travel in the borough, including measures to encourage behaviour change.	2024/25 ongoing	Active Travel projects progressed; number of people engaged with.	N/K	N/K	Potential: Energy Carbon Resilience Air Quality Influence Health	Borough	Sustainability	Community Partnerships	Sustrans		
		18	COUNCIL: Work with SCC to deliver the boroughs' Local Cycling & Walking Implementation Plan (LCWIP) to support cycling and walking in the borough. (Undertake initial projects stage 2 in 2024/25, start delivery from 2025/26 (subject to funding availability))	2025/26	Schemes delivered; investment value.	N/A	SIP/SCC Funds/ \$106/ Active Travel England	Energy Carbon Nature Resources Resilience Air Quality Noise Influence	Borough	Planning	N/A	SCC		
		19	COUNCIL: With partners, lobby to improve public transport infrastructure, services and frequencies that meet the needs of local residents.	2024/25 ongoing	Improvements to public transport provision secured.	N/A	N/A		Borough	Planning	N/A	N/A		
		<b>5 – Improve the uptake of low and zero emission vehicles across the Council and the borough</b>												
		<b>Indicator - number of public EV charging points in borough (Zapmap)</b>									Borough			
		<b>Indicator - number of plug-in EVs licensed in the borough (DVLA)</b>									Borough			
		<i>See also actions under Objective 19 Planning</i>												
		20	BOROUGH: develop an EV Charging Strategy in order to expand EV charging on our estate.	2024/25 ongoing	Strategy adopted (note strategy content will inform future action and indicators).	N/A	N/A	Potential: Carbon Air quality Influence	Council and Borough	Sustainability	Property, Parking, Env Health	N/A		
			- deliver more EV charging on our estate	2024/25 ongoing	number of EV points	N/K	N/K	Carbon Air quality Influence	Council and Borough	Sustainability	Property, Parking	N/A		
			- Work with SCC on roll out of EV on street charging.	2024/25 ongoing	number of EV points	N/A	SCC	Carbon Air quality Influence	Borough	Sustainability	N/A	SCC		
		21	COUNCIL: Explore the leisure centre operators agreement for installation of EV charging points.	2024/25	investigation complete (note project outcome will inform future action and indicators)	N/A	N/A	Potential: Carbon Air quality Influence	Borough	Leisure	Sustainability	Leisure Centre operators		



Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners		
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough					
1 Energy & Carbon	4 – Embodied Carbon: Reduction in embodied carbon in new infrastructure or building projects through lean engineering and construction techniques.		6 – Reduce embodied carbon in infrastructure and building projects											
			Indicator - % of relevant staff attending embodied carbon training							Council				
		29	COUNCIL: Organise training for relevant teams on assessing and reducing embodied carbon in material purchases and construction projects.	2024/25	Number of staff who have received training.	£	Revenue	Potential: Carbon	Council	Sustainability	HR	N/A		
2 – Low Impact Consumption	5 – Waste Reduction: Minimisation of waste arisings through better procurement choices (e.g. longer-lasting or better-quality products) and recycling unavoidable waste in local treatment facilities.		7 – Reduce waste through avoiding it in the first place and promoting reuse opportunities, including composting and anaerobic digestion											
			Indicator - total municipal household waste collected at borough level							Borough				
			Indicator - total waste generated by Council (not initially reportable - note that work needs to be undertaken to enable this to be reported)							Council				
		30	COUNCIL: Implement a project to improve recycling across all Council sites. To include: - Education and behaviour change (see Objective 17) - Review the existing recycling arrangements  - A review of the potential to collect 'hard-to-recycle' items through TerraCycle (or similar)  - Review the previous Facilities SUP paper then conduct a Single-Use Plastics audit across the estate (including events), and identification of where SUP can be reduced or eliminated and how any essential SUPs can be recycled.	2025/26	Improved recycling options at council sites.	N/A	N/A	Potential: Waste reduction	Council	Sustainability	Facilities, Waste	N/A		
		2024/25		Review completed	N/A	N/A	Potential: Waste reduction	Council	Facilities	Sustainability; Waste	N/A			
		2024/25		Review completed	N/A	N/A	Potential: Waste reduction	Council	Sustainability	Facilities	N/A			
		2024/25		Review completed	N/A	N/A	Potential: Waste reduction	Council	Sustainability	Facilities	N/A			
		31	BOROUGH: Explore and expand the promotion of the water (and other) refill network.	2024/25	For the borough: number of additional businesses signed up; number of additional users signed up.	£	Revenue	Potential: Waste reduction Litter Influence Business footfall	Borough	Economic Prosperity	Sustainability, Comms	Businesses		
		32	COUNCIL: Inclusion of a fact sheet / educational material as part of annual allotment invoice mailshot, which is delivered to all tenants.	2024/25 and ongoing	fact sheet distributed	£	Revenue	Water Adaptation	Council	Greenspaces	N/A	N/A		
		33	COUNCIL: Investigate opportunities to promote reuse across the borough, such as establishing local repair cafes and library of things.	2025/26	Investigation complete (note investigation outcome will inform future action and indicators).	N/A	N/A	Potential: Waste reduction Community spirit	Borough	Community Partnerships	Sustainability	N/K		
34	COUNCIL: Work with community groups to encourage composting	2024/25 ongoing	Number of additional community composting schemes.	N/A	N/A	Resources Waste reduction Influence	Borough	Community Partnerships	Greenspaces	Community groups				

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
2 – Low Impact Consumption	5 – Waste Reduction: Minimisation of waste arising through better procurement choices (e.g. longer-lasting or better-quality products) and recycling unavoidable waste in local treatment facilities.		<b>8 – Facilitate recycling to maximise value of non-avoidable waste and encourage waste treatment locally to minimise transport emissions</b>										
			<b>Indicator - proportion of household waste recycled, composted or anaerobically digested (borough level)</b>							Borough			
			<b>Indicator - proportion of waste collected treated within the UK (borough level)</b>							Borough			
		35	COUNCIL: Research options for future process for electrical kit reuse or proper disposal, including frequency of collections to maximise value. Currently a third party company is used.	2024/25	Investigation completed (note investigation outcome will inform future action and indicators).	N/A	N/A	Potential: Waste reduction	Council	IT	Sustainability	N/A	
		36	COUNCIL: Comply with the current plans (Nov 23) from the government Resources and Waste Strategy, for rolling out recycling (including food waste) to all properties in the borough (for completion by 31/3/26).	2025/26	number of properties receiving full recycling service; % of properties receiving full recycling service.	N/K	N/K	Waste reduction	Borough	Waste & Recycling	N/A	N/A	
		37	COUNCIL: Comply with current government plans (Nov 23) for Trade waste: Larger businesses (>10FTE) by 31/3/25 Smaller businesses (<10FTE) by 31/3/27	2026/27	Trade Waste recycling to all relevant council contracts.	N/K	N/K	Waste reduction	Borough	Waste & Recycling	Comms, Data & Insight	N/A	
38	COUNCIL: Continue to increase the number of properties covered by Garden Waste collections, including current government plans (Nov 23) to provide collections to every property that requests it from 31/3/26.	2024/25 ongoing	Number of properties receiving Garden Waste collections; % properties able to receive garden waste collections.	N/K	N/K	Waste reduction	Borough	Waste & Recycling	Comms, Data & Insight	N/A			
2 – Low Impact Consumption	6 – Water Efficiency: Reduction of water consumption by promoting water efficiency to alleviate water scarcity issues, and good water management to reduce flooding.		<b>9 – Reduce tap water consumption through a combination of efficiency and reduction and substitution measures</b>										
			<b>Indicator - Council building water consumption</b>							Council			
			<b>Indicator - water consumption per capita per day (SES Water supply area)</b>							Borough			
39	BOROUGH: work with SESW on initiatives to reduce water use and implement water substitution measures, to include: - consideration for areas where the Council can take action to reduce water use - consider opportunities to provide resident advice on saving water and not putting things down drains - providing advice to residents to soft landscape their gardens - promotion of the advice in the Climate Change SPD - Review potential to subsidise water butts for residents.	2024/25 and ongoing	Number and type of projects delivered; per capita per day water use	N/A	SES Water	Energy Carbon Nature Adaptation Flood risk	Borough and Council	Sustainability	Comms	SESW, Residents, businesses			

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
2 – Low Impact Consumption	7 – Responsible Sourcing: Use of materials and products produced responsibly (ie not causing any environmental or social harm)	40	COUNCIL: Vehicle wash upgrade at the Depot.	2026/27	Completion of upgrade	£££ (approx £350k)	capital	Finance Water	Council	Transport	Property	N/A	
		41	COUNCIL: Investigate borehole drilling for sourcing water, and identify other sites where rainwater could potentially be harvested.	2024/25	Investigation completed (note investigation outcome will inform future action and indicators).	N/K	N/K	Potential: Water Adaptation	Council	Greenspaces	N/A	N/A	
		42	COUNCIL: Implement a rolling programme of water meter improvements across key council buildings. (3 year programme)	2024/25 and ongoing	% of meters that are smart	N/K	Revenue/ Capital	Carbon Water	Council	Property	N/A	N/A	
		43	COUNCIL: Consider water efficiency during maintenance / upgrade works. To include: - Installation of low flow fittings - assessment of rainwater harvesting / greywater recycling viability, for example, water butts in community centre gardens.	2024/25 ongoing	Water consumption per council building. Measures installed will be tracked and reported.	£	Revenue/ Capital	Finance Carbon Nature Water Adaptation Flood risk	Council	Facilities	Community Partnerships	N/A	
			<b>10 – Maximise the use of materials and products that are produced responsibly (i.e. environmentally and socially)</b>										
			<b>Indicator - Proportion of Council-procured goods that are defined as environmentally friendly</b>							<b>Council</b>			
			44	COUNCIL: Include recycled and sustainable materials in specifications for new / upgraded play area tenders and increase the weighting given to these considerations.	2024/25 and ongoing	% of play areas upgraded where recycled and sustainable materials have been used.	N/A	N/A	Resources	Council	Greenspaces	N/A	N/A
			45	COUNCIL: Review opportunities to make council-run events more sustainable, particularly in terms of the materials purchased, and develop ideas into guidance and training for all relevant service teams.	2025/26	Review completed. Guidance and training developed.	N/A	N/A	Potential: Energy Carbon Nature Resources Waste reduction	Council	Sustainability	Community Partnerships	N/A
			46	COUNCIL: Review the opportunities to reduce the impact of food purchases across the Council. This could include: - A research piece comparing the cost of a basket of food items used by the Community Centres, Harlequin and offices between fair trade/ sustainable/ organic/ local and the current. - Review Harlequin methods to reduce multiple deliveries and, where appropriate, roll out across the Community Centres and entire estate.	2025/26	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Finance Carbon Waste reduction Sustainable products Local sourcing	Council	Leisure / Community Partnerships	Data and Insight	N/A

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners		
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough					
3 – Natural Environment	8 – Ecological Enhancement: Improvement of the tree and soft landscaping cover to create and maintain habitats that are of benefit to wildlife.		<b>11 – Improve native tree species mix, diversity and ecological value of the green assets across the borough</b>											
			<b>Indicator - Tree canopy cover percentage (Forestry Commission)</b>								Borough			
		47	COUNCIL: Agree and Implement the Tree Strategy.	2024/25	Tree strategy is agreed (note outcome will inform future action and indicators).	££	Revenue	Carbon Nature Adaptation Air quality	Council	Greenspaces	N/A	N/A		
		48	COUNCIL: Research opportunities to support increase in trees in woodland areas via natural regenerative growth, and associated benefits in relation to tree coverage resilience and relative benefits from reduction in intensive watering regime for new trees. (Starting 2023/4 for completion 2025/26).	2025/26	Research completed; with recommendations made. (note outcome will inform future action and indicators).	N/A	N/A	Potential: Finance Energy Carbon Nature Resources Adaptation Air quality	Council	Greenspaces	N/A	N/A		
		49	COUNCIL: Support community tree planting initiatives.	2024/25	Number and locations of initiatives supported; trees planted.	N/A	N/A	Carbon Nature Adaptation Air quality Community	Council	Greenspaces	Sustainability, Community Partnerships	N/K		
3 – Natural Environment	8 – Ecological Enhancement: Improvement of the tree and soft landscaping cover to create and maintain habitats that are of benefit to wildlife.		<b>12 – Improve the area of soft landscape valuable to wildlife, including pollinators, across the borough</b>											
			<b>Indicator - area of new planting by the Council</b>								Council			
		50	COUNCIL: Agree and Implement the Greenspaces Strategy.	2024/25	Strategy agreed (note outcome will inform future action and indicators).	££	Revenue	Nature Adaptation	Council	Greenspaces	N/A	N/A		
		51	COUNCIL: Review opportunities to include wildlife measures such as bird and bat boxes on the Council estate.	2024/25	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Nature	Council	Greenspaces	Facilities	N/A		
		52	COUNCIL: Explore opportunities to support community groups to install wildlife measures such as bird and bat boxes, and support local groups improving local spaces to provide drought-resistant planting, plants suitable for wildlife and to take decisions that benefit the environment.	2024/25 ongoing	Number type and location of initiatives supported	N/A	N/A	Potential: Nature Community	Council	Greenspaces	Community Partnerships	N/K		

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
3 – Natural Environment	9 – Sustainable Drainage Systems: Use of sustainable drainage systems (SuDS) to reduce flooding and the embodied carbon of drainage infrastructure whilst providing biodiversity, water management and amenity benefits.		<b>13 – Improve the ability of the natural environment to store water and reduce surface water run-off</b>										
			<b>Indicator - number of flood risk mitigation projects completed</b>										
		53	COUNCIL: Continue to work with SCC and the EA on flood risk mitigation projects to improve the outcomes of those in the borough or that may affect the borough (including consideration of habitat improvements).	2024/25 ongoing	Projects completed.	N/K	N/K	Nature Adaptation Flood risk	Borough	Greenspaces	N/A	SCC EA	
		54	COUNCIL: Manage and maintain SuDS on new developments under Council responsibility.	2024/25 ongoing	No detrimental flooding events associated with mismanagement of SuDS.	N/K	N/K	Nature Adaptation Flood risk	Council	Greenspaces	N/A	N/A	
		55	COUNCIL: Continue to maintain the watercourses on our estate and work with SCC and EA to maintain the borough's water courses.	2024/25 ongoing	Length and % of watercourses on RBBC estate maintained.	N/A	N/A	Nature Resilience Flood risk	Borough	Greenspaces	Adaptation GIS	SCC EA Other local interest groups	
3 – Natural Environment 72	10 – Environmental Impact and Pollution Prevention: Avoid negative impacts to the wider environment i.e. pollution and habitat loss resulting from Council's activities (including procurement) and from activities in the wider borough (eg transport impacting on air quality).		<b>14 – Limit negative impacts to the wider environment i.e. from pollution to air, water, ground, and habitat loss</b>										
			<b>Indicator - annual air quality results for nitrogen dioxide (borough)</b>							Borough			
		56	COUNCIL: Review the environmental impact of currently-used chemicals to determine if there are any suitable alternative products with lower environmental impact. To include:  - Continue to minimise the use of glyphosate.	2024/25	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: lower impact products	Council	Sustainability	Transport, Facilities, Greenspaces	N/A	
		2024/25 ongoing		Litres of glyphosate used.	N/K	N/A	less chemical use	Borough	Greenspaces				
		57	COUNCIL: Review the drainage from the wash bay and fuel tank at the Depot and implement any necessary changes.	2025/26	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Adaptation	Council	Property	N/A	SCC	
		58	COUNCIL: Identify opportunities to improve the environmental sustainability of Redstone Cemetery and develop an implementation plan.	2025/26	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation	Council	Greenspaces	Sustainability	N/A	
59	COUNCIL: Deliver the AQ Action Plan and Strategy.	2024/25 ongoing	Improvement in annual air quality monitoring results for nitrogen dioxide.	N/K	N/K	Air quality	Council	Environmental Health	N/A	N/A			



Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough			
		60	COUNCIL: Review options to make third party events on Council owned land more environmentally sustainable.	2024/25	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Energy Carbon Nature Resources Waste reduction	Borough	Sustainability	Greenspaces	N/A
4 - CC Adaptation and Resilience	11 – Adapting to climate change: Accelerate adaptation and develop resilience for the predicted future climate.	<b>15 – Accelerate action to adapt buildings and services to the advancing rate of climate change.</b>										
		<b>Indicator -</b>										
		61	COUNCIL: Regularly review and update internal business continuity plans to adapt service delivery in extreme weather conditions reflecting sector best practice.	2024/25 ongoing	% of business continuity plans that are up to date.	N/A	N/A	Potential: Adaptation	Council	All	N/A	N/A
		62	COUNCIL: Continue to encourage and support local groups improving local spaces to provide drought-resistant planting, plants suitable for wildlife, plants adapted to the future climate predictions and to take decisions that benefit the environment.	2024/25 ongoing	Number, type and location of initiatives supported.	N/A	N/A	Nature Water Adaptation Air quality Community	Borough	Community Partnerships	Sustainability	N/K
		63	COUNCIL: Review the SCC Surrey Adapt Strategy and its resulting action plan to determine those actions relevant to RBBC.	2024/25	Review completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Adaptation	Borough	Sustainability	Emergency Planning	N/A
			- where these actions align with our priorities, work with SCC and other D&Bs to deliver those actions.	2024/25 onwards	% of relevant actions delivered.	N/K	N/K	Adaptation	Borough	Sustainability	Adaptation All	SCC Surrey D&Bs
4 - CC Adaptation and Resilience	11 – Adapting to climate change: Accelerate adaptation and develop resilience for the predicted future climate.	<b>16 – Improve the resilience of our communities and the natural and built environment to respond to changes in climate.</b>										
		<b>Indicator - number of engagements delivered</b>										
		64	COUNCIL: Deliver the external comms plan which will include: - adaptation messages that are targeted at those who are most vulnerable to climate change impacts - information for businesses on how to prepare for the impacts of climate change - emergency planning and business continuity.	2024/25 ongoing	Number, type and reach of activities undertaken	N/A	N/A	Adaptation	Borough	Sustainability	Economic Prosperity Emergency Planning / Adaptation Community Partnerships Comms Data & Insight	Surrey Local Resilience Forum; Applied Resilience

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough			
		65	COUNCIL: Understand borough flood and potentially wildfire risk. Educate businesses and residents, making them aware of their risk, their responsibilities and mitigations/preparations they can take.	2025/26	Number of residents and businesses that information has been disseminated to.	N/A	N/A	Adaptation & Resilience	Borough	Emergency Planning	Adaptation GIS Comms	N/A
5 - Effective Implementation	12 – Capacity-building, Communications and training	<b>17 – Provide informative accessible material for staff, councillors, residents, businesses and all relevant stakeholders, partners, contractors and suppliers on how to deliver our ES objectives at the borough level, and explain t</b>										
		<b>Indicator - number of staff attending environmental sustainability training</b>								Council		
		<b>Indicator - % of comms plan delivered annually</b>								Borough		
		66	COUNCIL: Write and deliver external and internal communications plans to support all Strategy themes. These should consider appropriate channels and resources for different stakeholders, including 'harder to hear' audiences and those more susceptible to the impacts of climate change.	2024/25 ongoing	Number, type and reach of activities undertaken.	£	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	Sustainability	Comms D&I EP Staff Sus Network Emergency Planning Greenspaces	N/A
		67	COUNCIL: Deliver both general and targeted training to officers and members on a range of environmental sustainability issues to aid understanding and to assist in the delivery of Strategy objectives and actions.	2024/25 ongoing	Number of staff trained; number of members trained.	£	Revenue	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	Sustainability	HR Procurement	N/A
		68	COUNCIL: All service teams to include sustainability during staff induction, and in performance review and recruitment processes.	2024/25 and ongoing	Number of staff given sustainability induction	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	HR	Sustainability ALL	N/A
5 - Effective Implementation	13 – Partnership Working	<b>18 – Work with partners, businesses and voluntary organisations to identify shared objectives and opportunities for cooperation, partnership working, project development and delivery</b>										
		<b>Indicator - number of engagements</b>								Borough		
		69	COUNCIL: Engage with a range of partners via existing networks to deliver shared sustainability objectives and share best practice. Seek to develop new groups and networks as appropriate.	2024/25 ongoing	Number of engagements; number of people engaged with; type of engagement and audience type.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience Share learning Build capacity	Council	Sustainability	Transport, Comm Partnerships	Surrey Councils, SCC, Voluntary Sector, Sustainable Business Network, Greater SE Net Zero Hub, Community Energy South, private sector partners etc

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Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
5 - Effective Implementation	14 – Planning		- continue to be a funding member of Action Surrey (approx £3k/y)	2024/25 ongoing	funding contribution made	£	N/A	Potential: Energy Carbon Build capacity	Borough	Environmental Health	Sustainability	Action Surrey	
			- continue to work with Surrey Environment Partnership to deliver waste and recycling communications and behaviour change messages	2024/25 ongoing		N/A	N/A	Resources	Borough	Waste & Recycling	Communications	Surrey Environment Partnership	
			- continue growing the Sustainable Business Group, with relevant and engaging content and speakers to encourage business collaboration and shared best practice.	2024/25 ongoing	Number of large businesses attending each meeting.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience Share learning	Council	Economic Prosperity	Sustainability	Businesses	
		70	COUNCIL: Incorporate high level environmental sustainability ambitions into the Council's corporate plan for 2025-30.	2024/25	Sustainability ambitions incorporated in new corporate plan.	N/A	N/A		Council	CPPP	N/A	N/A	
		71	COUNCIL: Explore opportunities for a Transition Streets project.	2026/27	Investigation completed (note outcome will inform future action and indicators).	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience Community	Borough	Community Partnerships	N/A	N/K	
		72	COUNCIL: Alone and in partnership, continue to lobby government and other bodies to support local sustainability objectives and ensure local authorities have the powers and resources to facilitate change.	2024/25 ongoing	Number of representations made and who to.	N/A	N/A		Borough	Sustainability	N/A	N/K	
			<b>19 – Support the delivery of our ES Objectives through the Council's planning policy and development management activity.</b>										
			<b>Indicator - Local Plan review completed</b>						Borough				
		73	COUNCIL: As part of Local Plan Review DMP Policy CCF1 Climate change mitigation will be assessed and consideration made how this policy might be enhanced for renewable energy in the new local plan and in embedding in planning applications. (Review 2024 Evidence 2025 Draft Policy 2027 Adopted Plan 2028).	2027/28	Draft plan proposes updated approach.	££	Revenue	Potential: Energy Carbon Resources Adaptation	Borough	Planning	N/A	N/A	

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners	
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough				
76		74	COUNCIL: New Local Plan will support low carbon agenda by considering ways to strengthen existing climate change / carbon reduction policies and support improved infrastructure resilience in the borough. (Evidence paper 2025. Consultation 2026 & 2027 Adopt Local Plan 2028).	2027/28	Draft plan proposes updated approach.	N/A	N/A	Potential: Energy Carbon Resilience	Borough	Planning	N/A	N/A	
		75	COUNCIL: As part of Local Plan Review consider whether the requirement for EV charging points associated with new development can be expanded. (Review 2024, Evidence 2025, Draft Policy 2027, Adopted Plan 2028).	2027/28	Draft plan proposes updated approach.	££	Revenue	Potential: Carbon Adaptation	Borough	Planning	N/A	N/A	
		76	COUNCIL: Consider a requirement for EV charging points on existing development where appropriate planning applications are received. (Evidence 2025 Draft Policy 2027 Adopted Plan 2028).	2027/28	Draft plan proposes updated approach.	£	Revenue	Potential: Carbon Adaptation	Borough	Planning	N/A	N/A	
		77	COUNCIL: Develop evidence and explore options to inform an embodied carbon policy for the new Local Plan. (Appoint specialist 2023 Report 2025 Draft Policy 2027 Adopted Plan 2028).	2027/28	Draft plan proposes updated approach.	N/A	Revenue	Potential: Energy Carbon Adaptation	Borough	Planning	N/A	SCC	
5 - Effective Implementation	15 – Procurement	<b>20 – Ensure environmental sustainability is taken into consideration as part of the procurement process for all aspects of council purchasing.</b>											
		<b>Indicator - new sustainable procurement policy adopted</b>								<b>Council</b>			
		78	COUNCIL: Develop a Sustainable Procurement Statement or Policy that includes environmental issues, indirect impacts, living wage obligations etc.	2024/25	Agreement of a sustainable procurement statement / policy	£	Revenue	Potential: Finance Energy Carbon Nature Resources Adaptation & resilience	Council	Procurement	Sustainability	N/A	
		79	COUNCIL: Sustainability team to input to a review of the Procurement Procedures to ensure procurement documents contain sustainability considerations and to sit on the Procurement Board once established.	2024/25 and ongoing	Sustainability incorporated in updated procurement procedures; sustainability incorporated in updated documents; Sustainability represented on Board.	N/A	N/A	Potential: Finance Energy Carbon Nature Resources Adaptation & resilience	Council	Procurement	Sustainability	N/A	

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners		
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough					
5 - Effective Implementation	16 – Resources and governance	80	COUNCIL: Ensure procurement processes include a review by the sustainability team at an early stage in the procurement process, to ensure sustainability considerations (including carbon, waste reduction and reuse) have been included within the specification and / or the tender appraisal.	2024/25 ongoing	Number of tenders where sustainability improvements have been secured.	N/A	N/A	Potential: Finance Energy Carbon Nature Resources Adaptation & resilience	Council	Procurement	Sustainability	N/A		
		<b>21 – Ensure effective implementation and reporting of Council progress against specified targets and indicators</b>												
		<b>Indicator - annual environmental sustainability strategy review completed</b>									Council			
		81	COUNCIL: Review effective options for offsetting remaining emissions from 2030 onwards and implement the most suitable options, recognising that a range of methods may be required.	2024/25	Review complete (note outcome will inform future actions and indicators).	N/A	N/A	Potential: Carbon Nature	Council	Sustainability	Finance, Greenspaces	N/A		
		82	COUNCIL: All key service teams to include relevant sustainability actions within their business plans to enable funding to be secured and projects to be implemented.	2024/25 ongoing	Annual business plans incorporate sustainability actions.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	All	N/A	N/A		
		83	COUNCIL: Regularly review funding opportunities and disseminate these to the appropriate teams and support them to submit bids.	2024/25 ongoing	Number and type of funding opportunities explored.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	Sustainability	All	N/A		
		84	COUNCIL: Explore opportunities to implement green leases in commercial lettings.	2024/25 ongoing	% of lease renewals that are 'green'	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Borough	Property	Sustainability	N/A		
		85	COUNCIL: Consider innovative funding mechanisms to create renewable energy infrastructure within the borough. This could include community energy, PPA or other mechanisms.	2026/27	Review complete (note outcome will inform future actions and indicators).	N/A	N/A	Potential: Finance Energy Carbon Nature Resources Adaptation & resilience	Borough	Sustainability	Finance	SCC Community Energy		

Theme	Priority	Action Number	Action	Timeframes	Performance indicator	Financial cost to Council	How to fund?	Benefits Summary	Council or Borough Impact	Action owner	Contributing service areas	Partners
				When will you deliver this? Specify a year and if it is ongoing.	How will progress be measured?	Specify if £ <10k, ££ 10-100k, £££ >100k, N/A (if no cost or BAU) or N/K	Specify if Revenue / capital / PPA / N/A or N/K	Financial, energy, carbon, nature, resource savings, adaptation, other environment or other benefits	Specify if improvement to Council or Borough			
5 - Effective Implementation	16 – Resources and governance		<b>22 - Embed consideration of ES objectives into Council governance and decision making.</b>									
			<b>Indicator -</b>									
		86	COUNCIL: Require provision of information about energy and carbon reduction, resource minimisation and nature protection and enhancement in project and programme documentation via review of corporate project and programme management frameworks.	2024/25	Project templates updated.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	CPPP	N/A	N/A
		87	COUNCIL: Review governance processes to ensure that information about the environmental sustainability implications of the decision is provided to help inform decision-making.	2025/26	Review complete (note outcome will inform future actions and indicators).	£	Revenue	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	CPPP	Democratic Services	N/A
		88	COUNCIL: When RBBC plans and policies are up for review, ensure climate change adaptation and resilience is included and there is policy alignment across the Council.	2025/26	Number and type of updated plans/policies where climate adaptation and resilience is included.	N/A	N/A	Potential: Adaptation & resilience	Council	All	Emergency planning	N/A
		89	COUNCIL: Consider the potential to incorporate environmental sustainability criteria within the application processes associated with Council grants.	2024/25	Number and type of Council grants that contain environmental sustainability criteria.	N/A	N/A	Potential: Energy Carbon Nature Resources Adaptation & resilience	Council	Community Partnerships, Economic Prosperity , Mayor's Fund	Sustainability	N/A
		90	COUNCIL: Develop a corporate framework setting out how environmental sustainability considerations will be incorporated within Council development proposals.	2024/25	framework agreed	N/A	N/A	Potential: Energy Carbon Nature Resources	Council	Place delivery	Sustainability; property	N/A
		91	COUNCIL: Use whole life cycle costs for decision making during plant renewals and avoiding 'like-for-like' replacements unless the technology is future-proofed and low-carbon options are not viable.	2025/26	% of plant renewals for which whole life cycle costs are prepared.	N/A	N/A	Potential: Energy Carbon	Council	All	Sustainability	N/A

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**KEY:**

Borough Benefits predominantly accrue across the borough

Council Benefits predominantly accrue to the Council

### Annex 3: Environmental Sustainability Strategy Scrutiny Panel Suggested Changes and officer responses

Document	Reference	Comment	Response	Change proposed
Strategy	Foreword	This section is blank	This section will be completed with a Foreword from the Portfolio Holder once the document has been approved	No
Strategy	Para 2, various other instances	Whether 'climate crisis' is an appropriate term to use; or whether an alternative term (eg climate change or climate emergency) should be used	Climate crisis is considered to be an appropriate term; no change to strategy required.	No
Strategy	Section 1.2	Clarify that Council net zero target is for scope 1 and 2 emissions; also include reference to scope 3 approach	Amend bullet points as follows: “ - the target to get to net zero carbon by 2030 for the Council ( <u>scope 1 and 2 emissions</u> ); - <u>The aim to achieve net zero for scope 3 emissions as soon as possible after 2030...</u> ”	Yes (Strategy)
Strategy	Section 1.5	Strategy should include recognition of uncertainty surrounding future of the Harlequin Theatre	Add footnote as follows: “ <u>At the time of writing, the Harlequin Theatre is shut, but it remains in the carbon footprint baseline and Scope 1 and Scope 2 Harlequin activities that are undertaken elsewhere will be reported in the 2023/24 carbon footprint and annual report.</u> ”	Yes (Strategy)
Strategy	Section 1.5	Business as usual options should also have their sustainability 'costs' considered	This already happens and is covered by Action 86, no change to strategy required.	No
Strategy	Section 2	Wording about the number of themes could be clarified	Amend as follows: “...however we now believe that this needs greater emphasis and therefore include it in this 2024 update as a <u>fourth environmental fifth theme</u> ”	Yes (Strategy)
Strategy	Section 3.1	Consider a specific 2050 target for net zero scope 3 emissions	A flexible approach is considered appropriate until we have better baseline evidence; current approach allows for action to reach net zero scope 3 <i>before</i> 2050. No change to strategy required.	No
Strategy	Section 3.2	Consider adding reference to moving away from gas heating as well as exploring potential for renewable gas tariff	Amend as follows: “At the Council level, we switched to a renewable energy tariff for our electricity in 2023. When the contract comes up for renewal, we will explore options to also procure a renewable gas tariff <u>as an interim measure while we work to reduce gas consumption</u> ”	Yes (Strategy)
Strategy	Section 4.1	Add timeframe to units of water consumption	Amend: “...litres per person/ <u>per day</u> ...”	Yes (Strategy)
Strategy	Section 4.1	Reference to water consumption could be confusing, we should use clear language as this could be misinterpreted as the amount of water we drink	Amend: “In terms of water <u>use consumption</u> , Reigate & Banstead borough...”	Yes (Strategy)

Strategy	Section 4.2	Correct date typo	Amend: “...October <del>2020</del> 2023”	Yes (Strategy)
Strategy	Section 4.2	Question whether we should also seek to work with Thames Water as well as SES Water, specifically should we lobby them in relation to leaks and safe discharge into waterways	Action 72 covers lobbying, this has been expanded as follows: “Alone and in partnership, continue to lobby government <u>and other bodies to support local sustainability objectives and ensure local authorities have the powers and resources to facilitate change</u> ” Officers will also investigate working with Thames Water in relation to water usage more generally.	Yes (Action Plan)
Strategy	Section 5.1	[Advance question] Impact from human activity has been happening since the industrial revolution	Amend as follows: “ <del>Over recent decades</del> Impact from human activity through pollution, habitat loss and fragmentation <u>has have</u> caused stress to the natural environment <u>accelerated during the Industrial Revolution and continues to this day...</u> ”	Yes (Strategy)
Strategy	Section 5.1	The stated area of council owned and managed land is incorrect; reference to Banstead Woods as a LNR is missing	Amend: “The Council owns <del>and manages</del> approximately 1,250 hectares of countryside, including internationally rare lowland heath and chalk grassland. <u>This includes The Council also owns two three</u> Local Nature Reserves (LNRs) at <u>Banstead Woods, Reigate Heath and Earlswood Common</u> ”	Yes (Strategy)
Strategy	Section 7.3	As well as procuring food sustainably, can we do more do more to educate people (including via schools) and help minimise food waste?	The Council already works closely with Surrey Environment Partnership to promote a reduction in food waste, and food waste recycling. Amend Action 69 to include specific reference to our work with Surrey Environment Partnership to deliver waste and recycling comms messages.	Yes (Action Plan)
Strategy	Section 7.5	The strategy could be clearer about the review date, rather than providing a time range	Amend as follows: “This version 2 is the first review of the Strategy to do this. <u>It is intended that Version 2 should be reviewed in 2027 and no later than 2029</u> ”	Yes (Strategy)
Action Plan	General	Question whether ‘ongoing’ activity (which might be BAU) should be included within the Action Plan	Ongoing actions tend to relate to activity that – once commenced – will be delivered as business as usual. It is considered important that this is captured in the Action Plan so a complete picture of activity is presented.	No
Action Plan	General (timeframes column)	Concern about whether there is sufficient clarity over how progress on ‘ongoing’ actions will be tracked, monitored and reported against.	Ongoing actions tend to relate to activity that – once commenced – will be delivered as business as usual. Start dates have now been clarified for all ongoing actions, with changes made to the following actions: - 2, 10, 17, 19, 24, 26-28, 31, 34, 38, 43, 52-55, 59, 61, 62, 64, 66, 69, 72, 82-84	Yes (Action Plan)



			Progress against ongoing actions will be reported in the annual report each year commencing for the 'start' year (ie not <i>just</i> in the start year), using the performance indicators provided.	
Action Plan	General (performance indicators column)	Concern about a lack of quantifiable targets and indicators for some actions and therefore how progress is measured.	Performance indicators for all actions are included. Given the nature of some actions, it is not possible to set quantifiable targets for them – where this is not the case, narrative updates will be provided via the annual reporting process. Following the Panel meeting, PIs have been reviewed and tightened up where possible – this has included changes to indicators for the following actions: - 1-6, 7-10, 12-15, 16-19, 20-27, 29, 30, 31, 33, 34, 35-38, 39, 41, 43, 44-46, 47-49, 50-52, 53, 55, 56-60, 61-63, 64, 65, 66, 67, 69, 70-72, 73-77, 78-80, 81-83, 85, 86-89, 91 plus objective 13.	Yes (Action Plan)
Action Plan	General (reporting)	Can a more detailed trajectory / milestones for how the key identified actions will move us to net zero be included to assist members in tracking progress?	The importance of helping members to understand progress is acknowledged. However as noted in the covering report provided to the Panel, when it comes to buildings in particular, there are complex interrelationships between interventions that mean that quantifying the impact of individual measures in advance is unreliable and potentially misleading. More information has now been provided in the O&S Committee / Executive covering report about this, including to help members visualise the impact of relevant actions to reduce vehicle fuel emissions and gas use in our buildings. Where possible, more detailed trajectory graphs will be included in future annual reports as more detailed business cases for the key interventions listed in the covering report are developed.	Yes (covering report)
Action Plan	General (reporting)	There would be value in highlighting to members what the critical projects are that we need to achieve, and the risks associated with them	<u>Critical projects:</u> The covering paper provided to the Panel provides information about the key critical actions that are required to achieve the Council's 2030 net zero target, along with the main constraints, challenges and risks to delivering these. As noted above, more information has now been provided in the O&S Committee / Executive covering report about this, to help members visualise the impact of key actions to reduce vehicle fuel emissions and gas use in our buildings. <u>Risks:</u> A summary of the constraints to delivery, and delivery challenges, is also included in the Strategy document at section 1.5 and Chapter 9. As set out in the covering report to	Yes (covering report)

			the Panel at para 60 these will be kept under review and escalated to operational risks should the need arise. The annual report process also provides the opportunity to highlight any new risks and how already identified risks are being controlled and/or mitigated	
Action Plan	Action 2	Does this action refer to heating alone; are we working towards no gas?	To achieve net zero we need to work towards reducing gas use as much as possible. See comment above, this will be clarified in the strategy document	Yes (Strategy)
Action Plan	Action 5	Targets should be included.	The Council's capital programme sets out the years in which funding is allocated to specific buildings. Once funding has been agreed, a programme of works will be developed.	No
Action Plan	Action 6	Targets should be included.	The action is to undertake investigation. Once this has been completed a programme will be able to be developed	No
Action Plan	Action 7	Target should be included to work with groups in all areas	Action wording can be amended for clarity to explain that it will apply ' <u>...across the borough</u> ', however not appropriate to have a target for delivery in all areas as dependent on third parties	Yes (Action Plan)
Action Plan	Action 9	Question whether this was a past objective now nearing completion	Funding has been secured but the project has not been implemented	No
Action Plan	Action 10	Concern whether this action (about the provision of information) will lead to change	This action will be delivered in conjunction with Action 3, which relates to physical changes to buildings. No change to Action Plan required.	No
Action Plan	Action 14	Question whether this replicates Actions 5 and 6	This action relates to renewable energy; Actions 5 and 6 relate to energy efficiency measures	No
Action Plan	Action 20	Targets should be included.	The action is to prepare a strategy – this will include more detail about our approach including any targets	No
Action Plan	Action 27	Words such as 'encourage' and 'consider' could be stronger	The action will be implemented via a policy review, which will explore which options are most appropriate to pursue	No
Action Plan	Action 33	Target should be included to ensure coverage across all areas	Action wording can be amended for clarity to explain that it will apply ' <u>...across the borough</u> ', however not appropriate to have a target for delivery in all areas as dependent on third parties	Yes (Action Plan)
Action Plan	Action 37	Should the Council be doing more to engage with schools in relation to waste reduction and recycling?	The Council can work with Surrey Environment Partnership to promote awareness of waste & recycling including at schools (see change proposed above)	Yes (Action Plan)
Action Plan	Action 39	Not clear how some elements of this action be achieved	Action wording can be amended for clarity, to explain: ' <u>...providing advice supporting</u> residents to soft landscape their gardens' and ' <u>...promotion recognition</u> of advice in the Climate Change SPD..' ' <u>... review potential</u> to subsidise water butts for residents.'	Yes (Action Plan)

			And in recognition of comment under Strategy Section 4.1 the main action wording can be amended for clarity: '... initiatives to reduce water consumption <u>use</u> and implement water substitution ...'	
Action Plan	Action 45	Targets should be included	The action is to undertake a review. As part of this consideration will be given to the appropriateness of numerical targets.	No
Action Plan	Action 46	Targets should be included	The action is to undertake a review. As part of this, consideration will be given to the appropriateness of numerical targets	No
Action Plan	Action 48	Could make reference to working with third parties	This action is specific to land in council management; however, if successful, consideration will be given to rolling it out more widely	No
Action Plan	Action 50	Should the Council be doing more to recognise the need to work with third party landowners on nature and biodiversity issues?	This will be covered by the Green Infrastructure Strategy which is currently being reviewed by the Planning team and is mentioned in section 5.2 of the Strategy document	No
Action Plan	Action 50	What opportunity is there for large-scale woodland planting (eg in the Banstead Woods area)?	Opportunities such as this will be considered as part of the Greenspaces and Tree Strategies referred to at Actions 47 and 50	No
Action Plan	Action 55	Could make reference to working with other third parties	Partners column of action plan can be amended to recognise other local interest groups	Yes (Action Plan)
Action Plan	Action 56	Targets should be included	The action is to undertake a review. As part of this consideration will be given to the appropriateness of numerical targets	No
Action Plan	Action 57	Compliance/targets should be included	The action is to undertake a review then implement as appropriate. Review is required first to understand options, compliance and consider potential targets	No
Action Plan	Action 69	Will the Council consider partnerships with private providers to deliver strategy objectives	Potentially these kind of partnerships will be considered, subject to procurement and other best value requirements. Action 69, 'Partners' column has been amended to reflect this.	Yes (Action Plan)
Action Plan	Actions 73-75	More detail and targets are needed	Actions relate to the Local Plan which is subject to a separate timetable and process. The outcomes of this process cannot be pre-determined.	No
Action Plan	Action 79	Procurement documents should contain sustainability targets rather than considerations	A very wide range of products and services are procured across the Council; in some cases targets will be applicable but not necessary for all procurements. However consideration of sustainability options and opportunities is essential	No

Action Plan	Potential new action	The previous Action Plan included an action about pesticide reduction. Could this be considered for inclusion in the new plan?	Action 56 wording can be amended to be more comprehensive about the chemicals used across the organisation and to specifically refer to the pesticide glyphosate: ' Review the environmental impact of currently used cleaning chemicals ... <u>to include:</u> - Continue to minimise the use of glyphosate.'	Yes (Action Plan)
Objectives	Priority 3	Could the objective be extended to make reference to community transport as this is much needed in some areas?	No change proposed – priority relates to minimisation of emissions from transport rather than the type of services provided locally	No
Objectives	Objectives 11 and 12	These objectives have been changed to 'improve' rather than 'increase' tree planting and soft landscaping. Should consider a return to 'increase'	The term 'improve' does not preclude an increase in tree planting and soft landscaping but recognises the nuances associated with land and woodland management, including the benefits that enhancing quality (as well as quantity) can bring, and also the challenges the borough faces in dealing with Ash Die Back and similar. Use of the term 'improve' is therefore considered more appropriate.	No

### Questions to follow up with written answers

#### How many AQMAs does the council have, have some been revoked, why and what is the process for doing so?

∞  
 ↗ The Council currently has 9 Air Quality Management Areas (AQMA's), which have been in place from between 2003 to 2013. Following completion of the Air Quality Action Plan (AQAP) and Strategy, recently submitted in draft to Defra, it is proposed to un-declare 7 of these AQMA's. This is because there has been a clear downward trend in air pollutant concentrations, particularly when evaluated over a number of years (including pre-Covid), that is well evidenced at these Areas. Having considered the Defra criteria for un-declaring an AQMA, and taking a more cautious approach still, this is now felt to be the appropriate course of action.

An AQMA is un-declared by the issue of a Revocation Order made under the Environment Act 1995. Prior to this, it is however proposed to take the following steps;

- Receive and incorporate any feedback from Defra on the draft AQAP & Strategy
- Undertake a public and member consultation on the proposals, including the contents of the AQAP & Strategy
- Take the final AQAP & Strategy to Executive for sign off and approval of the Revocation Order.'

#### Are the greenspaces and tree strategy a single strategy or separate? Will members get to see the greenspaces strategy content? What will the scope be (ie land within our ownership or wider)?

It is intended that they will be separate strategies. Consultants are in the process of being procured. The strategy will be developed in line with the operational strategy guidance that was prepared earlier this year and will be shared with members in accordance with that document. The focus will be land within Council ownership.

### **Who is in the sustainable business group and what is it doing?**

The sustainable business group is a group of large employers who are sharing best practice on their sustainable journeys. Companies who attend the group include:

- Santander Consumer Finance
- Gatwick Airport
- Raven Housing Trust
- Southern Gas Networks
- Lactalis
- Surrey County Council
- First Community Health

The group is a way of us sharing relevant content with the group and the group discussing and sharing any successes or challenges. We have other channels to talk with smaller businesses. Some examples of discussion topics are how to embed sustainability with staff in an organisation, low carbon fleet considerations, and green social prescribing.

### **Which authority (RBBC or SCC) has responsibility for weedkilling on pavements?**

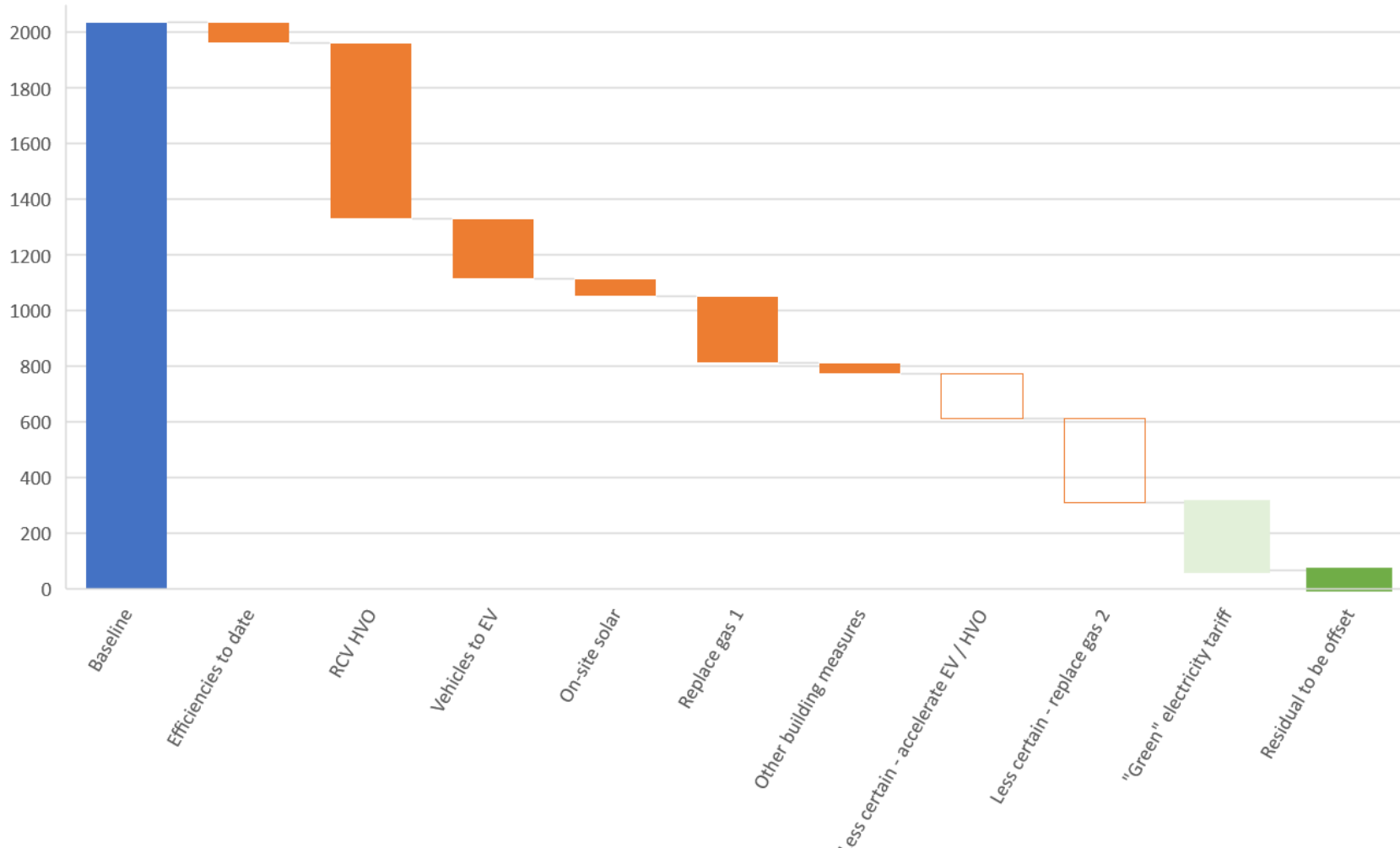
It is mainly the responsibility of SCC to control weeds on pavements.

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**Annex 4: Expected operational carbon emissions reductions by 2030** Note that these charts are based on the best information available at the time of writing and rely on a number of assumptions. The annual reporting process will report actual carbon emissions, and as more information becomes available (for example, as detailed business cases for some actions are developed) these pathways will be refined.

**Graph 1: Expected operational carbon emissions by type, by 2030**

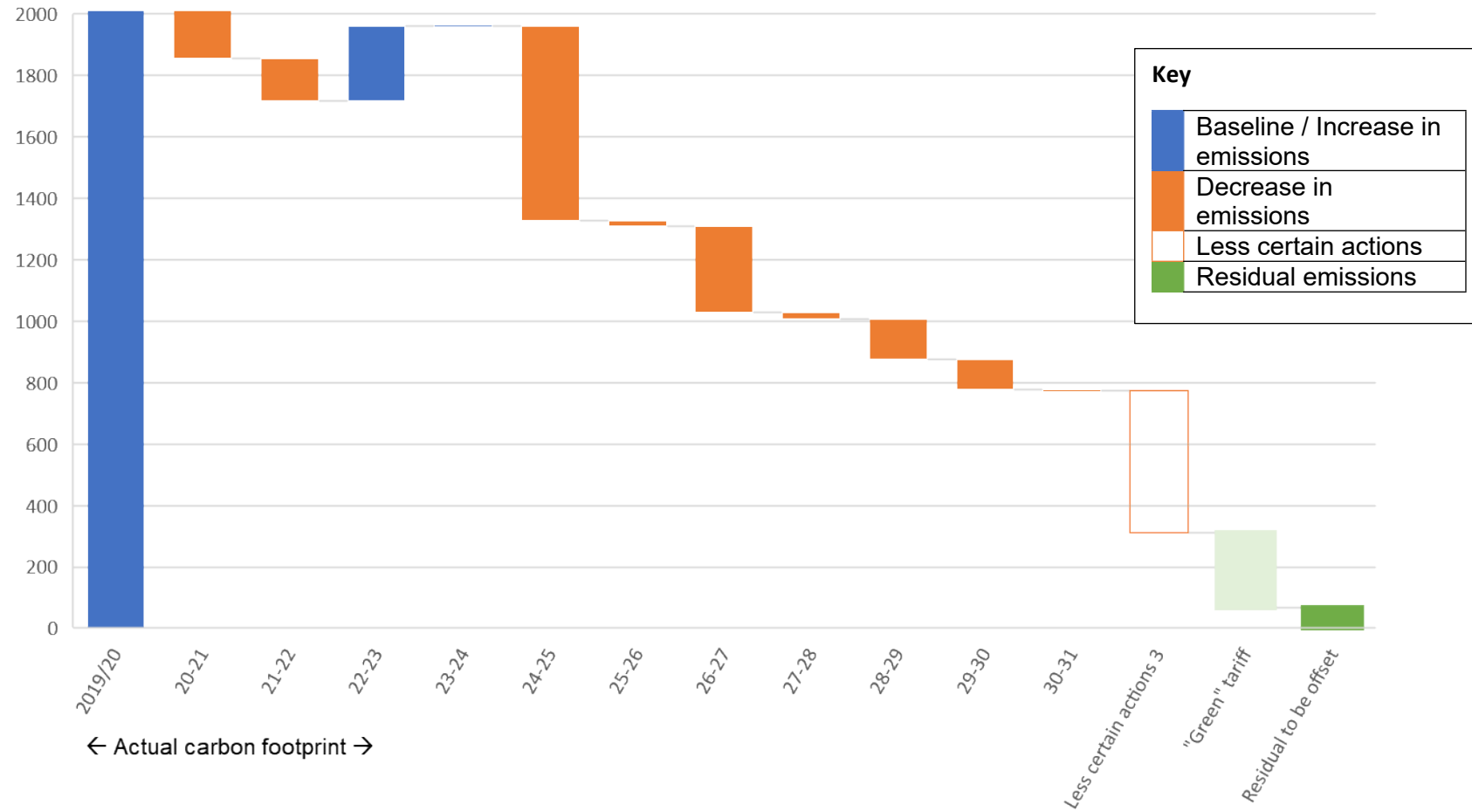
87



**Notes:**  
Replace gas 1: Town Hall, Banstead Community Centre, Woodhatch Community centre, Earlswood Depot, Tattenham Park Pavilion (funding currently within agreed capital programme)  
Less certain – accelerate EV/HVO: Subject to technological advances and HVO compatibility of non-RCV diesel fleet  
Less certain – replace gas 2: Other main operational buildings (Harlequin, Horley Community Centre) (funding currently not within agreed capital programme)

**Graph 2: Expected operational carbon emissions by year to 2030**

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**Notes:**

Less certain actions: Includes acceleration of EV/HVO transition, subject to technological advances and HVO compatibility of non-RCV diesel fleet; plus replacement of gas in other main operational buildings (Harlequin, Horley Community Centre).

Green tariff: Will offset residual electricity emissions – amount shown is indicative only



## **Annex 4 – Engagement Report**

### **Environmental Sustainability Strategy**

#### **2023 Review**

#### **Engagement Summary**

## **1 Introduction**

Reigate & Banstead Borough Council (R&BBC) published its first Environmental Sustainability Strategy (ES Strategy) in 2020 with a commitment to review it going forward to continue to take account of local progress, the latest evidence, policy and technological advancements.

In 2023 it was agreed that a light-touch review should be undertaken. The Review process was carried out by the Environmental Sustainability team (ES team) between September and December 2023 in order to deliver a revised ES Strategy document and Action Plan for approval by the Council in early 2024. As part of the Review, an engagement process was developed.

The original Strategy vision, themes, priority areas and net zero targets were not within scope of the review. The objectives were reviewed to ensure the wording is clear and there are no duplicates or omissions.

The key focus of the review was to develop new measurable actions to deliver the objectives in the shorter term, with some less specific actions for the medium and long term. Performance indicators were reviewed to ensure they remain fit for purpose, data is easily obtainable and that they relate to the new actions.

The ES Strategy itself was reviewed and updated, with some additional sections to clarify the scope of the review, the scope of the carbon footprint and to include climate adaptation and resilience as a new theme. Short sections on plans to tackle scope 3 (supplier) carbon emissions and offsetting, as well as challenges and opportunities were also added.

## **2 Stakeholder Mapping**

To develop a suitable engagement process, taking into account the need to ensure adequate feedback whilst recognising resource and time constraints, a stakeholder map was created. Using a matrix of Interest in the Topic against Power and Influence to make change in relation to the topic, stakeholders were located on the matrix as follows:

- Low to Medium Interest, Low to Medium Influence – Monitor sentiment
- Medium to High Interest, Low to Medium Influence – Communicate
- Low to Medium Interest, Medium to High Influence – Keep satisfied
- Medium to High Interest, Medium to High Influence – Key stakeholders – bespoke approach

The resulting matrix is presented in Appendix 1.

From this exercise the method of engagement was chosen for each type of stakeholder grouping, based on knowledge of the stakeholder, opportunities to use existing engagement methods, and time and resource constraints (for the ES team and for stakeholders).

## **3 Engagement Activities**

### **3.1 Monitor sentiment - Prioritising the objectives**

Prioritising the ES Strategy objectives, to give a steer as to where efforts should be focused, formed the main part of our engagement with the 'monitor sentiment' group. This involved stakeholders seeing a list of the objectives, having an opportunity to discuss them, and then indicating those they felt should have highest priority. This was mainly done using printed objectives with attendees adding stickers to their priorities, however the exercise was also successfully undertaken using a Teams Whiteboard for online engagement sessions. Unless indicated in the stakeholder summaries below, the number of objectives the attendees could choose was not limited.

This was a quick and easy engagement exercise, that also allowed discussion, however, with over 20 objectives there was a tendency for people to focus on those that were first in their line of sight and the possibility that they didn't read every objective.

### **3.2 Communicate**

For this group of stakeholders we used the objectives prioritisation exercise (see 3.1) but prefaced it with presentations about the ES Strategy review, and opportunities for discussion, to provide further information and feedback opportunities.

### **3.3 Keep satisfied**

This group of stakeholders were kept informed of the ES Strategy review.

### **3.4 Key stakeholders – bespoke**

These stakeholders were invited to bespoke sessions to provide them with information about the ES Strategy review, but also to gain input from them, over and above that obtained for the other three stakeholder groups. The engagement exercises for the stakeholders in this group are explained further in the stakeholder summaries in Section 4 below.

### **3.5 Constraints**

Engagement exercises were subject to constraints of time and resources.

The engagement sessions were informal and were to gauge views rather than perform a rigorous analysis of responses. This document summarises the engagement sessions held and offers summaries of the responses received. As explained in Section 6 below, all responses have been reviewed by the ES team, although for presentational purposes they have been summarised and grouped in this report.

## **4 Engagement Exercises – Council**

### **4.1 Members – key stakeholders**

#### **4.1.1 Cross-Party Member Sustainability Group**

As an informal Group, established as a consultative forum of councillors from across the political spectrum, this group were identified as key stakeholders. The Group formed in 2020 to review and feedback on implementation of the ES Strategy and was reconvened for the ES Strategy Review and to oversee ongoing implementation of the ES Strategy.

As key stakeholders, two bespoke sessions took place.

Session 1 started with a presentation reviewing the current ES Strategy and outlining the Review process. Group members were then asked to consider where the focus of the ES Strategy should be, in terms of control and influence – things within our direct control (typically our activities, buildings and vehicles), things where we have an indirect impact (procurement, planning) and things that we have an influence over (working with others, communications).

There was a good discussion with some of the points raised including:

- The Council can show what we have done and identify what residents can do at home
- There are influences on borough activities from outside the borough (eg traffic, aircraft)
- The Council needs to do everything it can, and be an exemplar
- With limited resources, it is important to focus on areas under direct control, then areas with the most effect (eg partnership working)

The second exercise was to consider what three priority areas the Council should focus on. The top and joint second priority objectives were:

1. Generate renewable energy
2. Partnership working; Planning

Session 2 enabled the Group to consider the emerging Action Plan. The session comprised a presentation providing a progress update on the review, the engagement activities undertaken and the addition of a new theme of climate change adaptation and resilience. There was then a discussion of the key actions identified within the emerging Action Plan. There was general support for the key actions and the addition of the new theme. The main points from the discussion included:

- Ensure renewable energy schemes requiring planning permission clearly explain the benefits and that information about return on investment is included in business cases.
- Council activity should be high quality, 'exemplar' and leading by example.
- Ensure the priority in the energy and carbon section is on reduction rather than changing tariffs
- Effective implementation actions will help formalise culture change throughout the Council
- There is a need for integrated plans for Council building assets (eg solar PV, battery storage and EV charging). This should include considering more innovative solutions
- The Council should consider how to support residents across a range of different housing tenures, including private rent
- Recognising we can use planning policies to incentivise 'green' changes such as EV charging and green walls. The existing Planning SPDs contain sustainability themes, particularly covering climate adaptation
- The Council should explore opportunities at its buildings to reduce water use (eg greywater use, further opportunities for water reuse in Greenspaces activities).
- Support for promoting a reduction in overall consumption and supporting more opportunities for reuse (eg the Refill scheme).
- Recognition that some challenges (eg water company pollution incidents) fall outside our control but we can work with partners to lobby and mitigate these
- Some actions are more visible and have added value for the ability to influence change

Members supported the potential benefits of offsetting locally, recognising that working in partnership provided opportunities. It was noted that the offsetting strategy would likely need to evolve over time given the different timescales associated with different opportunities.

In relation to Scope 3 (supplier) carbon emissions discussion points included:

- Preventative maintenance, repair and refurbishment can reduce the need to buy new products
- All processes need to be considered including service delivery

In relation to the challenges and opportunities that will arise while delivering the Strategy, discussion points included:

- Feedback from shops and businesses is that grid connections are difficult for EV charging points
- Need government support and legislation to support these activities
- The Local Plan can help delivery

#### **4.1.2 All Members**

Members may have a range of interest in environmental sustainability and therefore a bespoke approach was delivered.

One workshop session was held, that was open for all members to attend. The session had two interactive elements. The first asked members to prioritise the objectives. The five objectives that received the most votes were identified as:

- Reduce operational energy
- Generate renewable energy
- Low and zero emission vehicles
- Reduce waste
- Improve tree cover

Key points from the discussion included:

- Hard to prioritise – all the objectives have merit
- Doing is important but so is messaging:
  - case studies
  - positive opportunities – actions that save money
- need to start programming carbon reduction into budget setting
- food production and consumption is missing

Members were then asked to identify actions that would deliver those top five objectives. Many actions were identified and all recorded; a selection that best represent the responses are presented below:

Reduce operational energy:

- Install renewables and insulation and spend the savings from reduced energy bills on other schemes
- Lower room temperatures
- Identify buildings using gas and switch to renewables, and those that need insulation

Generate renewable energy:

- Solar / wind on Council buildings
- Set up a local authority electricity provider (from 100% renewable sources)
- Encourage residents to consider use of solar

Low and Zero Emission Vehicles:

- EV messaging on Council fleet vehicles
- EV chargepoints

- Commit to transitioning entire Council fleet by 2030

Reduce waste:

- Encourage residents to use shops that provide refillable products
- Community composting
- Brown and grey water to be used in Council sites

Improve tree cover:

- Encourage ponds
- Plant evergreen trees to create shelter and reduce heat
- Replant trees where there has been loss

To give all Members the opportunity to contribute, a follow-up survey was distributed by email to which a further nine responses were received, with the following objectives identified as first and joint second priority objectives:

1. Behaviour change to reduce energy
2. Reduce operational energy; Reduce waste; Improve recycling; Planning; Procurement

As part of the survey Members were offered the opportunity to suggest actions to achieve one or more of their identified top objectives. Comments included:

- Stick to measurable and sensible actions ... to improve our environmental credentials whilst maintaining levels of service
- Sustainable energy generation
- Retrofit social housing stock within the borough
- Focus efforts on what we can actually deliver ourselves
- Borough businesses are critical to enabling the transition to a low carbon economy – Council can offer financial incentives to businesses that invest in sustainable technologies or practices.
- Make it easier for offices to recycle
- Install more EV fast-charging points
- Clear delivery plan for carbon reduction within the Council's control (buildings and fleet)

In addition to the above, all members were invited to provide further ideas and feedback to the team via email.

## **4.2 Officer Sustainability Steering Group – key stakeholders**

The Sustainability Steering Group (SSG) is a small group of mainly senior officers from service areas responsible for the main areas of delivery of the ES Strategy. Two bespoke engagement sessions were planned with this Group.

The first session reviewed each of the existing objectives to confirm that they were still fit for purpose, clearly worded and whether any could be combined. The resulting wording was used for the majority of the subsequent engagement sessions.

The session also considered whether any new objectives were needed to fill specific gaps identified in the three years since the original ES Strategy was drafted. It was recognised that climate change adaptation and resilience was missing from the 2020 list of objectives, and minor amendments to wording and consolidation of a couple of objectives were agreed.

The second session reviewed the Action Plan that was developed from each Service Area workshop and the member workshop/survey, to ensure the identified actions would deliver the

objectives, were achievable and that actions from different service areas didn't conflict with each other in terms of timing. Discussion points included:

- Risks associated with the use of new or emerging technology and the need to consider these via business cases.
- Procurement is key – in terms of the products/services procured, the credentials of suppliers, and enabling data collection.
- Important to consider the Council's role as a developer as well as a planning authority and the opportunities for environmental standards in new builds.
- Information about local geographic risk arising from a changing climate will be important to communicate carefully.
- Whether any particular actions should be prioritised based on eg cost/benefit assessment
- Resourcing and information requirements associated with bidding for external funding

The SSG members all endorsed the Action Plan for it to be taken forward for Member consideration.

### 4.3 Officers from Service Areas – key stakeholders

A number of the service areas were identified as having a particular ability to effect change and were therefore key stakeholders requiring a bespoke approach.

To simplify the exercise, the same format was used for engagement across service areas. Where appropriate, service areas were grouped together into ten workshop sessions. Service leads were invited to attend, and there was a request that another team member, interested in environmental issues, came too to cover ideas from across the service area.

Each workshop followed the same structure of a presentation, a review of the objectives to see which were relevant to the service area, and then a discussion to identify actions which the service area could undertake to deliver the identified objectives. Although following the same structure, each session was bespoke with a tailored presentation followed by flexible discussions to suit the topics under discussion.

The following workshops were held:

<b>Workshop Title</b>	<b>Service Areas</b>
PROPERTY WORKSHOP	Property, Community Partnerships, Leisure
ORGANISATION WORKSHOP	Comms, Customer Contact, Data & Insight, Corporate Policy, Projects & Performance, HR & Organisational Development, Legal & Governance, Finance, IT
COMMUNITY FACING WORKSHOP	Leisure & intervention, Community Partnerships, Housing
GREENSPACES (NATURE THEME) WORKSHOP	Greenspaces, Engineering
WASTE AND RECYCLING (LOW IMPACT CONSUMPTION THEME) WORKSHOP	Cleansing, Waste, Recycling
NEIGHBOURHOOD OPS WORKSHOP	Parking, Environmental Health, Licensing
INFLUENCING THE BOROUGH WORKSHOP	Economic Prosperity, Place Delivery, Planning
TRANSPORT WORKSHOP	Transport, Facilities
ADAPTATION AND RESILIENCE WORKSHOP	Emergency Planning, ES team

SUSTAINABILITY WORKSHOP	ES team
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From these sessions, over 200 actions were identified, along with any outstanding from the 2020 Action Plan. Some service areas proposed actions for other service areas, so once the full list was collated, the ES team discussed those actions with the nominated service area to determine feasibility for inclusion in the plan.

The ES team then undertook a rationalisation exercise, to identify the actions that will deliver significant progress towards the ES Strategy objectives, are enabling actions, or help with engagement and influence. The exercise also involved combining similar actions (for example many service areas identified communications activities which could be delivered by a communications plan). Some actions falling outside the above criteria were moved to a 'long list' that we will seek to implement as part of or in addition to the formal Action Plan (where resources allow).

**4.4 Staff**

**4.4.1 Staff Sustainability Network - Communicate**

The Staff Sustainability Network is a group of staff interested in environmental issues and engagement with the Network took the form of a hybrid workshop. There was an initial presentation about the ES Strategy review then a detailed discussion on the objectives. Finally the Network undertook the objectives prioritisation exercise.

The objective identified as being most important to the Network was:

- improve recycling

**4.4.2 Staff - Monitor Sentiment**

The wider body of staff have a range of interest in environmental issues, and all staff have an opportunity to join the staff network. Therefore in terms of general engagement the initial plan was to monitor sentiment via questions in the all-staff survey. This was planned for November but unfortunately it was delayed so no longer available in the engagement timeframe.

We therefore chose to adopt the same strategy as for the other engagement sessions – an exercise to prioritise the objectives.

To enable as many staff as possible to attend there was an online session open to all with a presentation about the ES Strategy review and a Teams Whiteboard to allow prioritisation of the objectives. There was also an all day in-person 'drop-in' session, where staff could speak to the ES team about the ES Strategy and prioritise the objectives using stickers.

Between the two sessions, staff prioritised the following objectives, as first, second and joint third:

1. reduce waste
2. communications
3. reduce operational energy, increase recycling, improve tree cover, improve soft landscape

**5 Engagement Exercises - External**

**5.1.1 Residents – monitor sentiment**

Resident interest may range from low to high, with influence varying depending on their involvement in local activities. Therefore the process was to monitor their sentiment during

existing engagement activities, such as local event days and drop-in sessions at community centres. To complement this, sentiment was also gathered at existing resident group sessions.

In total, four sessions were attended, at locations spread across the borough:

- Rivers Estate event day, Redhill
- Woodhatch Community Centre
- Merstham Hub
- Banstead Area Federation of Residents Associations (9 groups represented)

The objectives prioritisation exercise was used as the primary means of engagement with the first and joint second priorities identified by residents as:

1. Generate renewable energy
2. Improve tree cover, reduce potable water use

The general sentiment from residents was positivity towards the environmental agenda. A recurring theme from those who engaged was that sustainability was a co-benefit to the cost-of-living crisis, not something that was opposed to it. This was particularly the case in relation to energy saving advice and grants.

A short item in the Borough News (free newsletter delivered to all borough households) invited interested residents to get in touch to learn more about the ES Strategy review. This generated a limited response with the majority of respondents requesting more information and a minority expressing their opinion that there is no such thing as man-made climate change. All were sent further information about the ES Strategy and the review.

### **5.1.2 Businesses – Communicate**

Business interest may range from low to high, with influence depending on their size, local presence, ability to engage customers and involvement in local activities therefore the process was to monitor their sentiment during existing engagement activities.

Small and medium businesses (SMEs) in the borough are invited to join regular learning lunches, but there was not a meeting in the timeframe for engagement. Unfortunately, the December Sustainable Business Network (SBN) was cancelled due to a number of businesses being unable to attend. However, selected businesses were also invited to comment as part of partner organisation engagement and any responses from businesses to that are considered in Section 5.1.3 below.

The learning lunches for SMEs and the SBN are both opportunities for learning and sharing experiences, so the ES team will look to attend future meetings to share how we undertook the review and the lessons we have learnt from the process, to aid those organisations when they undertake similar exercises.

### **5.1.3 Interest Groups - bespoke**

These are local groups which focus their activities typically on one environmental issue, so required a bespoke approach.

An online workshop was held which was attended by members from four local interest groups who have activities in the borough:

- Energy Action Redhill and Reigate (EARR)
- Climate Action Redhill and Reigate (CARR)
- Communities Against Gatwick Noise Emissions (CAGNE)
- Friends of Merstham Park



An introductory presentation was to be followed by the objective prioritisation exercise. Unfortunately, the Teams Whiteboard did not work for all attendees and so a general discussion on the objectives was held with contributions including:

- For easy wins, focus on behaviour change – it costs next to nothing and saves money
- Urban greening is key
- Big opportunity for carbon sequestration on Council land
- Objectives don't have 'sequestration', 'urban greening' or 'educate' in the wording
- The tree objective should include 'increase' alongside 'improve'
- Don't cut down mature trees and replace with saplings
- Every decision should consider the climate implications

#### **5.1.4 Partner Organisations - bespoke**

Partner organisations such as charities, statutory organisations, town and parish councils, neighbouring local authorities and larger businesses delivering actions in areas covered by the ES Strategy were identified as stakeholders in delivering the objectives borough-wide and were therefore in the communicate and bespoke approaches. As such the method chosen was to conduct engagement via email.

The ES Strategy Vision and Objectives were sent to 29 partner organisations along with the following questions:

- Do you broadly support the vision and RBBC objectives? If not, what are your concerns?
- Do you think we are missing any objectives that are necessary to help us deliver our vision?
- Are you delivering any projects in the borough that will help deliver our objectives?
- Do you have any future projects in the borough that will help deliver our objectives that there may be benefits to exploring partnership working?
- Do you have any other comments on the RBBC ES Strategy vision and objectives?

Six partner organisations provided informal responses, giving a good spread from neighbouring local authorities, a housing authority and interest groups:

- Kingston and Sutton Shared Environment Service
- Transform Housing
- Campaign for the Protection of Rural England CPRE Surrey
- Surrey Climate Commission
- Epsom and Ewell Borough Council Environment and Sustainability
- Reigate and Redhill Society's Green Spaces Group

Respondents broadly supported the Vision and objectives. The key points raised were:

- public EV chargepoints could offer cheaper charging at off-peak times
- focus on domestic building retrofit, including tackling mould, damp and condensation
- Add the EPC domestic building improvement timeline
- For housing, add energy security and reduction of fuel poverty through cheaper and greener alternatives
- Noted that it wasn't clear which were Council or borough objectives
- Concern that many of the objectives are outside Council control
- Omissions include reducing noise and light pollution
- Native trees may not be the answer in a changing climate
- Planning could refer specifically to the revised local plan
- Suggest inclusion of indicative targets

- No specific mention of housing which RBBC can influence
- Omits the link between environmental and other benefits

Partner organisations also identified opportunities for joint working which will be explored once the revised Strategy has been agreed.

## 5.2 Other responses received

Additional comments received by email or in Council meetings include:

- Important to clean our water areas and lakes in the borough
- Whether industrial-sized recycling bins can be provided for organisations
- Extend Banstead Wood across the Council-owned 'long field' to improve biodiversity, carbon capture and public accessibility

## 6 Engagement results

Many attendees when asked to prioritise the objectives said "but they are all important". However, across the whole range of parties who undertook the objectives prioritisation exercise the most important objectives collectively were:

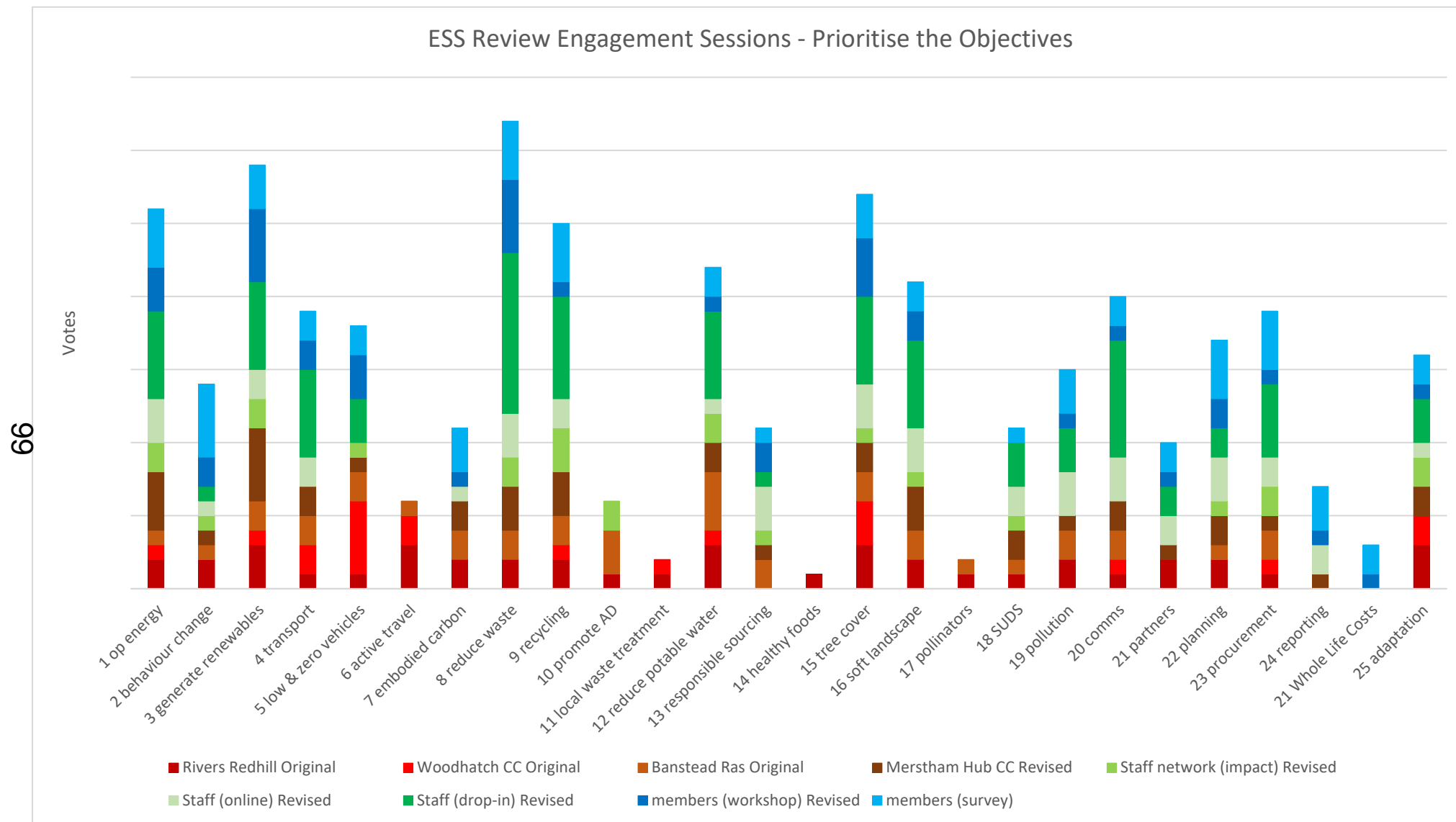
1. Reduce waste
2. Generate renewable energy
3. Improve tree cover
4. Reduce operational energy use
5. Improve recycling

The overall spread of votes is indicated in Figure 1 below. All the objectives are still considered important to deliver environmental improvements across the borough and Council activities, but consideration will be given to prioritise work on these identified objectives.

All verbal and written engagement responses have been reviewed by the ES team and added to either the Action Plan or the ES Strategy where appropriate. Specific reasons have not been included within this document to keep it concise, however reasons for not including suggestions in the final versions include that the suggestion was outside the remit of the review and / or the ES Strategy, was too detailed for the Action Plan, was too similar to actions proposed by others so has been amalgamated / incorporated, or is a task that contributes to an action in the Action Plan. Some suggestions have not been identified as specific actions, but the topic has been included within the ES Strategy document.

Where proposals that are within scope of the review have not been included in either document they have been retained by the team to explore as part of the ES team's ongoing work, subject to time and resources.

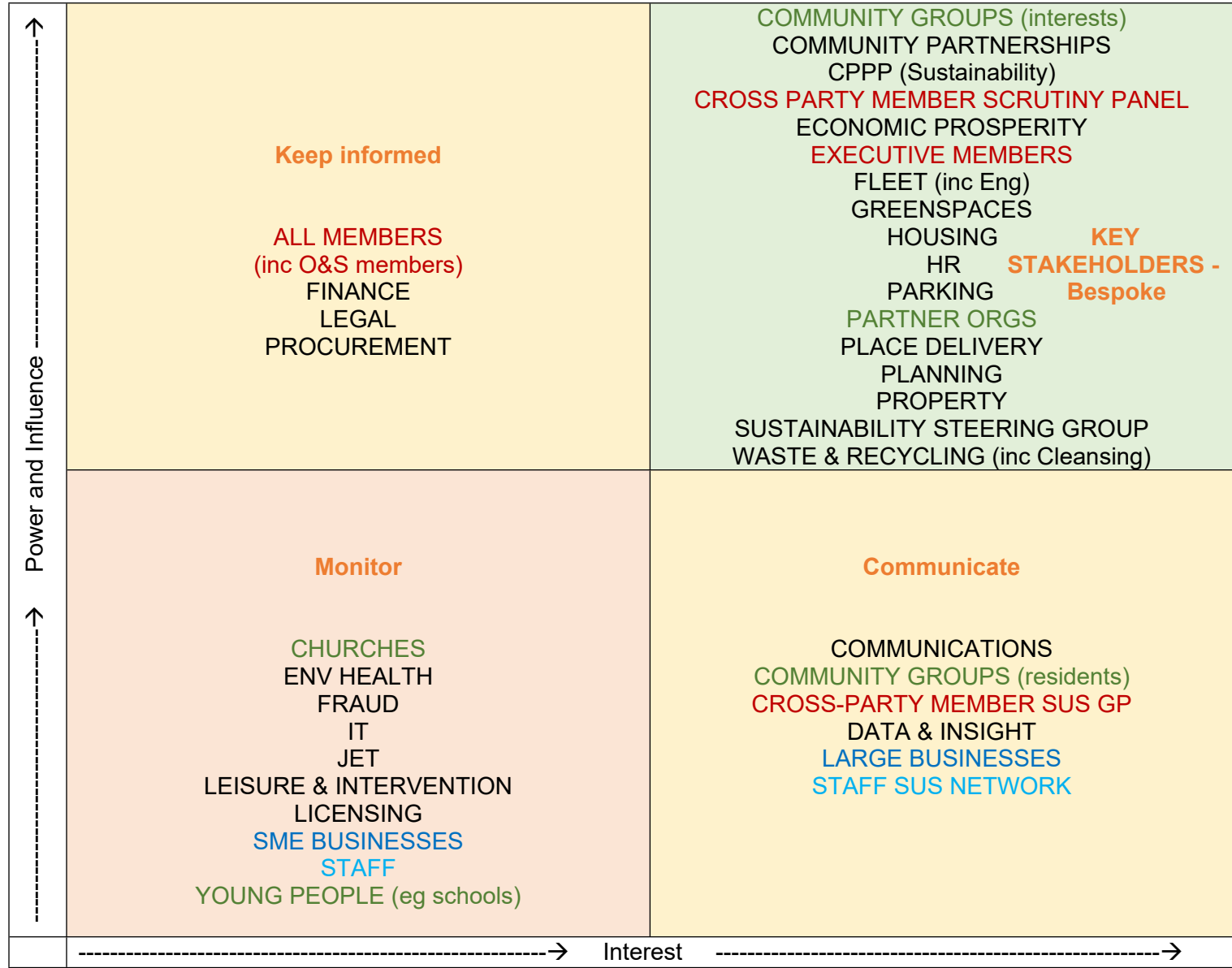
**Figure 1 Results of the engagement exercises to prioritise the ES Strategy Objectives**



NOTE: The original ES Strategy objectives were used for the Rivers Estate, Woodhatch and Banstead engagement exercises – objectives 6, 11, 14 and 17 were combined with other objectives so do not appear in the final list.

**Appendix 1 – Stakeholder Mapping exercise**

100



**Key:**  
 Engagement method  
 Council service areas  
 Council  
 Staff  
 Businesses  
 Other external stakeholders, including:  
 PARTNER ORGANISATIONS include Surrey County Council, Surrey Wildlife Trust, SES Water, Raven Housing, Action Surrey, CPRE Surrey, Town & Parish councils, other local authorities  
 COMMUNITY GROUPS (interests) include EARR, CARR, Surrey Climate Commission, Wild Earlswood, Tadworth Tree Warden, CAGNE, Friends of Merstham Park  
 COMMUNITY GROUPS (residents representation) includes The Community Partnerships networks (Merstham, Redhill etc), SMEF, residents associations by geographical spread

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<b>Signed off by</b>	Head of Planning
<b>Author</b>	Andrew Benson Head of Planning Services Tanya Mankoo-Flatt, Principal Planning Development Officer
<b>Telephone</b>	Tel: 01737 276402
<b>Email</b>	Tanya.Mankoo-Flatt@reigate-banstead.gov.uk
<b>To</b>	Executive Meeting Council Meeting
<b>Date</b>	Thursday, 21 March 2024 Thursday, 28 March 2024
<b>Executive Member</b>	Portfolio Holder for Place, Planning and Regulatory Services

<b>Key Decision Required</b>	Y
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Local plan (Core Strategy) Review, and Indicative New Local Plan Timetable and Statement of Community Involvement (SCI) Update.
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<b>Recommendations</b>	
<p><b>Executive is asked to approve :</b></p> <p>(i) and adopt the updated Reigate &amp; Banstead Statement of Community Involvement (SCI) in Planning (Annex 5); and</p> <p>(ii) a review of the Statement of Community Involvement’s (SCI’s) requirements on publication of names and postal addresses from comments on planning and related applications.</p> <p><b>Council is asked to approve and adopt:</b></p> <p>(iii) the review of the Reigate &amp; Banstead local plan: Core Strategy policies (Annex 1), which concludes that the Core Strategy policies remain “up to</p>	

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date” and effective for the purposes of planning decisions, and that it be published; and

- (iv) That, subject to the approval of Recommendation (iii), an indicative timetable for a new local plan (Annex 4) be approved.

## Reasons for Recommendations

The local plan Core Strategy forms part of the Council’s Policy Framework and the Borough’s development plan, and was adopted 3 July 2014. The Council is legally required to review its local plan policies every 5 years from the date of adoption to consider whether they remain up to date and effective for assessing development proposals.

With the first review of the local plan Core Strategy approved and adopted by the Council on 2 July 2019, its policies have been reviewed again to comply with legal requirements and to ensure that it remains effective for determining applications for development (it needs to be updated if the review shows it to be out of date).

Adopting and publishing the review will ensure compliance with statutory requirements and confirms their continued effectiveness for decision making.

The Local Development Scheme (LDS) sets out the Council’s timetable for the scope and preparation stages of its local plan and associated policies map. The current LDS was adopted by the Council on 27 October 2022. In October 2023, government passed a new Act, the Levelling-up and Regeneration Act 2023, which includes a new system for making local plans, with different stages, which the current LDS does not reflect, and which removes the need for a LDS, and replaces this with a local plan “timetable”. The Council therefore needs a new timetable for preparing its next local plan.

The Statement of Community Involvement (SCI) is a statutory document that the Council is required to prepare and maintain, which sets out how it will involve people who may have an interest in the development of the Borough in decisions about its planning and development. The current SCI was adopted April 2019 and must be reviewed at least every 5 years, and updated when needed.

The SCI includes the requirement for names and addresses of those commenting on planning and related applications to be published. This has been a fundamental part of the transparency and accountability of the planning process but is governed by new guidance meaning a fully informed and considered review is recommended.

## Executive Summary

As a statutory planning document and part of the Council’s Policy Framework, the local plan Core Strategy is a key strategy for the Borough and is part of the Borough’s development plan. It sets the Vision, development needs and the policy framework for the management and development of the Borough for the period 2012 to 2027. The strategy identifies where, when and how these needs will be provided.

A thorough review of the local plan Core Strategy is set out in Annex 1. The Review demonstrates that the Core Strategy remains up-to-date and effective, is in general

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conformity with national policy, and has not become outdated by local evidence or circumstances. It remains effective in delivering its strategy, as demonstrated by Council monitoring and national housing delivery monitoring. As all the Core Strategy policies remain up-to-date and effective, they can continue to be used to assess planning applications and appeals.

Production of a new local plan, which will establish the development needs for the 15 years post-2027, was commenced in early 2023 with a formal launch in February 2023. The Council is currently preparing evidence and collating data which will inform the new local plan. Notwithstanding this new local plan work, there remains a statutory requirement to review our adopted local plan policies every 5 years from adoption, and to publish the review where it determines that policies do not need updating.

**Recommendations (i) and (ii) are subject to approval by Executive.**

**Recommendations (iii) and (iv) are subject to approval by Council**

## **Statutory Powers**

1. The Planning and Compulsory Purchase Act 2004, The Planning Act 2008, The Localism Act 2011, the Housing and Planning Act 2016 and the Town and Country (Local Planning) (England) Regulations 2012 (as amended) ('the Local Plan Regulations 2012), provide the current statutory framework for the preparation and review of local plan documents by the Local Planning Authority.
2. National policy in relation to the review of local plan documents is provided by the National Planning Policy Framework (NPPF) December 2023, and the Planning policy for traveller sites 2023 (PPTS 2023), the former supported by National Planning Practice Guidance (PPG).
3. Regulation 10A was introduced into the of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) on 6 April 2018, and requires Councils to complete a review of local plan documents every five years, starting from the date of adoption of the document. If a review shows that any policies are out of date because of changes to national policy or local evidence and circumstances or other factors, the policies should be updated, using the same process as for preparing a new local plan.

## **Background**

4. The statutory requirement to complete a review of local plan documents every 5 years, from the date of their adoption was introduced in 2018 through the 'Local Plan Regulations'. The Reigate and Banstead local plan Core Strategy (CS) sets out the strategic development needs for the Borough over the 15 year period 2012-2027 (often referred to as "the plan period", and where, when and how these development needs will be provided for. It was adopted on 3 July 2014, and its first review, which concluded it remained up to date and effective, was approved and adopted by the Council on 2 July 2019, within 5 years of its adoption. In the period since then, the

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second part of the Borough's local plan, the Development Management Plan (DMP) was adopted on 26 September 2019.

5. Together with Surrey County Council's Minerals and Waste local plans, the CS and DMP constitute the Borough's statutory development plan for the purposes of section 38 "development plan" of the Planning and Compulsory Purchase Act 2004 (as amended).
6. The Core Strategy was prepared in accordance with relevant legislation (as confirmed in the Core Strategy Inspector's report) and was therefore found to be legally compliant. The Core Strategy was also deemed "sound" subject to making a number of main modifications, when assessed against national policy that was in force at the time of the examination (the National Planning Policy Framework 2012). The Core Strategy was amended to reflect the Main Modifications and subject to consultation and regulatory appraisals before it was adopted.
7. Alongside the additional requirement added to the Local Plan Regulations, the NPPF was updated in 2018 to reflect the requirement for local planning authorities to complete a review of each local plan every 5 years of its adoption. NPPF paragraph 33 requires policies in local plans to "*be reviewed to assess whether they need updating at least once every five years,*" from the date of their adoption, "*and should then be updated as necessary*". There is a clear distinction in law and policy between the requirement for a review of local plan policies, which is an assessment of whether a policy remains up to date and effective, and a subsequent update of local plan policies, if judged to be required. Whether, having reviewed local plan policies and update of policies is required, is a matter of judgement for the Council to make.
8. The local plan review process ensures that a local plan and its policies remain effective. Review of local plan policies at least every 5 years is crucial in ensuring that development plan policies are up to date for determination of applications. Applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. Due weight should be given to relevant policies in existing plans according to their consistency with the National Planning Policy Framework. It will be up to the decision-maker to decide the weight to give to the policies.
9. National planning policy (NPPF paragraph 31) requires the review of all policies to be underpinned by relevant and up to date evidence, which should be adequate and proportionate, and take into account relevant market signals.
10. The PPG advises (Paragraph Reference 61-065-20190723; Revision date: 23 07 2019) that when determining whether a plan or policies within a plan should be updated, a local authority "can consider information such as (but not exclusively):
  - conformity with national planning policy (note the NPPF uses the synonym "consistent")
  - changes to local circumstances; such as a change in Local Housing Need;



- their Housing Delivery Test performance;
- whether the authority can demonstrate a 5 year supply of deliverable sites for housing;
- whether issues have arisen that may impact on the deliverability of key site allocations;
- their appeals performance;
- success of policies against indicators in the Development Plan as set out in their Authority Monitoring Report;
- the impact of changes to higher tier plans;
- plan-making activity by other authorities, such as whether they have identified that they are unable to meet all their housing need;
- significant economic changes that may impact on viability; and
- whether any new social, environmental or economic priorities may have arisen”

In reviewing local plans, a Council can consider the above information, but is not required to, and may it also consider other information not included in the list, including, as the PPG advises, any relevant up to date evidence.

## Key Information

11. *‘Reigate & Banstead 2025’* is the Council’s five-year plan (for 2020 to 2025) which sets out its priorities for the next five years, including its plans to tackle climate change and how it will support the Borough’s towns and villages, and local businesses. To support its delivery, the Council has adopted several strategies; its *‘Housing Delivery Strategy 2020-2025’*, *‘Environmental Sustainability Strategy’*, *‘Economic Development Framework’*, and *‘Commercial Strategy’*. Alongside the Core Strategy and Development Management Plan, these Council strategies help the Council to achieve the desired changes in the Borough set out in the Council’s 5-year plan. The Council has started work on a new Council plan for the period 2026-2031. Progress on delivery against all of these Council strategies is reported on our website annually.

## Review of the local plan Core Strategy

12. As legally required, the Council must review its local plan Core Strategy every 5 years starting from the date of its adoption. With the first review of the local plan Core Strategy approved and adopted by the Council on 2 July 2019, its policies have been assessed again to comply with legal requirements and to ensure that it remains up to date and effective for determining applications and appeals for development.
13. It is important to note that there is a clear distinction between a review of a local plan, and a subsequent revision or update to a local plan. The Local Plan Regulations require a review but whether, having conducted the review, an update is required, is a matter of judgment for the Council. The NPPF 2023 (paragraph 32) makes this distinction clear by confirming that policies in local plans “*should be reviewed to*

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*assess whether they need updating at least once every five years, and then should be updated as necessary*", confirming that a review may be a precursor to preparation or a new or updated plan if the review assessment show the policies to be out of date and therefore no longer effective.

14. The Planning Advisory Service (PAS) has produced detailed advice to assist Councils reviewing, updating, or preparing local plans, in the form of a '*Local Plan Route Mapper*' along with a four-part *Toolkit* (October 2021). In carrying out this review of the Core Strategy, officers have considered the advice in the PAS '*Route Mapper*', in particular the section '*Reviewing the need to update your local plan policies*' at pages 14 to 20. Part 1 '*Local Plan Review Assessment*' of the PAS Toolkit is a matrix consisting of set of questions to help local planning authorities in reviewing their local plan policies to decide whether they remain up to date and effective for decision making, or whether they will need updating. The aim of the PAS Route Mapper Part 1 toolkit is to enable councils to demonstrate that a local plan review has been undertaken in a robust and objective way. In reviewing each policy and completing the local plan review document (Annex 1), Council officers have completed PAS Toolkit Part 1 "Local Plan Review" which is provided at Annex 3. The other parts of the PAS Toolkit relate to updating or preparing a new local plan.
15. Whilst there is no prescribed format for a local plan review, the PPG (Paragraph Reference: 61-070-20190315) advises that "*if a local planning authority decides that they do not need to update their policies, they must publish the reasons for this decision within 5 years of the adoption date of the plan. A local planning authority will not necessarily need to revise their entire plan in whole and may publish a list of which policies they will update and which policies they consider do not need updating.*" This amplifies the requirements at section 17(6B) (b) of the 2004 Planning and Compulsory Purchase Act (as amended).
16. As part of the review process and in accordance with national planning guidance (Reference ID: 61-075-20190723), Council officers have engaged with our Duty to Co-operate partners regarding the draft local plan review. Duty to Cooperate bodies include a specific prescribed set of other public bodies as set out in Regulation 4 of the Town and Country Planning (Local Planning) (England) Regulations 2012. The Council also went beyond the list of prescribed bodies to invite comments from the Council's "specific consultation bodies", which includes County Councils, adjoining and other nearby Local Planning Authorities and Parish Councils, and infrastructure providers to let us know of any comments they might have on our draft local plan review. All of these were invited to contribute to the review of the Core Strategy with their comments. A formal consultation of all specific and general consultation bodies and prescribed bodies is not required for local plan reviews and would be disproportionate.
17. A summary of the comments received on the draft Core Strategy Review from the ten organisations that responded, and officer responses is provided at Annex 2. These comments have been taken into account in finalising the Review.

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18. In producing a new local plan, for which early evidence work has been commenced, the Council will engage with local communities and with organisations with interest in the Borough's development and / or preservation, as summarised in the SCI.
19. Should Recommendation iii of this report be agreed, the adoption and publishing of the local plan review will ensure compliance with statutory requirements and confirm their continued effectiveness for decision making.

## **New local plan timetable**

20. A requirement of the current system of making local plans is to prepare a local plan in accordance with the scope and timetable set out in a Local Development Scheme (LDS). The current LDS was adopted by the Council 27 October 2022, and sets out the Council's timetable for preparation of a single new local plan and associated Policies Map. However, the Levelling-up and Regeneration Act 2023 includes provisions for introducing a new system of making local plans, which the current LDS does not reflect.
21. The new system of local plan making has not yet come into force, but the LUR Act specifies that it will on a day that the Secretary of State may appoint by regulation, which is currently unknown, but which Government have indicated may be around Autumn 2024..
22. It is the government's stated intention that new local plans currently being prepared will need to be submitted for independent examination by 30 June 2025 (or proactively working towards that date) and adopted by the end of 2026 to be prepared under the current plan making system (government consultations "*Levelling-up and Regeneration Bill: reforms to national planning policy*" December 2022 to March 2023 and reiterated in its "*Levelling-up and Regeneration Bill: consultation on implementation of plan-making reforms*" July to October 2023). Local plans which will be submitted after 30 June 2025 will need to be prepared under the newly emerging plan system. As is demonstrated through the Council's current 2022 LDS, it is not possible for the Council to prepare a robust effective new local plan to submit in that timescale.
23. Therefore a new "local plan timetable" has been prepared, based on the requirements of section 15B of the LUR Act 2023 and other information from government's consultation material about the new local plan making system.
24. The indicative "local plan timetable" is presented at Annex 4, and it is recommended that this be adopted and subsequently published online should Recommendation iii be agreed. As required, it would take effect from the date of its publication, and will be maintained and updated through the stages in preparation of the new local plan.

## **Revision of the Statement of Community Involvement**

25. The Planning and Compulsory Purchase Act 2004 requires each local authority to prepare and maintain a Statement of Community Involvement (SCI) that sets out how

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and when the Council will engage with the community and other stakeholders regarding planning matters.

26. Councils are legally required to review their SCI at least every five years. The Statement of Community Involvement (SCI) does not necessarily need to be updated if a review shows it to be up to date. The current SCI was adopted and published in April 2019. Whilst there have been no changes to legal requirements nor to guidance about SCIs, our review assessment of the current SCI indicated that it would benefit from minor updates. These amendments to the SCI are to make it more accessible, to reflect new technology, and to improve the document for readers with visual impairments.
27. The SCI includes the Council's practice of publishing the names and addresses of those commenting on planning and related applications. This has been a long-standing requirement and is the norm amongst local planning authorities nationwide. However, it has recently been clarified by the Information Commissioner's Office (ICO) that local planning authorities have discretion about whether to publish such information and it is therefore prudent to undertake a review of the practice, fully informed by relevant guidance and an understanding of the arguments for and against making such a change.

## Options

28. Executive has the following Options:

### Recommendation (i)

**Option 1:** To approve and publish the revised Statement of Community Involvement (SCI) in Planning, to advise communities and interested groups and individuals how they can be involved in planning the future development and preservation of the Borough.

This is the recommended Option.

**Option 2:** To not approve and publish the revised Statement of Community Involvement (SCI) in Planning. This option would mean that people, communities and local groups may not always be aware of the various ways to be involved in the Borough's planning, including through using the latest digital technology.

This option is not recommended.

### Recommendation (ii)

**Option 1:** That the Executive agrees to review the section in the Statement of Community Involvement (SCI) on publication of names and postal addresses from comments on planning and related applications.

This would allow an informed and considered approach to the practice to take account of latest guidance and arguments for and against.

This is the recommended Option.

**Option 2:** To not review the section in the Statement of Community Involvement (SCI) on publication of names and postal addresses from comments on planning and related applications.

This would not allow for a review of the matter taking account of the latest guidance.

This option is not recommended

29. Council has the following Options:

Recommendation (iii)

**Option 1:** To approve, adopt and publish the review of the Reigate & Banstead Local Plan: Core Strategy.

The Council is required to complete a review of the local plan Core Strategy by 2nd July in order to comply with legislative requirements.

A comprehensive review of all local plan Core Strategy policies has been conducted, taking account of relevant legislation, policy and guidance. It has considered many factors, as advised by the Planning Practice Guidance, including conformity with current national policy, local circumstances (including any changes in circumstances), and relevant evidence and monitoring data as to the current local situation and performance of the plan.

The review has concluded that none of the policies presently require updating or modification. Adopting and publishing the review will provide certainty and clarity to all stakeholders in respect of the status of the Core Strategy.

This is the recommended Option.

**Option 2:** To not approve, adopt and publish the review of the Reigate & Banstead Local Plan: Core Strategy.

The Council is required to complete a review of the local plan Core Strategy by 2nd July in order to comply with legislative requirements. Failing to adopt the review would mean that the Council does not comply with its statutory obligations, and may well have adverse consequences for how much weight / consideration the Core Strategy policies are given in the determination of planning applications and planning appeals, particularly given national policy regarding calculating housing land supply, and could give rise to considerable uncertainty for all parties.

This option is not recommended.

**Option 3:** Adopt a review with different conclusions to those set out.

Council could chose to adopt a review that concludes that one or more of the policies in the Core Strategy does require updating or modification. However, as above, a comprehensive review has been conducted; taking account of relevant legislation, policy and guidance and this has concluded that none of the policies presently requires updating or modification. Clear evidence or explanation would be needed

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to support alternative conclusions. A conclusion that policies do need updating would have implications for the weight which might be afforded to those policies in the determination of planning applications until such time as the Council had completed the full (or partial) updating of those policies through the normal plan-making process.

This option is not recommended.

## Recommendation (iv)

**Option 1:** To approve and publish the new indicative timetable for preparation of a new local plan.

This recommended option would confirm the Council's intended progress towards preparing and adopting a single new local plan, which will include strategic, local, and design code policies and site allocations for the Borough as well as a Policies Map under the new system for preparing local plans.

Despite the current considerable legislative and policy uncertainty relating to local plan preparation, it is helpful to the Council and to interested parties to have an indication of dates being worked to.

This is the recommended Option.

**Option 2:** To not approve the new timetable for preparing a local plan under the new system

The current published timetable, the Council's Local Development Scheme (LDS) has submission of the local plan in August 2026 and adoption in July 2027, which would not be possible under the government's stated intended "cut off dates" for plans to be examined and adopted under the current plan-making system. The Council would need to take a report with new timetable for agreement at a future date.

This option is not recommended.

## **Legal Implications**

30. The review of the local plan Core Strategy has been carried out in accordance with the relevant legislative requirements, policy and guidance.
31. The risk of legal challenge in relation to the review is considered below, under the Risk Management Section of this report.

## **Financial Implications**

32. The local plan Core Strategy review has been undertaken within the approved revenue budget of the Planning Policy Team.
33. The approval, adoption and publication of the local plan review will not result in any additional financial implications.

## **Equalities Implications**

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34. As a public authority, in exercising its public functions, service provision and internal operations, the Council is required (under the Equality Act 2010) to consider the need to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between people who share a 'protected characteristic' and people who do not; and foster good relations between people who share a 'protected characteristic' and people who do not. The term 'protected characteristic' refers to age, disability, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief, sex, sexual orientation, and gender reassignment. If we fail to consider how a policy or proposal might affect different groups in different ways, the policy is unlikely to have the intended effect, and could contribute to greater inequality and poor outcomes for some.
35. In preparing its Core Strategy, as a new policy, the Council carried out an Equalities Impact Assessment in 2009 to identify any potential equalities issues that might arise, and to enable them to be addressed through preparation of the policies. The equalities assessment concluded that the Core Strategy would have a positive impact on a number of groups with protected characteristics, and a neutral impact on others.
36. The local plan Core Strategy review considers whether the Council's existing policies remain up to date, and that review concluded that the policies do not currently need updating. However as the baseline equalities data has changed since the Core Strategy was examined, the adopted Core Strategy policies have been subject to Equality Impact Assessment again, which also concluded that the Core Strategy would have a positive impact on a number of groups with protected characteristics, and a neutral impact on others.
37. The Statement of Community Involvement in Planning has been updated to reflect changes in document accessibility for people with limited vision, technological and social media changes and greater use of visual on-line methods for engaging people who we rarely hear from.

## **Communication Implications**

38. Should the Council approve and adopt the local plan Core Strategy review, it will be published on the Council's website, which will meet the PPG requirements summarised in paragraph 10 above. The conclusions of the local plan review will be of interest to local communities and stakeholders. Any enquiries will be dealt with by the Planning Policy team with support from the Communications team as appropriate.
39. The revised Reigate & Banstead Statement of Community Involvement (SCI) in Planning, and the indicative timetable for producing a new local plan will also be published on the Council's website, and will be made available by the Planning Policy Team in other formats, such as large print or other languages if required.

## **Environmental Sustainability Implications**

# Agenda Item 5

40. As the first, strategic part of the Borough's Local Plan, the Core Strategy sets the high level policy and strategy, including Policies CS10 'Sustainable Development' and CS11 'Sustainable Construction', both of which have been found to remain up to date and effective in the local plan Core Strategy Review (Annex 1). These policies have subsequently been supplemented by the Council's adoption of detailed DMP policies and SPD guidance in relation to Climate Change and Sustainable Construction.
41. Given the issues it covers, the Council's Statement of Community Involvement (SCI) in Planning does not have implications for environmental sustainability.

## **Risk Management Considerations**

42. Relevant national legislation, policy and guidance have all been considered. We have invited comments on the draft local plan Review from stakeholders categorised as 'prescribed bodies' under the Duty to Co-operate, and from specific consultees. In following the legal and guidance requirements we are minimising the risk of legal challenge to the Review.

## **Consultation**

43. National planning guidance (PPG Reference ID: 61-068-20190723) is clear that local authorities are expected to have due regard to the Duty to Cooperate when reviewing local plans to assess if they need updating. Accordingly we sought the views of, and invited comments on the draft LP CS Review from stakeholders categorised as 'prescribed bodies' under the Duty to co-operate, and also additionally from specific consultees. There is not requirement to undertake a full public consultation on a local plan review. The comments received (see Annex 2 for comments and officer responses) were taken into account in finalising the local plan Core Strategy Review.
44. The draft local plan Core Strategy Review was also presented at meetings of the Council's Leaders and Local Plan Advisory Group (LPAG), and to the Council's Executive for comments.
45. Should the Council agree to Recommendation iii, to adopt the LP CS Review, it will be published on the Councils website as required.

## **Policy Framework**

46. The Council's Policy Framework includes this Local Plan Core Strategy as a development plan document prepared in accordance with the Planning and Compulsory Purchase Act 2004 (or as subsequently amended). The full Council can approve or adopt the policy framework, which includes the Core Strategy.

## **Background Powers**

1. Review of the Reigate & Banstead local plan: Core Strategy – Report to Council, 2 July 2019 and Minute [Agenda for Council on Tuesday, 2nd July, 2019, 8.30 pm | Reigate and Banstead Borough Council \(moderngov.co.uk\)](#)



2. National Planning Policy Framework December 2023
3. Planning Practice Guidance (PPG)
4. Planning Advisory Service (PAS) 'Local Plan Route Mapper' Oct 2021; particularly Section A (pages 14-20)
5. Housing Monitors 2019, 2020, 2021, 2022, 2023
6. Local Development Scheme (LDS), Oct 2022
7. Statement of Community Involvement (SCI), April 2019

## **Annexes**

Annex 1: Local Plan Core Strategy Review, March 2024

Annex 2: Duty to Co-operate Responses to the draft Local Plan Core Strategy Review 2024

Annex 3: Completed Planning Advisory Service (PAS) Local Plan Route Mapper 'Toolkit Part 1: Local Plan Review', March 2024

Annex 4: Indicative new Local Plan timetable, March 2024

Annex 5: Statement of Community Involvement (SCI) in Planning, March 2024

Annex 6 Equalities Impact Assessment of local plan review, March 2024

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# Review of Reigate & Banstead Local Plan: Core Strategy

Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)

**March 2024**

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

## Review of the Reigate & Banstead Local Plan: Core Strategy

### 1. Introduction

- 1.1 The Reigate & Banstead Local Plan: Core Strategy (“the Core Strategy”) was adopted by Full Council on 3rd July 2014. The Core Strategy forms part of the Borough’s statutory development plan for the purposes of section 38 of the Planning and Compulsory Purchase Act 2004 (as amended).
- 1.2 The Core Strategy quantifies the overall needs for development in the Borough for the period from 2012 to 2027 (referred to as the “plan period”), and sets out the spatial strategy to deliver those needs. The plan sets out the amount, type and location of the development, including the Borough’s local plan housing requirement for the plan period.
- 1.3 The Core Strategy, as the strategic, part 1 of the Borough’s Local Plan, was prepared in accordance with relevant legislation in place at the time (as confirmed in the Core Strategy Inspector’s Report as being legally compliant). As well as being found legally compliant, the Inspector also found the Core Strategy to be “sound” subject to a number of main modifications, which the Council made before its adoption. The “soundness” test includes finding it to be “*consistent with national policy*” at the time of the local plan examination (which was the 2012 National Planning Policy Framework, under which the CS was examined).
- 1.4 The Council reviewed its Core Strategy in 2019, less than 5 years after it was adopted, and concluded that none of its policies needed to be updated at the time, but that several issues needed to be closely monitored and could trigger the need for a further review. The Core Strategy review was approved and adopted by the Full Council on 2nd July 2019, within five years of its adoption. The Core Strategy therefore continues to be part of the statutory development plan for the Borough (for the purposes of section 38 of the Planning and Compulsory Purchase Act 2004 (as amended)), along with the local plan “part 2”, the Development Management Plan, adopted by Full Council on 26th September 2019.
- 1.5 The Development Management Plan (DMP) provides more detailed policies which are used for determining applications, and allocates sites to help to deliver some of the higher level policy aims of the Core Strategy. The DMP also includes an Affordable Housing policy, and updated retail requirements, which supersede those in the Core Strategy.
- 1.6 The Core Strategy contains (see Core Strategy paragraph 1.6):
  - a) A spatial vision setting out what we want the Borough to look like in the future
  - b) A set of strategic objectives, outlining the issues that need to be addressed in order to realise our spatial vision
  - c) A series of strategic policies that will deliver our vision and objectives.  
These policies are specific to Reigate & Banstead, but also recognise the difference that exist within the Borough.  
The policies provide a framework to inform and co-ordinate future development and investment in the Borough, and to guide decision-making on development proposals.
- 1.7 The Core Strategy policies are divided into three types:  
**spatial strategy policies** (Policies CS1- CS5),

**place-shaping policies** (Policies CS6 to CS9), and  
**cross-cutting policies** (Policies CS10 to CS18).

- 1.8 The Core Strategy plan period covers 2012-2027, and includes a specific commitment (at paragraph 8.17) to commence a review within 5 years of its adoption date (3 July 2014). The CS Review was approved and adopted by the Council on 2 July 2019. This second review is as required by national legislation (see below), to ensure that its policies remain up to date, robust, and effective for the purposes of decision making.

### **Legislation, policy and guidance regarding local plan reviews**

- 1.9 The preparation and revision of local plans is governed by the Planning Acts, notably the Planning and Compulsory Purchase Act 2004 (as amended), and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). The key national planning policy for making and reviewing local plans is provided in the [National Planning Policy Framework](#) (NPPF) Dec 2023, and guidance in the [on-line live national Planning Practice Guidance](#) (PPG) - in particular its guidance on Plan-making / Plan reviews.
- 1.10 The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) “the Local Plan Regulations” was updated on 6 April 2018 to include the statutory requirement that local planning authorities must complete a review of local development documents **every five years starting from** the date of **adoption**. The first review was undertaken and adopted by the Council on 2 July 2019. The Council is therefore legally required to complete another review of its local plan Core Strategy policies before 2nd July 2024.
- 1.11 The requirement to review local plans at least every five years is stated explicitly in national planning policy in the National Planning Policy Framework December 2023 (“NPPF 2023”) paragraphs 31 to 33. Paragraph 33 requires policies in local plans to “*be reviewed to assess whether they need updating at least once every five years,*” from the date of their adoption, “*and should then be updated as necessary*”. There is a clear distinction in law and policy between the review of local plan policies, which is an assessment, and their update; with updates only being required where necessary. Statute and policy require a review of the plan policies, but having reviewed each policy, whether updates are required is a matter of judgement for the Council. The 2024 review will inform the Council’s decision whether to update any of its Core Strategy policies.
- 1.12 National policy requires that “*strategic policies should look ahead over a minimum 15 year period from adoption, to anticipate and respond to long-term requirements and opportunities*” (NPPF Dec 2023 paragraph 22), and local planning authorities are therefore required to plan for the full plan period. National planning guidance (in the online PPG) advises that “*Policies age at different rates according to local circumstances, and a plan “does not become out-of-date automatically after 5 years*”. (PPG Paragraph Reference : 61-064-20190315 Revision date: 15 03 2019).
- 1.13 It is clear from this policy and guidance that the purpose of the reviews is not to frequently change the strategic decisions and direction of growth in the Borough, which would undermine the clear national policy intention for strategic policies to “*anticipate and respond to long-term requirements and opportunities*”. This reflects the Government’s commitment to a plan-led approach and is integral to providing certainty to all stakeholders

as to how an area will grow and evolve, including developers and infrastructure providers who may be making long-term investment decisions.

- 1.14 In respect of strategic housing requirement policies, the NPPF (paragraph 33) states that *“relevant strategic policies will need updating at least once every five years if their applicable local housing need figure has changed significantly”*. The PPG amplifies this with the guidance that *“Local housing need will be considered to have changed significantly where a plan has been adopted prior to the standard method being implemented, on the basis of a number that is significantly below the number generated using the standard method, or has been subject to a cap where the plan has been adopted using the standard method...”* (PPG Paragraph Reference 61-062-20190315; Revision date: 15 03 2019). As “significant” in this context has not been defined, it is for each local authority to decide whether its local housing need has changed significantly.
- 1.15 National planning policy (NPPF paragraph 31) requires the review of all policies to be underpinned by relevant and up to date evidence, which should be adequate and proportionate, and take into account relevant market signals.
- 1.16 The PPG advises (Paragraph Reference 61-065-20190723; Revision date: 23 07 2019) that when determining whether a plan or policies within a plan should be updated, a local authority *“can consider information such as (but not exclusively):*
- *conformity with national planning policy (note the NPPF uses the synonym “consistent”)*
  - *changes to local circumstances; such as a change in Local Housing Need;*
  - *their Housing Delivery Test performance;*
  - *whether the authority can demonstrate a 5 year supply of deliverable sites for housing;*
  - *whether issues have arisen that may impact on the deliverability of key site allocations;*
  - *their appeals performance;*
  - *success of policies against indicators in the Development Plan as set out in their Authority Monitoring Report;*
  - *the impact of changes to higher tier plans;*
  - *plan-making activity by other authorities, such as whether they have identified that they are unable to meet all their housing need;*
  - *significant economic changes that may impact on viability; and*
  - *whether any new social, environmental or economic priorities may have arisen”*

In reviewing local plans, a Council **can** consider the above information, but is not required to, and may also consider other information not included in the list, including new evidence.

- 1.17 The legal and policy requirements and guidance listed above has been taken into account in preparing this Core Strategy review. Additionally, Written Ministerial Statements (WMSs) which the government uses to publicly record their discussions and announcements, announcing policy or legislation changes affecting the planning system, can impact upon the preparation of development plans, as advised in NPPF Dec 2023 paragraph 6 *“Other*

*statements of government policy may be material when preparing plans or deciding applications, such as relevant Written Ministerial Statements”.*

- 1.18 One such WMS provided by the Secretary of State for Levelling Up, Housing and Communities and Minister for Intergovernmental Relations (The Rt Hon. Michael Gove MP) on 6 December 2022 was “Update on the Levelling Up Bill”. That WMS included the statement that “***It will be up to local authorities, working with their communities, to determine how many homes can actually be built, taking into account what should be protected in each area - be that our precious Green Belt or national parks, the character or an area, or heritage assets.***”
- 1.19 This WMS of 6 Dec 2022 is particularly relevant here. It clarifies that it is a local authority’s choice to alter Green Belt boundaries for housing development to meet identified local housing needs, against the current requirement often cited by local plan inspectors to accommodate the area’s full local housing needs if they cannot be sustainably planned for elsewhere in the area.
- 1.20 The NPPF December 2023, as in the September 2023 NPPF, does not actually require alteration of Green Belt boundaries to meet housing needs, but rather it provides the opportunity to do so through demonstration of Exceptional Circumstances should the relative sustainability of this spatial option be demonstrated through the preparation of a plan. The approach therefore remains the same, that Green Belt boundaries should only be changed through local plan where exceptional circumstances are fully evidenced and justified through the plan making process. The approach for concluding that “exceptional circumstances” exist to justify changes to Green Belt boundaries, remains unchanged (NPPF December 2023; paragraph 146).
- 1.21 Although the amendments to national policy in the NPPF in this respect do not actually change the national policy position, by the clarification they provide, they should ensure that the national policy position is fully reflected in the examination of local plans which include a strategic policy setting a local plan housing requirement at a sustainable level, directed towards meeting identified local housing need for authorities with considerable constraints, including a high proportion of Green Belt, such as Reigate & Banstead Borough Council.
- 1.22 As noted at paragraph 2.3 above, the Core Strategy was examined against the March 2012 National Planning Policy Framework (NPPF). Since then, the Government has published several revisions and updates to the NPPF, in July 2018 and February 2019 (before the 2019 local plan Core Strategy review), and three times since, in July 2021, with minor changes in September 2023, and a further update in December 2023).
- 1.23 In summary, the key changes to the NPPF since 2012, of particular relevance for local plan making and review, are:
- Introduction of a standard methodology for calculating local housing need as an “advisory starting point for establishing a housing requirement for the area”, replacing the old approach of “objectively assessed needs”.
  - Expectation for at least 10% of housing to be accommodated on small/medium sized sites (up to 1 hectare).
  - Expectation for at least 10% of housing on major developments to be available for affordable home ownership, except in the specified circumstances.

- Changes to the calculation of five year supply for strategic policies over five years old and to reflect the introduction of the Housing Delivery Test.
- Continued strong protection of the Green Belt, including need to demonstrate that all other reasonable options for meeting identified development needs have been fully considered before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries. When reviewing Green Belt boundaries, consideration is now also required to be given to prioritising previously developed land, and / or land that is well served by public transport. Local planning authorities are also now required to establish ways in which compensatory improvements to the environmental quality and accessibility of remaining Green Belt land can offset de-designation of other Green Belt land.
- Changes to protections on habitats and biodiversity, including strengthening of protections of irreplaceable habitats (including ancient woodland) and clarity over the approach to developments which may impact upon sites protected under the Conservation of Habitats and Species Regulations 2017.
- Greater focus on optimising use of land, particularly of previously developed land, and for making efficient use of land by maximising densities, and applying minimum density standards where appropriate in town centres and other locations well served by public transport.
- Support for mitigation and adaptation to climate change (including by effectively using land in urban areas), including by encouraging more tree planting. It includes a requirement for local plan policies and decisions to ensure new streets are tree-lined, and other trees are incorporated elsewhere within developments, including measures taken to maintain new trees, and also retention of existing trees.
- Flooding and coastal change.
- Strengthened focus on design quality to achieve well-designed and “beautiful places”, including preparation (with community engagement) of design codes and guides consistent with the principles set out in the National Design Guide and Model Design Code and reflecting local character and design preferences. Use of these in assessing design of street, parking spaces and other transport elements, to refer to national guide and code in absence of locally adopted ones.
- Including a local plan vision that extends at least 30 years ahead, to take account of likely delivery timescale where new settlements or significant extensions to existing settlements are planned, whilst retaining requirement for strategic policies to plan for a minimum of 15 years from their adoption.
- Greater encouragement for diversification of town centres to respond to changes in the retail and leisure industry.
- Requirement for plans to be accessible through use of digital tools to assist public involvement and policy presentation.
- Giving greater weight to new and improved renewable energy sites, including for onshore wind generation infrastructure projects.
- For clarification, the policy test of “soundness” which local plans are examined against “consistent with national policy” now explicitly also includes “other statements of



national planning policy, where relevant”, in addition to the NPPF.

- Limiting the situations where local planning authorities can use Article 4 directions removing permitted development rights, in particular for pd rights relating to change from non-residential to residential use (in order to maximise the number of additional homes from such changes of use).
- The government has changed its definition of “travellers” for planning purposes twice since the “Planning Policy for Traveller Sites” (PPTS) was first published in 2012. In the PPTS 2015, the definition was amended to exclude travellers who have permanently ceased travelling. However, as summarised in the assessment of Policy CS16 below, this definition was found to be unlawful by the Court of Appeal in 2022 in the case of *Smith v SSLUHC & Ors*. In the PPTS Dec 2023, the government therefore reverted back to the definition of Gypsies and Travellers used in the “Planning Policy for Travellers Sites” to that adopted in 2012, which includes travellers who have permanently ceased travelling.

- 1.24 Since the Core Strategy was adopted, wider planning reforms have continued, particularly in relation to changes to the Use Classes Order 1987 (as amended) such as the introduction of the Use Class E (Commercial, Business and Service) in September 2020. These amend which changes in use are classed as “development” and therefore require planning permission. Also, significantly, permitted development rights to support housing delivery, and to increase diversification and vitality of town centres and other retail areas has been expanded and de-regulated, including from 2021, the permitted development (via prior approval) of Class E to Class C3.
- 1.25 The remainder of this document sets out the Regulation 10A review of the Reigate & Banstead Local Plan Core Strategy. It addresses the requirements of the NPPF 2023, accompanying Planning Practice Guidance and PAS toolkit in assessing each Core Strategy policy in turn).
- 1.26 Whilst there is no prescribed format for a local plan review, the PPG (Paragraph Reference: 61-070-20190315) advises that *“if a local planning authority decides that they do not need to update their policies, they must publish the reasons for this decision within 5 years of the adoption date of the plan. A local planning authority will not necessarily need to revise their entire plan in whole and may publish a list of which policies they will update and which policies they consider do not need updating.”* This amplifies the requirements at section 17(6B) (b) of the 2004 Planning and Compulsory Purchase Act (as amended).
- 1.27 The PPG also advises that *“Proportionate, relevant and up-to-date evidence should be used to justify a decision not to update policies. We expect authorities to have due regard to the Duty to Cooperate when undertaking a review to assess if they need updating.”* (PPG Paragraph Reference : 61-068-20190315).
- 1.28 The Duty to Cooperate is not a legal requirement for local plan reviews. However, given the guidance to have “due regard to the Duty to Co-operate” when reviewing policies that was added to national planning policy guidance on 23 July 2019, the Council invited comments and observations on the draft local plan review from statutory bodies for the Duty to Co-operate and from neighbouring local authorities who are ‘Specific Consultation Bodies’ under the Local Planning Regulations. The comments received from that consultation are summarised in a separate document alongside this, and have been taken into consideration in the review of policies below. Where these raise issues relevant to

producing new policies and / or to the next plan period, they will be addressed through the preparation of the next local plan, which was started in early 2023.

## Review of Core Strategy Policies

### Policy CS1: Presumption in Favour of Sustainable Development

- 2.1 Policy CS1 is based on the national model policy, which at the time of the Core Strategy (“CS”) examination, was required to be included in all strategic local plans. The policy was added to the CS by the Inspector as a Main Modification (in the Inspector’s Report on its examination). CS1 sets out the application of the national policy presumption in favour of sustainable development, based on the national ‘model’ policy in place at the time.
- 2.2 The supporting text to Policy CS1 summarises the Council’s Spatial Strategy for accommodating its identified needs using an area-based approach.

### Conformity with national policy and guidance

- 2.3 Policy CS1 reflects a specific requirement within the NPPF for planning to contribute to the achievement of sustainable development.
- 2.4 It also supports the requirement of NPPF paragraph 8 setting out the overarching requirement for planning policies to help to improve economic, social, and environmental conditions (the third of these is addressed further in CS Policy CS2, and it sets out the “presumption in favour of sustainable development”, a requirement set out in NPPF paragraphs 10 and 11.

### Monitoring, local circumstances, and evidence

- 2.5 This policy is included to provide an overview of the Council’s approach and to draw attention to the presumption in favour of sustainable development, now at NPPF Dec 2023 paragraphs 10 and 11. Policy CS1 is therefore not dependent upon evidence base or local circumstances.

### Policy CS1: Conclusion

- 2.6 No modification or update to Policy CS1 is required.

### Policy CS2: Valued landscapes and the natural environment

- 2.7 The policy sets out the Council’s overarching approach to the protection and enhancement of its green fabric, including landscapes, ecology and green spaces.
- 2.8 It describes the Council’s strategic approach to and requirements for significant development proposals within the Surrey Hills Area of Outstanding Natural Beauty (AONB), which, since 22 November 2023, has been known as Surrey Hills National Landscape, and Area of Great Landscape Value (AGLV), the Mole Gap to Reigate Escarpment Special Area of Conservation (SAC), and other designated areas for nature conservation, and also expected enhancement for other areas of green infrastructure in the Borough. It also identifies that the Council will work with partners to promote green infrastructure.

## Conformity with national policy and guidance

- 2.9 Core Strategy Policy CS2 (c) and (e) address the requirements of NPPF 2023 (paragraphs 8 c) regarding one of the planning system's sustainable development objectives, to protect and enhance the natural environment, including to benefit biodiversity.
- 2.10 NPPF Dec 2023 paragraph 20(d) requires strategic policies to conserve and enhance natural environment. Paragraph 96(c) requires planning policies to aim to achieve healthy places which enable and support healthy lifestyles, including through provision of safe and accessible green infrastructure, which is provided for in Policy CS2.
- 2.11 Policy CS2(f) regarding retention and enhancement of a coherent green infrastructure network is consistent with the general requirements of NPPF paragraphs 97a) and 02 regarding planning policies for provision and use of a network of high quality open space.
- 2.12 Policy CS2 (f) also addresses aspects of national design policy in relation to green space provided in NPPF 2023 paragraph 135e).
- 2.13 Policy CS2 is consistent with national policy set out at NPPF paragraphs 180 to 183, which addresses the conservation and enhancement of the natural environment and hierarchy of designated sites for nature and landscapes designations.
- 2.14 NPPF 2023 paragraph 185(b) specifies the requirement for plans to "*identify and pursue opportunities for securing measurable net gains for biodiversity*", as did the 2019 NPPF. This requirement has been strengthened since the 2012 NPPF (paragraph 109) under which the Core Strategy was examined, which included a policy of "*providing net gains in biodiversity where possible*".
- 2.15 The new policy requirement for measurable biodiversity improvement on development sites, is included in the Environment Act 2021, which includes a requirement for a minimum of 10 per cent 'biodiversity gain'. This legal requirement applies to most 'major' developments from 12 February 2024, and is due to come into force for other smaller developments from 2 April 2024.
- 2.16 This legal requirement will be implemented locally as required by the new legislation, policy and guidance in the PPG as a development management issue. It is not for strategic planning policies to set out the working details of how this measurable net gain requirement would operate.
- 2.17 Local Plan CS2 identifies and protects the hierarchy of designated habitat sites in the Borough, as required by the NPPF paragraphs 85 and 187. It protects the European-level protected Mole Gap to Reigate Escarpment Special Area of Conservation (SAC), from development likely to have (alone or in combination) a significant adverse effect on the integrity of the site.
- 2.18 Policy CS2 also protects the nationally important Sites of Special Scientific Interest (SSSIs), the locally designated Sites of Nature Conservation importance (SNCIs) and Local Nature Reserves (LNRs) for their biodiversity value. It also includes a commitment to promote, enhance, and manage a network of multi-functional green infrastructure.
- 2.19 The Policy also requires natural spaces such as those listed above, green corridors and important site-specific features to be retained and enhanced as far as practicable.
- 2.20 Policy CS2 is compliant with NPPF paragraph 18, and with regards to the natural

environment and biodiversity requirements, which are addressed suitably by CS2 at the strategic policy level.

- 2.21 Additional national policy requirements such as requirements for trees on new streets and in developments (NPPF paragraph 136) are relevant to detailed development management and site allocation policies rather than to strategic policies.
- 2.22 The Surrey Hills Area of Outstanding Natural Beauty (AONB), known since 22 November 2023 as 'Surrey Hills National Landscape', covers a belt of land running east-west across the centre of Borough, just to the north of Reigate, Redhill and Merstham. Designated in 1958 for its outstanding nationally important landscape beauty, the high level of protection from development given by national planning policy is reflected in Policy CS2. Policy CS2 also provides the buffer land around the AONB, known as Area of Great Landscape Value (AGLV), with the same level of protection, including to protect views into the AONB, until there has been a review of the AONB boundary.
- 2.23 The long-anticipated boundary review is being undertaken by Natural England. The boundary review is at an advanced stage. Statutory and public consultation on the proposed extension areas to the nationally important landscape was completed in June 2023.
- 2.24 Natural England is currently considering the responses and determining whether a further statutory and public consultation will be needed if, as a result of comments received, the proposed area is changed. The potential designation of any additional new land as AONB is therefore some time off. In this respect, Policy CS2(1)(a) and (b) remain relevant in light of local circumstances and evidence.
- 2.25 Whilst local environmental circumstances have not changed to any considerable degree since the Core Strategy adoption in 2014, national policy and environmental law has moved on. The new local plan, which the Council has commenced preparation of, will be a single local plan including site allocations and development management policies as well as strategic policies (rather than as two parts as now) and will reflect these recent additional environmental requirements where needed.

## **Monitoring, local circumstances, and evidence**

### **Monitoring, local circumstances, and evidence**

- 2.26 Monitoring data published annually in the Council's [Environment and Sustainability Monitor](#) and available using this weblink, demonstrate that this policy is operating effectively.
- 2.27 Over the local plan period to date, in accordance with the [CS Monitoring Framework 2014](#) indicators for Policy CS2, no permissions for major development have been granted in the AONB and no decisions have been taken contrary to Natural England advice on ecology or landscape.
- 2.28 The Surrey Hills AONB boundary area is currently subject to Natural England's boundary review to consider its expansion. As Policy CS2(1)(a) applies the same level of protection strategically to the Area of Great Landscape Value (AGLV) being reviewed until there has been a review of AONB boundary (which is not yet completed).
- 2.29 The Council adopted a Green Infrastructure Strategy and Action Plan which was published on its website in August 2017, and has since been implementing its actions. This Strategy and Action Plan has informed the subsequent Development Management Plan, adopted in

September 2019. This includes designation of a new Local Nature Reserve at Banstead Woods / Chipstead Downs and the ongoing work on extending and improving the Horley Riverside Green Chain as part of the Horley North East and North West Sector new neighbourhoods.

- 2.30 A new Green Infrastructure Strategy and Action Plan is currently being prepared to inform the next local plan.
- 2.31 The extent of Sites of Special Scientific Interest (SSSI) and ancient woodland in the Borough has remained since the start of the plan period, in accordance with the [CS Monitoring Framework](#) for Policy CS2.

### **Policy CS2: Conclusion**

- 2.32 Policy CS2 remains broadly consistent with national policy regarding requirements for the natural environment and biodiversity, despite some detailed changes to national planning policy. These include the NPPF requirement at paragraph 136 for policies and decisions to ensure that new streets are tree-lined, which are relevant to Development Management and site allocations policies rather than to strategic policies such as CS2.

### **Policy CS3: Green Belt**

- 2.33 This policy provides the overriding local approach to the protection of a robust and defensible Green Belt within the Borough. For decision taking, it sets out that the overarching principle that permission will not be granted for inappropriate development unless very special circumstances exist. For plan making, it sets out the Council's approach for releasing land through the local plan process, including the scope of the Green Belt review that is to be carried out through the Development Management Plan.

### **Conformity with national policy and guidance**

- 2.34 Core Strategy Policy CS3 sets out the strategic approach to the protection of a robust and defensible Green Belt within the Borough, and for the Council's approach for releasing land through the local plan making process, including the scope of the Green Belt review to inform the DMP.
- 2.35 For decision taking, Policy CS3(2) emphasises the national policy principle that permission will not be granted for inappropriate development unless very special circumstances exist.
- 2.36 Since September 2019, Policy CS3 is also implemented by DMP 'Policy NHE5: Development within the Green Belt' and NHE6: 'Reuse and adaptation of buildings in the Green Belt and the Rural Surrounds of Horley'.
- 2.37 Policies CS3 and DMP Policy NHE3 are consistent with national policy specifying that where the need to change Green Belt boundaries has been established through strategic policies, detailed amendments to those boundaries may be made through non-strategic policies.
- 2.38 Policy CS3 is consistent with the requirement of NPPF Dec 2023 paragraph 145 for strategic local plan policies to establish whether Green Belt boundaries should be amended (having regard to their intended permanence in the long term to endure beyond the plan period). The detail of the land to be de-designated from Green Belt and allocated

for development to meet identified development needs is as set out in the DMP (in accordance with Policy CS3 (3, 4 and 5).

- 2.39 The December 2023 update to the NPPF amended the wording of paragraph 145, adding “*Authorities may choose to review and alter Green Belt boundaries*” to clarify and emphasise that the decision to review and alter Green Belt boundaries is for authorities to make, although it still requires “exceptional circumstances” to be fully evidenced and justified. Whilst this wording change has now made explicit that there is no requirement for local authorities to review and alter the Green Belt boundaries in their area, but rather that it is a choice for the local authority to make, this has not changed actual policy position.
- 2.40 The new national policy requirement to improve the environmental quality and accessibility of remaining Green Belt land following amending Green Belt boundaries for development through non-strategic policies (NPPF Dec 2023 paragraph 147) will be considered if needed in preparing the new local plan non-strategic and / or site allocation policies to reflect local requirements.
- 2.41 The issue of potential need to safeguard Green Belt land for development beyond the plan period (post-2027), as provided for by the NPPF Dec 2023 (paragraph 148 c, d and e) and as set out in Policy CS3(6), was included in the submission DMP, with land at Redhill Aerodrome proposed to be removed from its Green Belt designation and safeguarded for potential development post-2027.
- 2.42 The DMP inspector however concluded that the proposed safeguarding of land at Redhill Aerodrome with potential to re-designate it as Green Belt if the site is not deliverable, is not consistent with national policy. The policy was not therefore adopted.

## **Monitoring, local circumstances, and evidence**

### **Monitoring, local circumstances, and evidence**

- 2.43 Policy CS3(4) sets out the approach to be taken to a Green Belt Review through the DMP and policies map. The adopted DMP makes changes to Green Belt boundaries, including limited de-designation of Green Belt land to provide urban extensions when needed (under DMP Policy MLS1).
- 2.44 The Council’s monitoring data against the Core Strategy Framework show that Policy CS3 is performing well in its protection of the Green Belt but that equally, its application is not preventing achievement of the housing targets in the plan.
- 2.45 Over the plan period to date, 287 (net) homes have been built on previously developed land in the Green Belt, and 6 on greenfield land at Reigate Garden Centre, a total of 293 (net) new homes in the Green Belt.
- 2.46 Housing developments on previously developed Green Belt land include the re-development of the RNIB, Frith Park, and Darby House.
- 2.47 Other Green Belt developments permitted during this plan period include the approval in 2019 of the refurbishment and conversion of the listed Legal and General House, Kingswood to provide 130 assisted living and respite homes with support facilities, with a further 139 assisted living 1,2 and 3-bedroom flats provided through redevelopment of the surface car park and another building on the site. Other developments in the Green Belt, including primary and secondary schools, and traveller pitches have been justified by very special circumstances.

- 2.48 Whilst homes have been granted and built on brownfield sites in the Green Belt, where the [CS Monitoring Framework's](#) target is for zero, these permissions, are consistent with national policy (NPPF paragraph 154€ and (g) which allow limited infilling in villages and the partial or complete redevelopment of previously developed land (subject to conditions), and also the demonstration at the planning application stage (including at appeal) of “very special circumstances” that outweigh the consideration of inappropriate development within the Green Belt (as outlined under paragraph 153 of the NPPF Dec 2023).
- 2.49 The Council’s evidence demonstrates that the Green Belt in the Borough continues to serve an important strategic purpose, and that its boundaries remain relevant and robust. Of particular importance to the monitoring of Policy CS3 is the Council’s strategic Green Belt Review ‘[Sustainable Urban Extensions: Broad Locations Technical Report November 2012](#), undertaken to inform the Core Strategy, which you can view using the weblink provided. Of particular importance here are the Stage 4 Assessment of the relative contribution to Green Belt functions on page 23, and Annex 3 ‘Area of Search Assessment Tables’.
- 2.50 The Borough-wide Core Strategy Green Belt review identified only two broad areas within the Green Belt capable of accommodating sustainable, strategic-scale development without compromising the strategic function of the Green Belt. These locations were land East of Redhill / Merstham and land South / South West of Reigate.
- 2.51 These were consistent with the South East Plan, which was part of the development plan for the Borough during the Core Strategy’s preparation and the early examination stage, and identified a small-scale local review of the Green belt around Redhill-Reigate as likely to be required to support its role as a regional hub (CS IR paragraph 46).
- 2.52 The Core Strategy Inspector particularly noted that the evidence *“revealed that sustainable opportunities which do not undermine the aim and purposes of the Green Belt are very limited”* (CS IR paragraph 51). Additionally, he specifically recognised the importance of this part of London’s Metropolitan Green Belt in the Borough, highlighting that *“most Green Belt in the north of the borough...has a vital strategic role and function as a ‘green lung’ for the conurbation”*, and that the rest of the Green Belt in the Borough *“is fragmented in parts and the total area is not huge, especially when compared to other similar authorities nearby”*.
- 2.53 For these reasons the Inspector concludes (CS IR paragraph 53) that *“at a strategic level, only sites from these two broad locations comply fully with the criteria in the Framework and exhibit the exceptional circumstances necessary if Green Belt boundaries are to be altered”*.
- 2.54 These two broad locations (East Redhill / Merstham and South / South West of Reigate) were subsequently taken forward and examined further through the detailed Green Belt review carried out to inform the Development Management Plan Green Belt boundary changes and site allocations.
- 2.55 This subsequent more detailed Green Belt assessment work of the detailed boundaries of land parcels (as opposed to general areas) informed the Development Management Plan’s changes to Green Belt boundaries, and sustainable urban extension site allocations. These studies include the ‘[Development Management Plan \(Regulation 19\) Green Belt Review October 2017](#), which can be viewed using this weblink.
- 2.56 The specific sites considered to be sustainable and where local exceptional



circumstances justified amending Green Belt boundaries, were removed from the Green Belt and have been allocated for development.

- 2.57 Additionally, a detailed Green Belt assessment of 27 further areas of Green Belt was undertaken as part of the [‘Safeguarded Land report’](#) that accompanied the DMP. This considered areas beyond those identified as “broad areas of search”, including around Banstead, Earlswood and Salfords. This Study concluded that the vast majority (23 out of 27 areas) performed highly against at least one of the purposes of the Green Belt and, of those that did not, two out of four performed moderately against three or more purposes.
- 2.58 Informed by the ‘Safeguarded Land report’, the emerging DMP identified an area of land at Redhill Aerodrome to be removed from the Green Belt and safeguarded for potential housing development after the current plan period (under submission DMP Policy MLS2).
- 2.59 However, as summarised above, the DMP Inspector’s Report concluded that there was *“insufficient evidence to demonstrate the exceptional circumstances required for Redhill Aerodrome site to be released from the Green Belt and safeguarded for future development at this time”*, as a result of uncertainties regarding the deliverability of the site and its lack of support in the adjoining Tandridge local plan.
- 2.60 The Inspector therefore recommended that the safeguarded land be removed from the plan but did not indicate that alternatives needed to be found or should be reconsidered. As it transpired, Tandridge District Council did not include the Aerodrome in its submitted plan, and the land has not therefore been taken forward in either areas’ local plans.
- 2.61 With this significant evidence regarding the strategic importance and the strategic and local context regarding Green Belt in mind, it is clear that it is extremely unlikely that significant opportunities for further growth could be identified within London’s Metropolitan Green Belt without seriously undermining its strategic purposes and its integrity in this location. For these reasons, the broad extent of, and approach to, the Green Belt established through policy CS3 remains robust.
- 2.62 DMP Policy CS3 sets out the approach to be taken to a Green Belt Review specifically for the DMP, as reflected in the [CS Monitoring Framework](#) . Whilst this element of the policy has therefore been “delivered”, this does not mean it is out of date or in need of modification.

### **Policy CS3: Conclusion**

- 2.63 No modification or update to Policy CS3 is required. Policy CS3 (parts 1 and 2) are consistent with national policy, whilst CS3 (parts 3 to 6) have run their course, as a Green Belt Assessment was undertaken to inform the DMP with the resulting sustainable urban extension sites allocated in the DMP 2019.

### **Policy CS4: Valued townscapes and the historic environment**

- 2.64 This policy sets out the broad requirement for new development to be designed to maintain and protect the character of the Borough and, specifically, to respect, conserve and enhance the historic environment.
- 2.65 It requires that developments demonstrate high standards of sustainable construction, be of high-quality design taking direction from existing character and local distinctiveness, be

laid out to make best use of sites and protect biodiversity sites and links between them.

## **Conformity with national policy and guidance**

- 2.66 Policy CS4 considers townscapes and the historic environment including heritage assets and their settings. The policy sets out the broad requirement for new development to be designed to maintain and protect the character of the Borough and, specifically, to respect, conserve and enhance the historic environment. It requires that developments demonstrate high standards of sustainable construction, be of high quality design taking direction from existing character and local distinctiveness, be laid out to make best use of sites and protect biodiversity sites and links between them.
- 2.67 As a strategic policy, CS4 is consistent with current national policy. The policy provisions of CS4 reflect the high-level ambitions of the NPPF in respect of design and protection of built heritage to conserve the historic environment (paragraph 196) as well as promoting well-designed places as promoted in NPPF Chapter 12. CS4 also encourages making best use of sites, broadly reflecting the aims of paragraphs 128 and 135.
- 2.68 The reference in Policy CS4 to the 'Design and Parking SPD' as an implementation document for the policy is now redundant, as these issues are now covered by the subsequently adopted 'Local Character & Distinctiveness Design Guide SPD 2021'.
- 2.69 The requirement to achieve "good design" is not a strategic planning issue, but rather a development management and site allocation issue. As such it is therefore implemented by DMP Policies and by design guides and codes such as the emerging 'A23 Great Street Design Code Supplementary Planning Document' (SPD) which was subject to a six-week statutory consultation in December 2023 and January 2024. This later emerging SPD, anticipated to be adopted in spring 2024, is consistent with the national Design Codes policy.
- 2.70 In May 2022 funding and assistance was received from the Department for Levelling Up, Housing and Communities (DLUHC)'s Office for Place under the "Design Code Pathfinders Programme" Phase 3, which has helped the Council to produce its draft 'A23 Great Street' Design Code SPD, and a digital 3D model of the Redhill to Horley area. Although not itself a strategic issue, production of Design Code SPDs is helping to implement Policy CS4.
- 2.71 DLUHC have started Phase 3 of the Pathfinder programme, and in October 2023, RBBC was selected to receive further government funding and assistance to work on two different workstreams. The first workstream (DLUHC's "workstream 3" is the implementation and monitoring of the Design Code, which involves testing our design code and noting the impacts it is having (or likely to have) on planning applications and their assessments. The second workstream (DLUHC's "workstream 4") is the digitalisation of the Design Code, which involves development of a Digital (website) Design Codes to improve its usability and utility.

## **Monitoring, local circumstances, and evidence**

- 2.72 In measuring the effectiveness of this strategic policy, monitoring evidence shows that no developments affecting designated heritage assets have been granted against Historic England advice since the Core Strategy was adopted, which is a CS Framework Indicator for Policy CS4. The number of buildings and / or assets in the Borough that are on the

Heritage at Risk register has remained very low (just one asset). This demonstrates that Policy CS4 is working effectively at the strategic level to protect the Borough's heritage assets.

- 2.73 The policy is supplemented by detailed design requirements in Development Management Plan Policy NHE9.
- 2.74 The 'Local Character & Distinctiveness Design Guide SPD' was adopted in June 2021, and as acknowledged in Appendix 1 of the SPD, it supports Core Strategy Policy CS4. The SPD provides an overview of the character and identity of the Borough, highlighting the distinctiveness qualities of the different character areas. It contains guidelines to help to protect and enhance local character areas, amplifying local plan policies, including CS4.
- 2.75 The 'Climate Change and Sustainable Construction SPD' 2021 supports the design of development to mitigate and adapt to the challenges of climate change. The SPD supports Core Strategy policy CS4, as referenced in appendix 3, CS4 is a policy that should be considered in conjunction with the SPD.
- 2.76 The emerging Green Infrastructure Study and draft 'A23 Great Street Design Code SPD' are intended to support policy.
- 2.77 The Council's '[Heritage Strategy](#)' (Oct 2017, updated May 2018) sets out the legal, national and local obligations of the Council to identify, protect and enhance the historic assets in the Borough. The Strategy acknowledges CS4 as being the main Core Strategy policy regarding heritage and identifies any appropriate actions for the Council to undertake moving forwards which is set out using seven key heritage priorities.
- 2.78 The key actions regarding 'Delivering an effective planning and conservation service' are as follows:
- i) Continue to operate a high quality development management service regarding protection and enhancement of the historic environment in the borough, as set out in previous sections, including consultation of the evidence base, and work with various partners
  - ii) Continued availability of the conservation officer, in particular given the likelihood of increased development pressure in the borough (and the continued need to carry out statutory duties)
  - iii) Continued provision of advice regarding adaptations to historic buildings allowing sustainable energy use.
- 2.79 The key actions regarding 'Plan Making' are as follows:
- i) Continue with the review of local plan documents, specifically the Development Management Plan.
  - ii) Consider the need to update supporting supplementary documents once the DMP is adopted (see below).
- 2.80 Monitor the delivery of Core Strategy and Development Management Plan policies through annual Plan Monitoring arrangements, and where necessary identify management actions.

### **Policy CS4: Conclusion**

- 2.81 No modification or update to Policy CS4 is required.

## **Policy CS5: Valued people and economic development**

- 2.82 The policy establishes that the Council will promote and support continued sustainable economic prosperity of the Borough focussing on improvements in Regeneration Area, sustaining areas that already prosper, recognising, and nurturing the different economic roles of the Borough, including maximising its position within the Gatwick Diamond and Coast to Capital Local Enterprise partnership (LEP).
- 2.83 The policy plans for delivery of additional employment space to meet needs, focussing on retaining and making best use of existing sites but also providing flexibility for new sites to come forward in sustainable locations. The policy also establishes a commitment to work with partners to deliver improvements to health, education and community engagement.

### **Conformity with national policy and guidance**

- 2.84 The policy is consistent with the provisions of the NPPF December 2023, notably paragraphs 85-87 in that it establishes a high-level framework to drive local economic prosperity, and seeks to ensure that there is appropriate space to attract business and allow them to grow.
- 2.85 The Policy focuses development within the plan period on intensification of existing sites, but with flexibility [as required by 86(b)] for new sites to come forward to address unanticipated needs [as required by 86(d)].
- 2.86 The high-level commitment to working with partners to address educational and health needs is consistent with the broad aims of paragraphs 100 and 101 of the NPPF.
- 2.87 The focus on regeneration of key areas and estates is consistent with paragraph 98, as well as the wider aims of delivering well-designed places and making best use of accessible locations.

### **Monitoring, local circumstances, and evidence**

- 2.88 Data from Planning Monitoring Reports demonstrates that significant positive progress has been made in bringing forward development sites and environmental improvements in key regeneration areas.
- 2.89 In Preston, new leisure and community facilities have been completed, environmental improvements implemented, and the two major housing sites (Merland Rise and De Burgh) have been completed.
- 2.90 In Merstham, new retail and community facilities have been delivered and the former local centre on Portland Drive has been redeveloped for mixed tenure housing.
- 2.91 Significant progress has been made in delivering improvements in Redhill Town Centre with four key sites completed.
- 2.92 Transport improvements in the town centre through the Balanced Network and Local Sustainable Transport Fund (LSTF) projects have also been implemented, along with public realm upgrades.
- 2.93 The two new neighbourhoods in Horley are significantly progressed (the North East Sector is complete), and the site-specific and town-wide infrastructure required to support these is also well progressed. There is therefore no evidence that these regeneration initiatives are

unachievable or that they ought to be revisited, the uncertainty risked thereby could undermine the current progress.

- 2.94 Monitoring of employment development demonstrates a significant net loss of employment space over the Core Strategy plan period to date; however, this reflects market changes and introduction of more extensive permitted development rights at the national level. To date, the losses are not considered to have significantly hampered economic prosperity and planning decisions more widely have protected other employment sites where appropriate. Planning applications for new office and commercial units continue to be processed. However, this area will continue to be carefully monitored.
- 2.95 Consistent with the policy, the Council continues to work with partners and neighbouring authorities in the Gatwick Diamond particularly to explore opportunities to promote economic growth. Whilst Covid has significantly altered working practices with more people working from home, technical advice in 2021 has confirmed that there remains a strong demand for employment floorspace.
- 2.96 As with housing needs, future growth at Gatwick Airport could give rise to implications for, and a need to reconsider, the economic strategy and the approach to delivery of employment needs. However, until the Development Consent Order for the proposed North Runway is decided by the Examining Authority (expected late 2024), the scale and type of growth at Gatwick Airport is still to be realised. The DCO application documentation sets out the plans for the intended growth of Gatwick Airport. An extended Northern Runway in full operational use has potential to alter the economic landscape and employment land situation, though from the Development Consent Order application submission documents it appears that much of the benefits of the related economic growth would affect the area south of the airport.
- 2.97 Analysis of economic data also indicates that the Borough has continued to experience both jobs and business growth over the plan period, at a rate broadly comparable to Surrey and the wider South East. For example, Experian Local Market Forecasts indicates that the number of employee jobs in the Borough stood at 69,400 in 2023, compared to 62,100 in 2012 at the start of the plan period (11.1% increase).
- 2.98 This is corroborated by comparable data from the Office for National Statistics' "Business Register and Employment Survey" (BRES), which indicates that in 2023, there were 72,000 employee jobs in the Borough, up from 62,000 in 2012 (16.1% increase). This compares favourably with similar data for the county of Surrey as a whole, which shows an increase of 6.4% in employees based on the BRES data. Data on business counts (the number of businesses in an area), shows an increase from 5,855 businesses in Reigate & Banstead at the start of the plan period in 2012, to 7,760 in 2023 – equivalent to a 32.5% increase. This compares to 13.4% growth across Surrey and 22.5% across the South East region as a whole. These key statistics do not therefore indicate any evidence of local economic "underperformance", and indicates that Policy CS5 is still effective.
- 2.99 In accordance with Policy CS5: Valued People and Economic Development, paragraphs 5.5.6, 5.5.8 and 5.5.11, the Borough has considerable potential for locating new strategic employment development opportunities due to its central position in the Gatwick Diamond economic area, between Gatwick Airport and London, and with excellent transport links to central London, the wider South east, and national and international locations via its enviable road and rail connections. In accordance with this identified opportunity, the Council has allocated (in Policy HOR9 of the 2019 DMP), a strategic

employment development site south of Horley town, in the far south of the Borough, almost bordering Gatwick Airport.

### **Policy CS5: Conclusion**

2.100 No modification or update to Policy CS5 is required.

### **Policy CS6: Allocation of land for development**

2.101 The policy establishes the overall strategy for the delivery and allocation of land to meet development needs in the Borough. It defers allocation of sites to the DMP but provides a strategy for doing so. In particular, it sets out an “urban area first approach” giving priority to the allocation of land in sustainable locations in the urban area with a particular focus on the priority locations for growth and regeneration (Redhill, Horley, Horley new neighbourhoods), Preston and Merstham regeneration areas, followed by sites and other sustainable opportunities elsewhere in the built-up areas.

2.102 The policy also identifies a number of specific locations (countryside around east of Redhill and Merstham, south / south west Reigate, and south east of Horley) where sustainable urban extensions are proposed to be brought forward through the DMP.

### **Conformity with national policy and guidance**

2.103 The policy provides a robust strategy for meeting the development targets established through the Core Strategy, including the housing requirements.

2.104 The approach of Policy CS6 to prioritising and making best use urban area is consistent with national policy, in particularly NPPF 2023 paragraphs 123 to 125 in relation to making best use of previously developed land. Also paragraph 146 requires strategic policy-making authorities with Green Belt designed land to demonstrate that they have fully examined all other reasonable options for meeting identified development needs before concluding that exceptional circumstance exist to justify changing Green Belt land boundaries.

2.105 The approach also reflects NPPF Dec 2023 paragraph 109 that seeks to ensure patterns of growth are actively managed to reduce the need for travel and make best use of sustainable travel networks.

2.106 Consistent with national policy (NPPF paragraph 70(d)), CS6 facilitates the development of windfall sites, and monitoring shows that over the plan period to date, windfall sites in suitable sustainable urban areas have provided a substantial source of the Borough’s housing completions to date.

2.107 Further discussion on the consistency of the R&B Core Strategy’s “urban areas first” approach, and specifically the management of the release of greenfield sites for urban extensions, is provided further under Policy CS13.

2.108 As detailed under the Review of Policy CS13 below, the proportion of homes built on small and medium sized sites (under one hectare) has significantly exceeded the Government’s 10% requirement (NPPF Dec 2023 paragraph 70), underlining that the approach in Policy CS6 to development land supply is achieving excellent overall delivery and a very broad mix of sites, consistent with current national policy.

## Monitoring, local circumstances, and evidence

### Monitoring, local circumstances, and evidence

- 2.109 Data indicates that the strategy for the allocation of land for development is operating effectively. In respect of housing requirements, 6,303 net homes have been delivered between the beginning of the plan period and 31 March 2023, representing an oversupply against the local plan (annualised average) housing requirement to date of 1,243 units.
- 2.110 The Council is currently able to demonstrate a deliverable land supply equivalent to 7.80 years against the Core Strategy housing requirement (as demonstrated in the Council's Housing Monitor 2023), significantly in excess of the 5-year requirement required by national policy.
- 2.111 Policy CS6 is therefore clearly operating and performing effectively in ensuring sufficient and appropriate land is available to meet housing needs and is considered capable of doing so for the remainder of the plan period based on the Council's latest housing trajectory.
- 2.112 Since the beginning of the plan period (2012), the proportion of homes and non-residential development built on previously developed land (PDL) has exceeded the targets set out in the [Core Strategy Monitoring Framework](#) for Policy CS10 Sustainable Development (50% and 90% respectively).
- 2.113 Significant progress has been made in the delivery of development and improvements in the regeneration areas and priority locations for growth identified by Policy CS6, including the regeneration areas of Preston, Merstham and Horley Town Centre (see Core Strategy paragraphs 6.4.4, 6.4.7, 6.6.7, and 6.8.7), and the growth areas of Horley North East and North West sectors.
- 2.114 The percentage of development delivered on unallocated sites outside the urban area each year has been less than 10% on average over the plan period to date, demonstrating that compliance with the plan-led strategy set out in Policy CS6 is proving robust.
- 2.115 The Core Strategy examination concluded that a suitable windfall allowance for sites not identified in the Strategic Housing Land Availability Assessment (SHLAA) or CS was 50 dwellings per annum (dpa), which in accordance with national policy excluded potential from residential garden land. This was expected to increase significantly as a result of the then temporary office to residential permitted development regime being extended.
- 2.116 In 2018, the Inspector examining the Development Management Plan found a windfall allowance of 75 dpa to be robust and justified in light of the actual windfall rates since 2012/13 being significantly higher than 75dpa due in part to inclusion of prior approvals for office to residential conversion.
- 2.117 The level of windfall development in the Borough, including suitable sustainable garden land residential developments, has consistently exceeded 150 units per annum over the plan period to date, with a mean annual average of 263 per annum across the plan period to date.
- 2.118 The DMP includes major urban allocations and sustainable urban extension allocations (when needed), to assist in delivering the requirements of Policy CS6. As of mid-November 2023, 180 homes have been completed on sites allocated in the DMP with

further 36 homes permitted but not completed.

### **Policy CS6: Conclusion**

2.119 No modification or update to Policy CS6 is required.

### **Policy CS7: Town and local centres**

2.120 Policy CS7 sets out the overall approach to maintaining and enhancing the role of the Borough's town and local centres, and the strategy for delivering retail and leisure growth to support this. It sets out that the majority of comparison and convenience retail growth will be directed to Redhill, with only limited growth anticipated for other centres.

2.121 The policy identifies Redhill as the Boroughs primary town centre and, as a consequence, the main focus for large scale office, retail, cultural and leisure developments. In all other centres, the policy sets out an ambition to maintain a balance of uses and development that promote vitality and viability of each of those centres. It seeks to ensure that local centres continue to provide accessible local services.

### **Conformity with national policy and guidance**

2.122 Policy CS7 is consistent with current national policy. In accordance with Paragraph 90 (a) of the Dec 2023 NPPF, a network and hierarchy of town centres is defined by Policy CS7, with Redhill identified as the primary town centre, with a focus on large-scale developments, followed by the remaining the town centres of Reigate, Horley and Banstead, and then by a range of local centres of different sizes located across the Borough.

2.123 Policy CS7 is also consistent with national policy (NPPF paragraph 90) in highlighting the need to promote the vitality and viability of the centres through a balance of uses and development.

2.124 The policy also sets out the overall pattern and strategy for retail growth, as required by NPPF paragraph 20.

### **Monitoring, local circumstances, and evidence**

2.125 Local monitoring of retail development and completions shows that the policy is operating effectively.

2.126 In relation to the retail needs summarised in paragraph 6.3.6 of Policy CS7, which were informed by the R&B Retail & Leisure Needs Update Study 2011, it is notable that the Development Management Plan (DMP) adopted 26 Sept 2019, formally updated these needs figures through an updated Retail Needs Assessment 2016 (see DMP paragraph 1.2.9).

2.127 Since the adoption of the Core Strategy, many large-scale developments have been planned or built in Redhill. This includes the Sainsbury's/Travelodge development, and currently with the development at Marketfield Way (The Rise), in accordance with Policy CS7. Suitable developments have still occurred in the remaining town and local centres to promote their vitality and viability.



- 2.128 Although vacancy rates in town centres have fluctuated (see [Town Centre Monitoring Reports published online](#) annually, in particular Figure 8 of the 2023 Monitor), vacancy rates within Reigate and Banstead town centres have been generally lower than the [Core Strategy Monitoring Framework](#) target of 5% vacancy rate for both number of vacant units and vacant frontage length. Horley's retail vacancy rates are fairly dynamic, fluctuating over the plan period between 3 and 11%, indicating a turnover of tenants. Only Redhill town centre has suffered from considerable town vacancies over the plan period, with vacancies remaining above 8%. However, as stated in Policy CS6, Redhill town centre is a priority location for regeneration. The [Autumn 2023 "Borough News"](#) includes information on the on-going regeneration of Redhill Town Centre, including through the Council's use of its Community Infrastructure and planning obligations funding.
- 2.129 The Town Centre Monitor 2023 shows the percentage of vacant units for all of the Borough's town centres is 8.7%, whilst for vacant frontage length this is 11.0%. The percentage of vacant units is lower than the national vacancy rate for in the first quarter of 2023, at 13.8%.
- 2.130 Given the requirement for permitted development rights changes of use to residential use currently requiring demonstration of a vacancy period for a change of use to residential to be permitted, and alongside the considerable move of retailing to on-line sales (e-tailing), the use of vacancy rates as a monitoring indicator in future local plans will be considered.
- 2.131 The network of Local Centres within the Borough designated by the Development Management Plan 2019 under Policy CS7 (2b) is monitored and reported annually in the [Local Centre Monitors published on the Councils website, and available using this link](#).
- 2.132 The Local Centre Monitors show that they continue to serve their purpose of providing accessible, local services to those that live locally, with the vacancy rate of units in all local centres at 7.9% as of the 2023 Local Centre Monitor. The evidence from this therefore suggests that Policy CES7 is still effective and does not need updating. However an Article 4 Direction is being considered in order to further protect town and local centres following the recent expansion of retail to residential permitted development rights.
- 2.133 Retail needs evidence to support the DMP identified that retail space needs are now lower than envisaged in the evidence supporting the Core Strategy, largely because of significant structural changes in the retail market, driven by changing consumer habits and growth in special forms of trading.
- 2.134 Notably, the evidence now identifies a need for 12,900sqm of additional comparison retail space across the Borough and no significant quantitative need for convenience retail up to 2027 (compared to 25,800sqm and 11,700sqm respectively in the Core Strategy). However, in respect of retail needs, the policies in the Core Strategy acknowledged the need for regular monitoring.
- 2.135 The evidence of reduced needs and delivery of retail growth does not render Policy CS7 ineffective or out of date. The reduced needs give greater confidence that retail growth needs can be fully accommodated within the network of town and local centres as envisaged in Policy CS7.

## **Policy CS7: Conclusion**

- 2.136 Policy CS7 remains consistent with national policy, whilst the local monitoring evidence suggests that the criteria within the policy are still relevant to how town and local centres perform today. Therefore, the policy does not require updating.

## **Policy CS8 : Area 1 - The North Downs**

- 2.137 Policy CS8 (Area 1) sets out the overall strategy for growth in the North Downs area of the Borough, including the scale and location of development anticipated and the infrastructure required in support of this.
- 2.138 It plans for at least 930 homes in the urban area in the North Downs, of which 340 are planned for Preston Regeneration Area and 180 in Banstead Village Centre.
- 2.139 The Policy also plans for approximately 2,000sqm of additional employment space, at least 1,300sqm of comparison retail floorspace and 1,200sqm of convenience retail. These retail figures were reduced on adoption of the Development Management Plan in September 2019 to approximately 1,100sqm comparison and zero convenience.
- 2.140 The Policy sets out the key infrastructure required to support the Preston Regeneration Area, in the form of leisure / community facilities, transport improvements, including highway improvements at the A240 / B221 junction.

## **Conformity with national policy and guidance**

- 2.141 NPPF 2023 (paragraph 20) requires strategic policies to set out an overall strategy for the pattern, scale and design quality of places (to ensure outcomes support beauty and placemaking; and to make sufficient provision for housing, employment, retail, leisure and other commercial development; strategic transport, water, flood mitigation and energy infrastructure, community uses including health, education and cultural; and for conserving and enhancing the natural, built and historic environments.
- 2.142 Policy CS6 (Area 1) follows the overarching strategy for allocation of land for development set out in Policy CS6, whilst additionally providing specific detail for the North Downs area.
- 2.143 The Policy is consistent with national policy; it encourages making best use of urban land (NPPF paras 123, 124 and 146) given the considerable constraints to development in the Borough, including designation of approximately 70% of its land area as Green Belt. Policy CS8 focusses in particular on the key regeneration area of the Preston, in accordance with Policy CS6 and NPPF paragraph 98.
- 2.144 The policy also seeks to make provision for sufficient infrastructure as required by NPPF paragraph 20.

## **Monitoring, local circumstances, and evidence**

- 2.145 Housing completions data provided in the Council's annual Housing Monitor shows that the Policy requirement of "at least 930" additional homes within the North Downs' (Area 1) urban areas has already been exceeded, with 1,244 net additional homes completed between 01 April 2012 – 31 March 2023.

- 2.146 This includes delivery of over 452 additional homes in the Preston Regeneration area (compared to the Policy target of 340) to 31 March 2022, of which 229 homes were at the former De Burgh site and 130 homes at the Merland Rise development site. In contrast, development over the plan period to date within Banstead Village has been fairly limited (20 additional homes on unallocated “windfall” sites) against its CS8 policy target of 180 additional homes. However, the allocation in the DMP 2019 of three sites within Banstead Village town centre and one opportunity site, with capacity for over 95 additional homes has potential to improve this within this plan period to 2027. In late 2023, 53 extra care residential flats were approved on the Surrey County Council-owned Horseshoe site but have not yet been built.
- 2.147 On adoption of the Development Management Plan (DMP) on 26 September 2019, the retail floorspace requirement for Area 1 was reduced, to approximately 1,100sqm of comparison retail floorspace, and no significant quantitative need for convenience retail floorspace. These updated requirements are set out in DMP Tables 4, 8 and 9 (see paragraphs 123 and 124 of the [DMP Inspector’s Report](#) of 9 July 2019 which can be accessed using this weblink). Since April 2012, 455 sqm of net additional comparison retail floorspace has been delivered (gain of 2,275sqm and loss of 1,820sqm).
- 2.148 These figures do not include any development completions under the new “E” Use Class since September 2020 when it was introduced.
- 2.149 Whilst Policy CS8 (Area 1) planned for an additional approximately 2,000sqm of employment floorspace in the plan period, to date since 2012, just over 14,450sqm of employment uses (within the former B1, B2 and B8 Use Classes) were “lost” from this area.
- 2.150 With regards to delivery of the **CS8 infrastructure priorities for Area 1**, in October 2015, a new community hub at Tadworth Leisure & Community Centre and Phoenix Youth Club was opened, including a swimming pool, gym, studios, football pitches, changing rooms, community space, a café, children’s nursery.
- 2.151 Completed transport improvements to support the area’s development have included the introduction of Better Bus services and bus stop upgrade works in Merland Rise, the adoption of Preston Manor Road, resurfacing of Chetwode Road, and additional on-street parking at Chetwode Road and Homefield Gardens.
- 2.152 A developer’s s106 planning contribution of £89,612 was paid to Surrey County Council (SCC) on 1 April 2020 towards SCC’s Highway improvements to increase the capacity of the junction of the A240 Reigate Road with the B221 Great Tattenhams.

### **Policy CS8 (Area 1): Conclusion**

- 2.153 The Council updated the retail requirement of this policy through the adoption in Sept 2019 of the DMP Tables 4, 8 and 9. No other modifications or updates to this policy are needed.

### **Policy CS8 : Area 2a - Redhill including Merstham**

- 2.154 Policy CS8 (Area 2a) sets out the overall strategy for growth in the Redhill area of the Borough, incorporating Redhill town centre. As with the North Downs area, this policy sets out the scale and location of development anticipated and the infrastructure

- required in support of this. It plans for at least 1,330 homes in the urban area of Redhill, of which 750 are planned for Redhill town centre and 50 in Merstham regeneration area.
- 2.155 A further maximum of 500-700 homes are planned within sustainable urban extensions to the east of Redhill and Merstham.
- 2.156 The Policy plans for approximately 7,000sqm of employment space within Redhill town centre, and a further 13,000 to be provided in the remainder of Area 2a - Redhill and Area 2b - Reigate predominantly through reuse and intensification of existing employment land.
- 2.157 The Policy plans for delivery of an additional 15,480sqm of additional comparison retail floorspace in Redhill town centre; and at least 7,020sqm of convenience retail across Area 2a and 2b the majority in Redhill town centre and a limited amount in Reigate town centre. These retail figures were reduced on adoption of the Development Management Plan in September 2019 to approximately 7,500sqm comparison and zero convenience.
- 2.158 The Policy also identifies key supporting infrastructure required, which includes the Balanced Network Highway scheme in Redhill, new primary and secondary schools, waste processing improvements at Earlswood Depot, and a new community hub in Merstham.

### **Conformity with national policy and guidance**

- 2.159 NPPF 2023 (paragraph 20) requires strategic policies set out an overall strategy for the pattern, scale and design quality of places; and to make sufficient provision for housing, employment, retail, leisure and other commercial development; strategic transport, water, flood mitigation and energy infrastructure, community uses including health, education and cultural; and for conserving and enhancing the natural, built and historic environments.
- 2.160 Policy CS8 (Area 2a) follows the overarching strategy for allocation of land for development set out in Policy CS6, whilst additionally providing specific detail for the Redhill area.
- 2.161 The Policy is consistent with national policy; it encourages making best use of urban land (NPPF paras 119, 120 and 141) given the considerable constraints to development in the Borough, including designation of some 70% of its land as Green Belt. The Policy focusses in particular on the key regeneration area of the Merstham, and on Redhill town centre, as well as the wider built-up area of Redhill, in accordance with Policy CS6 and NPPF paragraph 94.
- 2.162 The policy also seeks to make provision for sufficient infrastructure as required by NPPF paragraph 20.

### **Monitoring, local circumstances, and evidence**

- 2.163 Housing completions data provided in the Council's annual Housing Monitor shows that the Policy requirement of "at least 1,330" additional homes within the Redhill' (Area 2a) urban area by 2027 has already been exceeded, with 1,368 net additional homes completed between 01 April 2012 – 31 March 2023. This is made up of 1,558 gross completions minus the "loss" of 190.
- 2.164 The 1,368 includes 648 net additional homes delivered in Redhill town centre against its

CS8 target of 750.

- 2.165 Within Merstham regeneration area, 68 net additional homes had been delivered by 30 March 2017 compared to the target for this area of 50.
- 2.166 The Development Management Plan (DMP) 2019 allocates five sustainable urban extensions to the east of Redhill and Merstham that together will deliver approximately 465 additional homes, when they are needed under the Council's urban-first spatial development strategy, only once the urban allocations and windfalls are predicted to provide insufficient delivery. This number of homes on urban extension sites is within the "up to 500-700" amount included for this area in Policy CS8 (Area 2a).
- 2.167 The lack of further identifiable suitable sustainable sites to meet the lower end of the range for urban extension sites in this area emphasises the degree of constraint in the Borough and the consequently limited likelihood that further suitable sustainable urban extensions within existing Green Belt designated land could be identified to achieve a higher housing requirement.
- 2.168 On adoption of the Development Management Plan (DMP) in 2019, the retail floorspace requirement for Area 2a was reduced, so that since late September 2019, it has been approximately 7,500sqm of comparison retail floorspace, and no significant quantitative need for convenience retail floorspace.
- 2.169 These updated requirements are set out in DMP Tables 4, 8 and 10 (see paragraphs 123 and 124 of the [DMP Inspector's Report](#) of 9 July 2019 which can be accessed using this weblink).
- 2.170 Since April 2012, there has been an overall net gain of approximately 4,424sqm of net additional retail floorspace delivered (which includes the gain of 7,894sqm and loss of 3,470sqm).
- 2.171 Policy CS8 (Area 2a) plans for approximately 7,000sqm of additional employment floorspace in Redhill town centre, predominantly through reuse and intensification of existing employment land including offices in Redhill Town Centre. However, Redhill town centre has actually seen a net loss of 19,287sqm of employment uses (within the former B1a use Class), which includes within it a gain of 5,540sqm of new office floorspace, primarily due to the national permitted development change of use, which takes such developments out of the Council's control.
- 2.172 The three of Borough's four Principal Employment Areas in the Brough, designed through the DMP, are within Area 2a, outside of Redhill Town Centre.
- 2.173 Infrastructure delivery in the Redhill urban area (Area 2a) to support its development has been considerable. Merstham Park School 6FE secondary school opened in 2018, as a non-selective free school which is part of the Glyn Learning Foundation (GLF) Trust, it serves Redhill, Merstham and Reigate. Also, St Bede's Secondary School, Carlton Road, Redhill was expanded from 9 to 11 forms of entry (FE) in 2019, with the building works being part-funded by RBBC's Community Infrastructure Levy (CIL).
- 2.174 The 2FE Lime Tree Primary school opened in 2013, as well as Hatchlands Primary School, a Free School in Redhill, which opened on the former law courts site in September 2018.
- 2.175 Mersham Community Hub in Portland Drive was opened in 2017, and includes a new Merstham Library, Youth Centre and Community facility (including a café and community

rooms), and now provided a well-used community facility for this regeneration area.

- 2.176 The Council is working closely with SCC on an improvement scheme for the junction of the A23 with Three Arch Road, which includes an allocation of over £1.6m of Community Infrastructure Levy (CIL) funding towards the scheme, which is to start work on site in 2024.

### **Policy CS8 (Area 2a): Conclusion**

- 2.177 The Council updated the retail requirement of this policy through the adoption in Sept 2019 of the DMP Tables 4, 8 and 10. No other modifications or updates to this policy are needed.

### **Policy CS8 : Area 2b - Reigate and remainder of Area 2**

- 2.178 Policy CS8 (Area 2b) sets out the overall strategy for growth in the Reigate area and remainder of the central urban area of the Borough. The policy establishes the scale and location of development anticipated and the infrastructure required in support of this.
- 2.179 It plans for at least 280 homes in Reigate urban area, plus a further maximum of 500-700 homes within sustainable urban extensions to south / south west of Reigate.
- 2.180 The Policy plans for approximately 13,000sqm of employment space, to be provided across Area 2b and Area 2a Redhill (excluding Redhill town centre), predominantly through reuse and intensification of existing employment land.
- 2.181 The policy also plans for an additional 3,870sqm of additional comparison retail in Reigate urban area, and at least 7,020sqm of convenience retail floorspace, the majority in Redhill town centre and a limited amount in Reigate town centre. These retail figures were reduced on adoption of the Development Management Plan in September 2019 to approximately 2,500sqm comparison and zero convenience.
- 2.182 Key infrastructure needs identified by Policy CS8 (Area 2b) are limited to expansion of existing primary schools in the Redhill / Reigate area (1 additional form of entry) and need for water treatment works expansion (which is needed for development across the Borough and to support development in adjoining boroughs).

### **Conformity with national policy and guidance**

- 2.183 NPPF 2023 (paragraph 20) requires strategic policies to set out an overall strategy for the pattern, scale and design quality of places; and to make sufficient provision for housing, employment, retail, leisure and other commercial development; strategic transport, water, flood mitigation and energy infrastructure, community uses including health, education and cultural; and for conserving and enhancing the natural, built and historic environments.
- 2.184 Policy CS6 (Area 2b) follows the overarching strategy for allocation of land for development set out in Policy CS6, whilst additionally providing specific detail for the Reigate built up area and the remainder of the Area 2 land outside of Redhill and Merstham.
- 2.185 The Policy is consistent with national policy; it encourages making best use of urban

land (NPPF paras 119, 120 and 141) given the considerable constraints to development in the Borough, including designation of some 70% of its land as Green Belt. The Policy focusses in particular on the built-up area of Reigate, in accordance with Policy CS6.

- 2.186 The policy also seeks to make provision for sufficient infrastructure as required by NPPF paragraph 20.

### **Monitoring, local circumstances, and evidence**

- 2.187 Housing completions data provided in the Council's annual Housing Monitor shows that the Policy requirement of "at least 280" additional homes within Area 2b - Reigate and remainder of Area 2 by 2027 has already been far exceeded, with 632 net additional homes delivered since April 2012.
- 2.188 The Development Management Plan (DMP) 2019 allocates four sustainable urban extensions to the south and west of Reigate that together will deliver approximately 335 additional homes, when they are needed under the Council's urban-first spatial development strategy, only once the urban allocations and windfalls are predicted to provide insufficient delivery. This number of homes on urban extension sites is within the "up to 500-700" amount included for this area in Policy CS8 (Area 2b).
- 2.189 The lack of further identifiable suitable sustainable sites to meet the lower end of the range for urban extension sites in this area emphasises the degree of constraint in the Borough and the consequently limited likelihood that further suitable sustainable urban extensions within existing Green Belt designated land could be identified to achieve a higher housing requirement.
- 2.190 On adoption of the Development Management Plan (DMP) in 2019, the retail floorspace requirement for Area 2b was reduced, so that since late September 2019, it has been approximately 2,500sqm of comparison retail floorspace, and no significant quantitative need for convenience retail floorspace.
- 2.191 These updated requirements are set out in DMP Tables 4, 8 and 11 (see paragraphs 123 and 124 of the [DMP Inspector's Report](#) of 9 July 2019 which can be accessed using this weblink).
- 2.192 Since April 2012, there has been an overall net loss of approximately 5,200sqm of retail floorspace within Area 2b, mostly developments involving losses of retail floorspace, with only approximately 400sqm of new retail floorspace built.
- 2.193 Policy CS8 (Area 2b) plans for approximately 13,000sqm of additional employment floorspace across Areas 2a and 2b excluding Redhill town centre (predominantly through reuse and intensification of existing employment land including offices).
- 2.194 On the ground, since 2012, Area 2b has actually seen a net loss of 15,450sqm of employment floorspace (within which is the gain of 1,247sqm and loss of 16,697sqm). 6,341sqm of this employment floorspace lost from Area 2b was due to permitted development, over which the Council has no control.
- 2.195 With regard to infrastructure needs identified in Policy CS8 (Area 2b), a considerable number of additional primary school places have been completed in Redhill / Reigate to meet the identified needs from new developments.

## **Policy CS8 (Area 2b): Conclusion**

- 2.196 The Council updated the retail requirement of this policy through the adoption in Sept 2019 of the DMP Tables 4, 8 and 11. No other modifications or updates to this policy are needed.

## **Policy CS8 : Area 3 The Low Weald**

- 2.197 Policy CS8 (Area 3) sets out the overall strategy for growth in Horley town centre priority regeneration area, the wider Horley town outside of the town centre, the Horley North East and North West sectors, as well as small scale sustainable urban extensions to Horley town, be tested and delivered through the DMP.
- 2.198 The policy establishes the scale and location of development anticipated and the infrastructure required to support this.
- 2.199 It plans for at least 2,440 additional new homes, which includes 1,570 in the Horley North West Sector (therefore at least 870 outside of it), and a further maximum of 200 homes as sustainable urban extensions to Horley town.
- 2.200 The policy requirements also include approximately 24,000sqm of additional employment floorspace to be provided predominantly through reuse and intensification of existing employment land.
- 2.201 The policy also plans for an additional 3,870sqm of additional comparison retail and at least 2,340sqm of convenience retail in Horley town centre. These retail figures were reduced on adoption of the Development Management Plan in September 2019 to approximately 800sqm comparison and zero convenience.
- 2.202 Infrastructure needs identified by Policy CS8 (Area 3) for this area are considerable and diverse.

## **Conformity with national policy and guidance**

- 2.203 NPPF 2023 (paragraph 20) requires strategic policies to set out an overall strategy for the pattern, scale and design quality of places; and to make sufficient provision for housing, employment, retail, leisure and other commercial development; strategic transport, water, flood mitigation and energy infrastructure, community uses including health, education and cultural; and for conserving and enhancing the natural, built and historic environments.
- 2.204 Policy CS8 (Area 3) follows the overarching strategy for allocation of land for development set out in Policy CS6, whilst additionally providing specific detail for the Low Weald area.
- 2.205 The Policy is consistent with national policy; it encourages making best use of urban land (NPPF paras 119, 120 and 141) given the considerable constraints to development in the Borough. The Policy focusses in particular on Horley town centre, as well as the wider built-up area of Horley, in accordance with Policy CS6 and NPPF paragraph 94.
- 2.206 The policy also seeks to make provision for sufficient infrastructure as required by NPPF paragraph 20.



## Evidence and local circumstances

- 2.207 Policy CS8 (Area 3) sets out the target for at least 2,400 additional new homes within the urban area of Horley, which includes up to includes 1,570 in the Horley North West Sector (therefore at least 870 in the urban area outside of the NW Sector), and a further maximum of 200 homes within sustainable urban extensions to Horley.
- 2.208 Housing completions data provided in the Council's annual Housing Monitor shows that the Policy requirement of "at least 2,400" homes was already exceeded by 31 March 2023, when 2,533 net new homes had been delivered in Horley urban area.
- 2.209 Horley North East and North West urban extensions were allocated in the 2005 Borough local plan. Horley North East sector, now known as "The Acres", was completed in 2015 and includes approximately 710 homes, along with a small local centre of six units, which was designated a "Local Centre" in the 2019 DMP, and adjoins a new primary school and care home.
- 2.210 Horley North West sector, now known as "Westvale Park" took some time to get all permissions and consents needed and to start delivering housing. Building out its 1,509 homes started in 2015, with a completion rate averaging about 150 a year. The North West sector is now nearing completion of its housebuilding, with 1,269 new homes having been completed by 31 March 2023. The new homes are expected to be completed by 2025/26, although the timing of completion of the final homes on the site is depended on the delivery of the local centre.
- 2.211 The DMP includes three Horley town centre site allocations for housing and mixed uses, with total housing capacity of approximately 95 additional homes alongside other town centre uses. There are also a further two urban allocations totally approximately 65 homes, two urban opportunity sites identified which can provide approximately 55 additional homes.
- 2.212 The Development Management Plan (DMP) 2019 also allocates two small sustainable urban extensions to the north west of Horley town, and one to the south east, which together will deliver approximately 190 additional homes when they are needed under the Council's urban-first spatial development strategy, only once the urban allocations and windfalls are predicted to provide insufficient delivery.
- 2.213 This number of homes on urban extension sites is within the "up to 200" included for this area in Policy CS8 (Area 3). These DMP site allocations are limited, as planned by Policy CS8 (Area 3), given the considerable size of Horley North East and North West sectors' contributions to the local housing market in this area.
- 2.214 On adoption of the Development Management Plan (DMP) in 2019, the retail floorspace requirement for Area 3 was reduced, so that since late September 2019, it has been approximately 800sqm of comparison retail floorspace, with no significant quantitative need for convenience retail floorspace.
- 2.215 These updated requirements are set out in DMP Tables 4, 8 and 10 (see paragraphs 123 and 124 of the DMP Inspector's Report of 9 July 2019 which can be accessed using this weblink). Since April 2012, there has been an overall net loss of approximately 1,269sqm of retail floorspace (which includes the gain of 905sqm and loss of 2,174sqm). Over 70% of the gain in retail floorspace in Area 3 has been in Horley Town Centre, which was the location of some 65% of the areas' retail floorspace losses.

- 2.216 As outlined in Policy CS8 (Area3), the area accommodates two distinct employment areas: Salfords industrial area, which is mostly light industrial and warehousing space; and Horley industrial estates, which provide smaller units with a wider range of employment uses. Salfords Industrial Estate is designated as a “Principal Employment Area” in the DMP, while the DMP designates Balcombe Road Industrial Area (consisting of Bridge Industrial Estate and Gatwick Metro Centre) as a “Local Employment Area”.
- 2.217 Over the plan period to date, Area 3 has seen a considerable increase in B8 storage / warehousing / logistics floorspace (a net gain of 11,303 to end of March 2023, consisting of gains totalling 17,046 and losses of 5,743). Despite total gains in office floorspace of 1,361sqm and in general industrial (Use Class B2) floorspace of 696sqm, greater losses of floorspace in those uses resulted in net reductions for both uses, of 9,955sqm of office and 215sqm for general industrial uses.
- 2.218 As summarised in the review of Policy CS5 above, a strategic employment development site is allocated by DMP 2019 Policy HOR9, to the south of Horley town. This site allocation requires a comprehensive development to include a new public open space and other complementary uses.
- 2.219 Infrastructure within Horley urban area is planned and co-ordinated through Horley Masterplan policies within the 2005 Borough local plan, which allocated Horley North East and West sectors, and identified the infrastructure needed to support these sizeable urban extensions, and in the 2006 “Horley Infrastructure Provision SPD”.
- 2.220 The new roads to access the North East and North West Horley sectors have been completed, and the bus service infrastructure delivered (funded by the developers and SCC). Flood mitigation infrastructure, play space and play facilities, allotments, and a new neighbourhood centre have been provided as required by the outline and detailed planning permissions and their related planning obligations.
- 2.221 Work towards delivering a new town park for Horley and related recreation and outdoor sporting facilities are currently in progress. The delivery of a Riverside Green Chain is also still in progress, involving a variety of land owners.
- 2.222 A new neighbourhood centre in the North West sector Westvale development provides shops and community services, whilst the North East sector The Ares includes a new Local Centre with 6 units providing shops and services, and a mixed state primary school with nursery (ages 3-11), Trinity Oaks, which opened in 2014.
- 2.223 Oakwood Secondary School, Balcombe Road, Horley, is a co-educational community school for pupils aged 11 to 16 serving Horley. The school was expanded in 2019/20 from 8 to 10 Forms of Entry (FE) in 2018 and 2019, with the building works receiving Community Infrastructure Levy (CIL) funding from RBBC towards the project.
- 2.224 The overall conclusion for Policy CS8 is that it is effective in directing development and infrastructure to the planned locations within each area of Policy CS8 as required by the [CS Monitoring Framework](#).

### **Policy CS8 (Area 3): Conclusion**

- 2.225 The Council updated the retail requirement of this policy through the adoption in Sept 2019 of the DMP Tables 4, 8 and 12. No other modifications or updates to this policy are needed.

## Policy CS9: Gatwick Airport

2.226 Policy CS9 provides the Council's strategic position on, and approach to Gatwick Airport, supporting the development of Gatwick Airport, within the existing airport boundary and existing legal limits, including facilities that support the safe and efficient operation of the airport.

### Conformity with national policy and guidance

2.227 Policy CS9 is consistent with national policy as set out in the NPPF December 2023, in particular with paragraph 110 (e) which sets out that planning policies should provide for any large scale transport facilities (including airports) and wider development required to support their operation, expansion and economic contribution (taking account of "relevant national policy statements" and whether the development is a nationally significant infrastructure project).

2.228 Relevant national infrastructure policy statements include the Department for Transport's (DfT's) 'Airports National Policy Statement: New Runway Capacity and Infrastructure at Airports in the South-East of England' June 2018. This Airport National Policy Statement (ANPS) identifies (at paragraph 2.11) that Heathrow Airport is the busiest two-runway airport in the world, and Gatwick Airport is the world's busiest single runway airport. It also identifies that the Government's preferred scheme for additional capacity in the South East to maintain the UK's position as Europe's most important aviation hub is through a new Northwest Runway at Heathrow Airport, rather than through an extended Northern Runway at Heathrow, or a Second Runway at Gatwick Airport, which were also considered in that ANPS. Covering the period to 2030, it provides the primary policy document for decision making on development consent applications for a Northwest Runway at Heathrow Airport, and will be an important consideration in respect of such an application (paragraph 1.41).

2.229 The DfT's 2017 Aviation Strategy 'Beyond the Horizon: The Future of Aviation' confirms that the Government supports airports making best use of their existing runways, including in the South East, subject to environmental issues being addressed. This includes increasing either passenger or air traffic movement caps to allow them to make best use of existing runways.

2.230 'The UK's Sixth Carbon Budget' 2021, introduced a statutory cap on aviation emissions for the first time through the DfT's 'Jet Zero Strategy: Delivering net zero aviation by 2050' (July 2022), which sets ambitious targets for achieving zero emissions from the aviation sector by 2040 for internal flights and 2050 for external flights.

2.231 Policy CS9 is considered to be broadly consistent with Government policy on both planning and aviation, in that it supports development at the airport within its existing boundary.

### Monitoring, local circumstances, and evidence

2.232 Gatwick Airport Limited (GAL) published a draft Masterplan (2019) which included plans to extend and bring into permanent use its Northern Runway, currently used as an emergency/ back up runway.

2.233 In 2021, GAL undertook a Preliminary Environmental Impact Report (PEIR) consultation,

a key stage in the Development Consent Order process. GAL maintains that under current legislation it can continue to optimise its operations but that the Development Consent Order is required to extend the Northern Runway and related infrastructure. The PEIR revealed that even without the Northern Runway proposals, Gatwick could significantly increase its operations from the pre covid number of passengers in 2019 of 46.2m (pre-covid) to 62.7m in 2047. With the Northern Runway in 2029, passenger numbers for Gatwick could increase to 80.2m in 2047 assuming air traffic movements (“atms”) were increased to between 55 and 69 atms per hour.

- 2.234 In 2021 the Government set its 6th carbon budget policy which sets the legal limit for UK net emissions of greenhouse gases for the years 2033-37, which includes aviation emissions. Aviation remains one of the most carbon-intensive forms of transport and one of the most difficult to decarbonise. Whereas international aviation accounted for around 8% of UK CO2 equivalent emissions, by 2050 aviation could be the largest contributor to UK greenhouses gas emissions, particularly if demand continues to grow and is provided for.
- 2.235 Heathrow’s plans for the Northwest runway (the Government’s preferred option to meet future need), have recently been re-started following a long pause on the project.
- 2.236 On 6th July 2023 Gatwick Airport Limited (GAL) submitted its Northern Runway Development Consent Order (DCO) application to the Planning Inspectorate which was subsequently accepted by the Examining Authority on 3rd August 2023. The DCO Examination started in spring 2024.
- 2.237 Policy CS9 does not preclude additional capacity within Gatwick Airport, and whilst the outcome of the DCO submission is still unknown, a clearer picture of the growth impacts is emerging. The Council will continue to monitor progress and to make representations to the Gatwick Northern Runway DCO, but the current position does not require Policy CS9 to be modified at this time. It is unlikely that a decision will be reached on the submitted DCO by the Examining Authority until late 2024 at the earliest.

### **Policy CS9: Conclusion**

- 2.238 No modification or update to Policy CS9 is required.

### **Policy CS10: Sustainable development**

- 2.239 This policy sets out a number of high level requirements which development will be expected to meet in order to achieve sustainable development.
- 2.240 This includes making efficient use of land and giving priority to brownfield land, being developed at appropriate densities, protecting and enhancing green fabric, and respecting ecology and heritage.
- 2.241 The policy also requires development to minimise use of natural resources, minimise pollution and be designed to both adapt to climate change and also minimise flood risk.

### **Conformity with national policy and guidance**

- 2.242 All elements of this strategic sustainable development policy are considered to be consistent with current national policy, including relevant sections of the NPPF. The

- requirement to **make efficient use of land**, giving priority to previously developed land and buildings within built up areas reflects NPPF 2023 Chapter 11 “Making effective use of land”.
- 2.243 The requirement for new development to be at an “appropriate density” taking account of the character of the locality and accessibility and services, is consistent with current national policy, in particular, NPPF 2023 paragraph 128 (c) and (d).
- 2.244 Whilst national density policy has been strengthened since 2012, when local authorities were required only to “*set out their own approach to housing density to reflect local circumstances*”, the more prescriptive national policy on densities, includes a requirement for local plan policies to set “*minimum density standards for .. town centres and other locations well serviced by public transport*”. As CS10 is strategic policy, it is not inconsistent with more recent national policy.
- 2.245 Policy CS10 addresses climate change mitigation, transition to low-carbon, flood-risk, water-supply, and adaptation to climate change issues included in the NPPF 2023 (paragraphs 157 to 160).
- 2.246 The strategic climate change adaptation requirements of Policy CS10 are consistent with NPPF paragraphs 158-164. The strategic plan-making requirements for flooding risk minimisation broadly follow the provisions of NPPF Chapter 14 and Annex 3 including specifically in respect of the application of Sequential and Exceptions tests where necessary (paragraphs 165-175).
- 2.247 The principle of using the sequential risk based approach (and Exception Test where relevant) for selecting sites for allocation in development plans informed the development of Policy CS10, and remains a key element of local plan making in current national planning policy. This continues to include consideration of the impacts of climate change, as it did in 2012.
- 2.248 NPPF paragraphs 167, 168 and 169 require all plans to apply a sequential, risk-based approach to the location of development to avoid where possible, flood risk to people and property. This process was followed through preparation of strategic [Flood Risk Assessments to inform both the Core Strategy’s strategic locations for development](#), and the [Development Management Plan’s Sequential Test and Exceptions Tests](#) that informed the site allocation policies, all of which can be viewed using the weblinks provided.
- 2.249 The emphasis on consideration of Flood Risk vulnerability for development sites was increased by moving the Flood Risk Vulnerability from [national Planning Practice Guidance](#) (the PPG) to the NPPF as a new Annex 3 on “Flood risk vulnerability classification”, from the July 2021 NPPF version.
- 2.250 Policy CS10 is consistent with the requirements of NPPF paragraph 8(c) regarding environmental sustainable development; paragraph 8(b) regarding accessible services and open space; paragraph 20(d) regarding the protection and enhancement of the natural environment; all the requirements of paragraph 96 [see CS10(3) and (4)], and NPPF paragraph 97(a) and (b) [see CS10(3) – (6)] regarding wellbeing; and NPPF paragraph 102 regarding access to open space and recreation. Policy CS10 (3 and 4) also broadly addresses sustainable transport (regarding requirements of NPPF paragraph 108) .
- 2.251 Policy CS10 also addresses some strategic aspects of the design requirements set out

in NPPF Dec 2023, including paragraph 135 in regard to visual attractiveness, green space, character, history, sense of place, and safe / accessible environments.

- 2.252 DMP policies reflect locally the national policy requirements set out in the NPPF Dec 2023 regarding the cumulative impacts of flooding, and remediation.

### **Monitoring, local circumstances, and evidence**

- 2.253 The Council reports its monitoring against Policy CS10 indicators annually in its 'Environment and Sustainability Monitor', the most recent one being published in December 2023, reporting on the year ending 31 March 2023. In accordance with the CS Monitoring Framework's target, over the plan period to date, there have been no developments approved contrary to the Environment Agency's advice.
- 2.254 Since 2012 (the start of plan period), less than 5% of the new homes built in the Borough have been on land at risk of flooding, indicating that strategic policy is directing development to land at lowest risk of flooding and that meeting the local plan housing requirement has not required approving developments at risk of flooding. Where development has occurred on land at risk of flooding, in the majority of cases it has been through conversions or as part of regeneration schemes in Redhill town centre.
- 2.255 The proportion of development of previously developed land (also referred to as "brownfield land") has consistently exceeded the [Core Strategy Monitoring Framework's](#) target of at least 50% of new homes over the plan period (currently at 58.5%), reflecting the priority that Policy CS10(1) gives to previously developed land.
- 2.256 Where development has been built on greenfield land, the vast majority has been at the two allocated new neighbourhoods at Horley North East and North West. The plan-led approach to promoting use of brownfield land in urban areas is therefore proving successful.
- 2.257 In order to continue to deliver housing on previously developed land, in accordance with the Core Strategy 'urban areas first approach' the Council will continue to be proactive in identifying additional previously developed sites through the annual Brownfield Land Register (BLR), working proactively with landowners and site promoters to bring them to development.
- 2.258 In monitoring against Policy CS10(1), since the start of the plan period (2012), the Core Strategy has been effective in delivering sustainable development, which it continues to do. The proportion of homes and non-residential development built on previously developed land (PDL) has exceeded the targets set out in the [Core Strategy Monitoring Framework](#) for Policy CS10 Sustainable Development (50% and 90% respectively).

### **Policy CS10: Conclusion**

- 2.259 No modification or update to Policy CS10 is required.

### **Policy CS11: Sustainable construction**

- 2.260 This policy sets out the sustainable construction standards which new development will be required to meet, specifically Code Level 4 for residential and BREEAM 'Very Good' for non-residential.

- 2.261 The policy also includes provisions that the Council will work with developers and other partners to promote development of decentralised and renewable or low carbon energy and sets out how this will be applied.

### **Conformity with national policy and guidance**

- 2.262 It is considered that the provisions of Policy CS11 are broadly consistent with current national policy. The NPPF Dec 2023 (paragraph 157) seeks to ensure that new development is sustainable, and particularly, helps to reduce greenhouse gas emissions through its location, orientation and design.
- 2.263 Policy CS11(2) is consistent with national policy included at paragraph 160(c) of the NPPF December 2023, which encourages local plans to support a transition to low carbon energy and heat, and specifically to maximise opportunities for developments to draw their energy supply from decentralised, renewable or low carbon energy.
- 2.264 The environmental sustainability elements in the NPPF December 2023 at paragraphs 8, 20(d), and 157, 158 and 159 with regard to the prudent use of resources, mitigation of climate change, and transition to low carbon are reflected in Policy CS11 and considered elsewhere in the Core Strategy including Policies CS1 and CS10.
- 2.265 Policy CS11(1) includes the requirement for new housing to as a minimum to comply with the Code for Sustainable Homes (which was abolished nationally in 2015), or future nationally described standards. Elements of the Code for Sustainable Homes have been integrated into the amended Building Regulations including Part L which covers energy performance in new and existing buildings. DMP Policy CCF1, adopted in 2019 reflects this change.

### **Monitoring, local circumstances, and evidence**

- 2.266 Whilst the Code for Sustainable Homes has been abolished since adoption of the Core Strategy in 2014, given the flexibility built into Policy CS11, it does not render the policy out of date.
- 2.267 The requirement for BREEAM 'Very Good' is applied through the decision-taking process on applications and secured by condition where appropriate, including through additional supporting guidance provided in the Council's guide to sustainable development contained in its [Climate Change and Sustainable Development SPD 2021](#).

### **Policy CS11: Conclusion**

- 2.268 No modification or update to Policy CS11 is required.

### **Policy CS12: Infrastructure delivery**

- 2.269 This policy sets out the broad approach to the delivery of infrastructure to support new development. Specifically, the policy requires that infrastructure should be provided ahead of, or alongside new development.
- 2.270 The policy encourages proposals that would improve community and leisure facilities and seeks to protect existing valued services, facilities and open spaces (subject to

criteria).

## **Conformity with national policy and guidance**

- 2.271 The NPPF Dec 2023 makes clear (at paragraph 8) that one of the roles of the planning system is to identify and coordinate the provision of infrastructure.
- 2.272 National policy (NPPF paragraph 20) specifies the requirement for strategic policies to set out an overall strategy for the pattern, scale and design quality of places (to ensure outcomes support beauty and placemaking), and to make sufficient provision for infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat); as well as community facilities (such as health, education and cultural infrastructure).
- 2.273 Strategic policies should set out a strategy to deliver, and make sufficient provision for, the provision of infrastructure. Core Strategy Policy CS12 serves precisely this purpose and is clearly in consistent with national policy.
- 2.274 Policy CS12 also seeks to encourage proposals that enhance the provision of community and leisure facilities in the Borough, including through co-location. In doing so, it is consistent with the aims of paragraph 88 of the Framework (specific to diversifying rural areas) as well as the wider provision of paragraph 97 in relation to promoting healthy and safe communities. Paragraph 97 specifically seeks to ensure that plans have a positive impact on the provision of social, recreational and cultural facilities, including through use of shared spaces which is consistent with Policy CS12(3b).
- 2.275 The Core Strategy Policy CS12 conforms with the Framework in that it seeks to guard against loss of leisure and community facilities, except in specific circumstances; these circumstances broadly reflect NPPF paragraph 97(c) in relation to recreation / community facilities and NPPF paragraph 103 in relation to open spaces.

## **Monitoring, local circumstances, and evidence**

- 2.276 In accordance with the Core Strategy Policy CS12 (1), the Council works towards securing contributions from new developments towards the infrastructure required to meet the needs created by the new development. The Council has adopted the Community Infrastructure Levy (CIL), which was one of the key implementation and delivery mechanisms identified. Charging commenced in 2016 and to date (as of mid-November 2023), over £15.5m has been collected, significantly exceeding original forecasts.
- 2.277 The Council publishes an annual Infrastructure Funding Statement (IFS) in December each year, which provides details of the amount of CIL collected and spent each year. The latest published IFS, December 2023, shows the diverse nature of the numerous infrastructure projects delivered each year, from the strategic infrastructure project of the Blue Light Hub, Banstead, incorporating a new Ambulance Make Ready Centre, to a number of small local projects, such as contribution to several “Level Up” laptop refurbishment programmes across the Borough’s schools, funding of replacement bus shelters, and contributing to the replacement of South Park Football Club grass pitch.
- 2.278 Overall, during the plan period, significant positive progress has been made in delivering



key infrastructure priorities. In Area 1, the new leisure and community facilities at Preston have been delivered and the two listed transport improvement projects are in progress. In Area 2, the primary school expansions have been completed (and planning applications for further capacity increases are being considered). The Merstham community hub is complete, as are the improvements to Earlswood Depot. The Balanced Network highway scheme in Redhill Town Centre has been completed. In area 3: Horley, the remaining infrastructure works are progressing in tandem with the delivery of the North West Sector. One new primary school has already been completed in the North East Sector and planning consent granted for the second in the North West Sector. The new leisure centre has been completed.

- 2.279 Working with infrastructure providers in the area, the Council has produced a list of key infrastructure projects required to support the planned development in the Borough to 2027. The list can be found in the Annex 6 of the DMP. The Council's latest published Annual Monitoring Report (AMR) from December 2022 shows a number of key infrastructure projects currently being delivered, including, among others: Three Arch Road junction improvements; Greater Redhill Sustainable Transport Package Phase 2; New 2FE Primary Free School at North West Sector; and Horley and Burstow Stream Flood Alleviation Scheme.
- 2.280 The summary above demonstrates that positive progress is made in bringing forward infrastructure and, crucially, that none of the key infrastructure priorities have proved undeliverable.

### **Policy CS12: Conclusion**

- 2.281 No modification or update to Policy CS12 is required.

### **Policy CS13: Housing delivery**

- 2.282 Policy CS13 establishes the overall housing requirement for the Borough. It plans for the delivery of at least 6,900 homes between 2012 and 2027, equivalent to an annual average of 460 homes per annum.
- 2.283 To achieve this, the policy sets out that at least 5,800 homes will be delivered within existing urban areas, with the remainder to be provided in urban extensions in accordance with policy CS6.
- 2.284 The policy also sets out that sites for sustainable urban extensions will be released when such action is necessary to maintain a five-year supply of specific deliverable sites (based on the residual annual housing requirement).

### **Conformity with national policy and guidance**

- 2.285 Consistent with the requirements of paragraph 67 of the Framework, Policy CS13 establishes the housing requirement figure for the Borough (of at least 6,900 homes between 2012 and 2027, equating to an average annual provision of 460 homes per annum).
- 2.286 This local plan housing requirement was examined and found sound by the Core Strategy Inspector, against an objectively assessed need of "between about 600 and

640 dwellings” ([CS IR paragraph 29](#)), just over half of which would be required each year to accommodate natural change with the remainder to provide for net in-migration (IR paragraphs 27 and 29).

2.287 Since the adoption of the Core Strategy in July 2014, revisions to the NPPF have altered the basis for calculation of local housing needs, establishing a national standard method, **introduced in 2018**, the outcome of which NPPF Dec 2023 is clear is an advisory starting point for establishing a housing requirement for the area.

2.288 In accordance with current national planning policy, the standard method is currently underpinned by the **2014 national household projections**, with an uplift to take account of local housing affordability.

2.289 **The standard method also includes caps** that depend upon the status of the strategic policies for housing, applied as follows:

- a) Where policies were adopted within the past five years (at the point of making the calculation) or **where they have been reviewed and found not to require updating**, the standard method is calculated based on a **40% cap above the plan figure**.

Under this scenario, the local housing need for Reigate & Banstead would currently equate to **644 homes per annum** (460 plus 184), capped at 40% above the plan figure because the Core Strategy has been reviewed and found not to need updating within the last 5 years. This figure is clearly very closely aligned to the range of local housing need based on “the full, objectively assessed need for housing over the plan period” that were identified by the Core Strategy Inspector ([CS IR 2014, paragraph 29](#)) of “an annual average of between about 600 and 640.”

- b) In circumstances where the strategic policies are more than five years old and have not been subject to review (or have been concluded to require updating), the standard methodology applies differently.

If scenario b) was relevant for Reigate & Banstead, which it is not currently, this would produce a local housing need for the Borough of 1,123 homes per annum.

2.290 The national PPG advises that “*Local housing need will be considered to have changed significantly where a plan has been adopted prior to the standard method being implemented, on the basis of a number that is significantly below the number generated using the standard method, or has been subject to a cap where the plan has been adopted using the standard method. This is to ensure that all housing need is planned for as quickly as reasonably possible.*” As “significantly” in this context is not defined, it is for the Council to decide whether the Borough’s local housing need has changed significantly.

2.291 It is important to note the evidence that was available and considered by the Core Strategy Inspector, and the range of potential local housing needs this suggested over the plan period. Also, as the NPPF December 2023 makes explicit, “*the outcome of standard method is an advisory starting-point for establishing a housing requirement for the area.*”

2.292 Whilst the CS Inspector concluded that “**the full, objectively assessed need for housing over the plan period is an annual average of between about 600 and 640 dwellings**” ([CS IR 2014 paragraph 29](#)), it is important to note that in his report the

Inspector also acknowledged (paragraph 30) that “*it must be appreciated that **this conclusion is based on limited up-to-date evidence and interim projections that only go to 2021***”. The evidence available to the Inspector at that time included the 2008-based projections (which informed the Council’s 2012 SHMA) which forecast a higher growth of 850 dpa, whilst the 2011 interim population projections that extended to 2021, indicated household growth of 933 per annum over the 10 years 2011-2021 (IR paragraph 21). Extrapolating the 2011 interim projections over the whole 15 year plan period, and making allowance for a slower rate of household growth in the last 5 years of the plan period, the 2011-based projections suggested slightly higher growth than the 2008-based projections.

- 2.293 At the time, the CS Inspector confirmed that the 2011 Census provided the most accurate demographic data for the borough and a more up-to-date benchmark for projections than those available for the 2008 SHMA and its 2012 update. Interim projections were available for the 2011-2021 period only; and indicated household growth of 933 per annum over that decade. Evidence available to the CS Inspector at the time therefore indicated local housing need in the order of 850 to 933 homes average per annum over the plan period ([IR paragraphs 20 and 21 of the IR 2014](#)).
- 2.294 Comparing the range of local housing need evidence over the plan period considered by the Core Strategy Inspector, the Council considers that the local housing need for the Borough produced using the national standard method (currently capped at **644** because the Core Strategy has been reviewed and found not to need updating within the last 5 years), has **not changed significantly** from the range of local housing need identified at the time of the Core Strategy’s adoption in 2014 (**600 to 640**). Even if the uncapped figure of **1,123** were to be used, it is still not significantly different from the **933** anticipated in the later years of the plan period.
- 2.295 As the Core Strategy Inspector considered (Inspector’s Report paragraph 28), changes to average household sizes impact on local housing needs in the Borough, and as the 2011 Census showed, average household sizes in the Borough increased between 2001 and 2011.
- 2.296 The Council had assumed that over the plan period (2012 to 2027), household formation would adjust and the Borough’s average household size would resume its longer term trend of reducing (as it had before 2011) from 2.42 in 2011 census to either 2.38 or 2.36 by 2027 (a reduction in size of at least 0.04). In the absence of any firm evidence, the Inspector used these two alternative reductions in average household size as a range of housing need (IR paragraph 28).
- 2.297 Since that time however, the 2021 census results have shown that the average household size in the Borough actually increased between 2011 and 2021, from 2.42 to 2.52 (an increase of 0.1). The economic and other uncertainties of the past decade, along with generally relatively high house prices in the Borough, have constrained household formation and therefore the local housing need in the later part of the Core Strategy plan period.
- 2.298 Additionally, the CS Inspector (IR paragraph 23) also acknowledged that the recent projections are trend-based, generally over the past 5 years, and the interim projections available at that time did not take into account that, under the national growth point (NGP) initiative, housing growth in Reigate & Banstead was expected to be “front-loaded” at the start of the South East Plan period, tailing off in the latter part of the plan

period from its high number of dwelling completions in 2006-2010.

- 2.299 As the CS Inspector summarised ([at paragraph 23 of the CS IR](#)), the 2011-based projection showed population growth for R&B Borough of about 16% in the period 2010 to 2021. Publication of the 2021 census results shows that over this period, population growth in the Borough was actually far lower, at 9.5% (2011-2021), although still the highest of all Surreys districts and boroughs.
- 2.300 It is also important to note that the NPPF (paragraph 11b) also requires strategic policies to provide for these figures as a minimum unless either:
- i. the application of the policies in the Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area (which are specified in footnote 7 as including land designated as Green Belt, An Area of Outstanding Natural Beauty, and areas at risk of flooding) ; or
  - ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.
- 2.301 National Policy continues to recognise that local plan housing requirements should respond to local constraints, as was the case when the Core Strategy was examined.
- 2.302 The NPPF Dec 2023, in a similar manner to the 2012 NPPF under which the CS was examined, clearly identifies (paragraph 11b and footnote 7) the need to consider the identified local housing need in light of certain particular protected areas or assets of particular importance which may provide “ a strong reason for restricting the overall scale, type or distribution of development in the plan area”. The Council’s strategic policy housing requirement therefore took into consideration these areas and assets in formulating its suitable and sustainable housing requirement in Policy CS13.
- 2.303 In this respect, the Core Strategy Inspector clearly acknowledged and accepted that meeting full housing needs (of up to 640 per annum at that time), would not be sustainable or consistent with the Framework. Specifically, he concludes (at paragraph 68 of his report) that *“A shortfall of over 2,000 dwellings against the full objectively assessed need would remain, but given the environmental and other constraints across the borough, it is not possible to meet this shortfall sustainably without conflict with other aims of the Framework.”* The Sustainability Appraisal that accompanied the Core Strategy considered the relative sustainability of a range of housing levels and concluded that the most sustainable level of growth would be between 420 and 500 homes per year, and found demonstrable negative impacts to a range of sustainability objectives for scales of growth at 625 per annum and above (up to 980 per annum).
- 2.304 The Core Strategy Inspector identified a number of large-scale and localised constraints, including Green Belt (paragraph 46-56 of the Inspector’s Report) and flood risk (particularly paragraphs 42-43) at one end of the spectrum, and localised constraints of ancient woodland (paragraph 54) which justified why the overall housing needs could not be met. All of these protected areas and assets of particular importance for the purposes of footnote 7 of the NPPF Dec 2023 remain as constraints to housing capacity, and therefore housing requirement, in the Borough. The CS Inspector acknowledged this in agreeing a local plan housing requirement which was considerably lower than the local housing need.

- 2.305 These constraints clearly continue to influence potential future housing capacity in the Borough in the same way, if not more, than they did in the Core Strategy examination. , In some instances, the level of protection afforded by the 2023 NPPF has arguably strengthened, or at least clarified in its operation. For example, in respect of Green Belt, the NPPF Dec 2023 (paragraph 146) now includes a specific provision requiring that *“before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries”, a “strategic policy-making authority should be able to demonstrate that it has examined fully all other reasonable options for meeting its need for development”*. .
- 2.306 Consideration of the current position, evidence and local circumstances on the main constraints identified by the Inspector is set out below.
- 2.307 As described in the commentary under Policy CS3 above, the Core Strategy Inspector specifically acknowledged the **significant constraint that the Green Belt imposes** on the Borough, and the limited sustainable opportunities for accommodating development within it. Taking account of the strategic borough-wide Green Belt assessment undertaken during the second stage in the preparation of the Core Strategy, the Inspector concluded that the evidence *“revealed that sustainable opportunities which do not undermine the aim and purposes of the Green Belt are very limited”* (CS IR paragraph 51).
- 2.308 Additionally, the CS Inspector also recognised the importance of the Green Belt in the Borough, highlighting that *“most Green Belt in the north of the Borough...has a vital strategic role and function as a ‘green lung’ for the conurbation”* and that the rest of the Green Belt *“is fragmented in parts and the total area is not huge, especially when compared to other similar authorities nearby”*. It is for these reasons that the Inspector concludes (CS IR paragraph 53) that *“at a strategic level, only...two broad locations comply fully with the criteria in the Framework and exhibit the exceptional circumstances necessary if Green Belt boundaries are to be altered”*.
- 2.309 These two broad locations were taken forward and examined further through the detailed Green Belt review carried out to accompany the Development Management Plan. Those specific land parcels considered to be sustainable and to exhibit exceptional circumstances were removed from the Green Belt and have been allocated for development through the DMP.
- 2.310 Furthermore, detailed Green Belt appraisal of a wide range of other potential locations for longer-term growth through the DMP Safeguarded Land report (SD34) again showed very limited options for future growth that would not involve the development of land that was identified as “high” performing against one or more purposes of the Green Belt. With this evidence in mind, it is clear that significant additional opportunities to facilitate a much greater level of housing could not be identified within the Green Belt without seriously undermining the overall purposes and integrity of it.
- 2.311 With respect to other development opportunities **outside of the urban area and the Green Belt**, the Core Strategy Inspector specifically considered the ability of countryside around Horley to accommodate additional growth in the period to 2027. He identified a number of constraints on growth within that area, including that *“significant areas of the rural surrounds of Horley are in flood zones 2 and 3 and therefore at risk of flooding”*.
- 2.312 Flood zone mapping from both the EA and in the Council’s latest [Strategic Flood Risk Assessment \(2017\)](#), demonstrates that the extent of flooding around Horley has not changed significantly so as to materially alter the extent of land which is within Flood

Zone 1.

- 2.313 The extent of land affected by aircraft noise contours is also not significantly changed between the Core Strategy and current position. This can be observed from the Gatwick Airport Noise Exposure contours publications (available from the [Department for Transport's website](#) until 2015 and [Gatwick Airport's website](#) from 2016 onwards). To demonstrate this point, the total area covered by the 57dB contour from Gatwick in 2012 was 41.2km<sup>2</sup> (based on summer day standard mode), compared to 38.7km<sup>2</sup> in 2019 on the same basis (2019 was the last year of a standard airport operation, prior to the Covid-19 pandemic of 2020/21 and its unprecedented impact on aircraft movement and correspondingly large decreases in contour areas in 2020 and 2021). The severity and extent of this constraint has therefore not changed significantly compared to that which was before the CS Inspector.
- 2.314 The CS Inspector also identified (CS IR paragraph 44) that the desirability and capacity of Horley to absorb more growth at that time was a limiting factor, noting on-going development delivery. The long-standing allocations that the Inspector identified in his report are still being developed, particularly the North West Sector, which is approximately three-quarters complete and is expected to be completed around 2026. For these reasons, there is no evidence to demonstrate that significantly more land is likely to be identified to facilitate a substantially greater local plan housing requirement.
- 2.315 Policy CS13 identifies that the approximately 1,100 new homes within the local plan housing requirement that cannot be accommodated within the existing urban areas should be accommodated within the broad areas of search for sustainable urban extensions set out in Policy CS6. Paragraph 6.2.8 of Policy CS6 identified potential indicative capacities at "sustainable urban extensions"; up to 500-700 homes in East of Redhill and East of Merstham, up to 500-700 homes to the South and South West of Reigate, and up to 200 homes adjoining Horley (totalling 1,200 to 1,600).
- 2.316 Through the detailed evidence that informed the preparation of the DMP, including sustainable urban extension technical assessments, sustainability appraisal, constraints assessments and Green Belt review, it was demonstrated that development constraints within the Borough limited the potential sustainable urban extensions within those areas to approximately 465 units East of Redhill and Merstham, in 335 homes in South West Reigate and around 190 new homes as an extension to Horley.
- 2.317 These shortfalls demonstrate that the environmental and policy constraints in the Borough indicate that identifying additional and sustainable capacity to support a higher housing requirement figure is unlikely. However, they do not prejudice delivery of CS13, as the urban extension figures were intended as an upper limit (see paragraph 64 of the [Core Strategy Inspector's Report](#)), and there has been a positive over-delivery to date from urban allocated and windfall sites against the minimum housing requirement.
- 2.318 Mindful of the conclusions of the Core Strategy Inspector with respect to the constrained nature of the Borough, together with the more recent evidence which supports that there has been no significant change in the extent or importance of the key environmental and policy constraints in the Borough which he identified, it is clear that the adopted housing requirement in CS13 continues to strike an appropriate balance between meeting the identified local housing needs and the protection of the Borough and its environment from unsustainable development.
- 2.319 The local housing need identified by the new national standard method (currently 644) is

beyond the level which the Core Strategy Inspector found to be capable of being sustainably delivered in the Borough given its considerable constraints and capacity.

- 2.320 Policy CS13 includes provisions (at paragraph 4) to manage the release of sustainable urban extensions “when such action is necessary to maintain a five year supply”.
- 2.321 During the Core Strategy’s Examination Hearings, this approach to managing the release of sustainable urban extension sites was debated extensively in relation to whether it conflicted with the Government’s ambition “to boost significantly the supply of housing”, a position argued by many house-builders representatives. Subsequently, in 2019, the Inspector examining the DMP noted (IR paragraphs, 132, 136 and 139) that the DMP Housing trajectory at DMP Annex 7, makes provision for 8,030 homes, so exceeding the housing requirement by 1,130 (around 16%) a figure which she considered to be realistic. She concluded therefore that *“the approach to the supply and delivery of housing is justified, positively prepared, effective, deliverable and consistent with national policy and the Core Strategy.”*
- 2.322 The Core Strategy Inspector clearly summarised that debate in his Inspector’s Report (IR), where he concluded that “an approach which allows greenfield sites only when necessary to maintain a five year supply is sound” in part to support the use of “urban areas first” which lies at the heart of the Core Strategy (IR paragraph 71). In finding this policy approach and wording to be “sound”, the Inspector agreed that they are consistent with national policy.
- 2.323 The current NPPF (Dec 2023) places an even stronger focus on making “as much use as possible of previously developed or ‘brownfield’ land” than its 2012 predecessor. There is now a whole Chapter of the Framework (11 – Making efficient use of land) on this subject and paragraphs 123 and 124 are particularly pertinent in respect of the effective use of previously developed or ‘brownfield land’. In particular there has been a change in emphasis from the 2012 NPPF which sought to “encourage” effective use of land by re-using previously development / brownfield land not of high environmental value, including potentially setting a local target for use of brownfield land (paragraph 111) to the NPPF Dec 2023 (paragraph 124c) which now requires planning policies to *“give substantial weight to the value of using suitable brownfield land within settlements for homes.”*
- 2.324 This is especially so in areas constrained by Green Belt, where the full examination of all other reasonable options for using previously developed / brownfield land and maximising densities in town centres and other sustainable locations is now a requirement to demonstrate before a local planning authority can conclude that exceptional circumstances exist to justify changes to Green Belt boundaries (paragraph 146 of the NPPF 2023).
- 2.325 It is therefore considered that the Policy CS13 approach of allowing for the release of urban extension sites only when needed to maintain a five-year supply is consistent with current national policy.

### **Monitoring, local circumstances, and evidence**

- 2.326 As mentioned in paragraph 1.16 above, the Planning Practice Guidance (PPG) sets out a number of factors that can (but not exclusively) be considered when determining whether policies should be updated. One is change in local housing need (discussed in

detail above). However, other factors relevant to Policy CS13 in particular include the following:

- 2.327 Reigate & Banstead Borough's most recent **Housing Delivery Test (HDT) performance** is 168% (Dec 2023), reflecting the significant delivery above the local plan minimum housing requirement over the past rolling three-year period. As a result, there is no specific action or penalty required to be taken by the Council.
- 2.328 The Council is able to demonstrate a **five-year housing land supply** of deliverable sites for housing against its adopted local plan housing requirement.
- 2.329 The [2023 Housing Monitor](#) concludes that as at 1 April 2023, the current supply of deliverable sites (which includes a windfall allowance) against its adopted local plan housing requirement is equivalent to 7.80 years, thus significantly exceeding the 5-year requirement.
- 2.330 Since the Council adopted its Core Strategy in July 2014, it has consistently maintained a five-year land supply and there have been no appeals allowed based on successful challenges to this position since adoption of the Core Strategy. In a December 2021 appeal decision for 1 & 2 Rosebank Cottages, Cockshot Hill, Reigate (ref: APP/L3625/W/20/3257176), the Inspector confirmed (at paragraph 26) that *"It is not for me to go behind this decision (that the housing requirement did not need modification) which I note was not challenged in the courts"*. He also noted (at paragraph 30) that *"There is no substantive evidence before me to demonstrate that circumstances have changed in the interim, since the Core Strategy was adopted and then reviewed, such that a significantly higher figure would be achievable."*
- 2.331 Progress in delivering against the housing requirements established within the Core Strategy has therefore been very positive and it is clear that the strategy and policies within the CS are facilitating strong delivery.
- 2.332 It is important to note that the housing requirement included in Core Strategy Policy CS13 does not have an upper limit, and is expressed as "at least"; it therefore allows the number to be exceeded (as has clearly been the case already over the plan period) should sustainable opportunities for housing development arise.
- 2.333 The Council's delivery performance (at a mean annual average of 573 homes compared to the local plan requirement of at least 460 homes, an excess of 25%), demonstrates that it is responding positively to this provision to significantly boost delivery of housing consistent with national policy.
- 2.334 Up to date local evidence regarding realistic land availability is described above under conformity with national policy, which is considered to support the view that a housing requirement significantly above the 573 homes per annum currently being delivered within the context of Policy CS13 is not deliverable or sustainable within the constraints of the Borough.
- 2.335 The 2023 NPPF (paragraph 70) specifically requires plans to promote the development of a good mix of sites through the development plan, including a requirement for at least 10% of housing to be provided on sites of no larger than one hectare. Whilst Policy CS13 does not specifically make provision for this, it is a Strategic Policy rather than being part of a local plan containing site allocations. Monitoring evidence demonstrates that nonetheless, this has occurred consistently since the Core Strategy was adopted, supported by other policies in the plan (including CS6) which specifically encourages



sustainable urban developments and other sustainable windfall opportunities (consistent with NPPF paragraph 70 (d)).

- 2.336 Analysis of data from the Council's housing monitoring database shows that, since the beginning of the plan period, 61% of the gross new homes in the Borough have been delivered on sites of under one hectare, demonstrating considerable diversity in the mix of housing sites delivered in the Borough. Whilst this provision is not explicit within the policy, it would therefore be wholly disproportionate to review the policy to address this point given the naturally occurring performance and limited scope to increase this further. Where larger sites have come forward, such as the Horley North West Sector, these have been built out by a development consortium, again reflecting the national policy aimed at diversification (NPPF paragraph 70(e)).
- 2.337 Against the national policy NPPF Dec 2023 (paragraph 33) and guidance PPG (Paragraph Reference 61-062-20190315; Revision date: 15 03 2019) regarding local housing need in plan reviews, given the local housing needs that were identified at the time of the Core Strategy's examination for the plan period (2012 to 2027), the housing need number currently generated using the standard method, and the constraints to development present in the Borough, the Council considers that local housing need figure has not changed significantly to require an update to Policy CS13.
- 2.338 As discussed under policy CS9 above, Gatwick Airport Limited (GAL) published a draft Masterplan (2019) which included plans to extend and bring into permanent use its Northern Runway. In 2021, GAL undertook a [Preliminary Environmental Impact Report \(PEIR\) consultation](#). That report concluded that within the initial construction phase (2024 – 2029), the project would result in a non-significant, temporary, medium-term, negligible effect on housing. Growth at Gatwick cannot therefore be said to justify or necessitate a review to policy CS13 at this stage. However, this position should be reviewed as a part of the preparation of the new Local Plan for period from 2027, taking into consideration potential impacts of the growth at Gatwick post 2029. It is of note that whilst the Development Consent Order (DCO) for Gatwick's Northern runway has been submitted, the examination is scheduled to take place throughout much of 2024, and the decision is still many months away.

### **Policy CS13: Conclusion**

- 2.339 Based on the assessment in particular relating to current national planning policy, guidance and to local evidence, monitoring and appeals, Policy CS13 does not require updating at the current time.

### **Policy CS14: Housing needs of the community**

- 2.340 Policy CS14 sets out the overarching approach to delivering a range of housing types and tenures to meet the needs of local communities. It expects housing developments to contain an appropriate mix of dwelling sizes, taking account of evidence of local need and site characteristics.
- 2.341 The policy also specifically encourages the provision of specialist housing for older people and those with disabilities in sustainable locations.

## Conformity with national policy and guidance

- 2.342 Policy CS14 sets an overarching strategic ambition to deliver a range of housing types and tenures, including an appropriate mix of dwelling sizes reflecting local needs and site characteristics.
- 2.343 These high-level requirements are consistent with the provisions of paragraph 63 of the Framework. Detailed mix requirements are set out in the adopted DMP policies, as provided for in the 'delivery / implementation' of Policy CS14.
- 2.344 Policy CS14 also seeks to encourage the provision of housing for the elderly or less mobile, again, consistent with paragraph 63 that identifies that older people and those with disabilities are specific groups who should be planned for. Detailed policies regarding accessible housing and allocations for the provision of housing for older people are included in the adopted Development Management Plan.

## Monitoring, local circumstances, and evidence

- 2.345 Monitoring data shows that a wide variety of homes has been delivered within the Borough over the plan period to date. Core Strategy Policy CS14 requires housing developments to contain an appropriate mix of dwelling sizes (assessed by number of bedrooms) in accordance with assessments of housing need, site size and characteristics, and to avoid developments resulting in undue concentration of any one type that would cause and imbalance in communities.
- 2.346 The [2012 Strategic Housing Market Assessment \(SHMA\)](#) published February 2012, informed Core Strategy Policy CS14. In particular, Table 7-12 "Future Housing Delivery by Tenure" of the 2012 SHMA identified the following recommended size mix of homes (by bedrooms) as follows:
- 2.347 The SHMA 2012 identified need for market housing was for 60% of new homes to have 3 or more bedrooms, with 40% having less. The recommended mix for social rented housing was skewed towards a need for 1- and 2-bedroom homes (75%) with only 25% of 3- or more bedroom homes needed. Intermediate housing (such as Shared Ownership) needed only 15% as 3-bedrooms (no 4+ bedrooms), and 85% as 1- and 2-bedroomed homes.
- 2.348 Policy CS14 provides flexibility to respond to updated evidence of changing local housing needs in that it refers to the mix reflecting assessments of local need and does not prescribe targets. The Policy states that the Council will (2) "*Require housing developments to contain an appropriate mix of dwelling sizes in accordance with assessments of housing need, site size and characteristics.*" Paragraph 7.5.3 of the Policy Explanation advises that "planning policy will be informed by regular assessment and monitoring of the housing market through updates to the Strategic Housing Market Assessment and Council monitoring reports". This evidence was expected to form the basis for guidance in supplementary planning documents.
- 2.349 Policy CS14 is not therefore outdated by changing local housing needs, which it anticipates will happen over the plan period.
- 2.350 The Council adopted its Affordable Housing Supplementary Planning Document (SPD) in 2020. This SPD supplements DMP Policy DES6 "Affordable Housing" (see Policy CS15 below), adopted in 2019 as a replacement for CS Policy CS15, and sets out the

mix of affordable homes needed in the Borough. This SPD was informed by up-to-date evidence of local housing needs (types, sizes and tenure). This updated evidence was published in November 2019 in the [Reigate & Banstead Housing Needs Assessment 2019](#), and can be accessed using this weblink. The 2019 Housing Needs Assessment identifies (at paragraph 7.6) the following mix of housing needed across the Borough:

- 2.351 Local need for market housing is predominantly for larger homes (40% as 3-bedroom, and 30% as 4+bedrooms), with 25% being needed as 2-bedroom homes, and only 5% as 1-bedroom homes.
- 2.352 The need for Affordable Rented and Affordable Home Ownership (such as Shared Ownership or First Homes) is predominantly for 2-bedroom homes (40% and 45% respectively) and 3-bedroom homes (30% and 25% respectively). The need for 1-bedroom and 4-bedroom homes is the same for both affordable housing tenures, at 20% and 10% respectively.
- 2.353 Evidence of local housing needs since the 2012 SHMA therefore shows that whilst the predominant local need for market housing remains for larger homes, and the predominant local need for affordable homes remains for smaller homes, overall there has been a shift towards need for larger homes. The need for market homes has reduced from 40% as 1- and 2-bedroom homes to 30% whilst the need for 3-bedroom plus homes increased from 60% to 70%.
- 2.354 For social and affordable rented, the need for smaller 1- and 2-bedroom homes has reduced from 75% to 60%, against an increased need for larger homes, from 25% to 40%. The need for Intermediate affordable homes (such as Shared Ownership) is now 65% smaller homes compared to 85% in 2012, and 35% larger homes compared to 15% in 2012.
- 2.355 The [annual Housing Monitor](#) published each June, and available using this weblink, shows that a wide variety of homes of different sizes and tenures has been delivered in the Borough since the start of the plan period.
- 2.356 The vast majority of homes delivered over the 11 years since the start of the plan period in 2012 have come from sites granted planning permission before the 2019 Housing Needs Assessment, and therefore their development was guided by the 2012 SHMA recommendations. This monitoring data shows that the mix of housing delivered is broadly in line with the 2012 SHMA identified needs.
- 2.357 The needs for the following 4 years (2020 to 2023) has been guided by evidence in the 2019 Housing Needs Assessment.
- 2.358 Whilst the proportion of 3-bedroom and 4-bedroom social and affordable rent homes to date is below the 2012 SHMA identified need (17% compared to 25%), this reflects the funding shift from provision of social rent to affordable rent, which has reduced the affordability of the larger 3 (and particularly 4) bed homes.
- 2.359 The slight over-delivery of the smaller 1 and 2 bedroom market homes (51% compared to 40% 2012 SHMA target) is partly a result of the introduction of the office to residential permitted development right (requiring Prior Approval) in 2013. Since then, 753 new homes have been delivered in the Borough via the prior approval route (14% of all gross market units delivered within the plan period). The Council has no influence over the size mix of homes delivered via the prior approval route and these homes predominantly consist of smaller 1 and 2-bedroom flats. Whilst local plan policy aims to guide

development towards meeting identified local needs, where the Council has no control over development issues (such as the size of homes in permitted development schemes), Council policy cannot influence this.

- 2.360 Although Policy CS14 does not include targets for the split between houses and flats, it is worth noting that this has been broadly evenly split over the plan period to date over the Borough as a whole (47% flats and 53% houses).
- 2.361 In accordance with Policy CS14, the Policy is being implemented in part through DMP policies (adopted September 2019), which includes Policy DES4 *Housing Mix*. DES4 establishes requirements in relation to housing mix and size in order to support achievement of the above targets and an appropriate housing mix to address current needs, both on specific sites, and across the Borough as a whole. DMP Policy DES7 sets out the requirements for specialist housing in accordance with Core Strategy Policy CS14 (3 and 4).
- 2.362 In relation to older peoples and other specialist housing, 340 net additional care beds have been delivered in the Borough over the plan period. Furthermore, 226 units of additional extra care and retirement housing have been delivered, with a further 387 consented but not yet delivered (54 of those are under construction as at mid-November 2023).
- 2.363 The provisions of Policy CS14 are therefore facilitating delivery of an appropriate mix of housing: Both general needs housing, and also additional specialist housing, including for the elderly and those with mobility and support needs, to meet the identified housing needs within the Borough.
- 2.364 Policy CS14, implemented alongside the DMP 2019 Policies DES4 and DES7 and the Affordable Housing SPD 2020 is achieving its stated objectives in accordance with the Policy, and is therefore considered not to require modification.

### **Policy CS14: Conclusion**

No modification or update to Policy CS14 is required.

### **CS Policy CS15: Affordable Housing**

- 2.365 Policy CS15 sets out the Council's approach to the delivery of affordable housing through the planning system.
- 2.366 It establishes a target of at least 1,500 new affordable housing units in the Borough over the plan period (2012-27), equivalent to 100 per annum.
- 2.367 The policy also sets out the following affordable housing requirements for new developments:
- sites of 15 or more net dwellings – 30% of housing should be affordable;
  - sites of between 10 and 14 net dwellings – a financial contribution broadly equivalent to 20% affordable housing;
  - sites of 1 to 9 net dwellings – a financial contribution broadly equivalent to 10% affordable housing.
- 2.368 The policy provides that the Council will negotiate to achieve affordable housing, taking account of the mix of affordable units proposed and overall viability.

- 2.369 It also seeks to protect existing affordable housing by requiring the same number of homes to be re-provided (as a minimum) where existing affordable housing is being redeveloped.

### **Policy CS15: Conclusion**

- 2.370 Policy CS15 has been formally superseded by Development Management Plan DES6 Affordable Housing, adopted September 2019 (as identified in DMP Annex 2: Superseded Policies).
- 2.371 The overall plan period target to secure a minimum of 1,500 new affordable homes in the Borough between 2012 and 2027 is retained in DMP Policy DES6. The Council has to date (end of March 2023) exceeded its cumulative annual target, delivering 1,129 new affordable homes against the pro-rate annualised average target of 1,100 affordable homes, as detailed in the annual **Housing Monitor**, published on the Council's website each June.

### **Policy CS16: Gypsies, travellers and travelling showpeople**

- 2.372 Policy CS16 identifies that a local target will be established in the DMP, and that the DMP will make provision for a supply of sites to meet those needs, based on a sequential approach, reflecting the "urban areas first" approach of the Core Strategy to "brick and mortar" housing.
- 2.373 The Policy sets specific criteria to guide the identification of sites for allocation in the DMP and for consideration of planning applications on non-allocated sites.
- 2.374 The policy also seeks to protect existing authorised gypsy and traveller sites, subject to conditions.

### **Conformity with national policy and guidance**

- 2.375 The now superseded Planning Policy for Traveller Sites (PPTS) 2012 required Local Planning Authorities to set pitch targets for gypsies and travellers, and plot targets for travelling showpeople to address the likely permanent and transit site accommodation needs of travellers in their area. However, the Core Strategy Inspector noted (at paragraphs 97 and 98), that the PPTS 2012 was published after the CS was submitted for Examination, and was therefore not national policy when the Core Strategy was being prepared, and so the Council was not able to fulfil the PPTS requirements during plan preparation. Core Strategy Policy CS16 therefore identifies that the target for provision of gypsy and traveller accommodation will be identified in the subsequent DMP.
- 2.376 Whilst the Inspector acknowledged (at IR paragraph 98) that this was not ideal, as a need target should be set out in a Core Strategy, he accepted this "pragmatic" approach, given that the PPTS 2012, which was published at the same time as the Proposed Submission Core Strategy (March 2012), set "out a more robust framework for delivery of traveller sites than previously existed" (at the time of the CS was being prepared).
- 2.377 The Inspector recognised that because of this timing, the Council was not able to fulfil the PPTS requirements during preparation of the CS, and therefore accepted that it was "sound" for Policy CS16 to specify that a local target would be identified in the

subsequent DMP.

- 2.378 The absence of a target in the Core Strategy, Policy CS16 is not inconsistent with national policy as Policy CS16(1) set a requirement for a target to be identified in the DMP, which the DMP has subsequently done (adopted 26 Sept 2019).
- 2.379 The Inspector also accepted that there was a need to carry out detailed assessments of potential supply mindful of the constraints (specifically Green Belt) in the Borough, and that this would need to be done through the preparation of the DMP evidence.
- 2.380 In examining the Core Strategy, the Inspector concluded (paragraphs 97 and 98 of CS Inspector's Report) that the sequential approach to identifying suitable sites (urban areas first) was in principle sound and consistent with the Planning Policy for Traveller Sites ("PPTS"), which makes clear that traveller sites within the Green Belt are inappropriate development and thus should only be allocated in such areas in exceptional circumstances.
- 2.381 The various criteria set out in Policy CS16 (3) (a) – (f) are consistent with national planning policy in the PPTS 2023 in paragraph 13 considerations, namely:
- Criteria (a) in Policy CS16 is consistent with criteria (a) at paragraph 13 of the PPTS
  - (b) reflects criteria (f) at para 13 of the PPTS
  - (c) reflects criteria (e) in the PPTS
  - (d) reflects criteria (g) in the PPTS
  - (e) reflects criteria (b), (c) and (f) in the PPTS
  - (f) reflects criteria (e) in the PPTS
- 2.382 The requirement for local plans to set pitch and plot targets is retained in the revised PPTS, 2015 (Policy B, paragraph 9), which was the national policy under which the DMP was prepared.
- 2.383 RBBC's [Gypsy and Traveller Accommodation Assessment \(GTAA\) 2017](#) (which can be accessed using this weblink) was prepared to inform the DMP.
- 2.384 DMP Policy GTT1 identifies a need for 32 additional pitches for gypsies and travellers, and 7 plots for travelling showpeople over the period from 2016 to 2031. This equates to 28 pitches and 5 plots over the Core Strategy plan period to 2027.
- 2.385 These figures include all travellers meeting either the planning definition or the equalities definitions, which is consistent with the 2022 ruling of *Smith* (below) regarding the illegality of the planning policy definition in the 2015 PPTS Annex 1, now reflected in the updated PPTS 2023.
- 2.386 A 2022 Court of Appeal decision, *Smith v Secretary of State for Levelling Up, Housing & Communities & Anor [2022] EWCA Civ 1391*, found the PPTS 2015 definition of "travellers" to be discriminatory on the basis of ethnic identity. The principal issue in this Court of Appeal case concerned the Secretary of State's amendment in August 2015 to the definition of 'Gypsies and Travellers', in "Planning Policy for Traveller Sites" / PPTS, which related to the land-use needs of ethnic Gypsies and Travellers, and excluded those who lead a permanently settled life. In light of this Court of Appeal decision, the PPTS was therefore updated in December 2023 to include within the definition of travellers those who have permanently ceased travelling.
- 2.387 The Council's GTTA 2017 and DMP Policy GTT1(4) reflect this wider definition, and so remain relevant in light of this Court of Appeal decision and of PPTS 2023. R&B

Borough's local plan pitch and plot targets, were based on the meeting the full need, including ethnic travellers and those whose planning status was unclear at the time of the 2016 surveys. The Council took this approach in recognition of its wider equalities obligations duty to plan for culturally appropriate housing to ethnically defined Irish, Romany and Scottish travellers who may have permanently ceased travelling but who may want to live in a caravan.

- 2.388 Policy CS16's approach to assessing the suitability of sites for allocation in the DMP, and of any planning applications for sites not allocated reflect the criteria in the PPTS12 and PPTS15. The Inspector accepted that CS16 is broadly consistent with national policy, which although the PPTS has since been updated, its approach remains unchanged.

### **Monitoring, local circumstances, and evidence**

- 2.389 As outlined above, Policy CS16 establishes that the Council's target for pitch and plot provision in the Borough to meet identified local needs would be set out in the DMP. In 2019, on adoption of the DMP, Policy GTT1 set out the pitch and plot targets for the plan period to 2027. This is consistent with PPTS 2023 Policy B, paragraphs 10(a) and (c).
- 2.390 PPTS 2023 Policy B, paragraph 10(a) requires Local Planning Authorities, in producing their Local Plans to "identify and update annually, a supply of specific deliverable sites sufficient to provide five years' worth of sites against their locally set targets" of pitches for gypsies and travellers and plots for travelling showpeople.
- 2.391 As set out in the latest Housing Monitor (2023), planning permission has been granted for an additional 35 permanent pitches of gypsy accommodation since the 2016 survey base-date of the GTAA 2017, with a further allocated site with capacity for approximately 4 pitches at one site, which, as is now removed from Green belt designation, and is allocated, is "deliverable" within the next 5 years.
- 2.392 As of 31 March 2023, the Council demonstrated a 16.36 year supply of deliverable permanent traveller pitches against its local plan target.
- 2.393 Since the 2016 GTAA base-date, 4 Travelling Showperson's plots have been granted permanent planning permission, against a need for 3.4 plots over this period. As of 31 March 2023, the Council demonstrated a 3 year supply of deliverable permanent travelling showperson plots against its local plan target.
- 2.394 The Core Strategy Policy CS16 approach to setting a local target for pitch and plot provision within the Borough to meet identified local needs has not prevented or hindered the Borough in meeting its identified needs, and Policy CS16 remains effective, as implemented through its criteria 3 for non-allocated sites, and through DMP Policy GTT1 for setting local plan pitch and plot targets and for allocated sites.
- 2.395 The last traveller accommodation needs survey was undertaken in 2016, approximately 8 years ago. The Council is in currently preparing a consultant's brief to commission specialist consultants to help us with this needs assessment and survey work. However, the current local plan pitch and plot accommodation targets cover the period to 2027 (being based on the 2016 survey which identified needs to 2032), and do not therefore currently need updating.

## **Policy CS16: Conclusion**

2.396 No modification or update to Policy CS16 is required.

## **Policy CS17: Travel options and accessibility**

2.397 This policy contains the overarching approach to travel and transport. It sets out a three-part strategy that seeks to manage demand and reduce the need to travel, promote sustainable transport options and improve the efficiency of the network. This includes directing development towards accessible locations; improving travel options including public transport, walking and cycling; and managing parking provision.

## **Conformity with national policy and guidance**

2.398 The Framework sets out an overarching aim of promoting sustainable travel and the various provisions of Policy CS17 reflect and respond to this. In particular, the policy seeks to manage demand and reduce the need to travel through measures consistent with paragraphs 109 and 110 of the NPPF December 2023. It also seeks to specifically facilitate sustainable travel options, consistent with paragraph 104, particularly parts (b) and (c) but also paragraph 103. Policy CS17 also sets an overarching approach to the management of parking provision that is broadly aligned to the paragraphs 111 and 112: The detailed implementation of these standards has been taken forward in the DMP adopted in 2019.

## **Monitoring, local circumstances, and evidence**

### **Monitoring, local circumstances, and evidence**

2.399 As described above, key transport projects, including those geared toward promoting sustainable travel and more efficient operation of the network, have been delivered. This includes the Local Sustainable Transport Fund and Balanced Network projects in Redhill town centre, as well as improved bus services in Horley to serve the two new neighbourhoods.

2.400 In 2022 The Reigate and Banstead Local Cycling and Walking Infrastructure Plan was endorsed which identifies cycling and walking routes for improvement over the coming 10 years. This builds on the recent and current cycle route improvements being funded by Surrey County Council and the Department for Transport including along the A217 and A23.

2.401 The Surrey Local Transport Plan 4 was adopted in July 2022. This included policies to encourage active travel, improve public transport, promote zero emission vehicles and planning for places that reduce the number and length of car trips.

2.402 Parking standards are set out in the Development Management Plan. They have been devised to respond to accessibility to shops and services in town and local centres and to rail stations, and local car ownership levels as required by Policy CS17, national policy, and taking account of County parking standards, particularly for non-residential uses. Through the determination of planning applications, and DMP Policies including TAP1, travel plans are routinely secured on new developments that are major movement generators.



## **Policy CS17: Conclusion**

2.403 No modification or update to Policy CS17 is required.

## **Policy CS18: Implementation and monitoring**

2.404 Policy CS18 sets out that the commitment to regularly monitor progress towards the development targets in the plan and the delivery sites. It also contains a series of potential management actions and measures that may be implemented to facilitate delivery.

## **Conformity with national policy and guidance**

- 2.405 Policy CS18 sets out an overarching commitment to regular monitoring of the effectiveness and operation of policies in the Core Strategy, to secure the timely delivery of development and infrastructure.
- 2.406 This includes the national requirements for maintaining a housing trajectory and supply of deliverable sites to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies (NPPF paragraph 75).
- 2.407 The Council also monitors and annually reports on the supply of new permanent traveller pitches and travelling showperson plots within the Borough, as required by Planning Policy for Traveller Sites (PPTS) 2023 Policy B, paragraph 10(a). This requires Local Planning Authorities, in producing their Local Plans to "identify and update annually, a supply of specific deliverable sites sufficient to provide five years' worth of sites against their locally set targets" of pitches for gypsies and travellers and plots for travelling showpeople.
- 2.408 Due to a change in the Community Infrastructure Regulations 2010 (as amended), since 2020, the Council has moved from reporting s106 planning obligations and Community Infrastructure Levy (CIL) in its Annual Monitoring Report, to publishing on its website an [Annual Infrastructure Funding Statement](#) of planning obligations and CIL receipts, allocations and spends, which can be accessed using the weblink provided.

## **Monitoring, local circumstances, and evidence**

- 2.409 On-going monitoring of the effectiveness of the Core Strategy policies is undertaken against the [Core Strategy Monitoring Framework](#) referred to in the Explanatory text to Policy CS18 (paragraph 8.12), and available on the Council's website using this weblink.
- 2.410 The '[Core Strategy Monitoring Framework' September 2014](#) which can be accessed using this weblink) provides a series of indicators, broadly being either "significant effects indicators" (which measure progress against CS objectives and contextual indicators), or "delivery indicators" (which assess the effectiveness of CS policies). Some strategic policies have specific targets which are included in the [CS Monitoring Framework](#), while for others, performance trends allow effectiveness of the policy to be measured.
- 2.411 As confirmed by paragraph 8.14 of the Explanatory text to Policy CS18, the Council actively monitors performance against the plan's indicators and publishes this information annually on its website through [a suite of Monitoring Reports](#), as well as in the Authority

Monitoring Report (AMR), which you can access using the weblink provided.

- 2.412 The Council's monitoring considerably exceeds the legislative requirements under Regulation 34 of the Town and Country Planning (Local Planning) (England) Regulations 2012, and helps to keep up to date the requirement (under section 13 of the Planning and Compulsory Purchase Act 2024) to keep under review the matters which may be expected to affect the development of the area or the planning of its development.
- 2.413 Throughout the plan period, including since adoption of the DMP in 2019, the Council has proactively facilitated the delivery of allocated development sites and other sustainable development opportunities, including through use of Planning Performance Agreements where suitable.
- 2.414 In recent years the Council has used its own land interests to act as a catalyst for development, particularly to contribute to meeting local affordable housing needs through three recent schemes at Wheatly Court, Cromwell Road, Redhill; Octavia Cottages, Lee Street, Horley; and Camelia Close, Pitwood Park in Tadworth, which have contributed towards meeting the Core Strategy targets for affordable housing as well as to other Corporate Plan (2020-2025) targets.
- 2.415 The Council's Place Delivery Team actively works with Surrey County Council and other partners to deliver effective town centre regeneration schemes in Redhill and Horley, including through the "Delivering Change in Horley Town Centre" programme of four projects which the Council leads alongside its partners, SCC, Horley Town Council and the Coast to Capital Local Enterprise Partnership (LEP).

### **Policy CS18: Conclusion**

- 2.416 No modification or update to Policy CS18 is required.

## Local Plan Review Conclusions

- 3.1 This review of the Local Plan Core Strategy policies, within five years of the approval and adoption of its last review (on 2 July 2019), has been undertaken to comply with the requirements of Regulation 10A of the “the Local Plan Regulations”. The purpose of the review was to assess whether each of the Core Strategy policies is up to date and remains effective.
- 3.2 The Core Strategy review has had due regard to the relevant legislative requirements, national planning policy (notably the NPPF 2023, PPTS 2023 and Written Ministerial Statements), and the associated national Planning Practice Guidance (PPG).
- 3.3 Based on the assessment commentary for each policy provided in the table above, it is concluded that all of the 18 Core Strategy policies are generally consistent with national policy, including the NPPF 2023 and other relevant national policies (such as those relating to travellers’ accommodation and to aviation), and WMSs.
- 3.4 The latest evidence and monitoring data demonstrates that the Core Strategy policies are operating effectively and delivering positively against the requirements, objectives and indicators of the plan, including against its local plan housing delivery requirement.
- 3.5 It is of particular note that:
  - The Council’s housing delivery performance over the plan period to date is strong (completion of an average of 573 new homes per year), exceeding the minimum pro-rata requirement of 460. This demonstrates that the application of the plan is facilitating the maximisation of suitable sustainable locations for housing development, overwhelmingly to date within the urban area, including a higher windfall delivery than anticipated (an annual mean average of 263 new homes completed each year on windfall sites between 1 April 2012 and 31 March 2023), which has been in part due to the national extension of permitted development rights, whilst protecting Green Belt and other locations subject to constraint.
  - With the sites allocated in the Local Plan Development Management Plan in accordance with Policy CS6 “Allocation of land for development”, and the high number of new homes completed on windfall sites, the Council’s Core Strategy is on course to deliver considerably more than the minimum local plan housing requirement of “at least 6,900 homes between 2012 and 2027” under Policy CS13. As of 31 March 2023, 6,303 additional (net) new homes had been completed in the Borough since the start of the plan period in 2012, compared to the pro-rata housing target for that period of at least 5,060.
  - Since the adoption of the Core Strategy in 2014, the Council has consistently demonstrated a five-year land supply, which has not been successfully challenged. This includes an appeal which was dismissed on 30 November 2023 (ref: RH2 8HH APP/L3625/W/23/3317013; application Ref: 21/00400/OUT) for the development of Land at Sandcross Lane, Reigate, Sustainable Urban Extension to be “released” under DMP Policy MLS1 due to lack of a predicted 5-YHLS in the forthcoming two years. The Inspector in this decision also expressed some doubt as to whether the standard method was capable of accurately assessing housing need, given the age of

the statistical information stipulated to be used (2014-based projections) as the baseline.

- The Housing Delivery Test results submitted to the government each year (the latest on 19 December 2023 demonstrating 168%) confirms this strong performance.
- Regular monitoring and Appeals performance, clearly indicates that the plan policies are being implemented and applied effectively and appropriately. Monitoring and appeals performance demonstrate that sustainable development is being supported through the Council’s decision-taking, including crucially towards the housing requirement set out in Policy CS13, delivery of “at least 6,900 homes between 2012 and 2027”.

3.6 With the end of this current plan period a few years away (2027), the Council has started to prepare its new Local Plan, with a timetable for its preparation, the Local Development Scheme (LDS) published on the Council’s website in October 2022. A formal launch event for new Local Plan was held in February 2023, with information provided and an opportunity for questions and discussions with Council officers and councillors. An article on the preparation of a new local plan for the Borough was included in the [Autumn 2023 “Borough News”](#), which was delivered to households in the Borough and was published on the Council’s website. The article provided information on what a local plan is about, and included a call for individuals and communities to get involved in its production.

3.7 The Council is currently at an early stage in the preparation of its new local plan, gathering evidence to establish the issues. Whilst evidence studies are being prepared and commissioned (where specialist technical input is required) to inform a new plan, there have however been national changes made by parliament to the legal framework governing how plans are prepared, aimed at making plan making simpler, faster and more accessible. These changes do not currently have any date from which they will take effect, nor detail of how they will operate. Due to the changes to the plan-making system that will be introduced through the provisions of the Levelling Up and Regeneration Act 2023, a new timetable for the preparation of a new local plan is now proposed.

3.8 The Council continues to work on evidence and data to inform its next local plan. However, to avoid wasted time and financial resources in seeking views on a local plan that may have to be abandoned, the Council has chosen not to carry out any formal consultation stages as set out in the current LDS, until details of national changes are confirmed.

3.9 Legislation and guidance stipulate that once a Council has reviewed its local plan policies to assess whether or not they currently remain up to date and effective, if the Council determines that they are currently up to date and effective, and therefore do not need to be revised or updated, it must publish the reasons for considering that no revision is necessary. Given the conclusion of this local plan review, the Council will therefore publish this document on its website and make it available as required, as comprised the reasons why there is no present need to update the local plan policies.

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# **Duty to Co-Operate responses to the draft local plan Core Strategy Review 2024**

## Duty to Co-operate for Local Plan Core Strategy Review 2024

The Council's advice from Counsel on the issue of local plan reviews advises that the Duty to Cooperate is not a legal requirement for local plan reviews, but for the plan-making process, which a local plan review is not part of. A local plan Review may, or may not, result in the need to update a local plan.

However, the national web based PPG has been revised since the core strategy was last reviewed in 2019, and it now includes the guidance that "*Local planning authorities need to comply with the Duty to Co-operate when revising their development plan documents and reviewing whether they remain up to date.*" It refers to Section 33A(3d) of the Planning and Compulsory Purchase Act 2004, as it says plan reviews prepare the way for the preparation of preparation of development plan document as they involve an assessment of whether policies in a plan need updating. Whilst our own legal advice does not reflect with this interpretation, we have nonetheless engaged with the relevant duty to cop-operate bodies and specific consultees in finalising the local plan core strategy review.

The draft Local Plan Core Strategy Review was sent to 'Prescribed Bodies' for the Duty to Co-operate and 'Specific Consultees' including nearby local authorities, inviting them to submit any relevant comments on the draft which they wished us to consider in finalising the local plan core strategy Review to put to the Council for approval and adoption. Comments were invited over a three week period in January and February 2024.

A summary of those comments received, and an officer response is provided in Table 1 below. No fundamental issues were raised which officers consider indicted challenge the conclusion that the local plan core policies remain up to date and effective.

**Table 1: Comments received on Duty to Co-operate consultation of the draft local plan Core Strategy Review 2024**

<b>Organisation</b>	<b>Summary of comments received</b>	<b>Officer 's response</b>
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<p>Surrey County Council</p>	<p>This is an officer response, and we have the following comments to make.</p> <p><b>Ecology</b></p> <p>We recommend editing paragraph 2.15 as biodiversity net gain was delayed and will now become a 'legal requirement to most 'major' developments from <del>January 2024</del> 12<sup>th</sup> February 2024, and is due to come into force for other smaller developments from <u>2<sup>nd</sup></u> April 2024.'</p> <p>A requirement of the Environment Act 2021 is the production of a LNRS in a collaborative and evidence-based manner and the engagement process for this commenced in 2023, with the aim to complete the strategy by 2024.</p> <p>We would welcome Reigate and Banstead's involvement in this process to ensure local opportunities for nature recovery are identified and linked into a network for greater ecological resilience.</p> <p>As responsible authority for the Local Nature Recovery Strategy (LNRS) we would like to see acknowledgement of the LNRS in this draft review document and expect to see the LNRS referenced in policy in the new Local Plan.</p> <p><b>Flood Risk</b></p> <p>Paragraph 1.23 mentions flooding and coastal change, but we would also like to see specific reference to Sustainable Drainage systems that should be included in major developments - particularly given the significant surface water flood risk that exists within Reigate and Banstead and the opportunities that could be created to better manage and reduce this risk.</p> <p>We acknowledge that Policy CS10 refers to Sustainable Drainage</p>	<p>Paragraph amended accordingly</p> <p>LNRS policy is considered in the review of Policy CS2 and has been noted for work to produce our new Local Plan.</p> <p>The Council's Climate Change and Sustainable Construction SPD 2021</p>
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	<p>systems (SuDs) as a way to manage flood risk and the DMP includes a detailed policy on flood risk that includes SuDs.</p> <p>We would like to see the new Local Plan consider retrofitting and the inclusion of SuDs into existing developed areas which will offer multi-functional benefits.</p> <p><b>Minerals and Waste</b></p> <p>No issues are identified with the existing policies of the Core Strategy, but we would expect the new Local Plan to address sustainable waste management issues, including the provision of Site Waste Management Plans for major development.</p> <p>SCC has published a <u>Sustainable Construction and Waste Management in New Development Guidance Note</u>, that provides details for national and local policy for sustainable waste management.</p> <p>We would also welcome consideration of the following matters in the new plan: safeguarding existing waste management facilities, Waste Consultation Areas, Mineral Safeguarding Areas, existing mineral sites, and resources in the county.</p> <p>We have recently updated and published our <u>Mineral Safeguarding Note</u>, outlining the importance of mineral resources and mineral safeguarding policies.</p>	<p>includes further detail on provision of SuDS.</p> <p>Request noted, and retrofitting of SuDS will be considered through the evidence and preparation of a new local plan</p> <p>Request noted, and will be considered through the evidence and preparation of a new local plan, including safeguarding existing waste management facilities and Minerals Safeguarding Areas</p>
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<p>Mole Valley District Council</p>	<p>The RBBC Local Plan Core Strategy (adopted in 2014) Review 2024 concludes that all of the Core Strategy policies are generally consistent with national policy and remain up-to-date and effective. This Core Strategy Review is subsequent to a previous review carried out in 2019.</p> <p>Mole Valley District Council (MVDC) does not have any comment to make on the robustness of this assessment of the performance and efficacy of a 10-year-old Core Strategy. However, MVDC would like to make a few observations with respect to the potential consequences of RBBC's conclusion.</p> <p>RBBC's current Core Strategy housing target is a minimum of 6,900 homes between 2012 and 2027 under Policy CS13, or 460 homes per annum. Under the national standard method, the housing need figure for RBBC is 156% higher, at 1,123 homes per annum. RBBC notes that if the Core Strategy's policies were found to require updating, 1,123 would be the applicable figure. RBBC's housing delivery performance over the plan period to date is 573 new homes per year, exceeding the minimum plan requirement, but roughly half the standard method figure.</p> <p>For the RBBC 2014 Core Strategy, the Inspector concluded: "the full, objectively assessed need for housing over the plan period is an annual average of between about 600 and 640 dwellings."</p> <p>RBBC appears to consider that the national standard annual local housing need for the Borough (1,123) does not represent a significant change from the housing need identified by the Inspector. The Planning Practice Guidance does not indicate whether a 75 % to 87 % uplift would be a significant change. However, given the extent of the discrepancy in the figures 10 years from the adoption of the Core Strategy, it is imperative that RBBC's assessments of housing land availability and analysis of constraints are rigorous and up-to-date.</p>	<p>This is a mis-reading of the draft local plan CS Review, which at paragraph 2.289 of the draft document clearly stated that the standard method to be applied to R&amp;B at this time would be capped.</p> <p>As noted in the local plan Core Strategy Review, the local housing need number calculated using the standard method currently produces a local housing need number of 644 homes per annum (capped at 40% above the plan figure because the Core Strategy has been reviewed and found not to need updating within the last 5 years). This figure is clearly very close to the "annual average of between about 600 and 640" identified by the CS Inspector. The CS Review (paragraph 2.295) has been amended to make the Council's point clearer that the local</p>
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	<p>RBBC is currently at an early stage in the preparation of its new local plan. However, even at this stage, it is important RBBC has an appreciation of the potential for MVDC to accommodate any unmet housing need. MVDC's stage in the plan-making cycle precludes it from being able to take unmet need. Even if MVDC were at an earlier stage in the plan preparation cycle, it would be unable to meet unmet housing need from other authorities. 77% of MVDC's area is designated as either Green Belt or Area of Outstanding Natural Beauty.</p> <p>The built-up area only comprises 11% of the area and the two principal towns, Leatherhead and Dorking, are historic market towns with significant and extensive heritage constraints limiting development to little more than very gentle densification.</p> <p>As a result of these constraints, MVDC's emerging local plan would meet only approximately 75% of its own need. Given this state of affairs, MVDC would not be able to consider meeting need from outside its borders.</p> <p><b>Gypsies and Travellers</b></p> <p>RBBC's last traveller accommodation needs survey was undertaken in 2016 and it is understood that RBBC is preparing a brief to commission consultants to complete a needs assessment.</p> <p>Policy GTT1 of the RBBC Development Management Plan identifies a need for 32 additional pitches for gypsies and travellers over the period from 2016 to 2031. This equates to 28 pitches over the Core Strategy plan period to 2027.</p> <p>As set out in the latest Housing Monitor (2023), planning permission has been granted for an additional 35 permanent pitches of gypsy accommodation since the 2016 survey base-date of the GTAA 2017, with a further allocated site having capacity for approximately four</p>	<p>housing need number has not changed significantly.</p> <p>As an edge-of London authority with considerable constraints to development, including 70% of the Borough designated as Green Belt, we appreciate the difficulties in meeting local housing needs in full, and note that MVDC will not be able to accommodate any unmet housing need from R&amp;B Borough.</p> <p>This is the current position</p>
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	<p>pitches. As of 31 March 2023, the RBBC demonstrated a 16.36-year supply of deliverable permanent traveller pitches against its local plan target.</p> <p>MVDC's stage in the plan-making cycle precludes it from being able to take unmet need.</p> <p>Furthermore, even if MVDC were at an earlier stage in the plan preparation cycle, it would be unable to accommodate unmet Gypsy and Traveller need from other authorities.</p> <p>MVDC's has an identified need of 52 Gypsy and Traveller pitches over its draft Local Plan period (encompassing both planning and housing definitions of Gypsies and Travellers).</p> <p>MVDC's strategy for meeting this need is through allocating new pitches on strategic development sites, most of which would be released from the Green Belt, and the intensifying of specific existing Gypsy and Traveller sites.</p> <p>Based on the 2021 NPPF definition, the five-year target from adoption and the need over the plan period should both be met. However, MVDC is reliant on (albeit robust) windfall provision to meet the Lisa Smith/2023 NPPF definition. The margin for manoeuvre is therefore tight, especially if one or more sites fails to be developed.</p> <p>Consequently, MVDC would not be able to accommodate unmet need Gypsy and Traveller from RBBC should a more up-to-date GTAA demonstrate a greater need.</p> <p><b>Travelling Showpeople</b></p> <p>Policy GTT1 of the RBBC Development Plan identifies a need for seven plots for travelling</p>	<p>We note that MVDC will not be able to accommodate any unmet G&amp;T pitch need from R&amp;B Borough</p>
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	<p>showpeople over the period from 2016 to 2031. This equates to five plots over the Core Strategy plan period to 2027. Since the 2016 GTAA base-date, four Travelling Showperson's plots have been granted permanent planning permission, against a need for 3.4 plots over this period. As of 31 March 2023, the RBBC demonstrated a 3-year supply of deliverable permanent travelling showperson plots against its local plan target. Thus, it is noted that RBBC is currently unable to identify a supply of specific deliverable sites sufficient to provide five years' worth of provision for travelling showpeople.</p> <p>The identified need in Mole Valley for Travelling Showpeople provision is for four plots in the first five years of the Local Plan, with two additional plots required in the period beyond. At the time of preparing the Plan, it was not possible to identify a specific available and suitable site. This use can potentially be met through the redevelopment of brownfield land that becomes available during the plan period. Alternatively, provision may be acceptable within one of the strategic housing sites that provides good access to the strategic highway network. Given this situation, MVDC would not be able to consider accommodating unmet need from RBBC.</p> <p>We look forward to continuing the active and constructive engagement between MVDC and RBBC on strategic cross-boundary matters, such as Gatwick.</p> <p>In particular, it is recognised that the proposed development extensions to the village of Hookwood would require ongoing collaboration with RBBC and other parties, such as Surrey County Council, on issues like health and education infrastructure and accessibility to the services and amenities of Horley Town.</p>	<p>We note that MVDC will not be able to accommodate any unmet TS plot need from R&amp;B Borough</p> <p>We will continue with our positive co-operation throughout preparation of our respective local plans, planning of supporting infrastructure, and other strategic planning issues such as Gatwick Airport.</p>
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Elmbridge Borough Council	The Borough has no comments to make at this time. We look forward to continuing to engage with you	Response noted
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Waverley Borough Council	<p><b>Housing Need</b></p> <p>Waverley notes that Policy CS13 of the Core Strategy seeks to deliver at least 6,900 homes from 2012 to 2027 which equates to 460 homes per annum. However, it is also noted that this is short of the figure that would be produced using the standard method for assessing housing needs. Whilst Waverley acknowledges that Reigate and Banstead consider that they are unable to accommodate any more housing beyond the level which the adopted Core Strategy Inspector found to be capable of being sustainably delivered, it is unclear how any shortfall in housing need will be delivered going forward.</p> <p>I am of the view that Waverley is unlikely to be able to meet any unmet needs from neighbouring authorities and therefore any unmet needs in Reigate and Banstead must be met within the Housing Market Area that the Borough lies in.</p> <p>It is currently challenging for Waverley to meet the housing requirement set out in its adopted Local Plan Local Plan Part 1 (LPP1) (adopted February 2018) given the significant planning constraints that cover our Borough, including the Green Belt, National Landscapes and the proximity of Habitats sites in the form of Special Protection Areas. Waverley is also preparing a new Local Plan following a review of LPP1. The standard method for calculating local housing need currently shows that the difference between the strategic housing requirement in the Waverley LPP1 is significantly higher which presents an even greater challenge.</p>	<p>We note that there is no legal nor national policy requirement for an area's local housing needs to be met in full.</p> <p>Whilst NPPF paragraph 60 provides in relation to local plans, that "<i>The overall aim should be to meet as much of an area's identified housing need as possible</i>", NPPF paragraph 11 relating to sustainable development confirms that strategic policies for housing and other uses should provide for objectively assessed needs (as well as any needs that cannot be met in neighbouring areas) UNLESS national planning policies in NPPF footnote 7 protecting Green Belt, Sites of Special Scientific Interest, Areas of Outstanding Natural Beauty, areas at risk of flooding, irreplaceable habitats, heritage assets, etc, provide a strong reason to restrict the scale of development, or any adverse impacts of doing so would significantly and demonstrably outweigh the benefits.</p> <p>This was the position on conclusion of the CS Examination.</p> <p>We appreciate the position that Waverley is in, although R&amp;B has exceeded its minimum local plan</p>
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	<p><b>Gatwick Airport</b></p> <p>It is noted that Policy CS9 sets out the Council’s strategic position on Gatwick Airport and supports its development within the existing airport boundary and legal limits. Waverley Borough Council declared a Climate Change Emergency in September 2019 and supports the reduction in carbon emissions including through the aviation industry. Waverley therefore continues to submit representations on proposed Airport development.</p>	<p>housing requirement over the plan period to date.</p> <p>Noted. – The Council is also working with other authorities in the area on responses to Gatwick’s DCO application.</p>
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<p>Salfords and Sidlow Parish Council</p>	<p><b>1 Paragraph 1.18</b></p> <p><i>says “It will be up to local authorities, working with their communities, to determine how many homes can actually be built, taking into account what should be protected in each area - be that our precious Green Belt or national parks, the character or an area, or heritage assets.”</i></p> <p><b>Question 1</b> Does “<i>It will be up to local authorities . . . to determine how many homes can . . . be built</i>” mean the Borough can now specify the number of new homes they need to make provision for rather than be told the number it has to meet?</p> <p><b>Question 2</b> If not, what does it mean?</p> <p><b>Question 3</b> Does “<i>It will be up to local authorities . . . to determine how many homes can . . . be built, taking into account what should be protected in each area - be that our precious Green Belt etc</i>” mean protection of the Green Belt boundaries will be stronger?</p> <p><b>Question 4</b> If not, what does it mean?</p> <p><b>Question 5</b> If either is correct what policy shows how the Borough will achieve this?</p> <p><b>Question 6</b> How will Policy CS13: Housing delivery reflect this?</p> <p><b>2 POLICY CS3 GREEN BELT</b></p> <p>Paragraph 2.19 says “<i>The Policy also requires green spaces, green corridors and site important site-specific green features to be retained and enhanced as far as practicable.</i>”</p>	<p>Question 1 - Yes.</p> <p>The Council’s new local plan housing requirement for the area will be informed by local evidence (including of constraints under NPPF paragraph 11 and footnote 7) and communities, with the standard method for assessing local housing needs being “an advisory starting point”. (NPPF paragraph 61)</p> <p>Question 3 – National planning policy is not explicit that there is no requirement for local authorities to assess their Green Belt for development nor to release Green Belt land for development by altering its boundaries.</p> <p>Paragraph 2.19 of the Draft LP CS Review relates to Policy CS2, which protects the hierarchy of designated habitat sites in the Borough</p>
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	<p>2.48 says <i>“The Council’s evidence demonstrates that the Green Belt in the borough continues to serve an important strategic purpose, and that its boundaries remain relevant and robust.”</i></p> <p>2.62 says <i>“No modification or update to Policy CS3 is required. This Policy is consistent with national policy as far as parts 1 and 2 are concerned and has run its course as far as parts 3 to 6 are concerned, as a green belt review was undertaken to inform the DMP with sustainable urban extension sites allocated.”</i></p> <p><b>Question 7</b> Is there any need for new alterations to the Green Belt boundaries?</p> <p><b>Question 8</b> If so, where are these likely to be?</p> <p>2.62 The conclusion says <i>“No modification or update to Policy CS3 is required. This Policy is consistent with national policy as far as parts 1 and 2 are concerned and has run its course as far as parts 3 to 6 are concerned, as a green belt review was undertaken to inform the DMP with sustainable urban extension sites allocated.”</i></p> <p>The Sustainable Urban Extensions report refers to two areas of possible housing development in Salfords, one east of Salfords and one west of Salfords. Neither is clearly named or specified in this review. There are three possible areas east of Salfords. Land north of Honeycrook Lane, Land south of Whitebushes Estate and land west of Pickets Lane.</p> <p><b>Comment 1</b> To avoid doubt site titles and designations should be clear, consistent and unique.</p>	<p>Paragraph 2.19 of the draft Local Plan Core Strategy Review relates to Policy CS2 ‘<i>Valued landscapes and the natural environment</i>’, whilst paragraphs 2.48 and 2.62 relate to Policy CS3 Green Belt.</p> <p>Question 7 - As has been made clear in the revised NPPF (through wording emphasis rather than change in policy), it is a local authority’s choice whether to alter Green Belt boundaries. The Council is not currently intending to assess the Green Belt in the area. We draw to your attention NPPF paragraph 145 <i>“Once established, there is no requirement for Green Belt boundaries to be reviewed or changed when plans are being prepared or updated. Authorities may choose to review and alter Green Belt boundaries where exceptional circumstances are fully evidenced and justified, ... Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long</i></p>
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	<p><b>3. POLICY CS9: GATWICK AIRPORT</b></p> <p>The conclusion in 2.237 says <i>“No modification or update to Policy CS9 is required.”</i></p> <p>This seems to ignore concern raised in the Borough’s Gatwick Northern Runway DCO Application Representation dated 26 October 2023.</p> <p>Core Strategy Policy CS9 says <i>‘The Council will support the development of Gatwick Airport, within the existing airport boundary and existing legal limits, including the development of facilities that contribute to the safe and efficient operation of the airport.’</i></p> <p>2.229 says <i>‘The UK’s Sixth Carbon Budget’ 2021, introduced a statutory cap on aviation emissions for the first time through the DfT’s ‘Jet Zero Strategy: Delivering net zero aviation by 2050’ (July 2022), which sets ambitious targets for achieving zero emissions from the aviation sector by 2040 for internal flights and 2050 for external flights.</i></p> <p>2.236 Policy CS9 does not preclude additional capacity within Gatwick Airport, and whilst the outcome of the DCO submission is still</p>	<p><i>term, so they can endure beyond the plan period.”</i></p> <p>The Sustainable Urban Extensions reports that refer to these areas informed the Core Strategy’s assessment of Green Belt land, and Policy CS6(3).</p> <p>We note this issue of clarity of site referencing for our new Local Plan evidence.</p>
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	<p>unknown, a clearer picture of the growth impacts is emerging. Continued monitoring of the progress of the Gatwick Northern Runway DCO will continue, but it is not considered to require Policy CS9 to be modified at this time. It is unlikely that a decision will be reached on the submitted DCO by the Examining Authority until late 2024 at the earliest.</p> <p>Note policy CS1 : Presumption in Favour of Sustainable Development, which says . . . <i>the Council. . . will work proactively with applicants to secure development that improves the economic, social and environmental conditions in the area</i></p> <p><b>Comment 2</b> In order to avoid the Borough’s Gatwick Northern Runway DCO Application Representation (GNRDAR) being dismissed as contrary to the Core Strategy Policy CS9 should include <i>“The council will oppose any growth at Gatwick Airport, including any increase in runway capacity, which would have an adverse effect on any of the following; landscape and townscape, ecology, water, traffic, and transport, air quality, noise, climate change, socio-economic concerns, the Code of Construction Practice, the Design and Access Statement, health and wellbeing, agriculture and recreation and the Council’s additional concerns. [from paragraph 3 of the (GNRDAR)]</i></p> <p><b>4. POLICY CS16: GYPSIES, TRAVELLERS AND TRAVELLING SHOWPEOPLE</b></p> <p>The Conclusion at 2.398 says <i>“No modification or update to Policy CS16 is required.”</i></p> <p><b>Question 9</b> Does the Core Strategy identify sufficient land for gypsies, travellers and travelling showpeople to mean the Borough can successfully prevent these people from setting up their own sites?</p>	<p>There is no conflict between Policy CS9 and the Borough Council’s submitted representation to Gatwick’s DCO.</p> <p>The Borough Council is challenging the DCO application on a number of environmental grounds including air quality and noise. Policy CS9 does not therefore currently need to be updated.</p> <p>Policy CS16 and DMP Policy GTT1 together provide for policy criteria and site allocations to meet the needs identified in the latest Gypsy and Traveller Accommodation Assessment (2017) Individuals and families sometimes do still purchase land and set up unauthorised sites, and sometimes</p>
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	<p><b>Question 10</b> If not what more is required and will it be done?</p> <p>We hope these comments and questions are useful and will be seriously considered in the Local Plan core strategy review.</p>	<p>these are permitted either by the Council or at appeal because of a variety of factors, that may include personal circumstances and best interests of children.</p>
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<p>Environment Agency</p>	<p>We understand you are reviewing your existing Core Strategy (adopted July 2014) as part of the requirement outlined in the National Planning Policy Framework (NPPF) to conduct a review every 5 years.</p> <p>We have reviewed the policies related to matters within our remit and respond as follows:</p> <p><b>Policy CS2: Valued landscapes and the natural environment</b></p> <p>With reference to the above policy, our role and focus is on protecting and enhancing the water environment including watercourses and wetland habitats.</p> <p>Paragraph 2.14 states that the requirement for measurable biodiversity net gain (BNG) on most development sites will come into effect in January 2024. This has subsequently been delayed until 12 February 2024.</p> <p>Whilst we agree that there is no requirement for the existing core strategy to be modified to reflect the statutory BNG instruments, we would strongly recommend that you develop a local BNG policy in a future local plan.</p> <p>A locally specific biodiversity net gain policy would allow you to identify specific priorities and strategies you require developers to consider delivering BNG, e.g., Local Nature Recovery Strategies, important habitats, Biodiversity Action Plans, and Green and Blue Infrastructure strategies.</p> <p>We have no further comments to add on this policy and no objections to the wording of this policy being kept the same.</p> <p><b>Policy CS10: Sustainable Development</b></p>	<p>Dates noted changed.</p> <p>The Council is currently considering how it will secure BNG and we are agreed that this issue will be considered in preparing our new Local Plan (a single local plan consisting of Vision, strategy, site allocations, and detailed local DM policies).</p>
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	<p>This policy references matters of interest to us including water pollution / quality, climate change adaptation and flood risk.</p> <p>We agree that no update or modification is required, and that this core strategy policy is still consistent with the requirements of the NPPF.</p> <p>We highlight that there have been several changes to the “<u>Flood Risk and Coastal Change</u>” section of the Planning Practice Guidance since the publication of the Core Strategy in 2014, which we would expect to see reflected in a future new Local Plan and evidence base.</p> <p>For your information, I have attached a briefing note which summarises the major changes made to the <u>Flood Risk and Coastal Change</u> section of the PPG in August 2022.</p> <p>We are pleased to note (paragraph 2.252 ) that over the plan period to date, there have been no developments approved contrary to our advice.</p> <p>In summary we are comfortable that the Core Strategy remains an appropriate strategic policy framework for managing development in the borough.</p>	<p>Noted</p> <p>Thank you for highlighting this section of the PPG, which we will consider fully as we prepare our new Local Plan.</p> <p>Noted</p>
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National Highways	<p>National Highways was appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the strategic road network (SRN).</p> <p>The SRN is a critical national asset and as such National Highways works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity.</p> <p>We will therefore be concerned with proposals that have the potential to impact the safe and efficient operation of the SRN, in this case the M25, M23 and part of the A23.</p> <p>Following review of the Core Strategy Review document, we note the Core Strategy is on target and remains consistent with national policy. There were no particular issues raised previously that impacted on the SRN in relation to the adopted Core Strategy, and therefore we have no comments to make on this review.</p> <p>Moving forward with the new Department for Transport Circular 01/2022 'Strategic road network and the delivery of sustainable development', we will be looking more closely at adherence to national policy, and in particular, in relation to our net zero strategy and sustainable measures requirements. We look forward to continuing to participate in future consultations and discussions.</p>	Comments noted.
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<p>Historic England</p>	<p>As the Government's adviser on the historic environment Historic England is keen to ensure that the protection of the historic environment is fully taken into account at all stages of the planning process. This includes formulation of local development policy and plans, supplementary planning documents, area and site proposals, and the on-going review of policies and plans.</p> <p>There are many issues and matters in the consultation document that are beyond the remit and concern of Historic England and our comments are, as required, limited to matters relating to the historic environment and heritage assets.</p> <p>Historic England wishes to highlight the objective of the Paragraph 196 of National Planning Policy Framework to set out in the local plan "<i>a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats.</i></p> <p><i>This strategy should take into account</i></p> <ul style="list-style-type: none"> <li><i>a) the desirability of sustaining and enhancing the significance of heritage assets, and putting them to viable uses consistent with their conservation;</i></li> <li><i>b) the wider social, cultural, economic and environmental benefits that conservation of the historic environment can bring;</i></li> <li><i>c) the desirability of new development making a positive contribution to local character and distinctiveness; and</i></li> <li><i>d) opportunities to draw on the contribution made by the historic environment to the character of a place."</i></li> </ul> <p>A strategic strategy for the historic environment as required by paragraph 20 d) of NPPF, in our view, is not a passive exercise but requires a plan for the maintenance and use of heritage assets and for the delivery of development including within their setting that will afford appropriate protection for the</p>	<p>The current Local Plan is in two parts, the Core Strategy 2014 and the subsequent Development Management Plan 2019 (DMP), which provides detailed policies for assessing planning applications and site allocations.</p> <p>DMP 'Policy NHE9: Heritage Assets' and its Explanation provide a positive strategy that we consider accords with NPPF paragraph 196, as it was required by PINS Local Plan Inspector to be amended in order to be fully consistent with the NPPF (see Main modification MM21).</p> <p>Local Plan Policies CS4 and NHE9 are amplified by guidance provided in</p>
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	<p>asset(s) and make a positive contribution to local character and distinctiveness.</p> <p>You should satisfy yourself that the Review of extant policies reflects the requirements of both paragraphs 196 and 20 d) of the NPPF. In our view, the Review is an opportunity to start the process of updating the historic environment policies of the local plan, and the assessment of Core Strategy <b>Policy CS4: Valued townscapes and the historic environment</b> does not fully address this.</p> <p>We trust that as the new local plan evolves, the Council will revisit the policies relating to the historic environment of the Borough and ensure that the new plan is robust and sound, and well evidenced.</p> <p>We should like to stress that this opinion is based on the information provided by the Council in its consultation.</p> <p>To avoid any doubt, this does not affect our obligation to provide further advice and, potentially, object to specific proposals which may subsequently arise where we consider that these would have an adverse effect upon the historic environment.</p> <p>We hope that these comments are useful.</p>	<p>the 2021 Local Distinctiveness and Design Guide SPD.</p> <p>As noted in the LP CS Review, Policy CS4 is supplemented by detailed design requirements in Development Management Plan Policy NHE9. We are satisfied that together, the two parts of our Local Plan reflect the requirements of NPPF paragraphs 20d and 196.</p> <p>The new Local Plan, which is currently at the very early stages in its preparation, will be a single local plan, and so will address both strategic and local details development, design and heritage issues.</p>
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<p>Thames Water</p>	<p>Thames Water are the statutory sewerage undertaker for the whole of the Borough and the statutory water undertaker for a small area of the north west corner of the Borough and are hence a “specific consultation body” in accordance with the Town &amp; Country Planning (Local Planning) Regulations 2012.</p> <p><b>Policy CS10: Sustainable Development - Water Efficiency</b></p> <p>Policy CS10 is supported in principle but needs strengthening to ensure water efficiency standard of 110 litres per person per day is met (105 litres per head per day plus an allowance of 5 litres per head per day for gardens) as set out in the NPPG (Reference ID: 56-014-20150327) and support the inclusion of this requirement in Policy.</p> <p>We understand that the water efficiency standard of 110 litres per person per day is only applied through the building regulations where there is a planning condition requiring this standard (as set out at paragraph 2.8 of Part G2 of the Building Regulations).</p> <p>Given that the Environment Agency has designated the Thames Water region to be an area of “serious water stress”, reflecting the extent to which available water resources are used, this planning condition should be attached as standard to all planning approvals for new residential development in order to help ensure that the standard is effectively delivered through the building regulations.</p> <p>We therefore support Policy DM7 in referring the use of planning conditions. However, clarification should be provided in relation to the preferred ‘Fittings Approach’.</p> <p>We therefore consider that additional text (provided) should be included in Core Policy 1:</p> <p><b>Policy CS12: Infrastructure Delivery - Water Resources and Waste</b></p>	<p>This level of detail is more suited to a DM policy or to Supplementary Planning Document guidance rather than to a strategic policy such as CS10. .</p> <p>Noted, but not relevant to the CS Review</p> <p>It is unclear what Policy DM7 and Core Policy 1 are.</p>
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	<p><b>Water Infrastructure</b></p> <p>We generally support the reference to water and wastewater infrastructure, but it is such an important issue that it should be covered in a separate ‘Water Resources and Wastewater Infrastructure’ policy in the new Local Plan and that it should be improved in line with the following detailed comments:</p> <p>Water and wastewater infrastructure is essential to any development. Failure to ensure that any required upgrades to the infrastructure network are delivered alongside development could result in adverse impacts in the form of internal and external sewer flooding and pollution of land and water courses and/or low water pressure.’</p> <p>A key sustainability objective for the preparation of Local Plans and Neighbourhood Plans should be for new development to be co-ordinated with the infrastructure it demands and to take into account the capacity of existing infrastructure. Paragraph 20 of the revised National Planning Policy Framework (NPPF), 2021, states: “<i>Strategic policies should set out an overall strategy for the pattern, scale and quality of development, and make sufficient provision for... infrastructure for waste management, water supply, wastewater...</i>”</p> <p>Paragraph 28 relates to non-strategic policies and states: “<i>Non-strategic policies should be used by local planning authorities and communities to set out more detailed policies for specific areas, neighbourhoods or types of development. This can include allocating sites, the provision of infrastructure...</i>”</p> <p>A summary of the requirements of various parts of the web based National Planning Practice Guidance (NPPG) on ‘water supply, wastewater and water quality’ is provided.</p> <p>The new Local Plan should therefore seek to ensure that there is</p>	<p>Development Management Plan (DMP) 2019 Policy INF1 includes more detailed requirements relating to proposed developments and impacts on local utilities networks.</p> <p>Key infrastructure to support the development planned by the Core Strategy is included for each area in Policy CS8</p> <p>As the Core Strategy is the strategic part of the Borough’s Local Plan, this is not relevant to the CS Review. The Development Management Plan (DMP) allocated sites for development and includes detailed policies for development management, including consideration of adequate suitable supporting infrastructure.</p>
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	<p>adequate water and wastewater infrastructure to serve all new developments. We consider that the New Local Plan should include a specific policy on the key issue of the provision of 'Water Resources/Supply and Sewerage/Wastewater Infrastructure' to service development.</p> <p>We therefore recommend that Core Policy 9 is amended to cover both 'Water Resources &amp; Wastewater Infrastructure'.</p> <p><b>Q12 - Policy EN18: Flooding and Sustainable Drainage</b></p> <p>In relation to flood risk, the National Planning Practice Guidance (NPPG) states that a sequential approach should be used by local planning authorities in areas known to be at risk from forms of flooding other than from river and sea, which includes "Flooding from Sewers". We therefore support the reference to sewer flooding in Core Policy 7.</p> <p>Detailed requirements for flood risk policies are highlighted.</p> <p>Limiting the opportunity for surface water entering the foul and combined sewer networks is of critical importance to Thames Water. Thames Water have advocated an approach to SuDS that limits as far as possible the volume of and rate at which surface water enters the public sewer system. By doing this, SuDS have the potential to play an important role in helping to ensure the sewerage network has the capacity to cater for population growth and the effects of climate change.</p> <p>SuDS help to mitigate flooding and can also help to improve water quality; provide opportunities for water efficiency; provide enhanced landscape and visual features; support wildlife; and provide amenity and recreational benefits.</p> <p>With regard to surface water drainage, Thames Water request that the following paragraph should be included in Policy wording or supporting text: <i>"It is the responsibility of a developer to make proper provision for</i></p>	<p>Policy CS7 concerns town and local centres rather than flooding and drainage.</p> <p>Guidance on SuDS is provided in the adopted Climate Change and Sustainable Construction SPD 2021 to amplify CS and DMP policies</p> <p>This is a detailed development management issues, rather than a</p>
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	<p><i>surface water drainage to ground, water courses or surface water sewer. It must not be allowed to drain to the foul sewer, as this is the major contributor to sewer flooding.”</i></p> <p><b>Policy CS13: Housing Delivery - Growth Options Comments</b></p> <p>The level of information contained in the current consultation does not enable Thames Water to make an assessment of the impact the proposed development will have on the waste water/sewerage network infrastructure and sewage treatment works. To enable us to provide more specific comments we require details of the type and scale of development together with the anticipated phasing.</p> <p>Where developers do not engage with Thames Water prior to submitting their application, this will more likely lead to the recommendation that a Grampian condition is attached to any planning permission to resolve any infrastructure issues.</p>	<p>strategic plan issue, and is currently set out at paragraphs 3.4.11 and 3.4.12 of the Explanation to DMP Policy INF1 Infrastructure</p> <p>Thames Water was consulted and its comments informed the site allocation policies in the DMP.</p>
Transport for London (TfL)	We have reviewed the draft Core Strategy Local Plan Review 2024 and do not have any comments.	

## PAS LOCAL PLAN ROUTE MAPPER TOOLKIT PART 1: LOCAL PLAN REVIEW ASSESSMENT

### Why you should use this part of the toolkit

The following matrix **will assist you in undertaking a review of policies within your plan to assess whether they need updating.**

The matrix is intended to supplement the [National Planning Policy Framework](#) (NPPF) 2021 (paragraph 33 in particular) and the associated [National Planning Practice Guidance](#) on the review of policies within the plan. Completing the matrix will help you understand which policies may be out of date for the purposes of decision making or where circumstances may have changed and whether or not the policy / policies in the plan continue to be effective in addressing the specific local issues that are identified the plan. This in turn will then help you to focus on whether and to what extent, an update of your policies is required. We would recommend that you undertake this assessment even if your adopted local plan already contains a trigger for review which has already resulted in you knowing that it needs to be updated. This is because there may be other policies within the plan which should be, or would benefit from, being updated.

**This, Part 1 of the toolkit deals with local plan review.**

Part 2 of the toolkit sets out the content requirements for a local plan as set out in the NPPF.

Part 3 of the toolkit outlines the process requirements for plan preparation set out in legislation and the NPPF.

Part 4 of the toolkit deals with Soundness and Plan Quality issues.

### How to use this part of the toolkit

Before using this assessment tool it is important that you first consider your existing plan against the key requirements for the content of local plans which are included in the [Planning and Compulsory Purchase Act 2004 \(as amended\)](#); [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012 \(as amended\)](#) and the most up to date [NPPF](#), [PPG](#), **Written Ministerial Statements** and the [National Model Design Code](#).

To help you with this **Part 2 of the toolkit** provides a checklist which sets out the principal requirements for the content and form of local plans against the relevant paragraphs of the [NPPF](#).

Completing **Part 2 of the toolkit** will help you determine the extent to which your current plan does or does not accord with relevant key requirements in national policy. **This will assist you in completing question 1 in the assessment matrix provided below**, and in deciding whether or not you need to update policies in your plan, and to what extent.

To use the matrix, consider each of the statements listed in the “requirements to consider” column against the content of your current plan. You will need to take into consideration policies in all development plan documents that make up your development plan, including any ‘made’ neighbourhood plans and/ or any adopted or emerging Strategic Development Strategy. For each statement decide whether you:  
Disagree (on the basis that your plan does not meet the requirement at all);  
Agree (on the basis that you are confident that your current plan will meet the requirement)

Some prompts are included to help you think through the issues and support your assessment. You may wish to add to these reflecting on your own context.

Complete all sections of the matrix as objectively and fully as possible. Provide justification for your conclusions with reference to relevant sources of evidence where appropriate. You will need an up to date Authority Monitoring Report, your latest Housing Delivery Test results, 5 year housing land supply position, any local design guides or codes and the latest standard methodology housing needs information. You may also need to rely on or update other sources of evidence but take a proportionate approach to this. It should be noted that any decision not to update any policies in your local plan will need to be clearly evidenced and justified.

## How to use the results of this part of the toolkit

The completed assessment can also be used as the basis for, or as evidence to support, any formal decision of the council in accordance with its constitution or in the case of, for example, Joint Planning Committees, the relevant Terms of Reference in relation to the approach to formal decision-making, as to why an update to the local plan is or is not being pursued. This accords with national guidance and supports the principle of openness and transparency of decision making by public bodies.



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	Matters to consider	Agree / Disagree	Extent to which the local plan meets this requirement
A	<b>PLAN REVIEW FACTORS</b>		
A1.	<p><b>The plan policies still reflect current national planning policy requirements.</b></p> <p><b>PROMPT:</b> As set out above in the introductory text, in providing your answer to this statement consider if the policies in your plan still meet the ‘content’ requirements of the current NPPF, PPG, Written Ministerial Statements and the National Model Design Code (completing Part 2 of the toolkit will help you determine the extent to which the policies in your plan accord with relevant key requirements in national policy).</p>	Agree	<p><b>Reason (with reference to plan policies, sections and relevant evidence):</b></p> <p>The consistency of each local plan core strategy policy with current national policy (NPPF and any relevant Written Ministerial Statements) has been assessed and set out by Core Strategy policy in the Local Plan Core Strategy Review provided at Annex 1 of the March 2024 report to Council.</p> <p>As the Borough’s local plan is not a single Local Plan, but rather its Core Strategy provides the strategic planning policies for the Borough (the detailed development management policies and site allocation policies being subsequently provided in the Development Management Plan 2019), and with the toolkit not having been updated to reflect the 2023 NPPF updates, the Council has found that it is not useful in this situation to complete Part 2 of the PAS Toolkit.</p> <p>The elements of the PAS Toolkit Part 2 that relate to the content of strategic local plans, along with their Dec 2023 NPPF paragraph references, are included in the local plan Review itself, provided at Annex 1.</p> <p>The Council has also adopted has a variety of guidance documents in the past few years which provide detail on application of local plan policies.</p> <p>A draft Design Code SPD for a large area of the centre Borough (the draft of which has been subject to consultation) is based on</p>

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	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
			<p>the National Design Code.</p> <p>With regards consideration of Section A1 of this Toolkit, we note that the PPG is not policy but guidance and the “soundness” requirement for local plans, as set out in NPPF paragraph 35, is to be consistent with national policy ..”<i>the policies in this Framework and other statements of national planning policy, where relevant</i>”.</p> <p>Whilst the guidance provided in the PPG has been considered, where relevant in the local plan review, this does not necessarily determine whether a policy remains consistent with national policy, but can assist in considering whether it is.</p>
<b>A2.</b>	<p><b>There has not been a <u>significant</u> change in local housing need numbers from that specified in your plan (accepting there will be some degree of flux).</b></p> <p><b>PROMPT:</b> Look at whether your local housing need figure, using the standard methodology as a starting point, has gone up significantly (with the measure of significance based on a comparison with <b>the housing requirement</b> set out in your adopted local plan).</p> <p>Consider whether your local housing need figure has gone down significantly (with the measure of significance based on a comparison with the housing requirement set out in your adopted local plan).</p> <p>You will need to consider if there is robust evidence to demonstrate that your current housing requirement is deliverable in terms of market capacity or if it supports, for example, growth strategies such as Housing Deals, new</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>Question A2 relates to whether <b>local housing need</b> has changed significantly, and NOT as suggested by the prompt whether local housing need has changed compared to “<b>the housing requirement set out in your adopted local plan</b>”).</p> <p>In the case of RBBC’s Core Strategy, the local housing <b>requirement</b> specified in the plan is a constrained needs figure as referred to in NPPF paragraph 11, footnote 7.</p> <p>NPPF Dec 2023 paragraph 33, and PPG (Plan Making: Plan reviews; Paragraph Reference 61-062-20190315; Revision date: 15 03 2019) both refer to where “housing <b>need</b>” has changed significantly, and NOT the local plan housing requirement.</p> <p>NPPF Paragraph 33 specifies that “Relevant strategic policies will need updating at least once every five years if their applicable</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
	<p>strategic infrastructure investment or formal agreements to meet unmet need from neighbouring authority areas.</p>		<p><b>local housing need figure</b> has changed significantly; and they are likely to require earlier review if local housing need is expected to change significantly in the near future.”</p> <p>As “significant” in this context has not been defined, it is for each local authority to decide whether its local housing need has changed significantly.</p> <p>Through the local plan Core Strategy Review 2024, the Council has robustly demonstrated that the Borough’s local housing need has not changed significantly (644 compared to between “600 and 640” referenced in the Core Strategy Inspector’s Report ).</p> <p>Even if the uncapped figure of 1,123 were to be used, it is still not significantly different from the 933 anticipated in the later years of the plan period.</p> <p>The Council’s annually published Housing Monitors demonstrates that the current local plan housing requirement is consistently deliverable through the whole of the plan period.</p> <p>As identified in the PAS Local Plan Route Mapper, “failure to deliver new homes is <i>the single matter most likely to trigger the need for a review of policies and update of a local plan. Failure to keep your housing need requirement under regular review, or to achieve delivery of the housing need requirement in an existing local plan can significantly hamper efforts to maintain a plan-led system.</i>”</p> <p>As demonstrated through regular local plan monitoring, summarised in the LP Review, the Council has a good record of housing delivery, cumulatively achieving delivery over the</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
			<p>annualised average minimum Local Plan housing requirement.</p> <p>The evidence is that the local plan housing requirement is deliverable.</p>
<b>A3.</b>	<p><b>You have a 5-year supply of housing land</b></p> <p><b>PROMPT:</b> Review your 5-year housing land supply in accordance with national guidance including planning practice guidance and the Housing Delivery Test measurement rule book</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>The <a href="#">2023 Housing Monitor</a> concludes that as at 1 April 2023, the current supply of deliverable sites (which includes a windfall allowance) against its adopted minimum local plan housing requirement is equivalent to 7.80 years, thus significantly exceeding the 5-year requirement.</p> <p>Since the Council adopted its Core Strategy in July 2014, it has consistently maintained a five-year land supply and there have been no appeals allowed based on successful challenges to this position since adoption of the Core Strategy.</p>
<b>A4.</b>	<p><b>You are meeting housing delivery targets</b></p> <p><b>PROMPT:</b> Use the results of your most recent Housing Delivery Test, and if possible, try and forecast the outcome of future Housing Delivery Test findings.</p> <p>Consider whether these have/are likely to trigger the requirement for the development of an action plan or trigger the presumption in favour of sustainable development. Consider the reasons for this and whether you need to review the site allocations that your plan is reliant upon. In doing so you need to make a judgement as to whether updating your local plan will support delivery or whether there are other actions needed which are not dependent on</p>	<b>Agree</b>	<p>Reigate &amp; Banstead Borough’s most recent Housing Delivery Test (HDT) performance (19 December 2023) is 168%, which reflects significant delivery above the local plan minimum housing requirement over the past rolling three-year period. As a result, there is no specific action or penalty, such as “action plan or trigger the presumption in favour” required to be taken by the Council.</p> <p>The Council’s Housing Monitor, published on line in June each year, sets out a 5-year supply of deliverable sites for the year and also a predicted supply of deliverable sites for the following year, sufficient to meet the Council’s housing requirement, as required by DMP Policy MLS1 ‘Managing Land Supply’ applying Core</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
	changes to the local plan.		Strategy Policy CS13.
A5.	<p><b>Your plan policies are on track to deliver other plan objectives including any</b></p> <ul style="list-style-type: none"> <li><b>(i) affordable housing targets including requirements for First Homes; and</b></li> <li><b>(ii) commercial floorspace / jobs targets over the remaining plan period.</b></li> </ul> <p><b>PROMPT:</b> Use (or update) your Authority Monitoring Report to assess delivery.</p>	<b>Agree</b>	<p>The Council's Housing Monitor, published online annually in June confirms that the cumulative target over the plan period to date (1,100 affordable homes at an annualised average of 100 per year) has been exceeded, as to date 1,129 additional affordable homes have been completed within the Borough.</p> <p>The total plan period target for additional affordable homes is 1,500 units between 2012-2027. The Council is on-track to have these provided in the Borough by 2027.</p> <p><a href="https://reigate-banstead.gov.uk/reigate-banstead/housing-delivery-monitor-and-trajectory-plan-monitoring/">Housing Delivery Monitor and Trajectory   Plan Monitoring   Reigate and Banstead (reigate-banstead.gov.uk)</a></p> <p>Following the 24 May 2021 Affordable Homes Update WMS , the Council produced a '<a href="#">First Homes Interim Policy Statement</a>' the policy requirements and local eligibility criteria of which were noted by the Council's Planning Committee (Item 10 of Planning Committee 8<sup>th</sup> June 2022). (Since referenced in the NPPF December 2023 at paragraph 6 and footnote 36).</p> <p>As a tenure of intermediate affordable housing, the Council has secured First Homes as flats in Redhill town centre, but its application in the Borough is limited by the discounted price cap of £250,000, and other eligibility criteria (first time buyer, cap on income). Given inflation, cost of living increases, and changes in mortgage availability since the national First Homes policy was introduced, as well as reduction in the mortgage products offered, this type of affordable housing has not been delivered to the degree envisaged by central government, but has otherwise by agreement with developers, been provided as other intermediate</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
			<p>affordable housing products such as shared ownership.</p> <p>Local plan Core Strategy Policy CS8 sets out the commercial floorspace requirements and outlines how these are being met over the plan period.</p>
<p><b>A6.</b></p>	<p><b>There have been no significant changes in economic conditions which could challenge the delivery of the Plan, including the policy requirements within it.</b></p> <p><b>PROMPT:</b> A key employer has shut down or relocated out of the area.</p> <p>Unforeseen events (for example the Covid-19 Pandemic) are impacting upon the delivery of the plan.</p> <p>Up-to-date evidence suggests that jobs growth is likely to be significantly more or less than is currently being planned for.</p> <p>Consider if there is any evidence suggesting that large employment allocations will no longer be required or are no longer likely to be delivered.</p> <p>You will need to consider whether such events impact on assumptions in your adopted local plan which have led to a higher housing requirement than your local housing need assessment indicates.</p> <p>Consider what the consequences could be for your local plan objectives such as the balance of in and out commuting and the resultant impact on proposed transport infrastructure provision (both capacity and viability), air quality or climate change considerations.</p>	<p><b>Agree</b></p>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>As summarised in the local plan Core Strategy review, the employment needs identified within the Core Strategy are to be met predominantly through intensification of existing employment land.</p> <p>The only large employment allocation in the current local plan is in the DMP, as the Core Strategy does not allocate sites</p> <p>Site allocation Policy ‘HOR9: Horley Strategic Business Park’ was allocated to reduce out commuting from Horley to London, provide for a proportion of the Borough’s strategic office need, as well as approximately 75% of Crawley Borough’s unmet business floorspace needs for that plan period.</p> <p>Site allocation HOR9 does not result in an increased need for housing, as it is allocated to reducing commuting from Horley and surrounding areas into London, and to meet much of Crawley Borough’s strategic employment needs.</p> <p>The Council commissioned a study of employment land needs in 2020 to inform the drafting of a Supplementary Planning Document. The ‘<i>Horley Strategic Business Park Economic and Market Assessment</i>’, Feb 2021, by Chilmark Consulting was</p>

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	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
			published on the Council’s website and is available using this <a href="#">weblink</a> . It considered the impact of Brexit and the 2020/22 pandemic. The delivery of the strategic employment site allocated by the local plan (part 2) Development Management Plan is currently paused due to the Gatwick Airport DCO application.
A7.	<p><b>There have been no significant changes affecting viability of planned development.</b></p> <p><b>PROMPT:</b> You may wish to look at the Building Cost Information Service (BCIS) All-in Tender Price Index, used for the indexation of Community Infrastructure Levy (CIL), or other relevant indices to get a sense of market changes.</p> <p>Consider evidence from recent planning decisions and appeal decisions to determine whether planning policy requirements, including affordable housing, are generally deliverable.</p> <p>Ongoing consultation and engagement with the development industry may highlight any significant challenges to delivery arising from changes in the economic climate.</p>	Agree	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>We note that in 2020 the CIL indexing changed from the ‘All-in Tender Price Index’ published from time to time by the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors (RICS) to RICS’s ‘CIL Index’.</p> <p>We have considered the development viability in some detail both in preparation of the Council’s CIL Charging Schedule and in considering the viability of DMP policies and site allocations.</p> <p>Given the record of development in the Borough, particularly of housing development including affordable housing, we are satisfied that, notwithstanding the current higher interest rates and lending, overall changes in development viability since the Core Strategy was examined are within the normal range to be expected across an economic cycle, and are not stifling development.</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
<b>A8.</b>	<p><b>Key site allocations are delivering, or on course to deliver, in accordance the local plan policies meaning that the delivery of the spatial strategy is not at risk.</b></p> <p><b>PROMPT:</b></p> <p>Identify which sites are central to the delivery of your spatial strategy. Consider if there is evidence to suggest that lack of progress on these sites (individually or collectively) may prejudice the delivery of housing numbers, key infrastructure or other spatial priorities.</p> <p>Sites may be deemed to be key by virtue of their scale, location or type in addition to the role that may have in delivering any associated infrastructure.</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>The key Core Strategy policy relating to allocating land for development is Policy CS6. The Core Strategy does not itself allocate sites, but rather sets out (in Policies CS6 and CS8) broad sustainable areas for development, subject to allocations of sites in the subsequent Development Management Plan (DMP).</p> <p>As outlined in the LP CS Review 2024, housing delivery is exceeding the minimum annualised average. There are no key urban sites allocated in the Core Strategy.</p> <p>Monitoring shows that the spatial strategy established in Policy CS6 remains robust, and that the sustainable urban extensions are still not needed to ensure a 5-year housing land supply.</p> <p>As summarised in the annually published Housing Monitor, the sustainable urban extension sites referred to in Policy CS6(3), and allocated by the DMP, do not yet need to be released to deliver the spatial strategy as set out under Policy CS13, to maintain a 5-year housing land supply of deliverable sites and a predicted 5-year supply for the following (and the subsequent Development Management Policy MLS1).</p> <p>The delivery of Horley Strategic Business Park allocated by the local plan (part 2) Development Management Plan Policy HOR9 is currently paused due to the Gatwick Airport DCO application.</p>
<b>A9.</b>	<p><b>There have been no significant changes to the local environmental or heritage context which have implications for the local plan approach or policies.</b></p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>The Strategic Flood Risk Assessment (SFRA) for the DMP sites</p>



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	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
	<p><b>PROMPT:</b> You may wish to review the indicators or monitoring associated with your Sustainability Appraisal (SA) / Strategic Environmental Assessment (SEA) / Habitats Regulations Assessment (HRA).</p> <p>Identify if there have been any changes in Flood Risk Zones, including as a result of assessing the effects of climate change.</p> <p>Consider whether there have been any changes in air quality which has resulted in the designation of an Air Quality Management Area(s) or which would result in a likely significant effect on a European designated site which could impact on the ability to deliver housing or employment allocations.</p> <p>Consider whether there have been any changes to Zones of Influence / Impact Risk Zones for European sites and Sites of Special Scientific Interest or new issues in relation to, for example, water quality.</p> <p>Consider whether there have been any new environmental or heritage designations which could impact on the delivery of housing or employment / jobs requirements / targets.</p> <p>Consider any relevant concerns being raised by statutory consultees in your area in relation to the determination of individual planning applications or planning appeals which may impact upon your plan - either now or in the future.</p>		<p>and its allocations ensure that the local plan strategy and its site allocations (in the DMP) are deliverable, and included consideration of climate change effects.</p> <p>Since the start of this plan period in 2012, the Council has designated one new Air Quality Management Area (AQMA), in Hooley – Area 1, in 2013 (Ref: No13 2013). The location of this new AQMA relative to European designated environmental sites and to the amount of development planned, indicate that there is no impact on the delivery of the local plan’s housing or employment allocations. Air quality in the Borough is closely monitored, including in relation to Gatwick Airport’s proposal to use its emergency runway.</p> <p>The Surrey Hills AONB boundary review being undertaken by Natural England has now reached an advanced stage, although as yet there is no date for expected publication and re-drawing of AONB boundary. Statutory and public consultation on the proposed extension areas to the nationally important landscape was completed in June 2023.</p> <p>Natural England is currently considering the responses and determining whether a further statutory and public consultation will be needed if, as a result of comments received, the proposed area is changed. The potential designation of any additional new land as AONB is therefore some time off.</p> <p>The local plan review highlights the Council’s appeal record, and planning decisions where statutory consultees such as the Environment Agency have objected.</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
<b>A10.</b>	<p><b>No new sites have become available since the finalisation of the adopted local plan which require the spatial strategy to be re-evaluated.</b></p> <p><b>PROMPT:</b></p> <p>Consider if there have been any new sites that have become available, particularly those within public ownership which, if they were to come forward for development, could have an impact on the spatial strategy or could result in loss of employment and would have a significant effect on the quality of place if no new use were found for them.</p> <p>Consider whether any sites which have now become available within your area or neighbouring areas could contribute towards meeting any previously identified unmet needs.</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>The site allocations which were made in the 2019 Development Management Plan (DMP) are in accordance with the spatial strategy set out in the 2014 Core Strategy, in particular at Policy CS6 and CS13.</p>

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	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
<b>A11.</b>	<p><b>Key planned infrastructure projects critical to plan delivery are on track and have not stalled / failed and there are no new major infrastructure programmes with implications for the growth / spatial strategy set out in the plan.</b></p> <p><b>PROMPT:</b> You may wish to review your Infrastructure Delivery Plan / Infrastructure Funding Statement, along with any periodic updates, the Capital and Investment programmes of your authority or infrastructure delivery partners and any other tool used to monitor and prioritise the need and delivery of infrastructure to support development.</p> <p>Check if there have been any delays in the delivery of critical infrastructure as a result of other processes such as for the Compulsory Purchase of necessary land.</p> <p>Identify whether any funding announcements or decisions have been made which materially impact upon the delivery of key planned infrastructure, and if so, will this impact upon the delivery of the Local Plan.</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>One of the Council’s key infrastructure priorities, jointly with Surrey County Council, is the improvement of Three Arch Road junction with the A23 Horley Road, which is close to East Surrey Hospital. The Council is working closely with Surrey County Council to ensure that the project can commence on site according to the agreed timescale. Both Councils are contributing considerably to fund the improvements to this road junction for motorists, pedestrians and cyclists. This project is included in the DMP Infrastructure Schedule (Annex 6).</p> <p>The local plan review document sets out progress on delivery of the key infrastructure against Policy CS8.</p> <p>M23 spur junction improvements are not currently needed as HOR9 site allocation will not be progressed to delivery before the outcome of the Gatwick Northern Runway Development Consent Order (DCO) application is known.</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
<b>A12.</b>	<p><b>All policies in the plan are achievable and effective including for the purpose of decision-making.</b></p> <p><b>PROMPT:</b> Consider if these are strategic policies or those, such as Development Management policies, which do not necessarily go to the heart of delivering the Plan’s strategy.</p> <p>Identify if there has been a significant increase in appeals that have been allowed and /or appeals related to a specific policy area that suggest a policy or policies should be reviewed.</p> <p>Consider whether there has been feedback from Development Management colleagues, members of the planning committee, or applicants that policies cannot be effectively applied and / or understood.</p>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>This local plan review is of the Core Strategy and its strategic policies only, not of the part 2 local plan, the Development Management Plan and site allocation policies that help to deliver the CS.</p> <p>As outlined in the LP CS Review 2024, the Council’s appeal record over the plan period to date reflects that the LP CS remains up to date and effective for decision making.</p>

	Matters to consider	Agree / Disagree	Extent to which the local plan meets this requirement
A13.	<p><b>There are no recent or forthcoming changes to another authority’s development plan or planning context which would have a material impact on your plan / planning context for the area covered by your local plan.</b></p> <p><b>PROMPT:</b> In making this assessment you may wish to:</p> <ul style="list-style-type: none"> <li>● Review emerging and adopted neighbouring authority development plans and their planning context.</li> <li>● Review any emerging and adopted higher level strategic plans including, where relevant, mayoral/ combined authority Spatial Development Strategies e.g. The London Plan.</li> <li>● Review any relevant neighbourhood plans</li> <li>● Consider whether any of the matters highlighted in statements A1- A12 for their plan may impact on your plan - discuss this with the relevant authorities.</li> <li>● Consider any key topic areas or requests that have arisen through Duty to Cooperate or strategic planning discussions with your neighbours or stakeholders - particularly relating to meeting future development and /or infrastructure needs.</li> </ul>	Agree	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>Mole Valley District Council (MVDC) is currently at the later stages of its local plan examination. MVDC responded to our Duty to Co-operate consultation regarding our local plan Core Strategy and advised that it has difficulties in meeting local housing and gypsy and traveller needs in full, and will not be able to accommodate any unmet housing need from R&amp;B Borough, which we accept and understand.</p> <p>Tandridge District Council has recently had its local plan found ‘unsound’ following a protracted local plan examination over some six years. We appreciate that TDC cannot meet our unmet needs for housing or other uses.</p> <p>Crawley Borough Council is also currently at examination with its updated local plan. We continue to work closely with Crawley over Gatwick Airport’s DCO proposal, and appreciate that they cannot meet any of our Borough’s unmet development needs. Gatwick Airport Ltd.’s DCO application is currently at examination.</p>

	<b>Matters to consider</b>	<b>Agree / Disagree</b>	<b>Extent to which the local plan meets this requirement</b>
<b>A14.</b>	<p><b>There are no local political changes or a revised / new corporate strategy which would require a change to the approach set out in the current plan.</b></p> <p><b>PROMPT:</b> In making this assessment you may wish to:</p> <ul style="list-style-type: none"> <li>● Review any manifesto commitments and review the corporate and business plan.</li> <li>● Engage with your senior management team and undertake appropriate engagement with senior politicians in your authority.</li> <li>● Consider other plans or strategies being produced across the Council or by partners which may impact on the appropriateness of your current plan and the strategy that underpins it, for instance, Growth Deals, economic growth plans, local industrial strategies produced by the Local Economic Partnership, housing/ regeneration strategies and so on.</li> </ul>	<b>Agree</b>	<p><b>Reason (with reference to plan policies, sections and relevant evidence sources):</b></p> <p>The Council has remained relatively stable politically over the plan period to date. The current Corporate Plan '<i>Reigate &amp; Banstead 2025</i>' dates from 2020, and covers the period to 2025.</p> <p>The Council's Environmental Sustainability Strategy and Action Plan was adopted in 2021, and as set out in the LP CS Review, ever increasing environmental standards and requirements are planned to be considered and addressed in a new Local Plan, for which work was started in early 2023.</p> <p>The Borough was designated as a Growth Point in the SE Plan 2009, on which basis the Core Strategy's housing requirement was partially based.</p> <p>Since then, it has not been designed as a Growth Point, so the trend based approach to identifying local housing needs is not suitable.</p>

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	<b>ASSESSING WHETHER OR NOT TO UPDATE YOUR PLAN POLICIES</b>	<b>YES/NO (please indicate below)</b>	
A15.	<p>You <b>AGREE</b> with <u>all</u> of the statements above</p> <p><u>If no</u> go to question A16.</p> <p><u>If yes</u>, you have come to the end of the assessment. However, you must be confident that you are able to demonstrate and fully justify that your existing plan policies / planning position clearly meets the requirements in the statements above and that you have evidence to support your position.</p> <p>Based on the answers you have given above please provide clear explanation and justification in section A17 below of why you have concluded that an update is not necessary including references to evidence or data sources that you have referenced above. Remember you are required to publish the decision not to update your local plan policies. In reaching the conclusion that an update is not necessary the explanation and justification for your decision must be clear, intelligible and able to withstand scrutiny.</p>	<b>YES</b>	See section A17 below and the local plan Core Strategy Review, which, if agreed by the Council, will be made available and published on its website.
A16.	You <b>DISAGREE</b> with one or more of the statements above and the issue can be addressed by an update of local plan policies	<b>NO</b>	<p><u>If yes</u>, based on the above provide a summary of the key reasons <u>why</u> an update to plan policies is necessary in section A17 below and <u>complete Section B below</u>.</p> <p>N/A</p>

<p><b>A17.</b></p>	<p><b>Decision: Update plan policies / No need to update plan policies</b> (delete as necessary)</p> <p><b>Reasons for decision on whether or not to update plan policies (clear evidence and justification will be required where a decision not to update has been reached):</b></p> <p>The reasons for the Council’s conclusion that each of the local plan Core Strategy policies is considered to remain up to date and effective is set out in the Local Plan Core Strategy Review.</p> <p>The conclusion is that as they all remain effective and generally consistent with national policy, none of the Core Strategy policies needs to be updated at this time. The CS policies therefore remain up to date for decision making.</p> <p>This Local Plan Core Strategy Review is to be presented to the Council for approval and adoption before being published on the Council’s website.</p> <p><b>Other actions that may be required in addition to or in place of an update of plan policies</b></p> <p>Council Officers are working to support the Council’s position on the Gatwick Airport Development Consent Order (DCO) application and related highways infrastructure works, particularly Riverside Close, and will continue to monitor implications for the Borough.</p> <p>We will also continue to monitor the Surrey Hills AONB boundary review, as our local plan treats AGLV with the same level of protection as AONB until the AONB boundary review is completed and any remaining local landscape areas are re-assessed.</p>		
	<p><b>B. POLICY UPDATE FACTORS</b></p>	<p><b>YES/NO</b> (please indicate below)</p>	<p><b>Provide details explaining your answer in the context of your plan / local authority area</b></p>
<p><b>B1</b></p>	<p><del>Your policies update is likely to lead to a material change in the housing requirement which in turn has implications for other plan requirements / the overall evidence base.</del></p>		
<p><b>B2</b></p>	<p><del>The growth strategy and / or spatial distribution of growth set out in the current plan is not fit for purpose and your policies update is likely to involve a</del></p>		



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	<del>change to this.</del>		
<b>B3</b>	<del>Your policies update is likely to affect more than a single strategic site or one or more strategic policies that will have consequential impacts on other policies of the plan.</del>		
	<del>You have answered yes to one or more questions above.</del>		<del>You are likely to need to undertake a full update of your spatial strategy and strategic policies (and potentially non-strategic policies). Use your responses above to complete Section B4.</del>
	<del>You have said no to <u>all</u> questions (B1 to B3) above</del>		<del>If you are confident that the update can be undertaken without impacting on your spatial strategy and other elements of the Plan, you are likely to only need to undertake a partial update of policies. Complete Section B4 to indicate the specific parts / policies of the plan that are likely to require updating based on the answers you have given above.</del>
<del>—B4</del>	<del><b>Decision: Full Update of Plan Policies/ Partial Update of Plan Policies (delete as necessary)</b></del>		
	<del><b>Reasons for scope of review:</b></del>		
<b>Date of assessment:</b>	March 2024		
<b>Assessed by:</b>	Tanya Mankoo-Flatt, Principal Policy Development Officer		
<b>Checked by:</b>	Andrew Benson, Head of Planning		
<b>Comments</b>	This toolkit should be read alongside the Council's local plan Core Strategy Review, March 2024, which includes full consideration of consistency of the strategic policies of the Core Strategy with current national policy.		



## Annex 4 Indicative local plan timetable

### Indicative local plan timetable for a new local plan to be produced under the system introduced by the Levelling Up and Regeneration Act 2023, pending regulations and guidance

#### Local plan timetable to have effect from the date of its publication

##### Geographic Scope:

The new Reigate and Banstead Borough local plan will cover the whole of the administrative borough of Reigate and Banstead

##### Matters:

The new local plan will include a Vision, spatial strategy, strategic policies and design code policies for the whole borough, any detailed local development management or protection policies needed, and site allocations for the Borough.

A Policies map will also be prepared to accompany the new local plan, showing the site allocations, and designation within the Borough.

Date	Stage	Actions
September 2023	<b>Pre-commencement</b>	<p>Continue preparing evidence to inform local plan, including procurement of external specialist support where needed.</p> <p>Present emerging evidence to internal Local Plan Action Group (LPAG).</p> <p><b>Apply to become Local Plan Pathfinder Authority</b></p> <p>Produce a working 'Project Programme' including Risk Assessment once Regulations and Guidance setting out detail on the operation of the new local plan system have been published</p>
October 2024	Give "Notice of Start"	<p><b>Start of "30 month" local plan making process</b></p> <p>Scope the local plan and the related sustainable environmental assessment (SEA) / Environmental Outcomes including <b>early</b></p>

		<b>engagement</b> with interested parties Continue preparing evidence
January 2025	Draft a <b>Vision and Strategy</b> consultation document	Draft consultation material and internal reports Continue preparing evidence
March 2025	<b>Gateway 1 Check</b>	To consider the Council's local plan <b>Project Initiation Document (PID)</b>  To include proposed local plan scope and proposed methods of engagement and consultation
July 2025	Report to Council seeking authority to consult on draft Vision and Strategy	
August to September 2025	<b>8-week consultation</b> on draft Vision and Strategy	Formal consultation –  To seek input and feedback on the vision, aims and objectives of the local plan
October to December 2025	Consider consultation responses	Responses and further evidence to inform drafting of local plan
January 2026	<b>Gateway 2</b>	To consider progress against the PID and engagement
June to September 2026	Report to Council seeking authority to consult on draft Vision and Strategy	Reports to internal Local Plan Action Group (LPAG) and Leaders for comments before Council meeting
October & November 2026	<b>6-week consultation on draft local plan</b>	Formal consultation – on draft LP
December 2026 to March 2027	Consider consultation responses	Reports to internal Local Plan Action Group (LPAG) and Leaders for comments before Council meeting to seek authorisation to submit
April 2027	<b>Gateway 3</b>	To consider procedural and legal requirements, actions against advice provided at Gateways 1 & 2, evidence
July 2027	to Council seeking authority to submit local plan	

August 2027	<b>Submit</b> local plan for independent examination	
August 2027 to February 2028	<b>Examination</b>	
March to June 2028	Finalise Local Plan	
July 2028	Report to Council seeking adoption of new local plan	

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# **Statement of Community Involvement in Planning (SCI)**

**March 2024**

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## 1. Introduction

The Council is required to publish a Statement of Community Involvement (SCI), explaining how and when we will involve people who have an interest in the development of the borough, including shaping planning policy, making planning decisions and how to enforce those decision once made.

Our SCI also summarises the basics of how the planning system works, and what local residents and other interested parties can expect if they choose to get involved at any stage of the planning process in Reigate & Banstead.

### 1.1. Why get involved in planning?

The planning of our towns, villages and countryside is one of the Council's key responsibilities, and it affects us all. From the homes we live in, the places we work, the schools and colleges that our children attend, the open spaces where we relax and stay fit, and the roads and cycleways that we travel on, are all affected by planning.

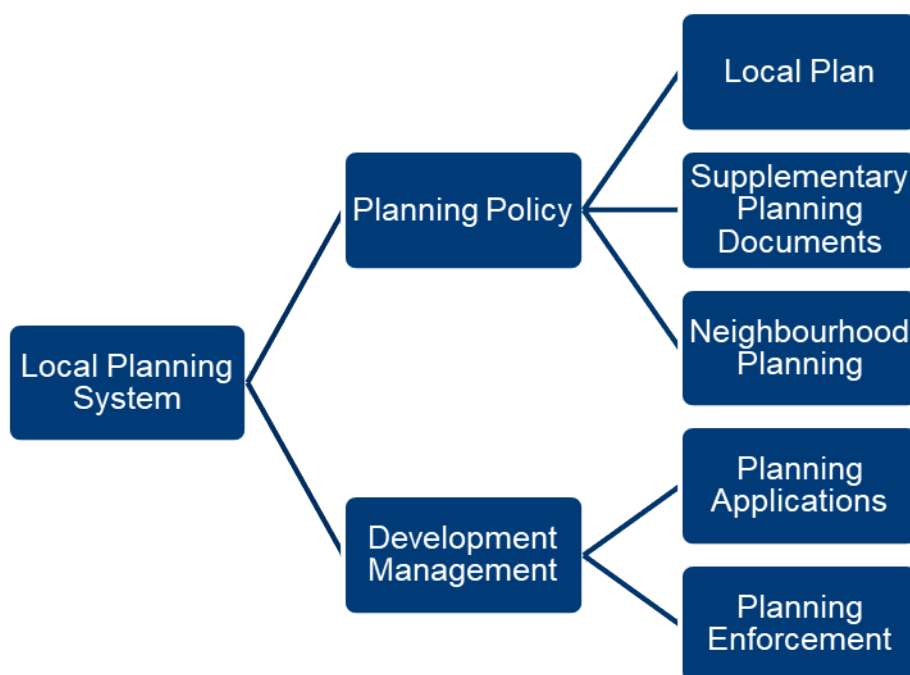
The planning process helps to guide and manage the way in which our borough develops and changes over time, as well as protecting important nature and built heritage from development. Planning ensures that the needs of our residents and businesses are met in the right places at the right times, whilst protecting those parts of the borough that make it an attractive place to live, work and visit.

It is therefore important that local people, businesses and community organisations are able to engage and participate in the planning process, whether that is through our plan-making activities and / or through decision taking on individual planning applications.

### 1.2. How does the planning system work?

There are two key parts to the local planning system. These are known as 'Planning Policy', which creates the areas' Local Plan and also Supplementary Planning Documents as well as overseeing any Neighbourhood Planning in the area, and 'Development Management', the processing and determining of planning applications and other development applications, as well as enforcing planning decisions (see Figure 1 for details).

**Figure 1: Structure of the national planning system**



## **Planning Policy**

Planning Policy involves the preparation of a range of planning documents including policy and guidance, which are then used to assess planning applications. Planning policies are shaped by government legislation and guidance along with local evidence. Planning policies, once adopted, are set out in the Reigate & Banstead Local Plan. This Local Plan(s) is a living document and is reviewed and updated when needed to reflect any key changes in legislation or in evidence that may occur.

The Planning Policy team also produce a range of guidance called ‘Supplementary Planning Documents (SPDs)’ that provide guidance on the detailed application of the planning policies within the Local Plan. Topics such as affordable housing, design or conservation of the built environment often require additional information from the Council to set out the context and ensure clarity.

Additionally, the Planning Policy team also oversee Neighbourhood Planning within the borough. This allows local communities to develop localised plans that sit alongside the Local Plan and provide more specific area-based policies that can help shape growth within a specific area.

## **Development Management**

Development Management is responsible for processing and determining planning applications in accordance with the adopted policies for the area, and other relevant “material” planning considerations. To help in planning the most suitable development of the site in question, the Council’s Development Management team can provide pre-application

advice. The Development Management team is also responsible for ensuring that breaches of any planning regulations are investigated and where needed, issues resolved. This is undertaken by the Planning Enforcement team.

## **Making decisions on planning matters – the role of Council Committees**

The operation of the decision making process is governed by the Council's Constitution, which is available at: [Agenda for Constitution on Thursday, 12th October, 2023 | Reigate and Banstead Borough Council \(moderngov.co.uk\)](#).

Council Committees are made up from elected Councillors. Planning Committee plays a key role in decision-making for both planning policies and planning applications.

In accordance with the Council's Constitution, planning policy documents are required to be considered by the Full Council Committee. Decisions to adopt Supplementary Planning Documents are taken by the Council's Executive. In addition, the Council's Overview and Scrutiny Committee, through the LDF Scrutiny Panel, may provide oversight of emerging Local Plan documents.

Non-contentious and minor planning applications can be determined by senior planning officers, who are delegated specific powers from Councillors, through the Council's Constitution. This allows Councillors more time to concentrate on the larger and more complex schemes and ensures that the majority of small applications are dealt with in a timely manner.

All Council Committee meetings are open to the public and the agendas and minutes for each are published on our website. Our Executive, Planning and Overview & Scrutiny Committee meetings and Full Council are webcast – these are advertised in advance on our website and can be viewed at [www.reigate-banstead.gov.uk/webcasting](http://www.reigate-banstead.gov.uk/webcasting).

When applications are presented to Planning Committee, there may be an opportunity for members of the public and applicants to speak in support, or against, the application. All requests to speak at Planning Committee must be made in advance via the Council's online system, except in exceptional circumstances. Planning Committee meetings are public, so any interested parties can attend and watch proceedings, even if they do not wish to speak.

More information and advice about speaking at Planning Committee meetings is available on our website at: [Speaking at planning meetings | Speaking at planning meetings | Reigate and Banstead \(reigate-banstead.gov.uk\)](#).

## **Other sources of planning information**

There are number of organisations who provide independent information and advice on all stages of the planning system. They offer advice on how to be involved effectively and on

how best to put forward your views and comments. These organisations are listed in Appendix 2.

## 2. What is a 'Statement of Community Involvement'?

A Statement of Community Involvement (SCI) sets out how, when and with who we will engage throughout different stages of the planning process. The Council is required to publish the SCI and to review it at least every five years (a requirement of section 18 of the Planning and Compulsory Purchase Act 2004, as amended). The SCI does not necessarily need to be updated if a review shows it to be up to date. The SCI must be available to view on the Council's website, at its main offices and in any other appropriate places in the borough during normal office hours.

### 2.1. What does the Government say on community involvement in planning and SCIs?

The National Planning Policy Framework 2023 (NPPF) sets out the Government's planning policies that local planning authorities like Reigate & Banstead must consider when preparing development plans and determining planning and other applications for development.

The NPPF states that the planning system should be easy to understand, and is accessible to all, with a commitment to involving everyone who is interested in their local planning issues. Local plans should *'be shaped by early, proportionate and effective engagement between plan-makers and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees'* (NPPF, paragraph 16c).

National Planning Practice Guidance (PPG) provides advice on who should be involved in preparing Local plans. It sets out that Councils should *'identify and engage at an early stage with all those who may be interested in the development of content of the Local Plan, including those groups who may be affected by its proposals but who do not play an active part in most consultations'*.

### 2.2. Monitoring, review and updating the SCI

We will monitor the effectiveness of our approach to consultation and engagement. Where possible, this SCI is flexible so that we can adapt our approach to changes in policy and legislation or to ensure we are able to take advantage of additional, new or innovative approaches to publicity and engagement which might improve our ability to reach the right people at the right time.

In accordance with national statutory requirements of the Town & Country Planning (Local Planning)(England) Amendment Regulations 2017, we will review this SCI at least every five years, and update it when needed to ensure effective community involvement at all stages of the planning process. Whilst there have been no changes to legal requirements, not to guidance about SCIs, this latest update reflects digital / technological and social media changes and evolving good practice.

This document updates the Council's previous SCI that was adopted in 2019.

### **2.3. Our guiding principles for community involvement in planning**

When engaging with the local communities, the Council follows a set of principles which underpin our approach to community involvement in planning. These are:

- Involving stakeholders early in the process
  - ◆ Encouraging and facilitating engagement in the plan-making process so that views can shape and influence policy rather than react to it
  - ◆ Promoting and maximising pre-application involvement in planning applications and pre-application consultation by developers, so that there is meaningful opportunity for community views and aspirations to be factored into the final proposals
- Being open and transparent
  - ◆ Being clear and honest about the purpose and scope of consultations so that stakeholders have a clear understanding of what they can influence from the start
  - ◆ Ensuring that relevant information and consultation materials are made available to stakeholders
  - ◆ Publishing consultation materials that are clear and concise, avoiding unnecessary jargon
- Reaching stakeholders in the right way
  - ◆ Ensuring the consultations reach communities and people that may be affected
  - ◆ Choosing appropriate ways to raise awareness and involve a wide variety of people, including those who are often not heard from, including using on-line videos, and in person drop in events as suited to the issue
  - ◆ Assistance with drafting responses through transcribing for people with limited writing skills and / or whose written English language is insufficient to get their views across on paper
  - ◆ Making best use of digital and social media techniques to maximise the accessibility, ease, speed and reach of consultations
- Providing meaningful feedback
  - ◆ Fully considering the results of consultations and the comments received
  - ◆ Providing appropriate feedback so that it is clear how consultation responses have influenced outcomes, and if not, why
  - ◆ Evaluating and monitoring the effectiveness of consultation exercises and adapting as required

## **2.4. How does the SCI fit with the Council's engagement outside of planning?**

The Council carries out a range of community engagement as part of its work. This goes beyond issues related to planning alone.

Wherever possible, we will also work with other Council departments to ensure that a consistent and coordinated approach is taken to consultation. Where appropriate, joint consultations between departments will be considered to share resources and provide a joined-up approach to engagement.

## 3. Making Local Plans and Planning Guidance

### 3.1. What is ‘planning policy’?

Planning policies are key to the ‘plan-led’ planning system of England. Planning decisions must be made in line with adopted Local Plan policies (known as the ‘Development Plan’) unless material considerations indicate otherwise. Development Plan for the borough comprises the local plan(s) and the Minerals and Waste plans prepared by Surrey County Council, which include provision for both within this borough.

The Levelling-up and Regeneration Act 2023 has recently introduced ‘national development management policies’ that will be required to be taken into consideration when decision making. However, at the time of writing this SCI, no date has yet been given for this provision to commence.

The Levelling-up and Regeneration Act 2023 also introduces significant changes to how local plans are prepared, the various stages and timeframes, and the stages at which external involvement from government appointed Inspectors is required. As of mid-March 2024, no details on how this new plan-making system will take effect have been given. When the details have been confirmed, the Council will review this SCI and will update it if required.

The Council is responsible for preparing the planning policy documents which are used to guide the development and determine individual planning applications to deliver sustainable development in their area.

There are two main types of local development documents:

- Local Plans (also referred to as ‘Development Plan Documents’ or DPDs)
- Supplementary Planning Documents (SPDs)

#### **Local Plans or Development Plan Documents (DPDs)**

Local Plans (or DPDs) are documents that set out the vision and framework for future development of the area, addressing needs and opportunities in relation to housing, the economy, community facilities and infrastructure as well as safeguarding the environment and resources and ensuring good design.

Local Plans set out what development is intended to happen in the area, generally looking 15 years ahead, where and when this will occur and how it will be delivered. This is normally done through a combination of:

- Strategic policies which set out the overall strategy, pattern and amount of development (such as the number of new homes) and infrastructure required as well



as key policies for conserving and enhancing important landscapes, biodiversity and heritage.

- Non-strategic policies that set out more detailed criteria on specific issues, such as design principles or local shops.
- Site allocations which specify the details of sites where development will be supported.

Local planning policies are required to be generally consistent with national planning policy which is set out predominantly in the National Planning Policy Framework (NPPF).

Preparing a Local Plan comprises a number of stages, as required by the planning regulations, the Town and Country Planning (Local Planning)(England) Regulations 2012 – Part 6. Further details can be found in section 3.3.

### **Supplementary Planning Documents (SPDs)**

Supplementary Planning Documents (SPDs) are intended to amplify and to provide guidance on specific Local Plan policies or specific topics.

Preparing an SPD involves several stages, including consultation, however, unlike a Local Plan, an SPD is not subject to examination by a Government Inspector. A summary of the process for preparing a SPD and the opportunities for stakeholder engagement is set out in section 3.3 and Table 2.

### **Neighbourhood Development Plans and Orders**

In addition, local communities can work together to prepare Neighbourhood Plans and Neighbourhood Development Orders to guide development in their local area. More details on these, and the process, engagement and consultation involved in their preparation, is set out in chapter 4.

## **3.2. Who will we involve and consult in plan-making?**

Planning legislation in the Town and Country Planning (Local Planning)(England) Regulations 2012 sets out specific organisations (known as ‘statutory consultees’) which must be consulted on the preparation of Local Plan documents. This includes neighbouring Councils, Surrey County Council, utility companies and Government bodies such as National Highways and Historic England. These consultees will always be notified as part of our plan-making activities.

In addition, through our consultations, we will seek to engage as widely as possible with any other stakeholders who may have a role or interest in shaping future development and growth in the borough. These include:

- Local residents

- Residents' associations and community groups
- Local businesses
- Specific interest groups
- Landowners and developers
- Prescribed bodies for the duty to cooperate in relation to strategic planning issues

If you would like to be kept informed about new planning policy consultations as they occur, you can ask to be added to our consultation database (see Appendix 1 for details).

### **3.3. When will we involve and consult people in plan making?**

Planning legislation sets out the legal 'statutory' stages in the preparation process for each type of planning document. These include when we must formally publish the document for public consultation and for how long. Different documents have different requirements (see Tables 1 & 2 for details).

The timetables for our emerging planning policy documents will be set out in our Local Development Scheme (LDS). The Council publishes and maintains an up-to-date LDS, as legally required to. The LDS provides a useful starting point for stakeholders and the community to understand the likely timing of formal consultation exercises.

The requirements set out in planning legislation will always be met and, in many cases, we will seek to go beyond these minimum requirements in order to promote greater community involvement in plan making. This might include:

- Carrying out additional round(s) of formal consultation to seek focussed views on a new or significant policy or proposal
- Extending the length of a consultation beyond the statutory timeframe
- Carrying out additional, ad hoc activities (over and above the statutory notification and publication requirements)

We will seek to avoid scheduling formal statutory consultations during period when people are likely to have reduced availability to engage (e.g. public holidays). However, this cannot always be avoided. In rare instances, we may consult for an extended period, to ensure stakeholders have adequate opportunity to comment.

The Council maintains a record of current and recent formal consultations. This can be viewed at the [Council's website](#).

**Table 1: Summary of stages in preparation of Local Plan or other Development Plan Documents (DPDs)**

Stage	Details	Relevant Regulation
<b>Preparation of the evidence base</b>	Targeted early engagement with relevant stakeholders in the preparation and gathering evidence	N/A
<b>Public participation in the scope of the Local Plan (minimum 6 weeks)</b>	As a minimum: Notification to specific and general consultees, and others who have asked to be notified. Publish documents online and make them available at the Council's offices	Regulation 18
<b>Consideration of representations received</b>	May include further evidence gathering and informal engagement as per preparation stage	N/A
<b>Publication of the Local Plan / DPD for public consultation (minimum 6 weeks)</b>	As a minimum: Notification to specific and general consultees, and other who have asked to be notified. Publish documents online and make them available at the Council's offices	Regulation 19
<b>Consideration of representations received</b>	Comments received will be passed onto the Independent Inspector appointed to examine the draft Local Plan.	Regulation 20
<b>Submission of the Local Plan / DPD to the Secretary of State</b>	Following the Regulation 19 public consultation, the draft Local Plan and associated documents will be submitted to the Secretary of State. This stage triggers the independent examination of the document.	Regulation 22

Stage	Details	Relevant Regulation
<p><b>Examination of the Local Plan / DPD by an Independent Planning Inspector (appointed by the Secretary of State)</b></p>	<p>Inspector will consider representations received.</p> <p>The Inspector will normally invite those who have expressed an interest to participate in hearing sessions to discuss / debate their issues and concerns.</p> <p>Anyone can attend to observe the hearing but only those invited by the Inspector can participate in discussions.</p> <p>Further public consultation may be carried out as part of the examination if any changes to the Local Plan / DPD arise from the examination (subject to Inspector's advice).</p> <p>At the end of the examination process, the Inspector will issue a report to the Council with recommendations.</p>	<p>Regulation 24</p>
<p><b>Adoption of the Local Plan / DPD by the Council</b></p>	<p>Notification to specific and general consultees, and others who have asked to be notified of the intention to adopt.</p> <p>Publish documents online and make them available at the Council's offices.</p>	<p>Regulation 26</p>
<p><b>Monitoring and review</b></p>	<p>Targeted engagement with relevant stakeholders may be undertaken as part of monitoring the effectiveness of the document.</p>	<p>N/A</p>

**Table 2: Summary of stages in preparation of a Supplementary Planning Document (SPD)**

Stage	Details	Relevant Regulation
<b>Preparation of the evidence base</b>	Targeted early engagement with relevant stakeholders in the preparation and gathering of evidence.	N/A
<b>Publication of the SPD for public consultation (minimum 4 weeks)</b>	As a minimum: Notification to specific and general consultees, and others who have asked to be notified. Publish documents online and make them available at the Council's offices.	Regulation 12
<b>Consideration of representations received and drafting of final SPD</b>	May include further evidence gathering and informal engagement as per preparation stage.	N/A
<b>Adoption of the final SPD by the Council</b>	Notification to specific and general consultees, and others who have asked to be notified of the intention to adopt. Publish documents online and make them available at the Council's offices.	Regulation 14

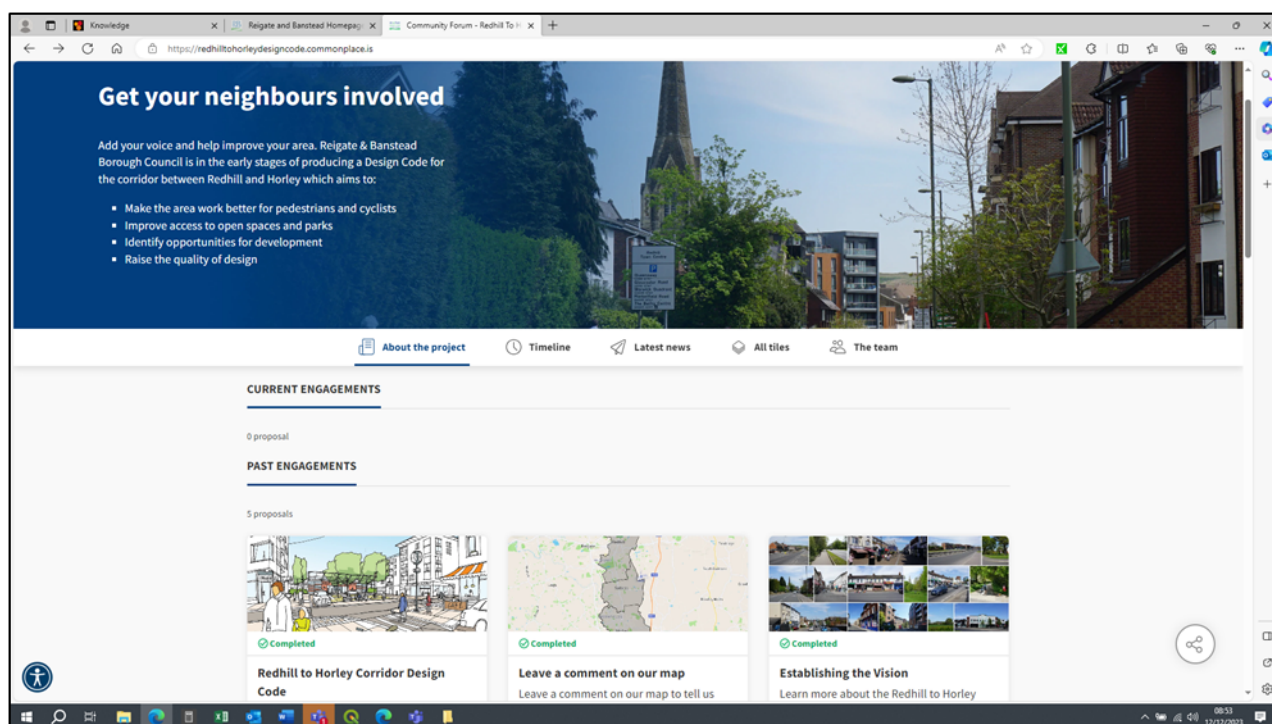
### 3.4. How will we involve and consult in plan-making?

In addition to formal statutory consultation periods detailed above, we will usually seek to engage and gather views of stakeholders to inform our evidence and data gathering and preparation of a local plan Vision, from which a strategy will emerge.

This early engagement will normally be tailored to understanding particular issues and gathering evidence to support a robust plan. We will publicise opportunities to be involved and provide views on issues and early draft documents as well as directly approach specific groups who may have an interest in a particular issue or geographic area.

The methods we will use include presentations and forums, workshops, drop in events and online surveys using maps and graphics (see example in Figure 2 below) to help describe the issues and draft proposals where suitable. We will seek to ensure the consultations follow the community involvement principles set out in section 2.3.

**Figure 2: Example screenshot of one of our online surveys for a new SPD**



In addition to specific engagement activities by the Planning Policy team, we may also make use of existing wider Council consultation and engagement activities, such as Residents' Surveys, to gather broader views to inform the early plan-making stages. These will normally be used to understand wider community sentiment on more general issues, rather than to obtain comments and feedback on detailed evidence or technical issues.

We understand that people will have different views at a consultation stage, but our focus is on encouraging early engagement to gain valuable local insight and so that, where possible, we can respond early to community views.

### **Asking for formal comments and opinions**

The key planning legislation for making local plans is The Town and Country Planning (Local Planning) (England) Regulations 2012. These regulations set out the minimum requirements for public participation during statutory consultations on planning policy documents, which, at the time of publishing this SCI, was four weeks for SPDs and six weeks for Local Plans.

As a minimum, we will always:

- Directly notify, by email or letter:
  - ◆ Statutory or general consultees specified in relevant planning legislation; and
  - ◆ Anyone else who has expressed to us a specific interest in being involved as the document develops, including individuals and businesses who have asked to be on our Planning Policy Consultation Database.

- Make documents available for inspection at the Council's main offices and on the Council's website.

In line with the principles in set out in section 2.3, we will aim to go above and beyond this to make consultations, surveys and supporting evidence transparent and accessible to all. The various methods which we might use to raise awareness and maximise opportunities for people to engage are set out below. These will be chosen on case-by-case basis.

We encourage all parties to make comments electronically where possible and we will normally publish online surveys or email response forms to enable this. We also accept comments and representations by email or post. Any party making comments must provide a name and address for comments to be valid. During formal statutory consultation exercises, it is important that comments are received before the close of the consultation, otherwise they are unlikely to be accepted.

## **Methods of publicity and keeping communities informed**

### **Reigate & Banstead Borough Council website**

Progress on our planning documents and information about current consultations will be publicised on the Council's website. We will also publish documents, including background evidence and response forms, which will be made available to download during the consultation process. Specific webpages on the Council's website, or even potentially a dedicated microsite, will be available to host the Council's local plan examinations, as recommended by government guidance.

### **Direct notifications**

We will send emails and letters directly to specialist organisations who are termed 'statutory bodies', community and residents' groups and other groups and stakeholders, and people (including local residents) who are registered on the Council's Planning Policy Consultation database, to notify them about a particular stage of plan making or consultation. In some circumstances, targeted or borough-wide 'mailshots' may be used to raise awareness of consultations. If you want to receive these emails or letters, please make sure to register (see Appendix 1 for details).

### **Social media**

Posts and publicity regarding formal consultation events may be promoted on the Council's Facebook page, X feed (formerly Twitter), LinkedIn and Instagram profiles (See Appendix 1 for details). Video summarising the planning documents we are inviting comments on may be summarised on the Council's YouTube channel.

## Borough news

Where possible (and subject to lead-in times) we may provide updates on Local Plan work in the Borough News magazine that is distributed to homes across the borough twice a year and available electronically on our website.

## E-newsletters

Various Council services publish electronic newsletter periodically or when needed to share news and information. This includes the Council's 'Planning Policy Newsletter' (see example in Figure 3 below), published from time to time, when needed, and the 'E-business Newsletter', which is emailed to local businesses periodically. These electronic newsletters will be used, where appropriate, to help promote planning consultations and engagement exercises.

Figure 3: Example of our Planning Policy Newsletter





## **Local media**

Media releases to local newspapers, radio stations, online media and to hyperlocal sites and newsletters may be issued to promote consultations and latest news.

## **Leaflets, posters and flyers**

These may be distributed (including to postal addresses) and displayed to promote consultations and summarise information on consultations. Information may also be circulated to Parish / Town Councils and residents' associations for display on community notice boards or in community newsletters, and at the six libraries in the borough. Including QR codes on posters and leaflets that people can quickly and easily scan will make it easier for many to find out more and to give their views if they have limited time for attending events.

## **Promotion by other departments – ‘word of mouth’**

We may share information and briefings regarding emerging planning policy documents amongst other Council departments so that they can promote and publicise them through their existing networks. This might include through Business Engagement, Community Development or Regeneration.

## **Presentations, workshops and drop-in events**

We may give presentations to appropriate groups, organisations and stakeholders to target particular people in the community who may be interested in how proposals affect a particular issue or local area or hold drop in events in well-used locations such as leisure centres or large supermarkets to reach a wider audience. On-line meetings with correspondence by email can assist those who may not have the time nor health to attend in-person workshop discussion events.

## **Councillor seminars and briefings**

These may help to provide information about the Local Plan process to Ward Councillors and elected members to support them in leading on raising awareness and engaging with their local residents and their community.

## **Digital methods of involving people and collecting feedback**

### **Surveys, questionnaires and feedback forms**

These may be used to canvass views on emerging planning documents. Response forms will normally be made available to capture comments at formal statutory consultation stages.

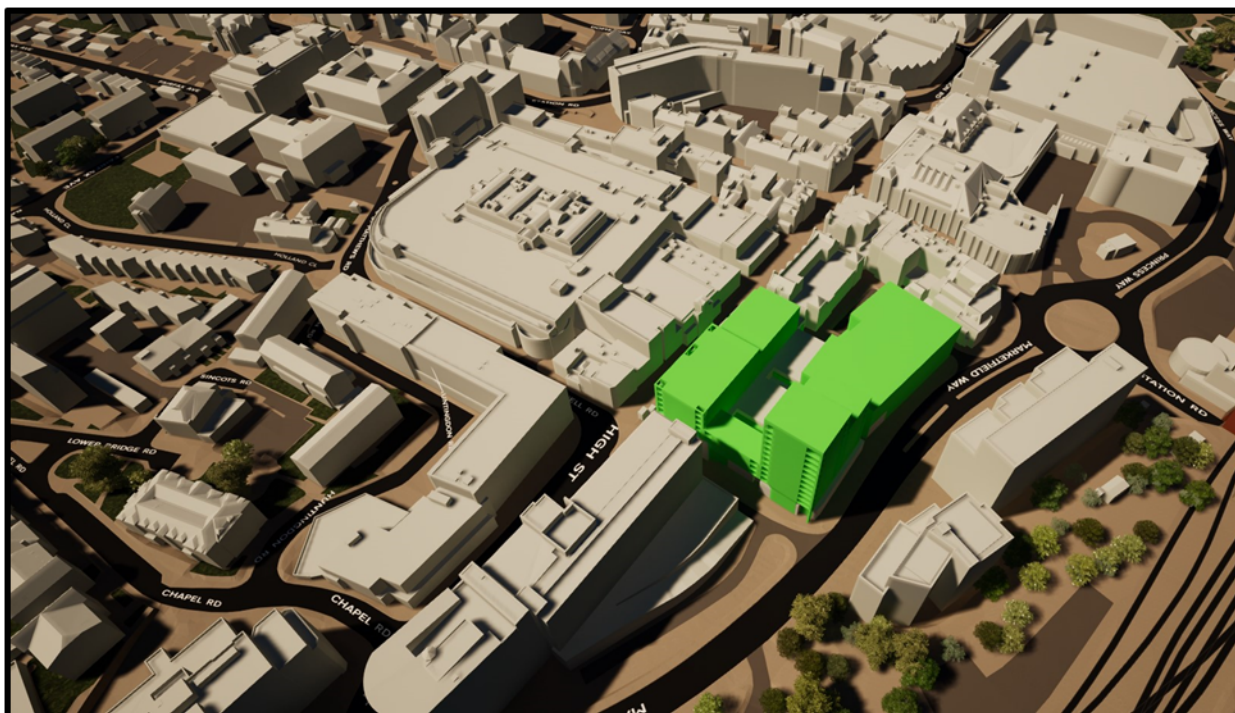
### **On-line surveys using specialist software such as ‘Commonplace’**

We may use this software or similar, where suited to the consultation, to present the information, including maps and photographs, and to collect feedback on issues and proposals. These will be accessible from the Council's website.

### Use of 'virtual' 3D models

The Council has worked with specialist consultants to design and create a 'virtual' 3 Dimensional (3D) model of the A25 Redhill to Horley area. We will use this 3D computer model to present visualisations of potential site allocation developments and major planning applications to be considered by planning committee. See image of Redhill Town centre highlighting the recently built development of 'The Rise' in Figure 4 below. In future, as technology and resourcing permits, this may be rolled out to cover other parts of the borough.

**Figure 4: 3D model of Redhill town centre**



### Workshops and focus groups

Opportunities for discussions or specific topics and documents in groups, potentially supported by presentations and other visual material. These may take the form of 'Planning for Real' exercises. Workshops may particularly be used at earlier stages of preparation or to focus on exploring specific topics.

### Exhibitions

We will use public exhibitions and displays to publicise emerging planning policy and guidance documents to local communities and provide further information and to informally collect views. Exhibitions may be staffed by planning officers at times, to enable communities to ask questions and to provide informal feedback to Council planning officers. Materials may be made available online to enable those who cannot attend exhibitions in person to leave comments. Suitable locations may include areas with pedestrian traffic, such as shopping, leisure or community centres.

**Figure 5: Example of our public engagement event invitation**



### **Council meetings**

Where appropriate and / or where required by the Council’s Constitution or Statutory Acts, we will take our emerging plans to relevant Council meetings for feedback and approval.

### **Improving access to our consultation material aiming reach to all communities, including those ‘rarely heard from’**

Whilst planning affects us all, it can also be a complex and technical subject and the evidence supporting planning policies can often be lengthy. This can be a barrier to people getting involved.

We will make every effort to ensure that our consultation materials are clear and easy to understand and that key issues and significant or potentially controversial proposals can be easily identified. We will aim to make our planning documents as visual as possible to present the spatial planning proposals in an easy to interpret visual style, including where possible, use of maps, infographics, charts and photographs. This will include producing

leaflets, briefing notes and non-technical summaries alongside the formal consultation documents, to help highlight the most important information.

Within our communities, there are individuals and groups who may have greater difficulty accessing consultations or who may be less likely to make their views known. These groups, sometimes known as 'rarely heard' may nonetheless be able to offer important and valuable insight to inform our planning policies. These groups may change over time, but can include:

- People of working age who, due to work and family commitments, have very limited free time in which to involve themselves in wider issues (the time-limited)
- Carers who may have insufficient time to engage in planning issues that could affect them and / or their dependents
- People of limited mobility, through either age or disability
- People with sight or hearing impairment
- People who are not fluent in English
- People who are not able to read and / or write well enough to participate in traditional types of written planning consultations
- People without a fixed address
- People of school age who, because of their age, may be less likely to be part of formal residents or interest organisations

When planning consultation on local plans or supplementary planning documents, we will carefully consider ways to maximise opportunities to engage with 'rarely heard' groups and overcome barriers to participation. Measures which may be used could include:

- Using alternative methods to written or text-based consultation, such as face-to-face meetings or workshops, or drop-in sessions/exhibitions and ensuring that these are held at appropriate times or day/days of the week and in appropriate, accessible locations.
- Maximising the availability, flexibility and reach of online consultation opportunities for those unable to access Council services or offices during normal working hours. This might include providing shorter online or interactive surveys for those who are 'time poor', online video summaries of key issues, and publicising consultations effectively using a wide range of social media.
- Making documents available, on request, in different languages and accessible formats (e.g. large print or audio versions), ensuring that online materials are screen reader friendly and that video content has appropriate subtitles.
- Utilising Parish / Town Councils, other local groups and associations (where they exist) to assist in increasing awareness at local level, particularly as they have existing communication networks within their areas.
- Working with other departments, such as our Community Development team, in order to maximise outreach during consultations.

## **Our ‘Duty to Cooperate’**

The ‘duty to cooperate’ is a legal duty Section 110 of Localism Act 2011 and 33A of the Planning and Compulsory Purchase Act 2004, which requires the Council to engage constructively, actively and on an on-going basis with neighbouring authorities and other (prescribed) public bodies to tackle ‘larger than local’ issues. This includes challenges such as meeting needs, delivering infrastructure or protecting important landscapes. The duty is intended to make Local Plans more effective.

At the early stages of document preparation, the Council will work with the duty to cooperate bodies to understand which aspects of the plan they wish to be engaged with and how. This may also provide an opportunity for joint working and establishing a shared evidence base.

With specific reference to the duty to cooperate, methods of engagement to be applied throughout the plan making process will include the following:

- Notification emails / letters;
- Information requests / exchange of data;
- Meetings, discussions and workshops, including through existing joint working arrangements such as Surrey Planning Officers Association and Gatwick Diamond;
- Written agreements / statements of common ground

### **3.5. What will we do with your comments on our planning policy documents?**

All formal comments received as part of a planning policy consultation process will be collated, analysed and taken into account in the decisions made by and on behalf of the Council.

The Council will not normally respond to comments and representations received on an individual basis. In exceptional circumstances, we may contact a person or organisation who made the comments in order to ensure we fully understand their views and / or specific issues they raise.

Comments will be reviewed and considered by Council officers. Where appropriate, the Council may propose changes to the draft document or may take some other action (such as reviewing / updating evidence) to address points raised during the consultation. However, there may also be instances where the Council considers that it is not appropriate to amend the plan to accommodate the views of a respondent, for example if a proposed change is contrary to national planning policy.

The outcomes of any formal consultation will be published on the Council’s website. A Statement of Consultation will be prepared for each statutory consultation stage, setting out

the comments received (usually as a summary) and the Council's response to those comments. It will also set out if and how the issues were addressed.

In the case of Local Plans or other DPDs, the respondent may be given the opportunity to convey their views to an independent Planning Inspector at an Examination into the soundness of the plan either in writing or by appearing at a hearing.

For all formal comments received during a consultation period, the Council will:

- Record the comments and points raised;
- Provide acknowledgement of receipt (if electronic) or if otherwise requested by the respondent;
- Collate and make available any comments;
- Notify anyone who has responded to a consultation of the next statutory stage;
- When submitting a document to the Secretary of State, notify those people who have requested to be notified of submission, by email or letter;
- Send the Planning Inspector those comments received during the regulation 19 consultation for a Development Plan Document.

We cannot accept confidential, anonymous or late comments in response to formal statutory consultations. In accordance with the Data Protection Act 2018, we will not publish personal data (your name and anything that could be used to identify you personally) or confidential information provided to us as part of comments. All respondents are also encouraged to ensure that representations only contain material that they are happy to be made publicly available.

We also reserve the right not to publish any comments, or parts of comments, that are not considered suitable for public view, including comments that are offensive, personal or defamatory.

### **3.6. Making adopted documents available**

Adopted Local Plan documents, SPDs and other documents such as the Local Development Scheme and Statement of Community Involvement, will be published on the Council's website.

Copies will also be made available for inspection at the Council's main offices and libraries. Paper copies will also be available to purchase (in order to recover printing costs and postage costs where needed).

## 4. Neighbourhood Planning

### 4.1. What is Neighbourhood Planning?

Neighbourhood planning was introduced by the [Localism Act 2011](#), and consists of a series of powers to enable communities to plan their local area by deciding how it should be developed, where and when, and what its development should look like. Neighbourhood planning can be undertaken by a local parish or town council, or by specially designated Neighbourhood Forum (a neighbourhood planning body), to develop a shared vision for the future of the places where they live and work. Neighbourhood planning includes a number of tools including Neighbourhood Development Plan, a Neighbourhood Development Order or Community Right to Build Order.

#### **Neighbourhood Development Plans (NDPs)**

Neighbourhood Development Plans, or simply Neighbourhood Plans (NPs), enable designated communities to establish and deliver a vision for the area, to set planning policies and propose new uses and allocations for development of land in their area. NPs can be very simple or can go into considerable detail. Neighbourhood Plans must pass through independent examination and a local referendum of people on the electoral register. If a majority agreed that the Council should use the neighbourhood plan to decide planning application in the neighbourhood area, the plan will become part of the statutory (legal) development plan for the area, and are taken into account in determining planning applications in that area.

National policy makes clear that Neighbourhood Plans are intended to be a positive tool to support growth. Specifically, it states that Neighbourhood Plans cannot promote less development that is set out in the Council's Local Plan, nor can they be used to undermine the strategic policies of the Council or block development which is already part of the area's adopted Local Plan. They can, however, promote more growth or influence where it goes and what it will look like.

#### **Neighbourhood Development Orders or Community Right to Build Order**

If a community wished to simplify the process for allowing development, it can also produce a Neighbourhood Development Order or a Community Right to Build Order. These can be instead of, or in conjunction with, a Neighbourhood Plan and can be used to grant planning permission (full or outline) for certain types of development in specified areas. Such orders, however, cannot remove the need for other permissions, such as Listed Building or Conservation Area consent.

## 4.2. What is the process for preparing a Neighbourhood Plan?

Neighbourhood Planning is either taken forward by Town / Parish Councils, or in areas without Parish Council by ‘Neighbourhood Forums’ (formed by community groups, including local residents).

The process of preparing a Plan or Order is designed to be led by the community. As such, whilst preparing their draft Neighbourhood Plan, the neighbourhood planning body is responsible for carrying out public consultation and engaging with the local community and wider stakeholders. If you live or work within an area developing a Neighbourhood Plan, there will therefore be opportunities to get involved and influence the content of the emerging Plan. The key stages in the preparation of a Neighbourhood Plan, including the various consultation opportunities to have your say, are summarised below in Table 3.

Once a draft of the Neighbourhood Plan has been completed, it must be submitted to the Council. At that point, the Council will carry out a period of formal consultation and then submit the plan for independent examination. The Council will also organise the referendum following the examination and the subsequent adoption. These processes will be carried out in accordance with the relevant Regulations.

The Council will update details of the progress of each Neighbourhood Plan or Order on its website. It will also publish examiners’ reports and any associated decision notices.

**Table 3: Summary of stages and responsibilities in the preparation and adoption of a Neighbourhood Plan**

Stage	Details	Relevant Regulation
<b>Early engagement</b>	<p>Informal community consultation undertaken by the local community to understand appetite, aims and ambitions from neighbourhood planning.</p> <p>Community seeks advice from the Borough Council as to whether NP is the right way forward to address the community’s aspirations.</p> <p>Informal community consultation on the boundaries of any prospective neighbourhood planning area undertaken by the local community.</p>	N/A



Stage	Details	Relevant Regulation
<b>Neighbourhood Forum / Neighbourhood Area application</b>	Community makes an application to be designated as a Neighbourhood Forum (if unparished) or to designate a Neighbourhood Area. First steps in progressing with a Neighbourhood Plan.	Regulations 5 & 8
<b>Designation of Neighbourhood Forum or Neighbourhood Area</b>	Minimum 6 weeks consultation undertaken by the Borough Council. As a minimum: Publish details of application online along with information about how interested parties may make representations; however, additional targeted notifications and publicity in the relevant area may also be undertaken. Borough Council published details of decision to designate (or not) online.	Regulations 6, 7, 9 & 10
<b>Preparation stage</b>	Local community gathers evidence to inform and prepare the Neighbourhood Plan. Engagement with, and surveys of, the local community, relevant stakeholders should form a key part of this evidence gathering. Draft Neighbourhood Plan prepared by local community.	N/A
<b>Pre-submission consultation on Draft Plan</b>	Minimum 6 weeks consultation undertaken by the neighbourhood planning body. As a minimum: Notify and send a copy to the Borough Council. Notify specific consultation bodies in Neighbourhood Planning Regs. Publicise the plan in a manner which is likely to bring it to the attention of people who live, work or carry on business in the area.	Regulation 14

Stage	Details	Relevant Regulation
<b>Finalise and submit Draft Plan</b>	<p>Prepare consultation statement summarising responses received.</p> <p>May include further evidence gathering and informal engagement as per preparation stage.</p> <p>Prepare formal documentation including basic conditions statement and any necessary environmental assessments.</p>	Regulation 15
<b>Public consultation on Submission Plan</b>	<p>Minimum 6 weeks consultation undertaken by the Borough Council.</p> <p>As a minimum:</p> <p>Notify specific consultation bodies in Neighbourhood Planning Regs and those who have responded previously.</p> <p>Publicise the plan in a manner which is likely to bring it to the attention of people who live, work or carry on business in the area.</p>	Regulation 16
<b>Submission of Neighbourhood Plan for independent examination</b>	<p>The Draft Plan is submitted for independent examination.</p>	Regulation 17
<b>Examination of Neighbourhood Plan by an independent examiner (appointed by the Council)</b>	<p>Examiner will consider representations received.</p> <p>Examiner will assess whether further public consultation may be carried out as part of the examination if any changes to the Neighbourhood Plan / DPD arise from the examination (subject to Inspector's advice).</p> <p>At the end of the examination process, the Inspector will issue a report to the Council with recommendations.</p>	Regulation 18

Stage	Details	Relevant Regulation
<b>Local Referendum</b>	Organised and funded by the Borough Council. Vote held in the neighbourhood area only, of people on the electoral register.  If more than 50% of those voting are in favour, the plan can be “made” / adopted.	Neighbourhood Planning (Referendums) Regulations 2012
<b>Borough Council “makes” (adopts) Neighbourhood Plan</b>	Publicise adoption online and notify any persons who asked to be notified.	Regulation 19

### 4.3. What support is available to help groups to prepare a Neighbourhood Plan?

#### Support from the Borough Council

Whilst the local community is responsible for preparing the plan, the Council will provide appropriate on-going advice and support throughout the process.

The Neighbourhood Planning Act 2017 introduced a new requirement for Statements of Community Involvement (SCIs) to set out how the Local Planning Authority will support groups undertaking neighbourhood plans.

As a starting point, the Council will nominate a member of the Planning Policy team to act as the main point of contact between the Neighbourhood Planning Group and the Council.

Support and guidance will be made available in several forms, with the emphasis on helping the community to develop their own knowledge and skills to prepare the plan, rather than direct involvement by the Council. This approach will help to maximise the independence and local ownership of the Plan. Support available may, depending upon the requirements of the community, include:

- Initial advice or seminars regarding the process for preparing a Plan or Order, including the respective roles of the Council and neighbourhood planning body.
- Initial support in scoping the matters which can / cannot be addressed through the Plan aspirations / objectives of the community.
- Sharing existing evidence documents, data and intelligence held by the Council which may be relevant to the area; and ‘signposting’ to other useful sources of data such as the Office for National Statistics, etc.

- Providing guidance (as required) on project management issues such as timetabling (including sharing any template tools), writing effective specifications / briefs for consultancy support and undertaking consultation / engagement events.
- Providing advice on relevant legislative or regulatory requirements, including Strategic Environmental Appraisal, and on any relevant case-law.
- Practical assistance such as GIS mapping (where appropriate and resources permit)
- Sharing examples of best practice from plans elsewhere.
- ‘Signposting’ to other sources of support (including financial) and training and supporting the community in making funding applications as appropriate.
- Providing informal advice on ensuring conformity with existing national / local policy and ensuring policies / site allocations are fit for purpose and deliverable.
- Responding, on a formal basis, to specific consultations on the emerging and draft Plan or Order
- Facilitating access to other teams / departments within the Council, or in partner organisations, if specialist input is required.
- Advice on the referendum process, including campaigning.

Town and Parish Councils or any Neighbourhood Forums will be strongly encouraged to keep their own websites up to date and assist by making sure documents are available locally and providing appropriate local publicity.

### **What other sources of advice, support and guidance exist?**

There is a range of valuable, independent advice and guidance for communities and groups preparing neighbourhood plans, including:

- Planning Practice Guidance: [Neighbourhood planning - GOV.UK \(www.gov.uk\)](http://www.gov.uk)
- Planning Aid: <https://www.planningaid.co.uk/hc/en-us/articles/203195361-How-does-a-Neighbourhood-Plan-fit-in-with-the-Local-Plan>
- Neighbourhood Planning support website ‘Locality’ <https://locality.org.uk/neighbourhood-planning> offers direct support to Neighbourhood Planning groups to help with preparing Neighbourhood Plans, including in the form of financial grants and technical support. This includes a ‘Neighbourhood Plans Road Map’ available at [https://neighbourhoodplanning.org/wp-content/uploads/NP\\_Roadmap\\_online\\_full.pdf](https://neighbourhoodplanning.org/wp-content/uploads/NP_Roadmap_online_full.pdf)
- Planning Help – Neighbourhood Plans (by Council for the Protection of Rural England) [How to shape where you live: a guide to neighbourhood planning - CPRE](http://www.cpre.org.uk)

## 5. Commenting on planning applications

A planning application is a means by which someone applies for permission from the Council to develop land or existing buildings, including changing their use. The Council is responsible for most planning decisions that are made throughout the borough, although in some limited instances (such as minerals and waste proposals), the County Council makes the decision.

The Council determines approximately 2,000 planning (and related) applications a year, ranging from household extensions and fences to major new housing estates and business premises. These planning decisions shape the nature of the areas where people live, work and spend their leisure time.

### 5.1. Types of planning applications

There are two main types of planning application – applications for full planning permission and applications for outline planning permission.

In addition to planning applications, the Council also processes a wide range of other applications relating to development:

- Approval of reserved matters
- Discharges of condition
- Amendments to proposals that already have planning permission
- Lawful development certificates
- Prior notifications and approvals for some permitted development rights
- Non-planning consents (such as advertisement consent, listed building consents and consents required under a Tree Preservation Order)
- Environment Impact Assessment (EIA) / Environmental Outcomes (EO) screening & scoping requests

### 5.2. Involvement at the pre-application stage

National policy guides all parties to take maximum advantage of the pre-application stage to improve the efficiency, effectiveness and outcomes of the planning process. The Council strongly encourages applicants to carry out early engagement with both the Council and the local community before submitting a planning application, especially for development proposals where the application of planning policies might not be straightforward. The pre-application involvement of the local planning authority, and key stakeholder organisations and the public should be proportionate to the size and type of development being proposed.

Involvement in the pre-application process provides an important opportunity to make a real difference to proposals, as well as avoiding unnecessary delays and costs for all parties.

## **Pre-application advice**

Early discussion of a proposal with the Council in the form of a pre-application discussion can:

- Help identify key opportunities and challenges associated with a particular site
- Help the applicant to understand how planning policies and other requirements may affect their proposal
- Verify the information required to be submitted with the application
- Reduce the likelihood of submitting invalid applications
- Identify the need for specialist involvement
- Raise the quality of development

General planning advice is also available from the Duty Planner, a telephone service which currently (as of March 2024 but may be subject to change and review according to future demand and resources) operates between 10am and 11.30am Monday to Friday. However, the extent of advice which the duty planner can provide is limited and we are unable to advise on specific proposals or the potential of a particular site via this service.

For specific schemes / proposals, the Council offers a formal pre-application advice service, providing either written advice or an opportunity to meet with a designated Planning Officer to discuss proposals. Further information above the pre-application process, including the necessary forms and fees information is available at: [Pre-application planning advice | Pre-application planning advice | Reigate and Banstead \(reigate-banstead.gov.uk\)](#).

Sometimes, these discussions will have to be kept confidential due to commercial sensitivity.

## **Pre-application community consultation**

The purpose of community engagement at the pre-application stage is to help identify and address issues so that any subsequent planning application is processed more quickly and the determination process is smoother. In particular, community engagement by applicants can:

- Identify and address any issues that may be considered in any formal application
- Inform Members and the public of a development proposal at an early stage in the process
- Inform planning officer's pre-application discussions with the developer
- Enable the developer to shape an application at the outset to respond to community issues and help to reduce local opposition

We strongly encourage applicants or developers, particularly on major schemes, to consult and engage with the local community before submitting planning applications which are likely to generate public interest. Such consultation should be accessible and clear to the whole community.

Pre-application consultation provides an opportunity for applicants and developers to find out the views of local residents about their development proposals and allows the local community to make suggestions which can then be taken into account by the developer in finalising their planning application.

In most cases, the Council expects applicants to carry out their own pre-application consultation. This should be effective in bringing draft proposals to the attention of the public, the local Town or Parish Council and other affected parties and provide opportunities for them to make comments. The extent of public engagement prior to application should reflect the scale and nature of the proposals. In all cases, the Council strongly encourages applicants to discuss their emerging proposals on a one to one basis with direct neighbours.

For larger applications, including 'major' developments of over 10 new homes or 1ha of land, more extensive engagement would be expected. Effective ways of doing this include public exhibitions, workshops and other forums providing specific opportunities for comments to be made. Discussions with Parish / Town Councils, local residents' associations and with elected Councillors are also encouraged for larger proposals.

The Council will expect applicants to submit details of the pre-application consultation they have undertaken as well as an explanation on how the responses have been considered alongside their planning application. The Council will consider this information prior to making a decision.

### **Planning Performance Agreements (PPAs)**

A Planning Performance Agreement (PPA) is a tool that the Council and applicants can use to agree timescales, actions and resources for handling particular applications. They can be used on most types of development but are particularly useful for larger, more complex planning applications.

PPAs typically cover the pre-application and application stages and provide an opportunity to:

- Establish a programme of bespoke pre-application advice, normally through a series of meetings, to identify and discuss key issues and to inform the design development of a proposal in the build up to submission of an application.
- Identify the resources and skills to be involved at the pre-application and application stage (normally including a dedicated case officer).
- Set out a clear and agreed timescale for reaching a decision once it is submitted.

In order for all parties to gain maximum benefit from a PPA, it is essential that they facilitate close engagement between the Council, developers, key consultees and the local community. The PPA will provide an opportunity for identifying the approach to community engagement and who should be involved.

Developers will be expected to cover the costs of the PPA, which will be in addition to any subsequent planning application fee for the proposed development.

### 5.3. Who will we consult regarding planning applications

Once a planning application is submitted, planning legislation sets out the statutory publicity requirements for different types of planning applications.

The method of publicity depends upon the type and scale of the development proposed in the application. Members of the public and stakeholder organisations have 21 days from the start of the consultation (excluding public holidays) to make comments, after which a decision can be made on the application. The easiest and quickest way to make your comments on an application is online, through the Planning Register. Once you have searched for and viewed the application, use the “Comment on this Application” link to register your comments. You can also provide comments by post.

The method of publicity and consultation for applications include:

- **Neighbour notifications** – we individually notify, by letter, all those properties (residential or non-residential) directly bordering and abutting the boundary of the application site.
- **Site notices** – if a site notice is a statutory requirement, it would be posted in at least one place on or near to the land that the application relates to. Every effort will be made to post site notices in a location which is visible to the general public and those passing the site. If the site is large, or if its geography is such that it may be accessed or appreciated from several roads, more than one site notice may be posted. This will be at the discretion of the Planning Officer. In exceptional circumstances, where the ownership of land adjoining an application site is uncertain, a site notice may also be posted at the discretion of the Planning Officer. The site notice will set out how to comment on the application and any deadlines.
- **Press notice – certain applications are advertised through a public notice in the local press.**
- **Online planning register** - all applications, and their associated documentation, are also made available to view on the Council’s website via the online planning register. You can use the register to:
  - ◆ Follow the progress of an application
  - ◆ View associated plans and documents
  - ◆ Make comments on an application
  - ◆ View the application report and decision notice
  - ◆ See if appeals have been lodged and any decisions made
  - ◆ See recent planning history and property details, including maps and constraints



Our website enables for residents and stakeholders to register and carry out their own planning searches. This service is a helpful way to keep informed of applications for development in the Borough that may affect you. The Council records can be searched by criteria such as type of application reference number, ward, status (active, determined, appealed) or applications within a defined geographical area, and offers the option for individuals to be notified by email of any new applications meeting these criteria. Guidance notes are available on the Council's website to explain how to use this. Further information is available at: [Weekly list of planning applications | Weekly list of planning applications | Reigate and Banstead \(reigate-banstead.gov.uk\)](http://www.reigate-banstead.gov.uk)

As well as consulting the local community, we will also consult a range of internal and external consultees as part of the application process. Some of these consultees are specified in legislation, however we may also consult others such as the County Highway Authority on transport matters or specialists in environmental health, trees, ecology and heritage conservation, depending upon the nature of the application.

The consultation and notification methods we will use for different types of application are summarised in Table 4.

**Table 4: Summary of planning application consultation methods**

Type of application	Site notice	Neighbour notification letter	Press notice	Online planning register
Major development (10+ homes or 1,000sqm or more)  Includes full, outline and minor material amendment applications (section 73)	✓	✓	✓	✓
Minor development (less than 10 homes or 1,000sqm)*		✓		✓
Householder developments		✓		✓
Certificate of Lawfulness for existing use / development		✓		✓
Certificate of Lawfulness for proposed use / development		✓		✓

Type of application	Site notice	Neighbour notification letter	Press notice	Online planning register
Permitted Development prior notifications and approvals	✓	✓		✓

Additional publicity requirements may be triggered to meet specific legislative requirements if a planning application gives rise to any of the specific issues identified (see Table 5 for details).

**Table 5: Summary of consultation requirements related to specific issues**

Specific issue	Site notice	Neighbour notification letter	Press notice	Online planning register
Development accompanied by an Environmental Statement (under EIA or EOs Regulations)  <i>The statutory consultation period for an application subject to Environmental Impact Assessment / Environmental Outcomes is 30 days rather than the standard 21 days</i>	✓	✓	✓	✓
Development affecting a Listed Building (including Listed Building Consent)	✓	✓	✓	✓
Development affecting the character or appearance of a Conservation Area	✓	✓	✓	✓
Development affecting a public right of way	✓	✓	✓	✓

Specific issue	Site notice	Neighbour notification letter	Press notice	Online planning register
Departure from the development plan	✓	✓	✓	✓

### Amended plans

National policy and Guidance are clear that Councils should work proactively with developers through the decision-making process. As part of this, in some instances, the Council may negotiate with developers through the application process to secure improvements to proposals and applications to address issues or policy conflicts. This may result in amended plans being put forward during the course of the application.

We decide whether amended plans need to be given publicity on the individual circumstances of each case. Any amendments that will significantly affect the appearance or layout of a proposal would generally follow the same procedure as that for the original application, except that only 14 days, rather than 21, is allowed for comments to be made. If a new planning application is required, this will be subject to new public consultation.

## 5.4. What we do with comments received on planning applications

### Checking that comments received are valid and suitable

Comments we receive about a planning or other development application, including names and postal addresses, must be made available for public inspection on the planning file and on the Council’s website.

If you do not include your name and postal address, or you expressly ask for your comments to remain anonymous, your comments will not be taken into consideration in assessing the planning proposal. It is therefore important that in commenting on an application you include your name and postal address within your response.

In accordance with Data Protection legislation, we will ‘redact’ (blank out) any personal information (such as email address, phone number, signature, and any information relating to health conditions or ethnic origin) which is provided to us as part of a comment on planning applications. This information will be kept on the Council’s software system but it will not appear on our website.

Anyone making comments on applications for development respondents are requested to ensure that the content of their representations only contains information that they are satisfied can be made publicly available, as comments will be published on the Council’s

online planning register. We reserve the right not to publish any comments that are not considered suitable for public view, including comments that are offensive, personal or defamatory. We will keep information from planning comments received for a set period set out in our [‘Records and Retention policy’](#).

When making a decision, the Council can only consider comments relating to material planning considerations not covered by other legislation. A summary of the most common material considerations (not exhaustive) is set out below, along with some issues which cannot be considered.

### **Material planning considerations that can be taken into account when assessing applications**

- Adopted local and national planning policies
- Policies in emerging Local Plans
- Previous appeal decisions and case law
- Loss of sunlight or daylight
- Overshadowing
- Loss of outlook
- Overlooking and loss of privacy
- Highways issues such as traffic generation, congestion and safety
- Noise and disturbance resulting from the proposed use (including hours of operation)
- Smells and fumes
- Compatibility of the layout, building design and appearance with the surrounding area
- Loss of, or effect on, trees
- Impact on ecology, nature conservation or biodiversity
- Effects on listed buildings, Conservation Areas or other historic assets
- Risk of flooding
- Deficiencies in infrastructure such as drainage or lack of school spaces
- Contamination or the storage and handling of hazardous materials
- Local financial considerations such as additional income from grants, Council Tax or the Community Infrastructure Levy

### **Non-material planning considerations that cannot be taken into account when assessing applications**

- Matters controlled by Building Regulations such as structural stability and fire precautions
- Matters covered by licences
- Private issues between landowners such as boundary disputes, damage to property, private rights of access and covenants
- Rights to light
- Problems arising from the construction period, such as noise, dust and hours of working, which are covered by Control and Pollution Acts

- Reduction of property value
- Loss of a private view
- Religious or moral issues – such as betting shops or amusement arcades
- Factual misrepresentation of the proposed development
- Opposition to business competition

## **Determining planning applications**

Following the end of the consultation period, we will consider any comments received and make a decision on the application. Although representations on a planning application will not be acknowledged or replied to on an individual basis, all valid responses will be fully considered in the assessment and determination of the application.

Matters raised in the representations will be discussed and addressed through the Planning Officers report on the application. In accordance with legislation, the decision we make on a planning application will be based on the adopted development plan policies unless other material planning considerations dictate otherwise.

Most planning applications are determined by officers under powers delegated to them. A small number of applications are decided by the Council's Planning Committee. Applications presented to Planning Committee will be accompanied by a written report and officer recommendation. Please see section 1.2 for more information about Council Committees.

## **Planning appeals**

If planning permission is refused for a development, approved with conditions which the applicant does not agree with, or not determined within the nationally set timescale, the applicant for permission can appeal to the national government Planning Inspectorate. The Planning Inspectorate is a government agency and is independent of the Council.

Everyone who was notified of the original application or submitted comments will be informed that an appeal has been made. They also have the opportunity to make further written comments, except in the case of Householder Appeals, where the Inspector makes the decision based solely on all the information on the original application file. Any additional comments must be made directly to the Planning Inspectorate and details of how to do this will be included on the notification letter.

Only the applicant can appeal against refused planning permission or imposed conditions. Neighbours and other third parties have no right of appeal. However, if a third party is not happy with the Council's decision and considers that the planning permission was granted unlawfully, and that the correct procedures were not followed, they can challenge the decision through a [judicial review in court](#).

The judicial review process can only consider the lawfulness of the procedure that the council took in coming to the decision to grant planning permission, it is not to consider the planning

merits of the case. A judicial review must be lodged within 6 weeks of a date where a challengeable ground arises; generally but not always the decision notice date for a planning decision. Anyone considering a judicial review is advised to seek independent legal advice.

Planning appeals can be dealt with in three ways: written representations, informal hearing or public inquiry. For appeals that are to be decided by informal hearing or public inquiry, interested parties are also given the opportunity to appear before the Inspector to put forward their views.

The Inspectorate will consider the evidence and decide whether the Council's decision was correct. The Inspector's decision is binding and can only be challenged through judicial review in High Court.

Third parties who are aggrieved about a planning decision (either by the Council or Inspector) do not have the right to appeal; their only recourse is to challenge the decision through the High Court.

## 5.5. Planning Enforcement

In some cases, breaches of planning control can arise. This might include:

- Development occurring without the necessary planning permission in place
- Conditions on a planning permission not being complied with
- Development not being built in accordance with the plans which have been approved
- Works without permission to a Protected Tree or Listed Building

In these situations, the Council has powers of investigation and enforcement. Our role in, and approach to, enforcing planning regulations is set out in our Local Enforcement Plan 2018, available at: [About planning enforcement | Planning enforcement | Reigate and Banstead \(reigate-banstead.gov.uk\)](#)

The Local Enforcement Plan is designed to help all stakeholders and the local community understand how planning enforcement works, how to make a complaint, and sets out the timescales for investigations and subsequent action. In terms of involvement, it also contains details of how we will keep stakeholders and customers informed during the enforcement process.

## 5.6. Brownfield Land Register and Permissions in Principle

### Brownfield Land Register

The Council has a legal duty (as specified in Town and Country Planning (Brownfield Land Register) Regulations 2017), to publish Brownfield Land Register (BLR) and review it at least once a year. The BLR provides details of previously developed (also sometimes called

‘brownfield’) land, that the local authority considers to be appropriate for residential development. Register will be in two parts:

- Part 1 comprises previously developed sites of 0.25ha or larger (or which are capable of supporting at least 5 dwellings) which the Council deems appropriate for residential development, taking account of suitability, availability and achievability. This will include sites with planning permission as well as sites without.
- Part 2 comprises of those sites in Part 1 which the Council has decided would be suitable for a grant of permission in principle for residential development.

There are no statutory consultation requirements associated with the entry of land onto Part 1 of the Register nor do we propose to undertake any specific consultation at this stage.

The publicity and consultation requirements that we must use for Part 2 of the Register are set out in Regulation 6 of the Town and Country Planning (Brownfield Land Register) Regulations 2017.

Our approach to notification and consultation on brownfield land register entries is set out below in Table 6.

### **Permission in Principle**

The Permission in principle (PIP) consent route is an alternative way of obtaining planning permission for housing-led development.

The PIP consent route has two stages:

1. **The permission in principle (PIP)** stage which establishes whether a site is suitable in principle.
2. **The technical details consent (TDC)** stage is when the detailed development proposals are assessed.

Getting technical details consent has the effect of granting planning permission. There are two ways in which we can grant permission in principle:

- Upon receipt of a valid application for any site that might accommodate a minor (less than 10 homes) housing-led development
- By entering a site in Part 2 of our Brownfield Land Register (BLR) which will trigger a grant of permission in principle for that land, providing the statutory requirements set out in legislation are met. (Note: This is the only route by which brownfield sites capable of accommodating major development (over 10 homes) can achieve PIP).

The Town and Country Planning (Permission in Principle) Regulations 2017 (as amended) sets out the publicity and consultation requirements associated with applications for ‘permission in principle’ or ‘technical details consent’, the latter of which mirrors a standard planning application. These requirements will be met in full as set out below in Table 6.

### **Table 6: Summary of Brownfield Land Register and Permission in Principle notification requirements**

Type of application	Site notice	Notify prescribed bodies	Neighbour notification notice	Online (Council website)
Entry of land onto Part 1 of the Brownfield Land Register				
Entry of land onto Part 2 of the Brownfield Land Register	✓	✓		✓
Application for Permission in Principle	✓	✓		✓
Application for Technical Details Consent	✓	✓		✓



## Appendix 1: Find out more about planning in Reigate & Banstead and get involved

### Contact us:

#### By email:

- Planning applications: [Planning.applications@reigate-banstead.gov.uk](mailto:Planning.applications@reigate-banstead.gov.uk)
- Planning policy: [LDF@reigate-banstead.gov.uk](mailto:LDF@reigate-banstead.gov.uk)
- Community Infrastructure Levy (CIL): [CIL@reigate-banstead.gov.uk](mailto:CIL@reigate-banstead.gov.uk)
- Planning enforcement: [Planning.enforcement@reigate-banstead.gov.uk](mailto:Planning.enforcement@reigate-banstead.gov.uk)

#### By telephone:

01713 276000 (including Duty Planner)

#### In person by appointment:

Reigate Town Hall  
Castlefield Road  
Reigate  
Surrey  
RH2 0SH

#### Social media:

<https://www.facebook.com/reigatebanstead>

<https://www.instagram.com/reigatebanstead>

[X](#) (formerly Twitter)

<https://twitter.com/reigatebanstead>

[LinkedIn](#)

[Nextdoor](#)

#### Find out more on our website:

- General planning information: [www.reigate-banstead.gov.uk/planning](http://www.reigate-banstead.gov.uk/planning)
- Planning policy: [Planning policy | Reigate and Banstead \(reigate-banstead.gov.uk\)](http://www.reigate-banstead.gov.uk/planning-policy)
- Online planning application search: <https://planning.reigate-banstead.gov.uk/online-applications/>

#### Sign up:

## **Planning Policy Consultation Database**

The Council keeps a database of people, groups and organisations who have told us that they are interested in being kept up-to-date with, and involved in, the production of any development plan documents, or who the government requires us to involve and consult when we produce new planning policy document or guidance.

Being on the register is the best way to ensure that you are notified of our engagement and consultation activities in preparing planning documents.

Any person or organisation can request to be added to the database to be notified of planning policy related consultations through the following means:

- Using our online form: [https://my.reigate-banstead.gov.uk/service/Planning\\_Policy\\_Mailing\\_List](https://my.reigate-banstead.gov.uk/service/Planning_Policy_Mailing_List)
- By emailing: [LDF@reigate-banstead.gov.uk](mailto:LDF@reigate-banstead.gov.uk)
- By post: using the postal address above

## **Online Planning Register**

Sign up to receive notifications of new applications matching your tailor made criteria.

<https://planning.reigate-banstead.gov.uk/online-applications/registrationWizard.do?action=start>

## Appendix 2: Further information and advice on planning

### Planning Aid England (PAE)

Planning Aid England (PAE) is a service provided by the Royal Town Planning Institute (RTPI) offering independent and impartial professional planning advice and support to help individuals and communities engage with the planning system and get involved in planning their local area. It offers a free mail advice service.

Website: [RTPI | About us](#) or [What is your question about? \(planningaid.co.uk\)](#)

### The Planning Portal

The Planning Portal is a 'one-stop-shop' for planning information. It provides information on the planning system, including a helpful guide on when planning permission is required. The Planning Portal also provides a planning application submission service, including the official forms needed.

Website: [www.planningportal.co.uk](http://www.planningportal.co.uk)

### Locality

Locality is a national membership network which offers support to local community organisations in preparing Neighbourhood Plans and Neighbourhood Development Orders.

Website: [locality.org.uk/services-tools/neighbourhood-planning/](http://locality.org.uk/services-tools/neighbourhood-planning/)

### Department for Levelling Up, Housing and Communities (DLUHC)

DLUHC is the Government department which currently has responsibility for all issues related to the planning system. DLUHC website provides access to national policy, statistics and latest news related to planning. You can view their website using this link:

<https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>

The Office for Place is part of DLUHC, formed in July 2021, aiming to improve design standards, including involving communities in (and supporting the role of) Design Codes nationally. Reigate & Banstead Borough Council's 'A23 Corridor Design Code' was selected as a pilot project to receive assistance from Office for Place. You can view more information about their work on their website:

[About our services - Office for Place - GOV.UK \(www.gov.uk\)](#)

## **The Planning Inspectorate**

The Planning Inspectorate processes planning appeals and examines planning policy documents and Community Infrastructure Levy (CIL) documents.

Website: [www.gov.uk/government/organisations/planning-inspectorate](http://www.gov.uk/government/organisations/planning-inspectorate)

Email: [enquiries@pins.gsi.gov.uk](mailto:enquiries@pins.gsi.gov.uk)

Postal address: The Planning Inspectorate, Room 3 O/P, Temple Quay House, 2 The Square, Temple Quay, Bristol, BS1 6PN

Telephone: 0303 444 5000

## **National Planning Policy Framework and Planning Practice Guidance**

The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and how these should be applied. The NPPF must be considered as relevant when preparing Local Plans and determining planning applications. The Planning Practice Guidance (PPG) provides further detailed information on how to implement the national policies.

NPPF: <https://www.gov.uk/guidance/national-planning-policy-framework>

PPG: <https://www.gov.uk/government/collections/planning-practice-guidance>

# Equality Impact Assessment

## Stage 1: Relevance Screening

### 1. Introduction

<b>1.1 Service:</b>	Planning
<b>1.2 Name of proposal, policy, strategy or project being assessed:</b>	Local plan Core Strategy Review March 2024
<b>1.3 This is:</b>	Other <i>If other, please specify:</i> A review of current local plan policies to consider whether any need to be updated at this time
<b>1.4 Completing officer's name:</b>	Tanya Mankoo-Flatt
<b>1.5 Date Screening completed:</b>	01/03/2024
<b>1.6 Signed off by:</b>	Head of Service name: Andrew Benson Date: 05/03/2024

### 2. About the proposal

*\*\* Note that the term 'proposal' is used here to include any new services proposed for introduction, changes to an existing service, withdrawal of an existing service, any new policy or strategy or change to an existing policy or strategy, and any project \*\**

#### 2.1 What is the main purpose of the proposal?

*Please explain in one or two short paragraphs*

To consider whether the current adopted policies of the Council's local plan Core Strategy remain up to date and effective for decision making.

#### 2.2 Why is it being introduced / reviewed / changed now?

*This could be, for example, because of new government legislation or guidance, because of changing service user needs, or for financial reasons.*

The local plan Core Strategy policies, adopted by the Council in 2024 to plan for the Borough's strategic development needs between 2012 and 2027, are being reviewed due to a national legal and policy requirement (under the Local Planning Regulations and NPPF Dec 2023) to complete a review of local plans every five years from adoption and to be updated as necessary.  
If the Council decides that the local plan policies do not need to be updated, we must publish the Review including reasons for this decision within 5 years of the adoption date of the plan (noting that if some policies need updating but others do not, lists of both types of policies may be published).

#### 2.3 Who could be affected by your proposal?

*This could be, for example, because of new government legislation or guidance, because of changing service user needs, or for financial reasons.*

**a. Will the proposal introduce a change which will affect how services or functions are delivered?**

No

*If yes, please identify which group(s):*  
Choose an item.

<b>b. Will the proposal affect people - service users, employees or the wider community?</b>	No	<i>Please briefly explain your answer:</i> Click or tap here to enter text.
--	----	--

### 3. Assessment of relevance

<b>3.1 Who is the intended audience or target group(s) for the proposal and/or which group(s) of people might be affected?</b>
Internal audience or group: Choose an item.
External audience or group: Multiple (please specify below)
<i>If other or multiple, please specify.</i> Residents, local businesses, developers, landowners
<p><i>Please provide more details about the target audience or affected group(s), for example how many people will be affected and the likely extent of the impact:</i></p> <p>The local plan includes three types of policies for the Borough and which aim to meet the identified needs for development to 2027 in a sustainable manner whilst protecting important aspects of the Borough, including its nationally important landscape (Surrey Hills AONB), the Metropolitan Green Belt within the Borough, built heritage, etc.</p> <p>The policies are spatial strategy policies (CS1 to CS5), place-shaping policies (CS6 to CS9) and cross-cutting policies (CS10 to CS18).</p>

<p><b>3.2 Evidence and engagement</b></p> <p><i>What information have you used to assess the proposal for its relevance to equality?</i></p> <p><i>This may be data or evidence or engagement information collected and held by the Council, or by external parties.</i></p> <p><i>General Borough-level and workforce information is available at <a href="http://www.reigate-banstead.gov.uk/equality">www.reigate-banstead.gov.uk/equality</a></i></p>
<p>Consideration of Equality Information: Borough Characteristics 2024; 2021 census date; the 2024 local plan Core Strategy Review, including monitoring data on effectiveness of its policies. The Core Strategy Equalities Impact Assessment March 2009</p>

<p><b>3.3 Protected characteristics</b></p> <p><i>Could the proposal affect people with any protected characteristics? Please indicate which by ticking the relevant boxes. Note that 'other vulnerability' is not a protected characteristic but should be considered in addition.</i></p>	
Age <input checked="" type="checkbox"/>	Race or ethnicity <input checked="" type="checkbox"/>
Disability <input checked="" type="checkbox"/>	Religion or belief (or lack of) <input type="checkbox"/>
Gender reassignment <input type="checkbox"/>	Sex <input checked="" type="checkbox"/>
Marriage or civil partnership <input type="checkbox"/>	Sexual orientation <input type="checkbox"/>
Pregnancy and maternity <input type="checkbox"/>	Other vulnerability (inc deprivation) <input checked="" type="checkbox"/>

<p><b>3.4 Aims of the Equality Duty</b></p> <p><i>Which of the aims of the Equality Duty are relevant? Please indicate by ticking the relevant boxes.</i></p>
<p>Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act (<i>disadvantages suffered by people due to their protected characteristic</i>) <input type="checkbox"/></p>

Advance equality of opportunity between those who share a protected characteristic and those who do not (*where the needs of people from protected groups are different from the needs of other people*)

Foster good relations between people who share a protected characteristic and those who do not (*encouraging protected groups to participate in public life or in other activities where their participation is disproportionately low*)

## 4. Conclusions

### 4.1 Relevance ranking

*Please identify in this section the degree to which the proposal has been assessed as relevant to equality*

**High:** The proposal shows a high degree of relevance to one or more protected characteristic and/or one or more aim of the Equality Duty

**Moderate:** The proposal shows a moderate degree of relevance to one or more protected characteristic and/or one or more aim of the Equality Duty

**Low:** The proposal shows a low degree of relevance to one or more protected characteristic and/or one or more aim of the Equality Duty

**None:** The proposal is not relevant to any protected characteristic or any aim of the general equality duty

### 4.2 Explaining a ranking of Low or None

*If your assessment has identified low or no relevance to equality, please explain the reasons for this conclusion below, referencing the information you have used to inform your decision.*

Click or tap here to enter text.

### 4.2 Further analysis

*Please identify in this section whether your relevance screening demonstrates the need for further equality analysis*

The relevance assessment has identified a **high** or **medium** relevance ranking, and an Equality Impact Assessment is required

The relevance assessment has identified a **low** or **no** relevance ranking, and in consideration of the evidence above, an Equality Impact Assessment is not required

## Stage 2: Impact Assessment

You should complete this form if your Stage 1 Relevance Assessment has indicated that an Impact Assessment is needed.

### Data and evidence

In undertaking this assessment, you will need to consider relevant data and evidence, depending on the people the proposal will affect, for example:

- Relevant information about service users held by your service
- Relevant information about staff (eg, the workforce equality information published on the [website](#), staff surveys etc)
- Relevant information about borough residents (eg the borough equality information published on the [website](#), service user surveys etc)
- Relevant information published by third party organisations (eg data, research studies etc). This could include (but is not limited to) the [Census](#), [Office for National Statistics](#) or [Joint Strategic Needs Assessment](#)
- Feedback or information from organisations representing target equality groups

## 1. Introduction

<b>1.1 Service:</b>	Planning
<b>1.2 Name of proposal, policy, strategy or project being assessed:</b>	Local plan Core Strategy Review March 2024
<b>1.3 This is:</b>	Other <i>If other, please specify:</i> A review of current local plan policies to consider whether any need to be updated at this time
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**\*\* Note that the term 'proposal' is used here to include any new services proposed for introduction, changes to an existing service, withdrawal of an existing service, any new policy or strategy or change to an existing policy or strategy, and any project \*\***

## 2 Outcomes of Stage 1 Relevance Assessment

<b>2.1 Have you completed a Stage 1 Relevance Assessment for this proposal? If 'No' please complete one before proceeding further with the Stage 2 assessment.</b>
Yes
If yes, what date was the Stage 1 assessment completed? 12/02/2024

<b>2.2 Please indicate which protected characteristics the relevance assessment identified as relevant to the proposal being assessed</b>
---



Age <input checked="" type="checkbox"/>	Race or ethnicity <input checked="" type="checkbox"/>
Disability <input checked="" type="checkbox"/>	Religion or belief (or lack of) <input type="checkbox"/>
Gender reassignment <input type="checkbox"/>	Sex <input checked="" type="checkbox"/>
Marriage or civil partnership <input type="checkbox"/>	Sexual orientation <input type="checkbox"/>
Pregnancy and maternity <input type="checkbox"/>	Other vulnerability (inc deprivation) <input checked="" type="checkbox"/>

**2.3 Please indicate which aims of the Equality Duty the relevance assessment identified as relevant to the proposal being assessed**

Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act (*disadvantages suffered by people due to their protected characteristic*)

Advance equality of opportunity between those who share a protected characteristic and those who do not (*where the needs of people from protected groups are different from the needs of other people*)

Foster good relations between people who share a protected characteristic and those who do not (*encouraging protected groups to participate in public life or in other activities where their participation is disproportionately low*)

### 3. About the proposal

**3.1 What is the main purpose of the proposal?**

*Please explain in one or two short paragraphs*

The proposal reviews the existing local plan Core Strategy policies (which over the period 2012-2027) to consider whether they remain up to date and effective for continued use for the purposes of assessing planning and related applications for development and planning appeals.

**3.2 Why is it being introduced / reviewed / changed now?**

*This could be, for example, because of new government legislation or guidance, because of changing service user needs, or for financial reasons.*

The Council is legally required to review its local plan policies at least once every 5 years starting from the date of their adoption. The local plan Core Strategy was adopted 3 July 2014. Its review in 2019 found its policies remained up to date and effective and did not need updating. Should the Council agree this current local plan Core Strategy review, it will be published on the Council's website.

### 4. About the customer, audience or target group(s)

**4.1 Who is the intended audience or target group(s) for the proposal or which group(s) of people might be affected?**

Internal audience or group: Staff and councillors

External audience or group: Multiple (please specify below)

*If other or multiple, please specify. Please also use the section below to provide more details about the audience or target group(s):*

Local residents, businesses, community groups, those using the Borough for recreation.

**4.2 Will the proposal intentionally target any particular protected characteristic group?**

Yes

*If yes, please identify the group and explain the reason for this and what the intended impact is.*

Yes

Whilst some of the local plan Core Strategy policies are aimed at protecting the Borough's natural and historic environment, including for public access leisure opportunities, other policies aim to ensure a variety of housing and economic opportunities are provided for to serve the whole of the Borough's population.

*Policy CS5: Valued people and economic development* aims to identify and improve the Borough's Regeneration Area to deliver economic, social and environmental improvements to those areas and their residents.

*Policy CS6: Allocation of land for development* gives priority and focuses development and improvements within the identified regeneration areas of the Borough being the areas with the highest deprivation.

*Policy CS7: Town and Local Centres* focuses on directing shops and services towards these accessible areas for the benefit of all communities including minimising the need to travel for goods and services and provision of accessible local services.

Policy CS12: Infrastructure Delivery protects community (including health and education) and leisure (sport, cultural and open space) infrastructure to support the Borough's residents and workers. It also requires new developments in the Borough to contribute towards provision of new infrastructure to support the growing resident and working population of the Borough.

*Policy CS14: Housing Needs of the community* aims to ensure that new developments provide a range of housing to meet the diverse housing needs of the local community. This includes specifically, elderly people, people on low incomes, people with mobility and / or other disabilities.

A range of housing relates to housing types, sizes, and tenure.

*Policy CS15: Affordable Housing* was superseded by DMP Policy DES6 in September 2019 aims to meet the needs of residents and workers in the Borough who are on lower incomes potentially due to disability, age, or deprivation.

*Policy CS16: Gypsies, travellers and travelling showpeople* aims to ensure suitable housing is provided within the Borough to meet the needs of ethnic gypsies and travellers who wish to residents in housing that relates to their ethnic needs.

*Policy CS16* also protects existing authorised sites from other (potentially higher land value) uses where they are needed in order to ensure continued suitable housing sites remain in the Borough for gypsy and traveller families.

*Policy CS17: Travel options and accessibility* looks to ensure that a variety of non-car transport infrastructure is available, including bus, rail, and cycling and walking infrastructure.

This policy will help to ensure that residents, workers and visitors to the Borough can access transport suitable to their needs, be it people with mobility, visual

		or other disabilities; elderly people; and people with lower incomes who may not have access to a car.
<b>4.3 Will the proposal intentionally exclude any particular protected characteristic group?</b>	No	<i>If yes, please identify the group and explain the reason for this and any direct or indirect impact on that group.</i> No
<b>4.4 Does the proposal have the potential to reduce inequalities or improve outcomes for protected characteristic groups?</b>	Yes, Improve outcomes	<i>Please briefly explain your answer.</i> Yes For the reasons outlined in section 4.2 above.

**4.5 What information do you have about the protected characteristics of the intended audience or group(s) of people who might be affected and what does it tell you? Please refer to any information you hold within your service, evidence from consultation or engagement, information from the Council's Borough and Workforce [Equality Information](#), or external data sources such as the [Census](#), [Office for National Statistics](#) or [Joint Strategic Needs Assessment](#).**

*If you have no information, state 'none'.*

Age	Information source(s): RBBC's Equalities Information: Borough Characteristics 2024
	<p>Summary:</p> <p>The 2021 census recorded 17.71% of the Borough's residents being aged 65 and over, compared to the average for England and Wales of 18.56%, and 21.54% of the Borough's population being aged 16 and under compared to 19.61% nationally.</p> <p>The population's age profile varies considerably across the Borough, with Banstead Village having the highest proportion of population aged 65 or over (25.11%) and the lowest proportion aged 16 or under (15.90%). Conversely, only 11.09% of Redhill East's population was aged 65 or over, and South Park &amp; Woodhatch has almost one quarter of its population (24.79%) aged 16 or under.</p> <p>The type of housing built in the Borough is one of the factors that influences the ages of who can stay living in the Borough and who decides to move to the Borough.</p>
Disability	Information source(s): RBBC's Equalities Information: Borough Characteristics 2024
	Summary: The 2021 census recorded 13.97% of the Borough's population as being disabled under the Equality Act, i.e. their day to day activities are limited either a little or a lot by their health.
Gender reassignment	Information source(s): N/A
	Summary: Click or tap here to enter text.
Marriage and civil partnership	Information source(s): N/A
	Summary: Click or tap here to enter text.
Pregnancy and maternity	Information source(s): N/A
	Summary: Click or tap here to enter text.
Race or ethnicity	<p>Information source(s): RBBC's Equalities Information: Borough Characteristics 2024</p> <p>Traveller Caravan Count (twice yearly data returns to government) in January and July each year to provide local data on winter and summer residences records the number of traveller caravans but not the number of occupants residing in them.</p>

	<p>Summary:  The 2021 Census data provides the most recent information about the residents Borough population. This includes Irish and Scottish travellers and Romany gypsies (0.18% of the Borough's population in 2021, i.e. about 272 people from a population at the census time of approximately 150,852).  This may well be an under-recording.  Core Strategy Policy CS16 sets out the criteria that were used to identify sites to allocate through the DMP, and to determine planning applications relating to unallocated sites.  The DMP adopted in 2019 allocates sites sufficient to meet the full need for traveller accommodation identified in the 2017 Reigate &amp; Banstead Gypsy and Traveller Accommodation needs Assessment (GTAA).</p>
Religion or belief (or lack of)	Information source(s): N/A
	Summary: Click or tap here to enter text.
Sex	Information source(s): RBBC's Equalities Information: Borough Characteristics 2024
	<p>Summary:  The 2021 census recorded 51% of the Borough's population as being female and 49% as male, with 0.35% identified as a different sex / gender to that registered at birth.  This is consistent with a government estimate in 2018 from the government's Equalities Office of between 0.3% and 0.75% of the national population. Cities are likely to have high representation.</p>
Sexual orientation	Information source(s): N/A
	Summary: Click or tap here to enter text.
Other vulnerability (please state)	Information source(s): RBBC's Equalities Information: Borough Characteristics 2024
	<p>Summary:  Data on deprivation indicators is collected at Lower Super Output Area (LSOAs) level. This includes indicators such as "income", life expectancy "employment", "health &amp; Disability", "crime", "employment"  The government uses published data collected together into an "Index of Multiple Deprivation" (IMD) tool.  The IMD ranks LSOAs  Of the 317 local authorities in England, R&amp;B was ranked 276 (1 being the most deprived), and so as a whole, the borough scores well in terms of deprivation. Well over half (57.06%) of the borough's households are not deprived in any indicator / dimension.  However, this masks areas within the Brough can still face significant challenges with deprivation issues.</p> <p>Within the Borough, deprivation indicators were scored highest in central Horley, Merstham, South Park and Woodhatch, and south Tattenham.</p> <p>Just under one third (30.83%) households were deprived in one indicator / dimension.</p> <p>2.22% of households were deprived in three or four dimensions.</p> <p>Parts of Merstham, which were in the top 20% most deprived areas nationally for older people's income deprivation.  Parts of Preston were ranked in the top 30% on this indicator.  Parts of Merstham were also in the were in the top 20% for income deprivation</p>

affecting children, as well as parts of Preston and Redhill. Parts of South Park and Woodhatch and Horley in the top 30%.  
Parts of Merstham, Preston, Redhill and Horley ranked in the top 30% nationally for health deprivation and disability indicators.

**4.6 If you have identified any information gaps that make it difficult to assess the impact of your proposal on people, please explain what the gaps are and explain how those gaps can be filled in the future.**

Click or tap here to enter text.

**4.7 Has there been any consultation with relevant interested parties or is any consultation planned?**

*This could include consultation, further evidence gathering or changing or amended the proposed approach. Give consideration to both consultation within the Council (eg staff) and outside the Council (eg residents).*

Yes, already undertaken

*If yes, please explain the nature of the consultation that has been undertaken or is planned. If no, please explain why consultation is not considered necessary. How were protected characteristic groups consulted or how will they be consulted?*

These policies have been subject to public and stakeholder consultation throughout their preparation between 2004 and 2013m, including a public examination of the policies by a government inspector.

**4.8 What actions have been, or could be, taken to increase the positive impacts for people with protected characteristic(s) or other vulnerabilities? This could include changing or amending the proposed approach.**

None. As noted below, the adopted Core Strategy policies have neither a positive or neutral impact on people with protected characteristics, and the policies were adopted in July 2014 to cover the plan period to 2027. The legal requirement is to review the policies at least every five years, which the Council did in 2019 and is now doing again. As the Review of the local plan Core Strategy found that the policies remain effective and consistent with national policy, there is no need for the adopted policies to be updated at this time.

**4.9 What actions have been, or could be, taken to reduce potential negative impacts on people with protected characteristic(s) or other vulnerabilities? This could include changing or amended the proposed approach, or allowing the proposal to be tailored to fit different individual circumstances**

As identified the Core Strategy policies adopted in 2014 all have a positive or neutral impact on people with protected characteristics. No negative impacts have been identified, either in this Equalities Impact Assessment or in the 2009 Equalities Impact Assessment for this Core Strategy Review.

## 5. Assessment of potential impact

Information about the protected characteristic groups as defined by the Equality Act is available [here](#). You should also use this assessment to consider impacts on other vulnerable groups such as those on low incomes.

**In undertaking your assessment, please think about every stage of your process, including the design phase, any consultation, the delivery phase and once the proposal is up and running.**

Considering the above information, please summarise the likely impact on **protected characteristic groups** (within the organisation, outside the organisation or both) This may be direct, indirect or differential impact. Use the above link for definitions, and consider issues such as physical access to services, different cultural or social practices and how people are able to access information.

**5.1 Age including children, young people or older people**

Does your assessment indicate a disproportionate negative impact relation to Age?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Age?	Yes
If yes, please describe the nature of the positive impact(s)	See section 4.2 above, particularly relating to increasing options for suitable housing and transport for elderly residents and visitors and local shops that provide local shops and service in communities

**5.2 Disability including physical, sensory or learning disability or long-term health impairment**

Does your assessment indicate a disproportionate negative impact relation to Disability?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Disability?	Yes
If yes, please describe the nature of the positive impact(s)	See section 4.2 above, particularly Policies CS4 relating to ensuring greater opportunity for provision of suitable housing and CS17 relating to transport options

**5.3 Gender reassignment**

Does your assessment indicate a disproportionate negative impact relation to Gender reassignment?	No
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If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Gender reassignment?	No
If yes, please describe the nature of the positive impact(s)	Click or tap here to enter text.
<b>5.4 Marriage and civil partnership</b>	
Does your assessment indicate a disproportionate negative impact relation to Marriage and civil partnership?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Marriage and civil partnership?	No
If yes, please describe the nature of the positive impact(s)	Click or tap here to enter text.
<b>5.5 Pregnancy and maternity</b>	
Does your assessment indicate a disproportionate negative impact relation to Pregnancy and maternity?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact	No

relation to Pregnancy and maternity?	
If yes, please describe the nature of the positive impact(s)	Click or tap here to enter text.
<b>5.6 Race or ethnicity</b>	
Does your assessment indicate a disproportionate negative impact relation to Race or ethnicity?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Race or ethnicity?	Yes
If yes, please describe the nature of the positive impact(s)	Specialist housing provisions are made for ethnic gypsy and travellers in Core Strategy Policy CS16, as explained in section 4.2 above
<b>5.7 Religion or belief or lack of</b>	
Does your assessment indicate a disproportionate negative impact relation to Religion or belief?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Religion or belief?	No
If yes, please describe the nature of the positive impact(s)	Click or tap here to enter text.
<b>5.8 Sex</b>	
Does your assessment indicate a disproportionate negative impact relation to Sex?	No



If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Sex?	Yes
If yes, please describe the nature of the positive impact(s)	As set out in Section 4.2 above
<b>5.9 Sexual orientation</b>	
Does your assessment indicate a disproportionate negative impact relation to Sexual orientation?	No
If yes, please describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to Sexual orientation?	No
If yes, please describe the nature of the positive impact(s)	Click or tap here to enter text.
<b>5.10 Other vulnerability</b>	
Does your assessment indicate a disproportionate negative impact relation to any other vulnerability?	No
If yes, please specify the vulnerability and describe the nature of any disproportionate negative impacts.	Click or tap here to enter text.
What actions will be taken to address any disproportionate negative impact?	Click or tap here to enter text.
Does your assessment indicate a positive impact relation to any other vulnerability?	Yes

<p>If yes, please specify the vulnerability and describe the nature of the positive impact(s)</p>	<p>Policy CS6: “Allocation of land for development” gives priority and focuses development and improvements within the identified regeneration areas of the Borough, being the areas with the highest deprivation, with South Park and Woodhatch now also included. The “Regeneration Areas” identified in Policy CSD6 remain the areas subject to higher indicators of deprivation, including in some areas multiple deprivations.</p>
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**Important:**

Any disproportionate negative impacts must be drawn to the attention of the decision-maker (for example the relevant Board or Committee).

In the event that there are disproportionate negative impacts identified and it is concluded that the proposal should still be agreed/implemented, it is highly recommended that consultation is carried out (including with representatives of the affected group) before the final proposal is agreed

**6. Monitoring and review**

<p><b>6.1 How do you propose to monitor the impact of your proposal and keep track of the delivery of any identified actions to address disproportionate negative impact? Please outline how you will monitor the impact of your proposal, once implemented, on protected characteristic groups, and who will be responsible for this monitoring.</b></p>
<p>The published Core Strategy Monitoring Framework 2014 and annual Monitors regularly monitor the impact that the Core Strategy policies are having, including performance against the Strategy’s objectives and targets.</p>

<p><b>6.2 Please outline what the mechanisms for review of the impact of your proposal will be? (for example if any negative impact is found to be occurring) Include detail of review frequency and who will be responsible for the review.</b></p>
<p>Click or tap here to enter text.</p> <p>This is expected to be the last review of these local plan Core Strategy polices, as the plan period ends in 2027.</p> <p>Preparation of a new local plan started in 2023, and will include consideration of potential Equalities Impacts of policies on people with protected characteristics as they emerge, offering the opportunity to mould the policies to improve their effect on Borough residents, workers and visitors through the iterative process of writing the policies. As set out in the Council’s <i>Statement of Community Involvement (SCI) in Planning</i> 2019, updated 2024, we will make particular efforts to get information on the production of the new local plan to those who are not often heard from, including people whose might not speak or write English, busy working people who may not see the local plan as affecting them.</p> <p>Information on poverty and other indicators of deprivation will be considered in re-assessing the Borough’s communities most at need of targeted spatial planning policies, including any geographic areas in need of regeneration.</p> <p>This will be informed by on-going informal engagement, as well as through two formal consultation with a variety of individuals and organisations living or otherwise having an interest in the future development and protection of the Borough.</p>

# Agenda Item 6



<b>Signed off by</b>	Head of Corporate Policy, Projects and Performance
<b>Author</b>	Luke Harvey, Project & Performance Team Leader
<b>Telephone</b>	Tel: 01737 276384, Tel: 01737 276519
<b>Email</b>	Luke.Harvey@reigate-banstead.gov.uk
<b>To</b>	Audit Committee Executive
<b>Date</b>	Audit Committee: Wednesday, 13 March 2024 Executive: Thursday, 21 March 2024
<b>Executive Member</b>	Portfolio Holder for Corporate Policy and Resources

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Risk Management - Quarter 3 2023/24
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<b>Recommendations</b>
<p><b>That the Audit Committee:</b></p> <p>(i) <b>Notes the Q3 2023/24 update on risk management provided in the report and associated annexes and make any observations to the Executive.</b></p> <p><b>That the Executive:</b></p> <p>(ii) <b>Notes the Q3 2023/24 update on risk management provided by the report and associated annexes.</b></p>
<b>Reasons for Recommendations</b>
The Audit Committee and Executive's constitutional responsibilities require the regular receipt of updates on risk management.
<b>Executive Summary</b>

# Agenda Item 6

This report provides an update on risk management in Q3 2023/24. Additional detail is provided in the report as well as in the supporting annexes.

**The Audit Committee and Executive have the authority to approve their respective recommendations.**

## Statutory Powers

1. The Council holds various statutory responsibilities for ensuring that its business is conducted in accordance with the law and that public money is safeguarded, accounted for, and is used economically and effectively.
2. The Council also has a duty under the Local Government Act (1999) to put in place proper arrangements for the governance of its affairs.
3. The discharge of this responsibility includes arrangements for managing risk.
4. The Council's Code of Corporate Governance outlines these core governance principles; compliance with the code is reported each year via the Annual Governance Statement.

## Background

5. Reigate & Banstead Borough Council has a proactive approach to risk management. It is an integral part of the Council's corporate governance arrangements and is built into management processes. The risk management strategy and methodology sets out the full detail behind how risk is managed at the Council.
6. The Council operates a two-tiered risk management process to address the dynamic and interdependent nature of risk categorisation. The risk categories are strategic and operational risks.
7. 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).
8. Members of the Management Team and Executive Members have shared responsibility for strategic risks. It is the responsibility of the Executive to formally endorse the strategic risks for each financial year.
9. Operational risks are short term risks that are encountered in the course of day-to-day delivery by services. However, if the 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.
10. The Audit Committee has a constitutional responsibility to provide independent assurance to the Council of the adequacy of the risk management framework and internal control environment.
11. In so doing, the Committee receives quarterly updates on risk management. The Committee receives the strategic risk register and any red rated operational risks.

## Key Information

## **Q3 2023/24 risk management update**

12. The Q3 strategic risk register is available at annex 1 of this report.
13. In summary, in Q3 no new strategic risks have been identified and no strategic risks are recommended for closure.

## **Red rated operational risk**

14. In Q3 there were no red rated operational risks.
15. The operational risk that was reported as red in previous quarters is no longer red rated - a further update is provided in the part 2 exempt annex 2.

## **Audit Committee observations to the Executive**

16. As the agenda for the meeting where the Executive considers risk management is published before the Audit Committee meets, any observations made by the Audit Committee will be tabled at the meeting of the Executive.

## **Options**

17. The Audit Committee has two options:
  - Option 1 – note this report and make any observations to the Executive.
  - Option 2 – note this report and make no observations to the Executive.
18. The Executive has one option:
  - Option 1 – note this report, consider any observations made by the Audit Committee and, if necessary, make any observations to the Head of Corporate Policy, Projects and Performance.

## **Legal Implications**

19. There are no legal implications arising from this report.

## **Financial Implications**

20. Financial risks are considered when preparing the Medium-Term Financial Plan, Capital Investment Strategy, Revenue Budget and Capital Programme each year.
21. There are no additional financial implications arising from this report.

## **Equalities Implications**

22. There are no equalities implications arising from this report.

## **Communication Implications**

23. There are no communications implications arising from this report.

## **Environmental Sustainability Implications**

24. There are no environmental sustainability implications arising from this report.

# Agenda Item 6

<b>Risk Management Considerations</b>
25. The Council's risk registers inform the development of the risk based internal audit plan, progress against which is reported separately to the Audit Committee.
26. The Council's approach to managing risk is a core component of the Code of Corporate Governance.
<b>Procurement/Contract Management and Subsidy Considerations</b>
27. There are no procurement, contract management and/or subsidy considerations arising from this report.
<b>Other Implications</b>
28. There are no other implications arising from this report.
<b>Consultation</b>
29. The risk registers have been considered by the Council's Corporate Governance Group as part of its governance role.
<b>Policy Framework</b>
30. The Council's risk management strategy and methodology provides additional information on how the Council manages risk.
<b>Background Papers</b>
1. Risk management strategy: <a href="https://www.reigatebanstead.gov.uk/info/20090/council_policy/929/risk_management">https://www.reigatebanstead.gov.uk/info/20090/council_policy/929/risk_management</a>

## Risk management

### Strategic risk register

#### Quarter 3 – October to December 2023

#### Strategic risks

Strategic risks are risks that could have a negative impact on the Council's medium to long term objectives and priorities as set out in the Corporate Plan or other corporate level policies and strategies, including the Medium-Term Financial Plan (MTFP). Strategic risks typically originate from the environment within which the Council operates, though may also stem from an internal source – such as major project – if the impact merits its categorisation as a strategic risk.

Members of the Council's Senior Management Team and Executive members have shared responsibility for strategic risks.

The Council's strategic risks are detailed in below table:

<a href="#"><u>SR1</u></a>	<a href="#"><u>Financial sustainability</u></a>
<a href="#"><u>SR2</u></a>	<a href="#"><u>Commercial investment</u></a>
<a href="#"><u>SR3</u></a>	<a href="#"><u>Challenging economic conditions for residents and businesses</u></a>
<a href="#"><u>SR4</u></a>	<a href="#"><u>Organisational capacity and culture</u></a>
<a href="#"><u>SR5</u></a>	<a href="#"><u>Cost pressures affecting the viability of Council developments</u></a>
<a href="#"><u>SR6</u></a>	<a href="#"><u>Local government reorganisation, devolution and Levelling Up</u></a>
<a href="#"><u>SR7</u></a>	<a href="#"><u>ICT network capacity and resilience</u></a>
<a href="#"><u>SR8</u></a>	<a href="#"><u>Fraud</u></a>
<a href="#"><u>SR9</u></a>	<a href="#"><u>Gatwick Airport</u></a>
<a href="#"><u>SR10</u></a>	<a href="#"><u>Planning system reform</u></a>
<a href="#"><u>SR11</u></a>	<a href="#"><u>Climate change impact</u></a>

## Scoring risks

Each risk on the risk register is assessed using a likelihood and impact matrix.

The likelihood and impact scores are then combined to give an overall risk score. This is done by multiplying the likelihood score by the impact score.

The total risk score is then plotted on a scoring matrix to illustrate the risk scoring visually:

IMPACT						
Grave	(5)	5	10	15	20	25
Significant	(4)	4	8	12	16	20
Moderate	(3)	3	6	9	12	15
Minor	(2)	2	4	6	8	10
Almost none	(1)	1	2	3	4	5
LIKELIHOOD		(1)	(2)	(3)	(4)	(5)
		Rare	Unlikely	Possible	More than likely	Almost certain

## Risk treatment

Risk treatment is the collective term that refers to the various options that management have at their disposal to manage a risk. These are:

<b>Avoidance</b>	Simply stop doing the activity that creates the risk, or elements therein. This may not be possible or desirable, however, particularly where the risk is unavoidable or arises from activity that the Council is obliged to undertake.  Risk avoidance must also be balanced against the effect of doing so on the Council's objectives and how this reconciles with the wider risk appetite.
<b>Transfer</b>	Transfer all or part of the risk to another party. For example, to insurance or to other agencies/contractors.
<b>Reduce</b>	Take steps to reduce the likelihood and/or impact of the risk, such as introducing new or modifying existing controls and mitigations.
<b>Accept</b>	Accept the risk and take no measures to reduce the likelihood and/or impact. This is not ordinarily a recommended course of action, though if the risk is outside of the Council's control it then it may be the only option available.



## RISK RATINGS

IMPACT						
Grave	5					
Significant	4		SR5	SR4	SR1 SR3	
Moderate	3		SR6 SR7	SR2 SR8 SR9 SR10	SR11	
Minor	2					
Almost none	1					
LIKELIHOOD		1	2	3	4	5
		Rare	Unlikely	Possible	More than likely	Almost certain

The below table provides an overview of the current open strategic risks on the register and tracks the overall risk score for the time period that the risk has been open. It is intended to provide a visualisation of the journey of the risk over the time period that it has been open to provide context to its current score.

Year	2021/22			2022/23				2023/24		
Quarter	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
SR1: Financial sustainability	16	16	16	16	16	16	16	16	16	16
SR2: Commercial investment				6	6	6	6	6	6	6
SR3: Challenging economic conditions for residents and businesses				16	16	16	16	16	16	16
SR4: Organisational capacity and culture	12	12	12	12	12	12	12	12	12	12
SR5: Cost pressures affecting the viability of Council developments				12	12	12	12	12	12	8
SR6: Local government reorganisation, devolution and Levelling Up	12	12	12	12	12	12	12	12	12	6
SR7: ICT network capacity and resilience			8	8	8	8	12	6	6	6
SR8: Fraud	12	12	12	12	12	12	12	12	12	9
SR9: Gatwick airport	16	9	9	9	9	9	9	9	9	9
SR10: Planning system reform and the Local Plan	9	9	9	9	9	6	6	9	9	9
SR11: Climate change impact				12	12	12	12	12	12	12

<b>SR1</b>	<b>Financial sustainability</b>		<b>RED</b>
<b>Description</b>	<p>A combination of current adverse macroeconomic conditions and the wider local government funding context have created conditions of unprecedented financial uncertainty and challenge for the Council.</p> <p>The Council is therefore increasingly reliant on generating additional income and identifying savings and efficiencies from existing budgets. If not mitigated, these financial challenges risk an adverse impact on the Council's ability to deliver its Corporate Plan objectives.</p>		
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr Lewanski		
	<b>Officer:</b> Pat Main		
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The Council has strong financial management arrangements in place with continual investment in skills and expertise to support the delivery of the Council's financial and commercial objectives while managing risks.</p> <p>The <a href="#">Medium-Term Financial Plan</a> (MTFP) sets out the forecast budget challenges over the coming five years and forms the basis for service and financial planning. The budget pressures identified by the MTFP will be addressed by the Council's Financial Sustainability Programme.</p> <p>The <a href="#">Capital Investment Strategy</a> provides an overview of how capital expenditure, capital financing and treasury management activity contributes to the provision of Council services and how associated risk is managed.</p> <p>The Commercial Strategy, parts 1 and 2, both set out the commercial activity the Council will consider, provide a framework on option evaluation, and provide the basis on which commercial decision making will be made.</p> <p>The <a href="#">Annual Revenue Budget</a> sets out funding allocations for the current year and confirms officer accountability for ensuring that expenditure and income are managed within limits approved by Members. In year budget monitoring reports confirm compliance with these limits and report any action required to manage budget variances.</p> <p>The <a href="#">Treasury Management Strategy</a> helps ensure that investments achieve target returns within approved security and liquidity limits and that borrowing to fund the Capital Programme is affordable.</p> <p>Internal audit has been utilised to review the approach taken to secure financial sustainability.</p>		
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The Council has established a Financial Sustainability Programme, an initiative that is intended to reduce costs and/or increase income reducing the need to draw on reserves. Updates on the programme are reported quarterly to the Overview and Scrutiny Committee and Executive.</p> <p>An <a href="#">updated MTFP forecast</a> was reported to Overview and Scrutiny Committee and Executive in July 2023. This update included an assessment of the latest position regarding the risk of increasing costs, in particular where driven by inflationary pressures in the wider economy.</p> <p><b>Ongoing Mitigations:</b></p> <p>Following public consultation and review by the Budget Scrutiny Panel, the draft 2024/25 budget was approved by the Executive in February 2024, ahead of it being considered by Full Council in March 2024.</p>		
<b>Inherent Score</b>	<b>RED (20)</b>		<b>Likelihood: 5</b> <b>Impact: 4</b>

<b>Current Score</b>	<b>RED (16)</b>	<b>Likelihood: 4</b> <b>Impact: 4</b>
<b>Target Score</b>	<b>AMBER</b> <i>Likelihood controlled to a score of 3 or below AND Impact mitigated to a score of 3 or below</i>	
<b>Status</b>	Reduce	
<b>Last update</b>	14 February 2024	

<b>SR2</b>	<b>Commercial investment</b>	<b>AMBER</b>
<b>Description</b>	<p>The generation of income from commercial investment is a contributor to the Council's financial sustainability. Following several high-profile commercial investment failures by local authorities, the ability to invest for a commercial purpose is being further restricted by changes in legislation, regulations, and codes of practice.</p> <p>Moreover, investing for commercial purposes – either in assets or in trading services – is not without risk due to market fluctuations and factors outside of the Council's control. The risks associated with commercial investment range from the non-achievement of budgeted income to significant capital and revenue losses, as well as governance, legal and reputational issues.</p>	
<b>Owners</b>	<p><b>Portfolio Holders:</b> Cllrs A King and Lewanski</p> <p><b>Officers:</b> Mari Roberts-Wood, Joyce Hamilton, and Pat Main</p>	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>Commercial opportunities will be considered on a case-by-case basis with up-to-date market intelligence used to inform decisions. Investments will be predicated on robust, stress-tested business cases and financial assessments which consider risks and benefits. Benefits will be monitored via established governance and reporting processes.</p> <p>Evidence of compliance with relevant Government and CIPFA guidance will be confirmed when business cases are approved.</p> <p>The Partnership, Shareholder and Trustee Executive Sub-Committee will approve and oversee commercial projects.</p> <p>The Council has now adopted <a href="#">parts 1</a> and <a href="#">2</a> of the Commercial Strategy including an action plan which is reported on annually.</p>	
<b>Mitigating actions/progress</b>	<p><b>Ongoing Mitigations:</b></p> <p>Work is underway to review the future plans and direction for the Council's company investments.</p> <p>Action is underway to close down the Horley Business Park LLP following signature of the Settlement Deed by all parties.</p> <p>Action is also in progress to confirm the implications on the authority's investment in Pathway for Care Limited, following it entering administration in January 2024.</p> <p>Officers and members of the Partnership, Shareholder and Trustee Executive Sub-Committee are considering options for the future operation of Greensand Holdings Limited.</p> <p>The 2023 annual report was considered by the <a href="#">Overview &amp; Scrutiny Committee in December 2023</a>.</p>	
<b>Inherent Score</b>	<b>RED (20)</b>	<b>Likelihood: 5 Impact: 4</b>
<b>Current Score</b>	<b>AMBER (9)</b>	<b>Likelihood: 3 Impact: 3</b>
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>	
<b>Status</b>	Reduce	
<b>Last update</b>	4 January 2024	

<b>SR3</b>	<b>Challenging economic conditions for residents and businesses</b>	<b>RED</b>
<b>Description</b>	<p>A prosperous economy is essential for the wellbeing of the borough, creating employment and wealth that benefits local people and businesses.</p> <p>Prevailing economic conditions have a direct impact on the Council's financial position and likewise impacts upon the demand for Council services, particularly in terms of income derived from fees and charges and the collection of monies owed.</p> <p>Challenging financial circumstances for residents may also increase their reliance on Council services which could result in cost pressures on the Council. The risk of the latter is exacerbated by household budgets being stretched by current elevated levels of inflation and rising consumer prices.</p>	
<b>Owners</b>	<p><b>Portfolio Holders:</b> Cllrs Biggs and Neame</p> <p><b>Officers:</b> Mari Roberts-Wood, Pat Main, Duane Kirkland, Richard Robinson, Simon Bland, and Justine Chatfield</p>	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The economic factors affecting the local economy are largely outside of the Council's direct control.</p> <p>The Council regularly engages with local businesses and residents to understand the challenges they face, and to provide advice, support, and networking opportunities where possible.</p> <p>The Council's homelessness service is fully compliant with the Housing Act 1996 (as amended). This includes a significant focus on preventing homelessness in the first place, thereby reducing the demand for emergency accommodation.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The government's Household Support Fund was introduced in September 2021. Three rounds of funding have been distributed by the Council to directly support vulnerable households with meeting daily needs, such as food, clothing, utilities, and advice to help with the cost of living.</p> <p>The Council supports a range of voluntary sector partners in the provision of local support services such as 'Food Clubs', 'Community Fridges' and 'Healthy Start' to assist vulnerable residents with access to affordable food locally.</p> <p>The Council continues to apply for Business Support grants as and when they are available to support local employment and businesses.</p> <p>The recent challenging economic conditions, especially for private renters, and additional challenges stemming from a vulnerable migrant cohort have placed additional strains on the service. In response the Housing service has increased its officer resourcing to assist with the increasing number/complexity of approaches and elevated levels of those in emergency temporary accommodation.</p> <p><b>Ongoing Mitigations:</b></p> <p>A fourth round of the Household Support Fund funding is providing approximately £700k of support through to 31 March 2024. The fund will allow the Council to further support residents most affected by cost-of-living pressures. We are distributing the funding through local partners to target help where its most needed, including areas such as income and disability benefits, bills and allowances, childcare, housing, and travel. The fund's future beyond March 2024 is in doubt, however.</p> <p>The Housing service has developed a proposal for the purchase of additional Council owned and operated temporary emergency accommodation to reduce budget pressures from the use of third-party accommodation. Securing these accommodation units has already commenced, with some offers already completed and accepted on a number of local properties.</p> <p>Current economic conditions have resulted in increased referrals to the Council's Money Support service stemming from inflationary pressures. Additional resource to</p>	

<b>SR3</b>	<b>Challenging economic conditions for residents and businesses</b>	<b>RED</b>
	<p>the Money Support service has been identified, and the Council is facilitating closer collaboration with other money/debt advice services operating locally.</p> <p>The fall in the headline rate of inflation has been helpful to the local business community. The Council will shortly be introducing a grant programme to help businesses with innovation to help with environmental sustainability and the creation of employment. We will also be launching a Peer-to-Peer learning programme to support growth businesses. We also continue to monitor the opportunity to apply for Business Support grants as and when they are available to support local employment and businesses.</p>	
<b>Inherent Score</b>	<b>RED (25)</b>	<i>Likelihood: 5 Impact: 5</i>
<b>Current Score</b>	<b>RED (16)</b>	<i>Likelihood: 4 Impact: 4</i>
<b>Target Score</b>	<b>AMBER</b> <i>Impact mitigated to a score of 3 or below</i>	
<b>Status</b>	Reduce/accept	
<b>Last update</b>	1 February 2024	

<b>SR4</b>	<b>Organisational capacity and culture</b>		<b>AMBER</b>
<b>Description</b>	<p>An effective and efficient organisational capacity and culture is key to the Council's ability to deliver on its corporate objectives.</p> <p>A combination of strong labour market conditions and associated higher turnover of staff nationwide, increasing move to a 'Hybrid Working Culture,' and the requirement by the council to comply with the objectives of the financial sustainability programme have introduced new complexities.</p> <p>These factors underscore the importance of the Council prioritising its activities and being sustainably and efficiently resourced to meet the challenges ahead. The embedding of a robust and resilient organisational culture that successfully supports officers and members and makes the Council an attractive place to work is similarly key. The failure to do will risk the delivery of the Council's objectives.</p>		
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr Lewanski		
	<b>Officer:</b> Mari Roberts-Wood and Kate Brown		
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The Council has an embedded Establishment Management Process alongside service and financial planning.</p> <p>Ongoing consultation and engagement with staff. Including wellbeing check-ins, surveys, and engagement checks across the organisation.</p> <p>The Council has comprehensive succession planning in place to ensure minimal disruption during transitional periods.</p> <p>The Corporate Pay Board oversees all aspects of employee pay costs, benefits mapping, pay modelling and negotiation with staff representatives for the annual cost of living award.</p>		
<b>Mitigating actions/progress</b>	<p><b>Ongoing Mitigations:</b></p> <p>The development of the HR and OD strategy continues to progress.</p> <p>The strategy will provide the background context and identifies long term recommendations for the resourcing of the Council.</p>		
<b>Inherent Score</b>	<b>RED (16)</b>	<i>Likelihood: 4 Impact: 4</i>	
<b>Current Score</b>	<b>AMBER (12)</b>	<i>Likelihood: 3 Impact: 4</i>	
<b>Target Score</b>	<p><b>AMBER</b></p> <p><i>Likelihood Controlled to a score of 3 or below Impact mitigated to a score of 2 or below</i></p>		
<b>Status</b>	Reduce		
<b>Last update</b>	2 February 2024		



<b>SR5</b>	<b>Cost pressures affecting the viability of Council developments</b>	<b>AMBER</b>
<b>Description</b>	<p>The UK construction sector has seen an increase in building material and labour costs arising from uncertainties in the global supply chain and inflationary pressures. This disruption and increase in costs may impact the Council's ability to deliver economically viable development projects, where tenants may increasingly seek higher capital investment. It is now increasingly important that the council has appropriate funding/incentives to encourage commercial tenants for the lettings.</p> <p>The effects of this are multifaceted but could result in negative financial implications as well as jeopardising the delivery of strategic corporate objectives.</p>	
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr A King	
	<b>Officer:</b> Mari Roberts-Wood, Luci Mould, Pat Main, Richard Robinson and Peter Boarder	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>As standard all development projects are subject to regular stress tested business cases which are reported and monitored via established governance arrangements.</p> <p>The Council considers cost pressures on its development schemes as part of its annual service and financial planning and budgeting monitoring processes. Cost pressures are also considered as part of business case development and are closely monitored throughout a project's lifecycle.</p> <p>Rigorous change management processes are in place for all development projects.</p> <p>Budget monitoring reports are reported on a regular basis to officer Boards, Overview &amp; Scrutiny Committee and Executive.</p> <p><b>Ongoing Controls:</b></p> <p>The Council will pursue external grant funding opportunities as and when they are available.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The Council collaborates with and seeks advice from external professional teams (quantity surveyors, employers' agents, etc.) to confirm the impact of cost pressures and options for addressing them.</p>	
<b>Inherent Score</b>	<b>RED (20)</b>	<i>Likelihood: 5 Impact: 4</i>
<b>Current Score</b>	<b>AMBER (8)</b>	<i>Likelihood: 2 Impact: 4</i>
<b>Target Score</b>	<p><b>AMBER</b></p> <p><i>Likelihood Controlled to a score of 2 or below AND Impact mitigated to a score of 3 or below</i></p>	
<b>Status</b>	Reduce	
<b>Last update</b>	14 February 2024	

<b>SR6</b>	<b>Local government reorganisation, devolution and Levelling Up</b>		<b>AMBER</b>
<b>Description</b>	A reorganisation of local government could be prompted by a range of scenarios and circumstances, including the financial failure of an authority within Surrey or as part of the government's devolution and 'Levelling Up' agenda. The uncertainty surrounding, and subsequent results of, any local government reorganisation could adversely affect the Council and the delivery of services for residents.		
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr Lewanski		
	<b>Officer:</b> Mari Roberts-Wood		
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>This risk is largely outside of the Council's ability to directly influence although some control can be placed on likelihood via influencing and consultations.</p> <p>The Council works closely with neighbouring and partner authorities to develop alternative proposals for the future of local government in Surrey.</p> <p><b>Ongoing Controls:</b></p> <p>The Council will continue to lobby central government where appropriate and necessary on reorganisation, devolution and levelling up at the local level.</p>		
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>In November 2023, it was confirmed that SCC is engaging in discussions with Government about a Level 2 deal; further details about this are included in a press release published at the time, including the proposed scope of a future deal and the potential to explore the onward devolution of county functions to districts and boroughs to be explored.</p> <p><b>Ongoing Mitigations:</b></p> <p>The Levelling Up and Regeneration Act received royal assent in Q3.</p> <p>The Council has engaged with Surrey CC as it progresses its proposal for a County Deal and will continue to work proactively influence this; this will include via joint working at the highest level, via Surrey Leaders' and Chief Executives' Groups</p>		
<b>Inherent Score</b>	<b>RED (16)</b>	<b>Likelihood: 4</b> <b>Impact: 4</b>	
<b>Current Score</b>	<b>AMBER (6)</b>	<b>Likelihood: 2</b> <b>Impact: 3</b>	
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>		
<b>Status</b>	Reduce		
<b>Last update</b>	14 February 2024		

<b>SR7</b>	<b>ICT network capacity and resilience</b>	<b>AMBER</b>
<b>Description</b>	<p>There has been a significant shift in the way that the Council works over the last few years, with increasing demands placed on technology and the underlying supporting ICT infrastructure as part of business-as-usual activities.</p> <p>As the reliance and demands placed upon technology continues to increase, there is a risk of significant disruption to service delivery in the event of network disruption and/or outage, particularly following a cyber-attack.</p> <p>It is therefore imperative that the Council continues to invest in robust systems, infrastructure, network security and disaster recovery capabilities to manage this risk and maintain the delivery of services.</p>	
<b>Owners</b>	<p><b>Portfolio Holder:</b> Cllr J King</p> <p><b>Officer:</b> Darren Wray</p>	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>Since the Covid-19 pandemic, there has been investment in improved network infrastructure and resilience, including increased cyber security capability and back-up solution size. The Council has multiple layers of defences protecting core data and systems that are regularly reviewed and systems updated.</p> <p>A programme of mandatory cyber security training is in place for staff.</p> <p>The Council is in active contract with NCCGroup, a cyber security specialist, to investigate any incidents that may arise. The Council can instantly access NCCGroup's expertise in the event of an incident.</p> <p><b>Ongoing Controls:</b></p> <p>Implementation of the ICT strategy to further enhance the Council's network resilience and cyber security capabilities.</p> <p>Elected members' training on cyber security will be rolled out shortly.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>Implementation of the ICT strategy commenced in 2022/23. Procurement for the supplier of the new back-up and disaster recovery system has concluded, with a supplier now appointed and implementation ongoing.</p> <p><b>Ongoing Mitigations:</b></p> <p>Implementation of the new back-up and disaster recovery system has begun and is progressing well.</p>	
<b>Inherent Score</b>	<b>RED (15)</b>	<i>Likelihood: 3 Impact: 5</i>
<b>Current Score</b>	<b>AMBER (6)</b>	<i>Likelihood: 2 Impact: 3</i>
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>	
<b>Status</b>	Reduce	
<b>Last update</b>	13 February 2024	

<b>SR8</b>	<b>Fraud</b>	<b>AMBER</b>
<b>Description</b>	Due to the wide range of activities undertaken by the Council, there is a risk of fraud being committed. The risk of the latter is exacerbated from both legacy areas of activity and changes and additions to areas in which the council operates where fraud may be committed.	
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr Lewanski	
	<b>Officers:</b> Pat Main and Simon Rosser	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The Council maintains robust control measures to protect public funds from fraudulent activity, including Counter Fraud, Corruption and Bribery Policy, Whistleblowing Policy, and Prosecution Policies. The Fraud and Financial Investigations Team carries out investigations which cover all areas of corporate fraud.</p> <p>Staff induction includes fraud awareness training, as well as awareness of established policies and procedures.</p> <p>The Council is subject to regular internal audit reviews of potential fraud risk areas.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The Council continues proactive fraud checks on all housing applications and action will be taken where appropriate. These are <a href="#">reported annually</a> as part of the Councils Key Performance Indicator contextual indicators.</p> <p>Staff wide fraud awareness programme with training of the relevant teams continues to take place.</p> <p>The Council cooperates with Surrey County Council and other Local Authorities to review council tax single occupancy discounts to identify and decrease council tax fraud.</p> <p><b>Ongoing Mitigations:</b></p> <p>The Council's fraud team continues to see elevated levels of fraudulent activity, such as in housing benefit and council tax. Although levels of activity are elevated, both in these new and legacy areas, fraud activity remains controlled and mitigated within existing structures.</p>	
<b>Inherent Score</b>	<b>RED (20)</b>	<i>Likelihood: 5 Impact: 4</i>
<b>Current Score</b>	<b>AMBER (9)</b>	<i>Likelihood: 3 Impact: 3</i>
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>	
<b>Status</b>	Reduce	
<b>Last update</b>	1 February 2024	

<b>SR9</b>	<b>Gatwick Airport</b>	<b>AMBER</b>
<b>Description</b>	Gatwick Airport has indicated its commitment to pursue its plans for expansion. Whilst the airport is a key local employer and its operations and supply chains have a significant bearing on the borough's economy, its expansion risks local environmental and infrastructural issues if not appropriately planned for and outcomes managed.	
<b>Owners</b>	<b>Portfolio Holder:</b> Cllr Michalowski	
	<b>Officer:</b> Luci Mould and Andrew Benson	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The decisions made around the expansion of Gatwick Airport are largely outside of the Council's control.</p> <p>However, the Council will continue to engage throughout the planning process to mitigate negative outcomes and maximise benefits. This includes cooperation with neighbouring Local Authority partners affected by the expansion.</p> <p>Following submission of the development consent order (DCO) application the Council sought to raise concerns over the adequacy of the consultation undertaken by Gatwick Airport, which was not accepted by the Planning Inspectorate.</p> <p><b>Ongoing Controls:</b></p> <p>The Council continues to engage throughout the DCO process to mitigate negative outcomes and maximise benefits from the Airports expansion.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>Gatwick submitted their application for a DCO for the conversion of the emergency runway into a second runway in early Q2. The Council has previously responded to the consultation in 2022/23 for the expansion, and submitted its Relevant Representation, summarising the main issues, by 29 October 2023. Local Impact Reports are being prepared for March 2024 highlighting in further detail the potential impacts of the project whilst a list of S106 asks is being prepared to seek to secure a potential package of mitigations.</p>	
<b>Inherent Score</b>	<b>RED (12)</b>	<i>Likelihood: 3 Impact: 4</i>
<b>Current Score</b>	<b>AMBER (9)</b>	<i>Likelihood: 3 Impact: 3</i>
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>	
<b>Status</b>	Reduce/Accept	
<b>Last update</b>	1 February 2024	

<b>SR10</b>	<b>Planning system reform and the Local Plan</b>		<b>AMBER</b>
<b>Description</b>	<p>The Council is in the process of implementing a new Local Plan, which will outline the delivery of housing, both affordable and private, within the borough.</p> <p>The Department for Levelling Up, Housing and Communities published proposals that seek to alter the overarching National Planning Policy Framework.</p> <p>These plans would also introduce controversial national development management policies (NDMPs) intended to help slim down local plans.</p> <p>There is currently a great deal of uncertainty and lack of clarity over what the revised planning policy framework will change. If radical changes are introduced this may create additional complexity which could lead to delays in implementation of the new local plan and/or impact on the Council's ability to achieve the objectives set out in the new Local Plan.</p>		
<b>Owners</b>	<p><b>Portfolio Holder:</b> Cllr Michalowski</p> <p><b>Officer:</b> Andrew Benson</p>		
<b>Controls (Likelihood)</b>	<p><b>Implemented Controls:</b></p> <p>The Council's local plan will respond to any changes to the requirements set out in the National Planning Policy Framework and the Levelling Up and Regeneration bill (once enacted) Act accordingly.</p>		
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The Council has received and responded to the National Planning Policy Framework (NPPF) consultation paper. The latest round of consultations includes radical changes to the way that sustainability appraisals and habitats regulation will be undertaken. If these changes were carried through into the final draft, any work under the current system would be potentially negatively impacted. The latest edition of the NPPF also advises that green belts need not be reviewed to meet housing needs. Whether the local plan includes a green belt review will therefore be discussed with Members but there is a risk that any subsequent change in national policy could require green belt reviews, so causing potential delay to the plan if one were needed at a late stage.</p> <p>The Council will continue to respond to the consultations, attended working groups and generally offer its opinion on any changes to legislation as and when it occurs. Until there is further detail on how changes in plan-making legislation will impact upon the local plan, it is difficult to put measures in place although Members have been briefed and discussions sought with government departments.</p> <p><b>Ongoing Mitigations:</b></p> <p>New policy and legislation will be reviewed as it is published to consider what actions are required to mitigate against any harm to the plan making process or its outcomes, including the Levelling Up and Regeneration Act enacted in Q3.</p>		
<b>Inherent Score</b>	<b>RED (12)</b>	<b>Likelihood: 3</b> <b>Impact: 4</b>	
<b>Current Score</b>	<b>AMBER (9)</b>	<b>Likelihood: 3</b> <b>Impact: 3</b>	
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>		
<b>Status</b>	Reduce		
<b>Last update</b>	1 February 2024		

<b>SR11</b>	<b>Climate change impact</b>	<b>AMBER</b>
<b>Description</b>	<p>It is widely recognised that the Earth’s climate is changing, with this forecast to result in more extreme weather. This could have negative impacts, including on the built and natural environment, with vulnerable residents likely to be most severely impacted.</p> <p>In response, the Council may encounter difficulties in delivering services and may similarly have additional demands placed upon it, particularly as climate change adaptation and mitigation becomes increasingly necessary.</p>	
<b>Owners</b>	<p><b>Portfolio Holders:</b> Cllr Moses</p> <p><b>Officers:</b> Cath Rose, Andrew Benson, and Laura McCartney</p>	
<b>Controls</b>	<p><b>Implemented Controls:</b></p> <p>The adverse weather emergency plan and service level business continuity plans. Internal Sustainability Team and the associated implementation of the Environmental Sustainability Strategy.</p> <p>Supplementary planning document detailing climate change and sustainable construction for new developments.</p> <p><b>Ongoing Controls:</b></p> <p>Consideration of climate change impacts requirements under both existing and new local plan.</p>	
<b>Mitigating actions/progress</b>	<p><b>Implemented Mitigations:</b></p> <p>The Household Emergency Plan has been introduced on the Council’s website. This plan details what activities households can take to minimise impact from flooding or other extreme weather events. The Council’s Emergency Planning team proactively engages the Surrey Local Resilience Forum to prepare for and respond to extreme weather events.</p> <p><b>Ongoing Mitigations:</b></p> <p>Ongoing Partnership work with Surrey County Council and Environment Agency to identify opportunities to mitigate flooding impacts in local developments.</p> <p>Surrey County Council adopted a new <a href="#">Climate adaptation and resilience strategy</a> in Q3 2023/24, which includes 9 strategic priorities and targets. Priority 1 is Climate Resilient Organisations, with a target of having adaptation and resilience plans in place for all local authorities in Surrey by 2027, and establishment of a new Surrey Adapt Forum. RBBC will continue to work with SCC and other local authorities to deliver against these targets. As part of this, a recently commenced review of the Council’s Environmental Sustainability Strategy (described at paragraph 33 <a href="#">here</a>) will give greater consideration to climate change adaptation, recognising the progress that is also being made at a county level (see above). The reviewed Strategy is on track to be taken to the Executive in Q4 2023/24 for agreement.</p>	
<b>Inherent Score</b>	<b>RED (16)</b>	<i>Likelihood: 4 Impact: 4</i>
<b>Current Score</b>	<b>AMBER (12)</b>	<i>Likelihood: 4 Impact: 3</i>
<b>Target Score</b>	<b>GREEN</b> <i>Impact mitigated to a score of 2 or below</i>	
<b>Status</b>	Reduce/Accept	
<b>Last update</b>	1 February 2024	

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# Agenda Item 7



<b>Signed off by</b>	Head of Corporate Policy, Projects and Performance
<b>Author</b>	Luke Harvey, Project & Performance Team Leader, Catherine Rose, Head of Corporate Policy
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<b>Email</b>	Luke.Harvey@reigate-banstead.gov.uk, Catherine.Rose@reigate-banstead.gov.uk
<b>To</b>	Leader's Meeting
<b>Date</b>	Monday, 26 February 2024
<b>Executive Member</b>	Portfolio Holder for Corporate Policy and Resources

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Risk management - 2024/25
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<b>Recommendations</b>
<p><b>That the Audit Committee</b></p> <ul style="list-style-type: none"> <li>(i) <b>Notes the strategic risks (available at annex 1) for 2024/25 and makes any observations to the Executive</b></li> <li>(ii) <b>Notes the 2024/25 assurance framework (available at annex 2) and makes any comments to the Head of Corporate Policy, Projects and Performance</b></li> </ul> <p><b>That the Executive</b></p> <ul style="list-style-type: none"> <li>(i) <b>Approves the strategic risks for 2024/25 as detailed in annex 1.</b></li> <li>(ii) <b>Notes the 2024/25 assurance framework (available at annex 2) and makes any comments to the Head of Corporate Policy, Projects and Performance.</b></li> </ul>
<b>Reasons for Recommendations</b>
For appropriate risk management arrangements to be in place for 2024/25.
<b>Executive Summary</b>

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This report sets out the strategic risks and assurance framework for the 2024/25 financial year. The strategic risks are presented to the Audit Committee for their comment, and to the Executive for approval. The assurance framework was introduced as part of implementing the Council's updated risk management strategy and is presented for members' information. The assurance framework's purpose is to provide a comprehensive overview of the risks that the Council faces, allowing risk registers to focus on risks of concern and that are receiving active management attention to bring them within appetite.

**The Audit Committee and Executive have the authority to approve their respective recommendations.**

## Statutory Powers

1. The Council holds various statutory responsibilities for ensuring that its business is conducted in accordance with the law and that public money is safeguarded, accounted for, and is used economically and effectively.
2. The Council also has a duty under the Local Government Act (1999) to put in place proper arrangements for the governance of its affairs.
3. The discharge of this responsibility includes arrangements for managing risk.
4. The Council's Code of Corporate Governance outlines these core governance principles; compliance with the code is reported each year via the Annual Governance Statement.

## Background

1. Reigate & Banstead Borough Council has a proactive approach to risk management. It is an integral part of the Council's corporate governance arrangements and is built into management processes. The risk management strategy sets out the full detail behind how risk is managed at the Council (see background papers below).
2. In 2022/23, a thorough review of the Council's risk management strategy was undertaken. The updated strategy was approved by Full Council in March 2023.

### Improved articulation of principal risks

3. As the strategy notes, the Council faces a considerable number of risks. This includes risks inherent to the delivery of the diverse range of services provided, but also those that stem from the environment in which the Council operates.
4. Risk awareness is a crucial component of effective risk management. To that end, the risk management strategy introduced the concept of an assurance framework for the Council. The assurance framework sets out the principal risks faced by the Council which are reasonably foreseen and managed as part of the usual course of service delivery.

### Focusing on risks of concern

5. However, it is important for purposes of governance, risk management and control that attention is focused on risks of concern. The Council's strategic and operational risk registers set out these risks of concern, that is, where the risk is outside of appetite and is receiving active management attention. 2023/24 saw the introduction

of improvements to how risks are reported quarterly to the Audit Committee and the Executive.

6. 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). Members of the Management Team and Executive Members have shared responsibility for strategic risks. The Executive approve the risks for the upcoming financial year in Q3 reporting of each year.
7. Operational risks are short term risks that are encountered in the course of day-to-day delivery by services. However, if the 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. Operational risks are managed by officers and are reported to the Audit Committee and Executive when 'red' rated.

## Key Information

### Strategic risks 2024/25

8. The strategic risks anticipated for 2024/25 are available at annex 1.
9. The substantive changes from the 2023/24 strategic risk register are as follows:
  - The risk on **cost pressures affecting the viability of Council developments (SR5)** is expected to be closed in Q4 2023/24 reporting. This is because the risk is now managed as business as usual via core governance processes, including, for instance, the Council's project management and commercial governance frameworks. If the Executive do not support the risk being closed in Q4 it will carry forward into 2024/25
  - The risk on **fraud (SR8)** is expected to be closed in Q4 2023/24 reporting. This is because the risk is now regarded as being sufficiently controlled and mitigated in accordance with the Council's risk appetite. It is also captured on the assurance framework (see below for additional information on the assurance framework). If the Executive do not support the risk being closed in Q4 it will carry forward into 2024/25.
  - **Local government reorganisation, devolution and Levelling Up (SR6)** is expected to close in Q4 reporting given that the county deal being for Surrey will not result in a reorganisation of local government. However, a new risk on the challenges facing the local government sector has been included in the strategic risks for 2024/25 (as SR2 local government sector sustainability and challenge). If the Executive do not support the existing risk being closed in Q4 it will carry forward into 2024/25.
  - **Organisational capacity and culture (SR4)** has received a contextual update.
  - The risk on **Planning System Reform (SR11)** has been updated to reflect the position following the publication of a new National Planning Policy Framework.
10. Otherwise, where necessary all risks have received a contextual update to reflect the anticipated position as of 1 April 2024.

### Assurance framework

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11. As noted above, the updated risk management strategy now includes preparation of an assurance framework which is available at annex 2 for the Audit Committee and Executive to note.
12. The assurance framework records the principal – though not necessarily specific manifestations of – risks faced by the Council and maps the corresponding controls and mitigations that are in place. It aims to place the risk registers in the broader context of how risk is managed at the Council and to provide members with the necessary background when considering the strategic risk register and the Council’s wider risk profile.
13. The assurance framework will be maintained and reviewed quarterly by the Projects and Performance Team, alongside Heads of Service. In accordance with the risk management strategy and methodology, it will be reported annually (in Q3 of each year) to the Audit Committee and Executive when the risk registers for the upcoming financial year are considered.
14. Should members have detailed questions on the contents of the assurance framework, the Projects and Performance Team would be pleased to receive these in writing, though the assurance framework is primarily a management document and does not require Audit Committee and Executive agreement.
15. The compilation of an assurance framework mirrors sector best practice as issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

## Options

16. The Audit Committee has two options:
  - Option 1 – note the report and the assurance framework and make any observations on the 2024/25 strategic risks to the Executive.
  - Option 2 – note this report and the assurance framework and make no observations on the 2024/25 strategic risks to the Executive.
17. The Executive has two options:
  - Option 1 – note this report and the assurance framework and approve the strategic risks for 2024/25. This is the recommended option.
  - Option 2 – note this report and do not approve the strategic risks for 2024/25.

## Legal Implications

18. There are no legal implications arising from this report.

## Financial Implications

19. There are no financial implications arising from this report.

## Equalities Implications

20. There are no equalities implications arising from this report.

## Communication Implications

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21. There are no communications implications arising from this report.

## **Environmental Sustainability Implications**

22. There are no environmental sustainability implications arising from this report.

## **Risk Management Considerations**

23. There are no additional risk management considerations arising from this report.

## **Procurement/Contract Management and Subsidy Considerations**

24. There are no procurement, contract management and subsidy considerations arising from this report.

## **Other Implications**

25. There are no other implications arising from this report.

## **Consultation**

26. The report has been considered by Corporate Governance Group as part of its governance role.

## **Policy Framework**

27. The Council's risk management strategy and methodology provides additional information on how the Council manages risk.

## **Background Papers**

1. Risk management strategy:  
[https://www.reigatebanstead.gov.uk/info/20090/council\\_policy/929/risk\\_management](https://www.reigatebanstead.gov.uk/info/20090/council_policy/929/risk_management)

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## Annex 1 – Strategic risks 2024/25

Ref.	Description	Portfolio holder
SR1	<p><b>Financial sustainability</b></p> <p>A combination of current adverse macroeconomic conditions and the wider local government funding context have created conditions of unprecedented financial uncertainty and challenge for the Council.</p> <p>The Council is therefore increasingly reliant on generating additional income and identifying savings and efficiencies from existing budgets. If not mitigated, these financial challenges risk an adverse impact on the Council's ability to deliver its Corporate Plan objectives.</p>	Cllr Lewanski
SR2	<p><b>Local government sector sustainability and challenge</b></p> <p>Local government is facing a period of significant challenge. Demands for services are increasing, the national policy picture is uncertain and the ongoing financial sustainability of the sector is in doubt. There is a risk that these factors (alone or in combination) and/or future measures implemented by the government to manage or mitigate them, could adversely affect the Council and the delivery of services for residents and businesses.</p>	Cllr Biggs
SR3	<p><b>Commercial investment</b></p> <p>The generation of income from commercial investment is a contributor to the Council's financial sustainability. Following several high-profile commercial investment failures by local authorities, the ability to invest for a commercial purpose is being further restricted by changes in legislation, regulations, and codes of practice.</p> <p>Further, investing for commercial purposes – either in assets or in trading services – is not without risk due to market fluctuations and factors outside of the Council's control. The risks associated with commercial investment range from the non-achievement of budgeted income to significant capital and revenue losses, as well as governance, legal and reputational issues.</p>	Cllr A. King & Cllr Biggs
SR4	<p><b>Challenging economic conditions</b></p> <p>A prosperous economy is essential for the wellbeing of the borough, creating employment and wealth that benefits local people and businesses. Prevailing economic conditions influence the demand for Council services, where the current challenging economic picture for residents may increase their reliance on Council services, which could result in cost pressures for the Council.</p>	Cllr Biggs and Cllr Neame
SR5	<p><b>Organisational capacity and culture</b></p> <p>The Council has an ambitious agenda and objectives. In delivering against these, it is crucial that the organisation is resourced appropriately, has effective enabling systems and a positive culture that supports effective working between officers and members. Any failure in this area risks the non-delivery or delayed delivery of corporate and service objectives.</p>	Cllr Lewanski
SR6	<p><b>ICT network capacity and resilience</b></p> <p>There has been a significant shift in the way that the Council works in recent years, with increasing demands placed on technology and the underlying supporting ICT infrastructure.</p>	Cllr J. King

Ref.	Description	Portfolio holder
	<p>As the reliance and demands placed upon technology continues to increase, there is a risk of significant disruption to service delivery in the event of network disruption and/or outage, particularly following a cyber-attack.</p> <p>It is therefore imperative that the Council continues to invest in robust systems, infrastructure, network security and disaster recovery capabilities to manage this risk and maintain the delivery of services.</p>	
<b>SR7</b>	<p><b>Gatwick Airport</b></p> <p>Gatwick Airport is pursuing plans for expansion and intensification. Whilst the airport is a key local employer and its operations and supply chains have a significant bearing on the borough's economy, its expansion risks local environmental and infrastructural issues if not appropriately planned for and outcomes managed.</p>	Cllr Michalowski
<b>SR8</b>	<p><b>Local Plan</b></p> <p>In late 2023 the government published a new National Planning Policy Framework (NPPF). There is a risk that the changes within the NPPF, as well as the wider national policy direction, could affect the timely delivery of the borough's new Local Plan.</p>	Cllr Michalowski
<b>SR9</b>	<p><b>Climate change impact</b></p> <p>It is widely recognised that the Earth's climate is changing, with this forecast to result in more extreme weather. This could have negative impacts, including on the built and natural environment, with vulnerable residents likely to be most severely impacted.</p> <p>In response, the Council may encounter difficulties in delivering services and may similarly have additional demands placed upon it, particularly as climate change adaptation and mitigation becomes increasingly necessary.</p>	Cllr Moses



## Assurance framework (2024/25)

### Introduction

In accordance with the Council's risk management strategy, the assurance framework is the means through which the Council gathers, documents and demonstrates a comprehensive awareness of the risks it faces and the effectiveness of the controls and mitigations that are in place. It provides a structured means of identifying and mapping the main sources of assurance relating to risks and helps coordinate management response to best effect. It cannot reasonably be expected to identify all specific permutations or situations within which risk may be manifested, but instead focuses and groups risks by category for the ease and effectiveness of analysis.

The assurance framework is distinct from risk registers which deal with risks of current concern and are being actively managed. The assurance framework sets out all risks, including those that are sufficiently controlled and do not therefore merit the same level of management attention. It is a product of, but likewise underpins, the Council's risk management cycle and a risk aware culture.

The assurance framework is primarily an operational document that is used by officers as part of the regular review of the Council's risk profile. It is presented to the Audit Committee and Executive in Q3 reporting of each year, alongside the risk registers for the upcoming year, to illustrate the Council's risk profile. The assessment of the current risk score and the target risk score has been undertaken in accordance with the risk management strategy and methodology.

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
315 1	<b>Complaints handling</b> The Council strives for excellence in service delivery. As a complex organisation that provides a wide range of services, it is recognised that we won't always get things right and that complaints will be received. It is crucial that, where possible, the Council learns from complaints to improve service delivery. Failure to adequately manage and address complaints risks poor service delivery and sanction by the Local Government and Social Care Ombudsman.	<b>Officer(s):</b> Carys Jones  <b>Executive Member:</b> Cllr J. King	Complaints handling system; regular monitoring and reporting of complaint trends to identify issues to proactively avoid service failure; regular reporting of customer service KPIs; training of staff in complaints handling	Where a service failure occurs, take appropriate remedial action.		2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
2	<p><b>Health and safety - staff working on reception and in other public facing areas</b></p> <p>There is a risk that staff working on reception may be the subject of physical and/or verbal assault by visiting clients, thereby affecting their health and wellbeing.</p>	<p><b>Officer(s):</b> Carys Jones</p> <p><b>Executive member:</b> Cllr J. King</p>	Visible security presence on reception at the Town Hall; panic alarms are in place; panic alarms given to staff when they go into meeting rooms; risk assessment for reception which Customer Contact, Housing and other face to face departments have oversight of; risk assessments made available on the intranet; training for preventing staff abuse for front facing staff and, in future, for wider staff; building wide security risk assessments and measures implemented.	A prevention of abuse of staff guide is being prepared; access to the Employee Assistance Programme for affected staff	Health and safety governance internal audit (2022/23)	2	2	4	2	2	4	Yes	N/A
3	<p><b>Food safety - community centres</b></p> <p>The Council's community centres provide a hot and cold food service. Whenever food is prepared there is a risk of food safety issues.</p>	<p><b>Officer(s):</b> Justine Chatfield</p> <p><b>Executive Member:</b> Cllr Victor Lewanski</p>	Robust food safety procedures in place at all community centres, with regular spot checks on adherence by management; adequate staff training, including continued CPD; inspections by the Council's Environmental Health team as part of food business registration every 12 - 18 months.	There is little that can be done to reduce the impact of this risk - effort must be focused on reducing the likelihood of food safety issues occurring.	Food safety inspections. Banstead Community centre (5*), July 2023; Horley Community Centre (5*), February 2023; and Woodhatch Community Centre (5*), November 2023.	2	2	4	2	2	4	Yes	N/A
4	<p><b>Prevent, Domestic Homicide and Anti-Social Behaviour</b></p> <p>Inadequate implementation of the Prevent Duty strategy, Domestic Homicide and Anti-social behaviour, poses a risk to community safety, potentially leading to increased vulnerability to radicalisation, legal non-compliance, and reputational harm for the Council.</p>	<p><b>Officer(s):</b> Justine Chatfield</p> <p><b>Executive Member:</b> Cllr Richard Biggs</p>	Maintain reporting mechanisms to meet our statutory duty as they occur and collaborate with local agencies.	Review and update policies, encourage community engagement, and address concerns promptly.		2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
5	<p><b>Voluntary and community sector failure/distress</b></p> <p>There is a risk that voluntary sector organisations in the borough could fail or experience difficulties. These organisations provide valuable support to the borough's residents, and the Council works closely in supporting them. The failure or distress of one of these organisations would negatively impact local residents reliant on their service. It may also create additional demand on Council services or similarly require the Council to step in and provide new areas of support.</p>	<p><b>Officer(s):</b> Justine Chatfield</p> <p><b>Executive Member:</b> Cllr Richard Biggs</p>	Regular engagement with VCS partners, especially those which are directly funded, to understand their needs and support.	In 2023/24 a £150k reserve was created to provide support to the local voluntary and community sector if required. The Council is putting in place a plan for its work with the VCS for 2024/25 and a new approach to the allocation of its strategic grants to clarify and strengthen its support.		3	3	9	3	2	6	No	OR5
6	<p><b>Business continuity incident</b></p> <p>There is a risk that services may be unable to deliver their priority functions due to a business continuity incident. The source and consequences of this are various and multifaceted. Impacts include the non-delivery of core statutory functions, loss of trust and reputational impact. It is therefore crucial that services have robust and effective business continuity plans in place to mitigate the impact of this risk which, in turn, influence the Council's strategic response.</p>	<p><b>Officer(s):</b> Laura McCartney</p> <p><b>Executive Member:</b> Cllr Richard Biggs</p>	Corporate cyber security defences and backup; disaster recovery system; staff awareness raising of cyber risks	Up to date strategic and service level business continuity plans which sufficiently account for the Council's reasonable worst case planning assumptions	Business continuity internal audit (2022/23)	3	3	9	3	3	9	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
7	<p><b>Changing policy context - national policy</b></p> <p>The Council operates within a changing and often uncertain national policy context. National policy changes can result in unbudgeted financial pressures as well as the risk of negative service delivery impacts and resident dissatisfaction. This risk affects all Council services, though has a particular impact upon those that are set, influenced and/or regulated by national policy.</p>	<p><b>Officer(s):</b> Mari Roberts-Wood</p> <p><b>Executive Member:</b> Cllr Richard Biggs</p>	<p>This risk is outside of the Council's direct control. Where changes are proposed the Council will respond to consultations to highlight any impacts that may be felt. Controls will be identified as individual, specific risks emerge (see risk registers).</p>	<p>The Council maintains robust service and financial planning processes to mitigate for any impacts arising from national policy changes. New burdens funding will be sought where available. Mitigations will be identified as individual, specific risks emerge (see risk registers).</p>		3	4	12	3	3	9	No	SR2
8	<p><b>Civil emergency</b></p> <p>There is a risk of a major incident taking place in the borough which could negatively affect residents and businesses as well as the Council itself. There are also risks associated with the Council's duty to respond to emergencies, particularly concerning staff and resident welfare which must also be managed.</p>	<p><b>Officer(s):</b> Laura McCartney</p> <p><b>Executive Member:</b> Cllr Richard Biggs</p>	<p>The risk of a civil emergency occurring is outside of the Council's gift to control. However, we are able to control the likelihood of risks materialising as part of the Council's response to emergencies through maintaining a suite of emergency plans that detail the Council's response and risks faced therein."</p>	<p>A suite of emergency plans detailing how, at the strategic and operational level, the Council responds to, and supports the recovery from, a range of emergency incidents in conjunction with our multi-agency partners. It is also the role of other partners at the LRF to also mitigate this risk (e.g. Surrey Police and Fire service)</p>	<p>Emergency Planning internal audit (2022/2023)</p>	3	3	9	3	3	9	Yes	N/A
9	<p><b>Climate change</b></p> <p>It is widely recognised that the Earth's climate is changing, with this forecast to result in more extreme weather. This could have negative impacts, including on the built and natural environment, with vulnerable residents likely to be most severely impacted.</p> <p>In response, the Council may encounter difficulties in delivering services and may similarly have additional demands placed upon it, particularly as climate change adaptation and mitigation becomes increasingly necessary.</p>	<p><b>Officer(s):</b> Catherine Rose</p> <p><b>Executive Member:</b> Cllr Nadean Moses</p>	<p>Whilst the Council is unable to control this risk in broad terms, it can take steps to reduce the likelihood of specific impacts materialising through the implementation of reasonable controls. To that end, controls include: maintenance of an adverse weather plan and other emergency plans, as well as service level business continuity plans; implementation of the Environmental Sustainability Strategy.</p>	<p>The Council's updated Environmental Sustainability Strategy will include greater emphasis on means for climate adaptation and mitigation. The Council continues to work with Surrey County Council as the lead flood risk management authority to bring forward schemes to manage the impact of extreme flooding events in areas at risk, such as the scheme as part of the regeneration of Merstham Recreation Ground.</p>	<p>Environmental sustainability internal audit (2022/23)</p>	4	3	12		2	<10	No	SR9

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
10	<p><b>Information governance - Freedom of Information (FOI) request responses</b></p> <p>Mishandling or delayed responses to Freedom of Information requests in the statutory timeline of 20 working days mandated by the Information Commissioner's Office can result in legal and reputational consequences for the Council. Inadequate transparency may erode public trust and lead to compliance issues, impacting the Council's standing within the community.</p>	<p><b>Officer(s):</b> Laura McCartney &amp; Nicole Idaomi</p> <p><b>Executive Member:</b> Cllr Victor Lewanski</p>	<p>Freedom of Information 2021 policy; monthly report for each service area to see which area is responding within the response time and service areas outside the timeframe are flagged; monthly reports are shared to the Information Governance Group who have oversight for FOI responses and compliance; the Council has an online system which supports the efficient FOI response; service areas will be invited to the Information Governance group to explain non compliance; service FOI training; application of exemptions where appropriate.</p>	<p>Provide further training on data protection laws, and implement efficient document management systems; ensure prompt and transparent communication with the public, conduct regular reviews of information request processes, and maintain up-to-date records.</p>	<p>Information governance internal audit (2021/22)</p>	3	2	6	3	2	6	Yes	N/A
11	<p><b>Information governance - Subject Access Requests</b></p> <p>Inadequate handling of Subject Access Requests raises risks of non-compliance with data protection regulations. Failure to provide timely and accurate information to individuals requesting access to their data within the timeframe of 30 calendar days may result in legal consequences and reputational damage.</p>	<p><b>Officer(s):</b> Laura McCartney &amp; Nicole Idaomi</p> <p><b>Executive Member:</b> Cllr Victor Lewanski</p>	<p>Establishment of clear SAR procedures; training for staff; review held data to ascertain its compliance with exemptions and make any necessary redactions; data champions for each service area to support compliance; introduction of software to manage SAR requests.</p>		<p>Information governance internal audit (2021/22)</p>	3	2	6	3	2	6	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
12	<p><b>Project and programme management</b></p> <p>Projects and programmes introduce change and are inherently risky in their delivery. It is therefore crucial that they are delivered in a controlled environment, underpinned by a sound business case and system of governance to help ensure that they are delivered to time, within budget and remain within scope.</p>	<p><b>Officer(s):</b> Catherine Rose</p> <p><b>Executive Member:</b> Cllr James King</p>	<p>A comprehensive project and programme management framework that sets out how Council projects should be initiated, delivered and closed; robust project/programme governance arrangements in place, including regular monitoring and reporting; individual project and programme assurance arrangements; each project must identify risks faced and must, in the context of the agreed business case, plan to control them accordingly, balancing the costs of doing so with the potential impact; regular governance board meetings to review progress and escalate issues.</p>	<p>Each project must identify risks faced and must plan to mitigate them accordingly; robust change control procedures in place as part of the usual course of project and programme governance</p>	<p>Programme &amp; project management (Marketfield Way) internal audit (2020/21)</p> <p>Financial Sustainability Plan internal audit (2022/23)</p> <p>Housing internal audit (2022/23)</p>	3	3	9	3	3	9	Yes	N/A
13	<p><b>Information governance - compliance with the Data Protection Act (2018)</b></p> <p>Compliance with the Data Protection Act (2018) is more than preventing data breaches. It also includes ensuring that data is held, processed and disposed of securely and lawfully. Non-compliance risks a significant fine and reputational damage.</p>	<p><b>Officer(s):</b> Laura McCartney &amp; Nicole Idaomi</p> <p><b>Executive Member:</b> Cllr Victor Lewanski</p>	<p>The Council's Data Protection Policy clearly states the rules to follow on how personal data is handled and used; every member of staff is expected to have sight of the policy and new staff induction includes reviewing and agreeing to be bound by the policy; regular audits per service area to check staff are complying with data protection and staff training; maintenance of department level information asset registers; oversight by the Council's information governance group.</p>	<p>Primary effort should be focused on reducing the likelihood of mishandling data as per the Act. Any breaches should be reported to the Information Commissioner's Office as failure to report a breach risks further sanction.</p>	<p>Information governance internal audit (2021/22)</p>	3	2	6	3	2	6	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
14	<p><b>Information governance - data breach</b></p> <p>There is a risk of a data breach (personal data held by the Council inadvertently being disclosed). There are several impacts of this, including reputational damage, loss of trust and the issuance of significant fines and enforcement action by the Information Commissioner's Office. Data breaches may also put the personal safety of members, officers, residents and clients/customers at risk.</p>	<p><b>Officer(s):</b> Laura McCartney &amp; Nicole Idaomi</p> <p><b>Executive Member:</b> Cllr Victor Lewanski</p>	Data protection and information governance policies and procedures, owned by the Information Governance Group; data processed and held on the basis of these policies; staff training and regular awareness raising; service and departmental specific retention schedules that are adhered to and regularly updated; secure systems; data processing agreements.	Prompt reporting of a data breach in accordance with ICO requirements	Information governance internal audit (2021/22)	2	2	4	2	2	4	Yes	N/A
15	<p><b>Building safety, compliance and maintenance</b></p> <p>Failure to comply with legislation and regulations relating to the use and occupation of the Council's operational buildings, risks staff and visitor health and safety.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Member:</b> Cllr Andrew King</p>	Resources and systems in place to ensure full compliance across our asset base; maintenance of registers such as asbestos register; regular inspections; planned and proactive maintenance; undertaking of risk assessments as required.	Taking swift remedial action where an issue is identified.	Property management and maintenance internal audit (2021/22 and 2023/24)	2	3	6	2	3	6	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
16	<p><b>Economic and financial uncertainty</b></p> <p>There is a risk that periods of economic uncertainty and challenge will result in financial difficulties for the Council. This includes increased demands for services, cost pressures resulting from inflation and difficulties in achieving budgeted income and the collection of local taxes. Periods of financial challenge may also result in the Council being unable to meet its corporate plan objectives.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Richard Biggs &amp; Cllr Victor Lewanski</p>	<p>The Council has strong financial management arrangements in place, with continual investment in skills and expertise to support the delivery of objectives. These include the medium term financial plan; capital investment strategy; treasury management strategy; and the annual revenue and capital budgets.</p>	<p>Robust annual budget setting and service and financial planning; the Financial Sustainability Programme that sets out how the Council will meet its budget challenges set out in the MTFP.</p>	<p>Financial resilience internal audit (2020/21)</p> <p>Financial resilience internal audit (2021/22)</p> <p>Capital programme internal audit (2021/22)</p> <p>Financial Sustainability Programme governance internal audit (2022/23)</p> <p>Financial governance internal audit (2023/24)</p>	4	4	16	3	3	9	No	SR1 SR4
17	<p><b>Finance - treasury management</b></p> <p>Inadequate treasury management poses a risk to the Council's financial stability, potentially leading to liquidity issues, increased borrowing costs, and an inability to meet financial obligations. The risk is exacerbated by current uncertain market conditions.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Treasury Management strategy, reviewed annually with progress reported twice yearly</p>	<p>Treasury Management strategy, reviewed annually with progress reported twice yearly</p>	<p>Treasury management internal audit (2020/21)</p>	2	2	4	2	2	4	Yes	N/A



ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
18	<p><b>Insurance</b></p> <p>The Council holds an insurance policy which covers the full range of its activities. It is set in accordance with the requirements of legislation, as well as the Council's risk appetite. It is crucial that the policy is sufficient for the Council's needs, and that, in order to maintain cover, the Council adheres to the requirements of the policy, including taking measures to control and mitigate risk. Failure to do so risks uninsurable losses and the resultant financial and service impacts.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Regular review of insurance cover; regular meetings with insurance providers, ensuring sufficient policy coverage; provision of necessary and accurate information to the insurers as required under the policy.		Insurance internal audit (2024/25 TBC)	2	2	4	2	2	4	Yes	N/A
19	<p><b>Local government finance - budget challenges</b></p> <p>The failure to meet the ongoing impacts of economic uncertainty and government funding challenges risks service delivery, reputational damage and potential government intervention.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Make use of sector specific information and guidance; regular budget monitoring; robust service and financial planning and annual budget setting process, ensuring that budgets are as effective as possible	Ensure financial plans are realistic and subject to regular review; Financial Sustainability Programme	Savings realisation (Financial Sustainability Programme) internal audit (2022/23)	4	4	16	3	3	9	No	SR1
20	<p><b>Local government finance - changing regulation</b></p> <p>Local government finance guidance and regulations are complex and frequently changing. There is a risk that the Council does not adequately keep up with these changes, thereby risking a failure to account for public funds correctly.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Make effective use of sector specific sources of information and advice; use of consultants to advise where necessary	Take action to demonstrate compliance with the relevant regulatory guidance	Accounts payable internal audit (2021/22); Council Tax internal audit (2022/23); NNDR internal audit (2022/23); Income collection internal audit (2022/23); Main accounting internal audit (2023/24); Treasury management internal audit (2023/24);	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
21	<p><b>Payment of grants</b></p> <p>The Council administers a number of grants for residents, local businesses and the local voluntary and community sector, and also utilises revenue and capital grant funding to support Council services and deliver projects. In so doing, there is a risk of maladministration and the improper use of public funds. The Council may be required to pay back any incorrectly administered funds.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>All grants are to be disbursed in accordance with the terms of the scheme. While all grants are generally administered by the service, it is expected that Finance and other aligned services will be consulted to ensure that funds are disbursed in accordance with the terms of the grant and/or the Council's procedures; regular monitoring of compliance with the conditions of grant funding.</p>	<p>The taking of any remedial action to ensure grant compliance where issues are identified.</p>	<p>Various grants administered or used by the Council are subject to internal audit review, including: Homes England grant, 2023/24; Covid-19 enforcement grant, 2021/22; Local government compensation scheme grant, 2021/22 and 2020/21.</p>	2	2	4	2	2	4	Yes	N/A
324 22	<p><b>Payments - accounts payable</b></p> <p>There are a number of risks inherent to paying for goods and services, including late and/or missed payments, internal and external fraud (e.g. mandate fraud), inaccurate or duplicate payments and a general lack of compliance with the Council's financial and contractual procedural rules.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Robust and regularly tested financial procedures and policies, including payment of creditors guidance notes and new supplier procedure notes; effective supplier detail change management processes; regular review of dormant suppliers in the system; regular review of open purchase orders; payment authorisation procedures, including appropriately set approval limits; regular reconciliation between the accounts payable ledger and the General Ledger; KPI reporting; appropriate systems access for different users.</p>	<p>Regular review of payments to ensure adherence to the procedure rules and policies, allowing action to be taken if necessary; multi-layered and documented approval levels.</p>	<p>Accounts payable internal audit (2021/22)</p> <p>Car parking income collection (2021/22)</p> <p>Car parking income collection (2020/21)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
23	<p><b>Payments - accounts receivable and debt management</b></p> <p>The Council collects income from a range of sources and is vital to delivering services and maintaining the Council's overall financial sustainability. Where income is collected there is a risk of non-collection, fraud and error in its allocation.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Regularly reviewed policies and procedures; segregation of duties in place between invoicing, income collection, reconciliation and banking of income; regular review of the suspense account, with income posted to the debtor account; use of a debt management system, with access restricted as appropriate.	Debt management procedures and debt collection activities.	Accounts Receivable & Debt Management internal audit (2021/22)  Income collection internal audit (2022/23)	2	2	4	2	2	4	Yes	N/A
24	<p><b>Procurement</b></p> <p>As a local authority, the Council must be compliant with the public sector procurement regime. Non-compliance risks the ineffective use of public funds, as well as the risk of challenge to procurement decisions.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Corporate Procurement Board; introduction of a procurement strategy; compliance dip sampling; regular reporting; sharing of staff resource with Tandridge District Council to heighten resilience.	It is not possible to mitigate the impact of non-compliance.	Procurement internal audit (2020/21)  Contract management internal audit (2021/22)	3	3	9		2	<10	No	OR6
25	<p><b>Property estate - data quality</b></p> <p>There is a risk of a loss of income or unexpected costs due to inaccurate or incomplete asset data.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Andrew King</p>	Maintenance of an asset management database; sufficient staff resource to maintain the asset database.	Regular asset data audits, provide staff training on data quality standards, and establish clear data governance policies.	Property management and maintenance internal audit (2021/22 and 2023/24)	2	2	4	2	2	4	Yes	N/A
26	<p><b>Property estate - rental voids</b></p> <p>The Council has a diverse commercial property portfolio. Rental voids are an inherent risk associated with this, which can leave the Council with budget pressures which must be met, expected or otherwise.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Andrew King</p>	Regularly monitor property occupancy rates, market research conducted to understand tenant demands and potential renters. Transparent leasing policies and maintaining an updated property inventory contribute to better control over rental voids.	Proactive marketing strategies for vacant properties, conduct regular property assessments, and establish efficient leasing processes. Analyse market trends and adjust rental pricing based on demand to minimise the duration of rental voids.	Property management and maintenance internal audit (2021/22 and 2023/24)	2	3	6	2	3	6	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
27	<p><b>Reliance on key suppliers</b></p> <p>Whilst there are often cost and operational advantages to rationalising a supplier base, there is a concurrent risk of becoming too reliant on a select few suppliers. The impacts of this risk are multifaceted, though include not achieving best value for money and operational issues and/or single points of failure that negatively impact service delivery.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>A robust procurement and contract management function that maps critical supplier dependencies and puts appropriate mechanisms in place to manage these dependencies; appropriate supplier and contract management governance procedures in place via the Procurement and Contract Management Board; use provisions within contracts to control price rises and standards of service delivery, including considerations on risk management; ensure suppliers adhere to the required tenets of the public sector procurement regime; undertake due diligence on suppliers as part of the procurement exercise.</p>	<p>Business continuity plans that explicitly consider supplier distress or failure and put mitigations in place as necessary; avoid overreliance on key suppliers if this is regarded as placing the authority at risk, balanced against the benefits of agglomeration.</p>	<p>Procurement internal audit (2020/21)</p> <p>Contract management internal audit (2021/22)</p>	2	2	4	2	2	4	Yes	N/A
28	<p><b>Supplier and contract management</b></p> <p>Poor supplier and contract management can result in cost inefficiencies or overruns, delays in service and/or project delivery and disputes with suppliers, jeopardising the Council's reputation and financial resources while hindering the timely execution of activities.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Robust procurement processes; implement an effective corporate approach to contract management via the Procurement Board; monitor supplier contractual compliance and performance; conduct thorough due diligence on suppliers as part of the procurement process.</p>	<p>Regularly review supplier performance; renegotiate contracts as necessary; diversify the supplier base to reduce dependency.</p>	<p>Contract management internal audit (2021/22)</p>	3	3	9		2	<10	No	OR6

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
29	<p><b>Use of corporate credit cards</b></p> <p>Credit cards are a legitimate means of payment for some transactions. However, there is a risk of misuse and lack of compliance with the Council's financial procedure rules.</p>	<p><b>Officer(s):</b> Pat Main</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Strict controls on which officers are able to hold corporate credit cards; clear and documented rules on the use of corporate credit cards, only in instances where the Council's usual purchasing processes are impractical; training and guidance on their use; regular review of transactions and credit card statements</p>	<p>Spending limits on each card, agreed with the departmental management and set an appropriate level given the anticipated legitimate use of cards; cards are suspended when the limit is reached and management are notified.</p>	<p>Procurement, credit cards internal audit (2020/21)</p>	2	1	2	2	1	2	Yes	N/A
30	<p><b>Council owned housing - stock maintenance and quality</b></p> <p>The Council owns social housing stock in the borough. Housing requires regular maintenance to ensure it is of good quality for residents. Failure to keep these properties in a good state of repair risks resident health and wellbeing as well as financial penalties and reputational damage.</p>	<p><b>Officer(s):</b> Richard Robinson</p> <p><b>Executive Members:</b> Cllr Caroline Neame</p>	<p>The Council is in contract with Mount Green, who manage Wheatley Court on its behalf, including regular maintenance; the Property team carry out stock condition surveys; Establishing preventive maintenance schedules, conducting regular stock audits, and maintaining open communication with suppliers. Proactive measures, such as early detection of stock issues and prompt resolution, contribute to maintaining quality standards and preventing disruptions to service delivery.</p>	<p>Conducting regular quality checks, investing in staff training, and collaborating closely with reliable suppliers. These measures aim to ensure consistent, high-quality services that meet the expectations.</p>		1	2	2	2	2	4		

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
31	<p><b>Government funding - Homelessness Prevention Grant</b></p> <p>The Housing service relies on the government's Homelessness Prevention Grant to support the delivery of the statutory homelessness service. There is a risk that this grant may be withdrawn after 2025, potentially resulting in a significant overspend.</p>	<p><b>Officer(s):</b> Richard Robinson</p> <p><b>Executive Members:</b> Cllr Caroline Neame</p>	<p>The Council is unable to directly influence whether the grant will continue in subsequent years. Where possible the Council will respond to any government consultations on homelessness prevention.</p>	<p>Prevention of homelessness through proactive work with at risk households; the opening of additional Council owned and operated temporary emergency accommodation to relieve pressure on emergency accommodation budgets; regular review of budgets and the use of earmarked reserves to offset revenue budget pressures, as has been done in the 2024/25 budget; apply for any subsequent government grants as they become available.</p>		3	3	9	3	3	9	Yes	N/A
32	<p><b>Homelessness</b></p> <p>Homelessness is a significant national and local issue. The Council, as the local housing authority, has a responsibility to prevent homelessness and, if necessary, to provide accommodation for those in priority need. The scale of the issue risks significant financial implications on the Council.</p>	<p><b>Officer(s):</b> Richard Robinson</p> <p><b>Executive Members:</b> Cllr Caroline Neame</p>	<p>Ensuring that the Council is compliant with the Housing Act 1996 as amended, which places heavy emphasis upon preventing homelessness; increase of staff resource to meet the increasing demands on the service; use of the Household Support Fund to support residents with rent in advance and deposit payments, though its future is currently uncertain; operation of Council owned emergency accommodation, negating the need to use expensive private accommodation.</p>	<p>Regular review of budgets; application for grants from central government to offset budget pressures; drawing upon earmarked reserves</p>	Housing internal audit (2022/23)	3	3	9	2	3	6	No	OR7 OR8

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
33	<p><b>Network and systems resilience</b></p> <p>Council services are dependent on a resilient and reliable network infrastructure and systems. There is a risk of significant disruption to service delivery and data loss/theft in the event of network disruption and/or outage, particularly following a cyber-attack. It is therefore imperative that the Council continues to invest in robust systems, infrastructure, network security and disaster recovery capabilities.</p>	<p><b>Officer(s):</b> Darren Wray</p> <p><b>Executive Members:</b> Cllr Caroline Neame</p>	<p>Implementation of the new ICT strategy and investment in improved network infrastructure and resilience; multi-layered defences protecting core data and systems that are regularly reviewed and updated; data encryption; staff cyber security awareness training; working with NCC Group to provide advice and expertise in the event of an incident;</p>	<p>Service business continuity plans; a Council wide strategic business continuity plan; data backups; improvement in the Council's disaster recovery capabilities; uninterruptable power supply (giving 1-2 hours of power to allow for safe powerdown in the event of a power outage) installed at the Town Hall;</p>	<p>Disaster recovery internal audit (2020/21)</p> <p>Networking and communications internal audit (2021/22)</p> <p>Cyber security internal audit (2022/23)</p> <p>Database management (2022/23)</p>	3	4	12		2	<10	No	SR6 OR3
34	<p><b>Governance and decision-making</b></p> <p>Decisions taken by officers and members must be lawful, ethical and made in accordance with the constitution, scheme of delegation and all relevant codes of practice. Failure to make legitimate decisions in a legitimate way risks the ineffective use of public funds and/or judicial review.</p>	<p><b>Officer(s):</b> Joyce Hamilton</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Adherence to the constitution and scheme of delegation; adherence to the Council's Code of Corporate Governance. The Code sets out the governance and decision making framework; compliance with the Code is reported through the Annual Governance Statement; decisions published in accordance with transparency standards; the Audit Committee regularly receives reports on matters of decision making and corporate governance; declaration of interests (officers and members)</p>	<p>Provide training for decision-makers, conduct regular process reviews, and foster a culture of accountability. These actions contribute to a more robust decision-making framework, minimising the risk of inefficiencies and legal complications; scrutiny of Executive and officer delegated decision making by the Overview and Scrutiny Committee.</p>	<p>Annual governance statement internal audit (2021/22)</p> <p>Decision making and accountability internal audit (2022/23)</p> <p>Ethical governance internal audit (2023/24)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
35	<p><b>Safeguarding</b></p> <p>The Council has a duty to safeguard vulnerable people and report any safeguarding concerns to the lead safeguarding authority. Inadequate safeguarding measures can result in legal issues, reputational damage, and compromised community trust, posing a significant risk to the Council's standing and effectiveness in ensuring the wellbeing of residents. Insufficient training and awareness may lead to a failure in identifying and addressing safeguarding issues, putting vulnerable individuals at risk.</p>	<p><b>Officer(s):</b> Duane Kirkland</p> <p><b>Executive Members:</b> Cllr Caroline Neame</p>	<p>A comprehensive safeguarding policy is in place; the Council provides training for staff as part of their induction; provide additional training to teams more likely to encounter potential safeguarding issues; identified safeguarding leads; signposting staff to the training recommendations and good practice guidelines; safeguarding meetings are held on a monthly basis; safeguarding meetings with relevant Senior Officer happen at least twice a year; establish reporting mechanisms; where necessary employees are DBS checked and this is reviewed by HR &amp; Safeguarding team; provide safeguarding advice to internal teams within the organisation; signpost to the EAP Assistance scheme, there is clinical supervision support for the intervention team which is funded monthly; quarterly meetings are held with SCC Boards; establishment of a recording system for safeguarding referrals; safeguarding email inbox for concerns to be reported; referral helpline.</p>	<p>Undertaking regular audits of safeguarding practices; reporting safeguarding concerns to the relevant agencies; collaborating with other local authorities such as SCC and external agencies to address concerns.</p>	<p>Surrey Safeguarding Adults Board (Quality Assurance questionnaire - every 2 years) Surrey Safeguarding Children Partnership (Quality Assurance questionnaire - every 2 years).</p>	2	2	4	2	2	4	Yes	N/A



ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
36	<p><b>Contract failure - Disabled Facilities Grant and Handy Person service providers</b></p> <p>The Council uses an external contractor to deliver home adaptations under the Disabled Facilities Grant and Handy Person service. As with any outsourced service, there is a risk of supplier collapse and the need to urgently re-procure and/or insource the service. The risk is shared between Mole Valley and Tandridge District Council.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Richard Michalowski</p>	Robust procurement processes to ensure the appointment of a supplier with sufficient operational resilience and effectiveness; effective contract management of appointed suppliers.	The risk is jointly shared with Mole Valley and Tandridge District Councils. The scale of three Councils helps mitigate the impact of the risk insofar as it makes it a more economically viable opportunity for any potential new supplier.	Disabled Facilities Grant internal audit (2022/23)	2	2	4	2	2	4	Yes	N/A
37	<p><b>Earlswood Lakes</b></p> <p>The Council is responsible for the maintenance and repair of Earlswood New Pond and Boating Lakes, together comprising Earlswood Lakes. Both lakes are dammed and are categorised as 'high risk' by the Environment Agency given the volume of water held. A breach would pose a risk to life, property and the environment.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	Regular inspection and maintenance.	Maintenance of an on-site flood plan to manage the effects of any uncontrolled release of water; undertaking of an emergency exercise in accordance with the Council's civil contingency responsibilities.	Emergency exercise undertaken in 2023	1	2	2	1	2	2	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
38	<p><b>Fleet management</b></p> <p>The Council is reliant on a range of fleet vehicles to deliver services. There is a risk of inadequate fleet management, composition, replacement and maintenance as well as regulatory compliance issues, thereby affecting the delivery of services.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	<p>Fleet management strategy, setting out how the Council ensures operational resilience; a robust fleet replacement programme that ensures the Council's fleet vehicles are fit for purpose; a comprehensive maintenance programme to ensure the roadworthiness and operational efficiency of the fleet; holding of sufficient consumables and spare parts to minimise fleet down time; rolling replacement to avoid simultaneous fleet issues; adherence to the requirements of the Council's operator licence; where alternatively fuelled vehicles are used, ensure that sufficient infrastructure is in place to support their operation.</p>	<p>The Council is able to spot hire vehicles if necessary; older vehicles can also be retained to increase resilience where appropriate.</p>	<p>Fleet management internal audit (2021/22)</p> <p>Fleet management internal audit follow-up (2022/23)</p>	2	2	4	2	2	4	Yes	N/A
39	<p><b>Health &amp; safety - playgrounds and wheeled sports facilities maintenance</b></p> <p>The Council provides a number of playgrounds. In so doing, the Council has a responsibility to ensure that they are in a good state of repair to prevent accidents and injury to users.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Moses</p>	<p>Engagement with a contractor to inspect playgrounds; appropriately scaled facilities given the intended user base; clear signposting of facilities advising of risks; preventive, scheduled and reactive maintenance, including repair and cleansing; renewal of facilities on a rolling basis; risk assessments in place for playgrounds; regular staff training</p>	<p>Means for users to report playground issues, closure of facilities undertaken if necessary.</p>	<p>Parks and countryside internal audit (2022/23)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
40	<p><b>Health and safety - fleet drivers</b></p> <p>Some Council staff are required to drive vehicles in the completion of their duties. Under health and safety legislation the Council has a responsibility to ensure that staff are adequately trained and have the sufficient competency to drive Council vehicles in accordance with relevant legislation and the conditions of our operators licence. It is also important that appropriate insurance arrangements are in place for staff that use their own vehicles for work purposes and that licence checks are carried out. Failure to do so risks staff health and safety, potential liability in the event of an accident and non-adherence to rules and regulations.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	<p>Adherence to the Fleet Driving Policy and Guidance which clearly sets out the Council's operational obligations and roles and responsibilities; clear guidance and training issued to staff; driver CPCs undertaken in accordance with regulatory requirements, with compliance regularly reviewed; tachograph compliance system to ensure compliance with HGV driver rules; fleet driver assessments taking place in accordance with the Fleet Driving Policy; vehicle defect reporting procedures; risk assessments undertaken where necessary and aligned with an employee's role.</p>	<p>Swift accident reporting to necessary stakeholders, including near misses;</p>	<p>Fleet management internal audit (2021/22)</p> <p>Fleet management internal audit follow-up (2022/23)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
41	<p><b>Health and safety - operational staff</b></p> <p>There is a risk that staff that work in operational roles - given the nature of the jobs they do - may seriously injure themselves in the completion of their duties.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	<p>Risk assessments and safe systems of work produced and refreshed at least annually; tailored training delivered to all staff members as part of their induction and the usual course of management; use of personal protective equipment and all necessary safety equipment; monitoring and evaluation of safety documentation and procedures; reviewing reported accidents at work to identify lessons learned; workplace Health and Safety forum; managers from Waste and Recycling, Greenspaces and Street Cleansing have completed the IOSH Health and Safety Training.</p>	<p>Workplace logging and reporting of accidents, including near misses.</p>	<p>Health and safety governance internal audit (2022/23)</p>	1	3	3	1	3	3	Yes	N/A
42	<p><b>Supply chain disruption - Neighbourhood Operations</b></p> <p>The Neighbourhood Operations service relies on a range of parts and consumables to deliver services, ranging from fleet management, refuse collection and playgrounds. In recent years supply chain disruption has made sourcing such materials challenging. Such difficulties in sourcing parts and consumables could result in disruption to service delivery.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	<p>Maintenance of a diverse supplier list; good levels of stock of key parts and consumables maintained at operational sites; reuse goods wherever possible.</p>	<p>Maintenance of a fuel shortage business continuity plan.</p>		2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
43	<p><b>Volatility in recyclate income</b></p> <p>The Council receives income from the sale of recyclates. The market is international and volatile – price fluctuations can be sudden and result in a negative impact on the Council’s budget.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	<p>The global recycling market is outside of the Council's control. However, we are able to secure more advantageous terms for the sale of recyclates through joint contracts with other waste collection authorities. The Council is current in contract for the sale of paper and card through to March 2024.</p>	<p>Reduce the budgetary reliance on in-year recyclate income</p>	<p>Refuse, recycling and street cleansing internal audit (2023/24)</p>	2	3	6		2	<10	Yes	N/A
44	<p><b>Engaging with contractors and use of agency staff</b></p> <p>The Council is often required to acquire temporary staff resource to deliver projects and other specific pieces of work, as well as to alleviate short-term capacity pressures. In using contractors and/or agency staff, it is crucial that the Council complies with off-payroll working rules, also known as IR35. Failure to do so risks enforcement action from HMRC.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Clear guidelines have been created for the use of agency staff; HR review requests for acquiring agency staff and contractors and provide advice accordingly; a single platform is used for the acquisition of agency staff.</p>	<p>Processes are in place to monitor agency staff usage, should this require a change in the contractual relationship with a temporary member of staff then the HR team will take action as required.</p>	<p>Establishment controls internal audit (2020/21)</p>	2	2	4	2	2	4	Yes	N/A
45	<p><b>Establishment control</b></p> <p>Staff costs form a considerable element of the Council's budget. It is crucial that the Council has a full understanding and control of the posts that are on the establishment, and how these are funded through departmental revenue budgets. A failure to have a grip on the establishment can risk significant financial impacts and the inadvertent creation of ongoing employment liabilities. Proper establishment control also supports the effective management of limited budgets.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Annual service and financial planning; regular review of vacancies as and when they emerge, allowing a decision to be made on recruitment and/or delivering the role differently; supporting HR systems and reporting, allowing management to keep track of the establishment.</p>	<p>Regular review of establishment posts and those that are fixed term funded.</p>	<p>Establishment controls internal audit (2020/21)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
46	<p><b>Health and safety - desk based staff</b></p> <p>As an employer, the Council must protect staff from the health risks of working with display screen equipment (such as PCs and laptops) as well as risks associated with working from desk based workstations. The failure to do so risks staff wellbeing, elevated sickness levels and reduced productivity.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	DSE Assessments; Health & Safety Advisor providing advice and guidance to staff and management; monitoring compliance with safety protocols; encouraging regular breaks, and addressing reported concerns promptly; ongoing training and creating channels for staff feedback.	Referrals to the Council's occupational health provider can help mitigate and prevent such issues from occurring through identifying and implementing adjustments to workstations or working conditions.	Health and safety governance internal audit (2022/23)	3	2	6	3	2	6	Yes	N/A
47	<p><b>Health and safety - external lone working</b></p> <p>Some Council staff are required to work alone. As the HSE notes, lone workers are at higher risk of harm without direct supervision or anyone to help if things go wrong.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Lone Working Policy and Procedure reviewed annually; DSE policies are reviewed on a regular basis; lone worker safety protocols; conduct risk assessments for lone working situations where necessary and provide ongoing training to enhance awareness. Implementing robust communication systems and ensuring quick response mechanisms contribute to effective control over lone worker safety; maintenance of a client of concern database	Provide training on risk awareness and utilise technology such as phones for check-ins. Establish emergency response procedures and conduct regular reviews of lone worker policies to ensure they align with evolving safety standards.	Health and safety governance internal audit (2022/23)	2	2	4	2	2	4	Yes	N/A
48	<p><b>Health and safety - home working</b></p> <p>Inadequate health and safety measures for remote workers pose a significant risk, potentially leading to accidents, health issues, and heightened liability for the Council. Failure to address these risks may result in decreased staff productivity and increased absenteeism, impacting overall service delivery.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	Requirement for remote working risk assessments; Enforcing adherence to established guidelines; actively monitoring remote working conditions through virtual check-ins; and ensuring consistent application of safety protocols; regular assessments and adjustments to policies based on feedback and evolving circumstances;	Implementing and enforcing remote work policies aligned with health and safety regulations will contribute to a secure and productive remote work environment. The Council to comply with a home working risk assessment checklist which will be introduced in 2024 for all staff.	Health and safety governance internal audit (2022/23)	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
49	<b>Health and safety - wellbeing of staff</b> The Council has a responsibility to safeguard the health and wellbeing of staff at work. The failure to do so risks heightened levels of sickness, decreased productivity and, ultimately, not achieving corporate objectives.	<b>Officer(s):</b> Kate Brown <b>Executive Members:</b> Cllr Victor Lewanski	Staff risk assessments, including stress risk assessments; guidance issued to staff and managers on wellbeing at work; staff wellbeing group that lead initiatives to support staff wellbeing; internal communications campaigns making staff aware of wellbeing initiatives; proactive referrals to occupational health where necessary; monitoring of sickness absence trends	Employee Assistance Programme; occupational health referrals; using sickness absence trend data to take action as necessary.		3	2	6	3	2	6	Yes	N/A
50	<b>Organisational capacity and culture</b> The Council has an ambitious agenda and objectives. In delivering against these, it is crucial that the organisation is resourced appropriately, has effective enabling systems and a positive culture that supports effective working between officers and members. Any failure in this area risks the non-delivery or delayed delivery of corporate and service objectives.	<b>Officer(s):</b> Mari Roberts-Wood <b>Executive Members:</b> Cllr Victor Lewanski	Creation of an HR and OD strategy; workforce planning; succession planning			2	4	8	2	3	6	No	SR
51	<b>Pay and employment law risks</b> Employment and pensions legislation and case law change frequently. It is crucial that the Council applies this correctly in order to manage the risk of sanction and claims, as well the incurrence of historic liabilities.	<b>Officer(s):</b> Kate Brown <b>Executive Members:</b> Cllr Victor Lewanski	Receipt of regular advice from the Council's payroll advisors; proactive monitoring of updated case law and any legislative changes;	Seek bespoke, specialist advice where necessary to mitigate any risks faced.		2	3	6	2	2	4	No	OR9

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
52	<b>Payroll</b> The administration of payroll is a significant area of risk for an organisation given the total value of payments involved, including the risk of inaccurate and fraudulent payments being made, as well as the incorrect application of tax and other deductions.	<b>Officer(s):</b> Kate Brown <b>Executive Members:</b> Cllr Victor Lewanski	Clear payroll policies, procedures and guidance notes that are regularly reviewed and tested; segregation of duties between inputting ,checking and authorising payroll changes; audit testing as part of the risk based internal audit plan; management authorisation of staff expenses before payment; prompt completion of statutory returns; secure processing and maintenance of payroll data.		Payroll internal audit (2021/22)	1	2	2	2	2	4	Yes	N/A
53	<b>Staff sickness</b> Council staff are essential to delivering services for residents. Whilst sickness is usual and is to be expected, it must be effectively managed (in terms of preventable causes and effects) to reduce the risk of service delivery being impacted.	<b>Officer(s):</b> Kate Brown <b>Executive Members:</b> Cllr Victor Lewanski	Sickness absence policy and procedure; HR support for managers and staff in managing sickness absence; regular monitoring and reporting of sickness absence	Service level business continuity plans; acquisition of temporary staff resource	HR & OD internal audit - absence management (2021/22)  Business continuity internal audit (2022/23)	3	2	6	3	2	6	Yes	N/A
54	<b>Staff turnover</b> A degree of staff turnover is healthy for an organisation. However, elevated levels of turnover may be indicative of issues in the workplace. Excessive turnover may also result in a disruption to service delivery and a loss of institutional knowledge, further affecting service delivery.	<b>Officer(s):</b> Kate Brown <b>Executive Members:</b> Cllr Victor Lewanski	Monitoring and reporting of turnover trends, allowing for remedial or investigative action to be taken; engagement exercises with staff to 'temperature check' the organisation and how staff are feeling; regular staff surveys; exit interviews; HR and OD strategy, making the Council an employer of choice; team building sessions to help with team cohesion and resilience.	Recruitment of staff to replace leavers; service level business continuity plans; acquisition of temporary staff resource; use of the Employee Assistance Programme.		3	2	6	3	2	6	Yes	N/A



ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
55	<p><b>Use of volunteers</b></p> <p>The Council utilises volunteers in delivering a number of services. As volunteers are not employees of the Council, their use must be carefully managed to avoid placing volunteers, staff and residents/service users at risk.</p>	<p><b>Officer(s):</b> Kate Brown</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Appropriate policies and procedures in place, clearly defining the appropriate scope of use of volunteers and the description of the role vis a vis employed staff; volunteer handbook and code of conduct, issued to volunteers to clarify roles and responsibilities; centralised records of volunteers, held in line with departmental retention schedules; identity checks carried out where necessary; risk assessments undertaken for individual volunteer roles where required; DBS checks carried out where the risk assessment requires it; undertaking of volunteer training on key health and safety risks, as well as the core elements of the role;</p>	<p>Regular management monitoring and reporting on the use of volunteers across the Council; undertaking of volunteer training;</p>	<p>Human Resources - use of volunteers internal audit (2022/23)</p>	3	2	6	3	2	6	Yes	N/A
56	<p><b>Changing policy context - Local Plan</b></p> <p>Significant changes to legislation may impact on the delivery of the Local Plan, as could the failure to follow due processes or through political decision making. The Local Plan being found to be unsound or delayed may result in: the loss of planning control for the borough, leading to unsustainable development being approved or a reduction in affordable housing, as well as increased costs to the Council.</p>	<p><b>Officer(s):</b> Andrew Benson</p> <p><b>Executive Members:</b> Cllr Richard Michalowski</p>	<p>Regular planning committee performance monitoring and reporting; ensure that applications are determined with adherence to KPIs in mind; obtain extensions where necessary; planning committee training and guidance</p>	<p>Create action plans to address any failings; Planning Officers Society review of the service if required</p>		2	3	6	2	3	6	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
57	<p><b>Planning - poor performance designation</b></p> <p>The failure to meet government set KPIs relating to planning application determination can result in poor performance designation, allowing planning applications to be determined by the Planning Inspectorate.</p>	<p><b>Officer(s):</b> Andrew Benson</p> <p><b>Executive Members:</b> None - Planning is a non-Executive function</p>	Regular planning committee performance monitoring and reporting; ensure that applications are determined with adherence to KPIs in mind; obtain extensions where necessary; planning committee training and guidance	Create action plans to address any failings; Planning Officers Society review of the service if required		2	2	4	2	2	4	Yes	N/A
58	<p><b>Council Tax and NNDR collection</b></p> <p>In its capacity of billing authority, the Council collects Council Tax and Business Rates (NNDR) on behalf of a number of precepting authorities. There is a risk that, should the collection fund be in deficit, that the Council will be required to meet the deficit from its own revenue budget. It is also crucial that exemptions and discounts are applied in accordance with the rules.</p>	<p><b>Officer(s):</b> Simon Rosser</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	An effectively resourced Council Tax and NNDR service that achieves high collection rates; robust systems and processes to track and pursue monies owed; documented procedural notes for Council Tax and NNDR; regular monitoring of collection performance	The Council maintains an in-house Fraud team that monitors fraud in the application of Council Tax discounts, such as single person's discount.	<p>NNDR internal audit (2022/23)</p> <p>Council Tax internal audit (2022/23)</p>	2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
59	<p><b>Fraud - internal and external</b></p> <p>Due to the wide range of activities undertaken and administered by the Council, there is a risk of fraud being committed both externally and internally. Fraud depletes the public purse and reduces public trust.</p>	<p><b>Officer(s):</b> Simon Rosser</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>The Council maintains policies and procedures to prevent and deter fraud, including the Counter Fraud policy, Corruption and Bribery policy and Whistleblowing Policy and Prosecution Policies; staff fraud awareness training; robust financial controls preventing unauthorised expenditure; contract management procedures to monitor contract spend. Proactive fraud checks are undertaken in key risk areas, such as housing benefit, joining the housing register and council tax discounts.</p>	<p>The Council has an in-house fraud team that undertakes fraud investigations into all risk areas of corporate fraud; the Council is able to use the Proceeds of Crime Act to seek Forfeiture Orders to recover money or property fraudulently acquired.</p>	<p>Commissioning and procurement internal audit (2020/21); Housing benefits internal audit (2020/21); Harlequin banking and reconciliation internal audit (2021/22); Parking enforcement internal audit (2021/22)</p> <p>Accounts payable internal audit (2021/22); Income collection internal audit (2022/23); Fraud framework internal audit (2023/24)</p>	3	2	6	3	2	6	Yes	N/A
60	<p><b>Reimbursement of costs from central government</b></p> <p>The Council acts as an agent for the government in administering a number of nationally set schemes, such as Housing Benefit and associated subsidy grant. There is a risk that expenditure may not be reimbursed in full, therefore negatively impacting the Council's financial position.</p>	<p><b>Officer(s):</b> Simon Rosser</p> <p><b>Executive Members:</b> Cllr Victor Lewanski</p>	<p>Involvement of the finance team in the administration of all grants and funding schemes to identify funding risks and pressures arising; lobbying of government to ensure adequate reimbursement; full accounting of costs incurred.</p>	<p>Establishment of a government funding risk reserve to mitigate specific funding risks and their impact on the revenue budget; ensuring adherence to funding conditions in order to achieve full reimbursement; regular monitoring and review of schemes administered on behalf of the government.</p>		2	2	4	2	2	4	Yes	N/A

ID	Risk name and description	Risk owners	Controls	Mitigations	Sources of assurance	Current risk score			Target risk score			Within appetite?	Risk register - 2024/25
						L	I	Total	L	I	Total		
61	<p><b>Fit for purpose operational assets</b></p> <p>The Council relies on a range of property, plant and equipment to deliver services. It is crucial that these assets receive appropriate levels of maintenance and investment in order to meet the demands of service delivery. The failure to do so risks the efficient and effective delivery of services for residents and businesses in the borough.</p>	<p><b>Officer(s):</b> Mari Roberts-Wood</p> <p><b>Executive Members:</b> Cllr Richard Biggs</p>	Capital investment strategy and programme; annual service and financial planning, ensuring appropriate resources are allocated to services;	Regular preventive, reactive and planned maintenance of assets.		3	3	9	3	2	6	No	OR3 OR4
62	<p><b>Changing policy context - waste service</b></p> <p>In October 2023 the government published new requirements for the collection of waste and recycling from domestic and business premises, requiring the Council to amend its waste and recycling service. The required operational changes are complex and must be delivered within challenging timescales. There is a risk of a loss of income and a marked increase in costs to deliver the service.</p>	<p><b>Officer(s):</b> Morag Williams</p> <p><b>Executive Members:</b> Cllr Hannah Avery</p>	Create and implement a robust plan for implementing the required changes; acquire temporary additional resource where necessary; robustly tested business case/options appraisal.	New burdens funding to offset cost increases; reuse bins where possible.		3	3	9	2	2	4	No	OR2

## Glossary of terms

**Controls** – action that reduces the likelihood of the risk materialising.

**Mitigations** – action that reduces the impact of the risk in the event that it materialises.

**Sources of assurance** – pieces of commissioned work and/or activity that support in the assessment of a risk's score. In most cases this will be commissioned internal audit activity, though can also include bespoke pieces of consultancy.

### Current risk score:

- **L** = likelihood rating
- **I** = impact
- **Total** = likelihood x impact

**Target risk score:** is the level where management is aiming to treat or manage the risk to. The target risk sets out the desired and acceptable end point of the risk management cycle and is set in accordance with the Council's risk appetite.

### Risk register:

- **SR#** = strategic risk register and the unique numeric reference
- **OR#** = operational risk register and the unique numeric reference

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<b>Signed off by</b>	Chief Finance Officer, Head of Corporate Policy, Projects and Performance
<b>Author</b>	David Brown, Finance Manager Luke Harvey, Project & Performance Team Leader Pat Main, Chief Finance Officer
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<b>To</b>	Overview and Scrutiny Committee Executive
<b>Date</b>	Overview and Scrutiny Committee: Thursday, 14 March 2024 Executive: Thursday, 21 March 2024
<b>Executive Member</b>	Deputy Leader and Portfolio Holder for Finance and Governance

<b>Key Decision Required</b>	Y
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Quarter 3 2023/24 performance report
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<b>Recommendations</b>
<b>That the Overview and Scrutiny Committee:</b>

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- (i) Notes the Key Performance Indicators for Q3 2023/24 as detailed in the report and Annex 1 and make any observations to the Executive;
- (ii) Notes the proposed Key Performance Indicators to be reported on in 2024/25 as detailed in Annex 1.1.
- (iii) Notes the Revenue Budget and Capital Programme forecasts for Q3 2023/24 as detailed in the report and Annexes 2, 3 and 4 and makes any observations to the Executive;
- (iv) Notes the Q3 Treasury Management Performance and Prudential indicator Updates for 2023/24 at Annex 5 and makes any observations to the Executive; and
- (v) Notes the update on risks relating to Homelessness at Annex 6.

## That the Executive:

- (i) Notes the Key Performance Indicators for Q3 2023/24 as detailed in the report and Annex 1.
- (ii) Approve the Key Performance Indicators to be reported on in 2024/25 as detailed in Annex 1.1.
- (iii) Notes the Revenue Budget and Capital Programme forecasts for Q3 2023/24 as detailed in the report and Annexes 2, 3 and 4;
- (iv) Notes the Q3 Treasury Management Performance and Prudential Indicator Updates for 2023/24 at Annex 5; and
- (v) Notes the update on risks relating to Homelessness at Annex 6.

## Reasons for Recommendations

For the Council's performance to be reviewed and for appropriate KPI reporting and budget monitoring arrangements to be in place.

## Executive Summary

This report provides an overview of the Council's performance for Q3 2023/24, including Key Performance Indicator (KPI) reporting, as well as revenue and capital budget monitoring and treasury management. It also includes a progress update on the Financial Sustainability Programme and a new annex focussing on rising homelessness levels.

**The Overview and Scrutiny Committee, Executive have the authority to approve their respective recommendations.**

## Statutory Powers

1. Following the abolition of Best Value Performance Indicators (BVPI) in 2008 and the National Indicator Set (NIS) in 2010, there is no statutorily imposed framework for local authorities to manage performance.



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2. The Local Government Act 1972 requires the Council to set the associated annual budget as part of proper financial management. This monitoring report is part of that process.
3. The Chief Finance Officer has a key role to play in fulfilling the requirements of the statutory duty under the Local Government Act 2003 to keep the authority's finances under review during the year and act if there is evidence that financial pressures will result in a budget overspend or if there is a shortfall in income.

## Background

4. Each Quarter the Overview and Scrutiny Committee and Executive receive an update on the Council's performance. The report provides an overview of KPIs as well as budgetary performance.
5. KPIs are corporate performance measures and are set to demonstrate performance against key corporate objectives.
6. Quarterly budget and treasury management monitoring is a key financial control mechanism that demonstrates that the Council is fulfilling its responsibilities for managing public funds.
7. The Executive has approved a Financial Sustainability Programme to address the forecast Medium Term Financial Plan revenue budget gap. This includes a commitment to provide quarterly progress updates on delivery of the Programme.

## Key Information

### Key Performance Indicators – Q3 2023/24

8. Ten KPIs are reported on in Q3, the full detail of which is provided in annex 1.
9. Of the ten KPIs reported on, eight are on target or within the set tolerance.
10. The following KPIs are off target:
  - KPI 1 – Council Tax collection
  - KPI 7 – affordable housing completions
11. Additional information is provided in annex 1.

### Key Performance Indicators – 2024/25

12. Annex 1.1 sets out the KPIs to be reported on in 2024/25.
13. The indicators reported on in 2023/24 are proposed to be carried forward for 2024/25. The KPIs are considered to continue to reflect the Council's corporate objectives as set out in our current Corporate Plan.
14. In parallel with the preparation of the new Corporate Plan for the period 2025-2030, an updated set of KPIs will be developed alongside a member task and finish group. This process will take place in 2024/25, with new indicators reported from 2025/26 onwards and will make sure that the KPIs continue to reflect corporate priorities for the next plan period. The new Corporate Plan is due to take effect from Q1 2025/26.

## Revenue Budget Forecast

15. The 2023/24 Original Revenue Budget approved by Council in February 2023 was

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£23.194 million.

16. At 31 December, the forecast outturn for Services and Central Budgets is £21.847 million against a management budget of £23.194 million, resulting in an overall forecast net underspend of £1.347 million (5.8%).

<b>Table 1: REVENUE BUDGET MONITORING at 31 December 2023</b>	<b>Original Budget £m</b>	<b>In-Year Adjustments £m</b>	<b>Management Budget £m</b>	<b>Forecast Outturn £m</b>	<b>Forecast Year-end Variance £m</b>
Service Budgets	20.611	(0.441)	20.170	20.120	(0.050)
Central Budgets	2.583	0.441	3.024	1.727	(1.297)
<b>Revenue Budget Forecast at 30 September</b>	<b>23.194</b>	<b>0.00</b>	<b>23.194</b>	<b>21.847</b>	<b>(1.347)</b>

## Service Budgets

17. The 2023/24 Original Budget for Services approved by Council in February 2023 was £20.611 million.
18. At 31 December, the full year outturn is forecast to be £20.120 million against a Management Budget of £20.170 million resulting in an underspend of £0.050 million (0.2%).
19. The key variances are:

### Organisation:

- Property & Facilities - £0.458m overspend due to council tax costs at The Rise and higher maintenance costs at other properties including Regent House and Redhill Distribution Centre.
- Organisational Development & Human Resources - £0.220m overspend driven by higher interim pay costs to support the service restructure.
- Electoral Services - £0.120m underspend due to lower elections costs and staff vacancies, some of which will be transferred to reserves for the next election.
- ICT - £0.114m overspend due to higher consultancy costs and contract renewals.
- Energy Costs – £0.271m underspend due to renegotiation of energy contract.

### Place

- Refuse & Recycling - £0.207m overspend driven by lower recyclate prices partially offset by a higher number of garden waste subscribers and lower pay costs due to vacancies.
- Car Parking - £0.143m underspend driven by historic budget not yet adjusted following termination of the on-street parking contract.
- Environmental Licencing - £0.152m underspend driven by higher Private Hire income.

## People

- No significant variances at Q3.

20. Further details are provided at Annex 2.

## Central Budgets

21. The Original Budget for Central budgets approved by Council in February 2023 was £2.583 million.
22. At 31 December, the forecast outturn is £1.727 million against a Management Budget of £3.024 million resulting in an underspend of £1.297 million (42.9%).
23. This underspend is mainly a result of favourable interest rates on investments, more funds on deposit and lower than budgeted borrowing.
24. Further details are provided at Annex 2.

## Investment Income

25. Forecast income from property rents at Quarter 3 is £4.131 million compared to the £4.218 million that was received in 2022/23. This represents 17.8% of the net revenue budget for 2023/24.

## Capital Programme Monitoring

26. At 31 December, the Capital Programme Budget was £36.033 million, including £24.120 million of approved carry-forward capital allocations from 2022/23, £7.427 million of CIL allocations and a £0.150 million addition approved by Full Council in March 2023.
27. The forecast outturn position is £18.470 million which is £17.563 million (49%) below the approved Programme for the year. The variance is primarily due to slippage.
28. The main reasons for the slippage at the end of Quarter 3 were:
  - Beech House (£3.000m slippage) with expenditure now expected in 2024/25, subject to business case approval.
  - Merstham Recreation Ground (£2.570m) slippage with procurement of works underway and construction expenditure now expected in 2024/25.
  - Vehicles & Plant Programme (£1.560m) slippage with expenditure now expected in 2024/25.
  - Horley Public Realm Improvements (£0.930m) slippage with physical delivery expected in summer 2024.
  - Horley Subway Refurbishment (£0.770m) slippage with physical delivery now expected in late 2024.
  - Car Park Capital Works (£0.760m) slippage with expenditure now expected in 2024/25.
29. Further details are provided at Annex 3.
30. In addition, the Council has previously committed to spend up to £30.0 million on investment in affordable housing to support implementation of the Housing Delivery

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Strategy, to be funded from available grants and calls on capital and revenue reserves as appropriate to each scheme. There are no new developments planned at this time in addition to the investment in temporary and emergency accommodation as detailed at Annex 3. Forecasts will be updated when new business cases are approved.

## **Financial Sustainability Programme (FSP) Update**

31. Annex 4 provides an update on the projects and activities that have taken place in the Financial Sustainability Programme up to the end of Q3.

## **Treasury Management**

32. This report confirms compliance with the requirements of the regulatory framework for treasury management.
33. The Council is required to receive and approve three treasury reports each year, plus quarterly performance updates:
  - (i) **Annual Treasury Management Strategy, Investment Strategy and Capital Strategy (in combination referred to as ‘the Strategy’)** – sets the framework for treasury management activities in the following financial year.
  - (ii) **Mid-Year Treasury Management Report** – update on the current borrowing and investment position, with recommendations for amended prudential indicators and revised policies where necessary.
  - (iii) **Prudential and Treasury Management Indicators and Treasury Management Outturn Report** – a backward-looking review, focussing on the previous year’s performance.
34. Annex 5.1 sets out the Quarter 3 Treasury Management Performance Update and Annex 5.2 sets out the Quarter 3 Prudential Indicators for 2023/24.

## **Homelessness Costs – Risks and Focus**

35. A key current risk for all councils is the increasing level of homelessness and the burden this is placing on local authority budgets and annual spending requirements. This has become a ‘red’ risk for many councils.
36. This authority has, to date, been able to contain the cost of homelessness through prudent budgeting and by establishing a Homelessness Prevention Reserve which can be drawn upon when required, to help offset the costs. The financial impacts being the cost of providing temporary accommodation, including bed and breakfast.
37. The authority receives an annual homelessness prevention grant from Government which is set aside in the Reserve to help pay for part of these costs in addition to the annual homelessness budget that is managed by the Housing service. In 2023/24 the grant received was £0.686 million and for 2024/25 the grant is £0.695 million plus a further ‘top up’ grant for 2024/25 that was announced in March 2024 of £0.284 million. It must be noted that this grant is not guaranteed every year and could easily be exhausted if the cost of homelessness continues to rise.

# Agenda Item 8

38. The Homelessness Prevention Reserve currently stands at £1.314 million plus the £0.695 million and £0.284 million grants for 2024/25 which will be added to it in April 2024.
39. Despite the relatively strong reserves forecast, it is essential that the Council remains on alert in terms of the significant risks associated with homelessness and the financial strain this could place on the council's budget if matters escalate. For example, in 2023/24 the service is forecast to spend £0.423 million above the Council budget allocation (details at Annex 2) with this overspend being funded by a call on the Homelessness Prevention Reserve. In terms of comparative spending, this Council's cost of bed and breakfast accommodation increased by £0.300 million between 2022/23 and 2023/24. Officers in the Housing service report that they do not expect to see a decline in demand for temporary accommodation in the immediate future based on current trends.
40. Further details are set out at Annex 6: Homelessness Focus, which sets out the supporting statistics for the homelessness caseload within the borough. This information provides the context for managing and monitoring this budget risk.
41. Further updates on homelessness will be provided as part of quarterly performance reporting and budget-setting.

## Options

1. Overview and Scrutiny Committee has two options:
  - **Option 1** – To note the report and make no observations to the Executive.
  - **Option 2** – To note the report and make observations to the Executive.
2. Executive has two options:
  - **Option 1** – To note the report, approve the Key Performance Indicators to be reported on in 2024/25 and make any observations to the Head of Corporate Policy, Projects and Performance and/or Chief Finance Officer.  
This is the recommended option.
  - **Option 2** – note the report, to not approve the Key Performance Indicators to be reported on in 2025/25 and make any observations/comments to the Head of Corporate Policy, Projects and Performance and/or Chief Finance Officer.

## Legal Implications

3. There are no legal implications arising from this report.

## Financial Implications

4. There are no additional financial implications arising from this report.

## Equalities Implications

5. There are no equalities implications arising from this report.

# Agenda Item 8

<b>Communication Implications</b>
6. There are no communications implications arising from this report.
<b>Environmental Sustainability Implications</b>
7. There are no environmental sustainability implications arising from this report.
<b>Risk Management Considerations</b>
8. There are no risk management implications arising from this report.
<b>Procurement/Contract Management and Subsidy Considerations</b>
9. There are no procurement/contract management and subsidy considerations arising from this report.
<b>Other Implications</b>
10. There are no other implications arising from this report.
<b>Consultation</b>
11. The report has been reviewed by the Council's Corporate Governance Group. There are no other consultation implications arising from this report.
<b>Policy Framework</b>
12. Robust performance management is integral to measuring the extent to which policy objectives have been achieved.
<b>Background Powers</b>
None.

## ANNEXES

- 1.1 Q3 Key Performance Indicators
- 1.2 Key Performance Indicators for 2024/25 reporting
2. Q3 2023/24 Revenue Budget Monitoring
3. Q3 2024/24 Capital Budget Monitoring
4. Q3 FSP Update 2023/24
- 5.1 Q3 2023/24 Treasury Management performance update
- 5.2 Q3 2023/24 Prudential Indicators
6. Homelessness Focus 2023/24

## Q3 2023/24 Key Performance Indicators

KPI	Status	Portfolio Holder
<a href="#"><u>KPI 1 – Council Tax collection</u></a>	RED	Cllr Lewanski
<a href="#"><u>KPI 2 – Business Rates collection</u></a>	GREEN	Cllr Lewanski
<a href="#"><u>KPI 3 – Staff turnover</u></a>	GREEN	Cllr Lewanski
<a href="#"><u>KPI 4 – Staff sickness</u></a>	GREEN	Cllr Lewanski
<a href="#"><u>KPI 5 – Homelessness positive outcomes</u></a>	GREEN	Cllr Neame
<a href="#"><u>KPI 6 – Housing completions</u></a>	AMBER	Cllr Michalowski
<a href="#"><u>KPI 7 – Affordable housing completions</u></a>	RED	Cllr Michalowski
<a href="#"><u>KPI 8 – Local Environmental Quality Surveys</u></a>	GREEN	Cllr Avery
<a href="#"><u>KPI 9 – Missed bins</u></a>	GREEN	Cllr Avery
<a href="#"><u>KPI 10 – Recycling</u></a>	AMBER	Cllr Avery

## KPI 1 – The % of Council Tax collected

	TARGET	ACTUAL	STATUS
Q1	29%	29.34%	GREEN
Q2	57%	56.64%	AMBER
Q3	85%	83.99%	RED
Q4	98.80%		

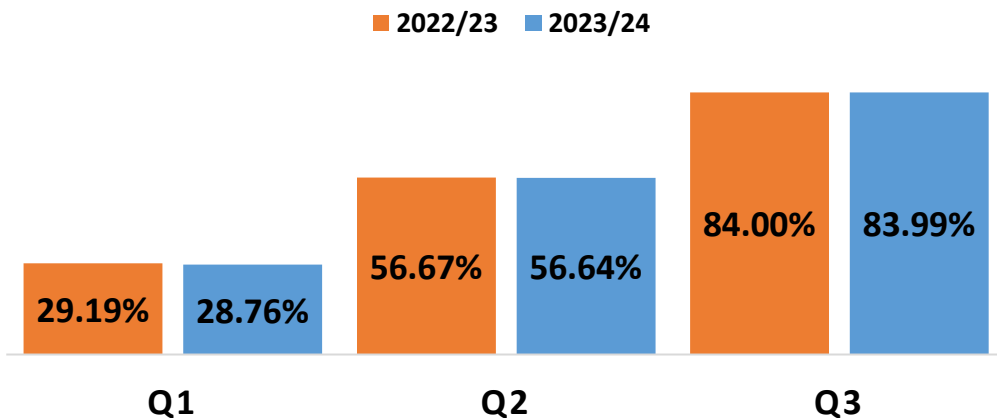
### Description

This indicator measures the percentage of Council Tax collected by the Council. The performance reported is cumulative for the year to date and up to the end of the quarter. Collection of monies owed continues into subsequent quarters and years, with performance continually moving. A tolerance of 1% is applied each quarter.

### Narrative

At the end of Q3, in year collection was just shy of where it was at the same point in 2022/23. Resources are currently split between collecting Council Tax from 2023/24 and balances built up during the pandemic. Unpaid Council Tax will continue to be recovered in subsequent years, meaning that performance continues to improve. At the end of January 2024 collection stood at 93.25%, up on performance from the previous year.

**Council Tax collection**



## KPI 2 – The % of Business Rates collected

	TARGET	ACTUAL	STATUS
Q1	31%	33.29%	GREEN
Q2	58%	59.18%	GREEN
Q3	85%	85.11%	GREEN
Q4	99.8%		

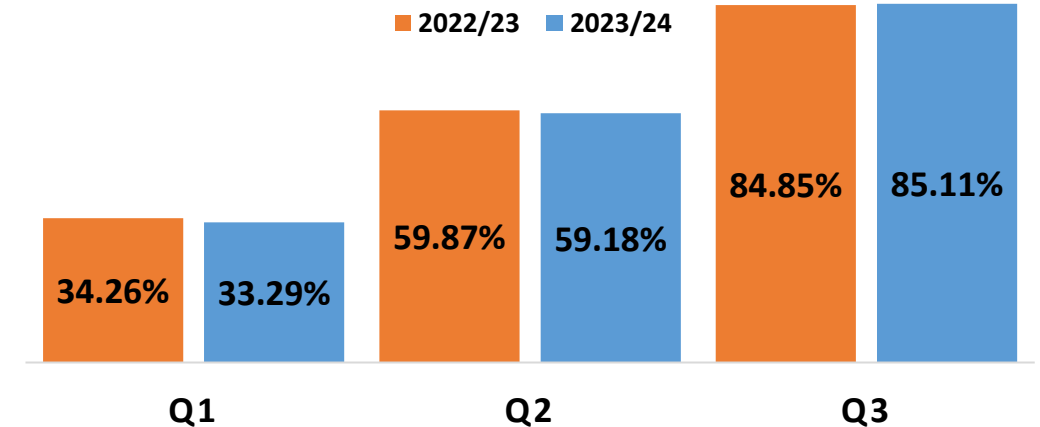
### Description

This indicator measures the percentage of non-domestic rates (NNDR) collected by the Council. The performance reported is cumulative for the year to date up to the end of the quarter. A tolerance of 1% is applied each quarter.

### Narrative

The Council's collection of Business Rates has marginally exceeded the target for Q3.

**Business Rates collection**





## KPI 3 – Staff turnover

	TARGET	ACTUAL	STATUS
Q1	12%	14%	RED
Q2		11%	GREEN
Q3		10%	GREEN
Q4			

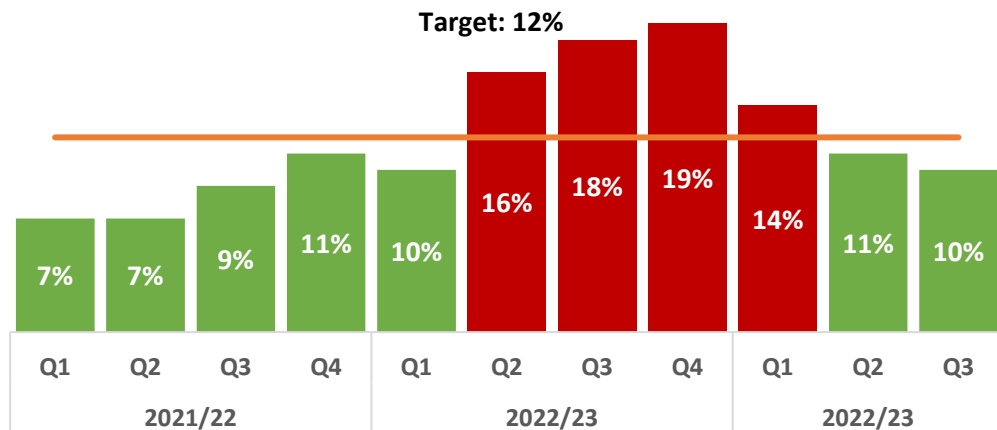
### Description

This indicator tracks the percentage of staff that leave the organisation on a voluntary basis. The performance reported is for a cumulative rolling 12-month period.

### Narrative

Following the high levels seen in 2022/23, staff turnover is now within target. Please note that, due to a data issue, the data for Q1 has been revised (was 3%).

### Staff turnover



## KPI 4 – Staff sickness absence

	TARGET	ACTUAL	STATUS
Q1	4 days	4.15 days	AMBER
Q2		3.39 days	GREEN
Q3		3.55 days	GREEN
Q4			

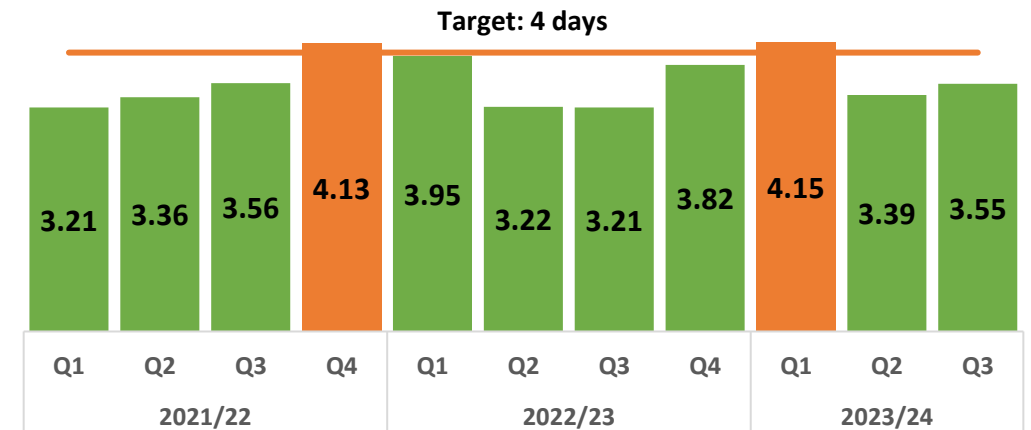
### Description

This indicator tracks the average duration of short-term sickness absence per employee. The performance reported at the end of each quarter is for a cumulative rolling 12-month period.

### Narrative

Staff sickness levels continue to be within target.

### Staff sickness absence (days)



# KPI 5 – The % of positive homelessness prevention and relief outcomes

	TARGET	ACTUAL	STATUS
Q1	55%	49%	AMBER
Q2		62%	GREEN
Q3		72%	GREEN
Q4			

## Description

This indicator measures the Council’s performance in preventing and relieving homelessness where a household has approached the Council for support and where the Council has a statutory obligation to provide it.

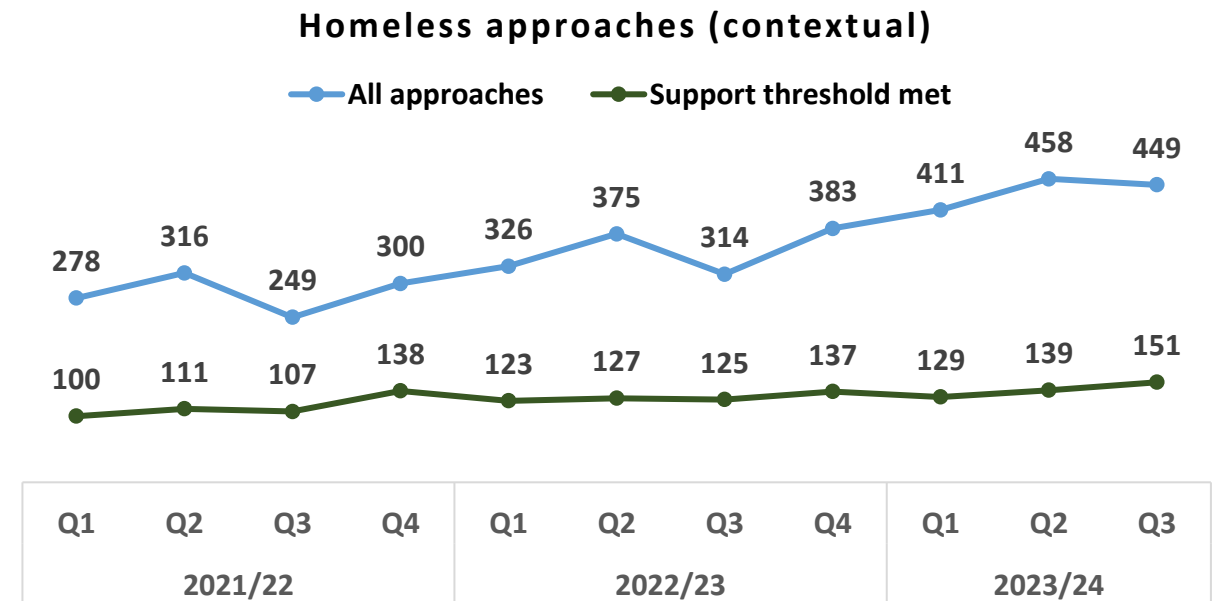
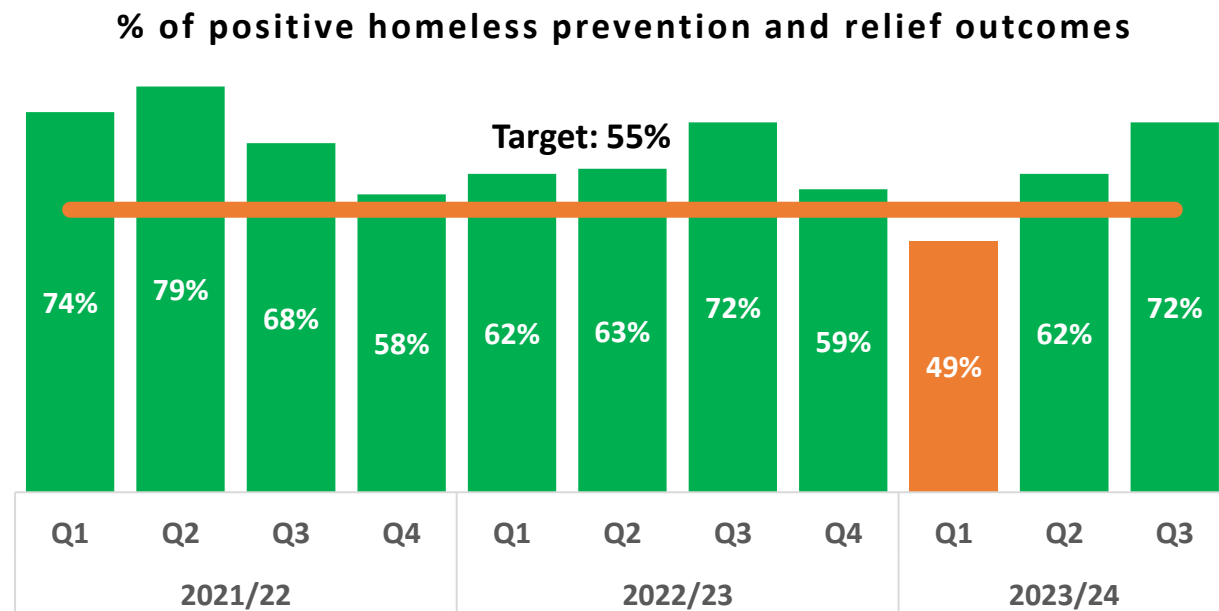
It measures the percentage of positive outcomes achieved in the quarter against the approaches that were made in the quarter.

## Narrative

In Q3 there were 449 homelessness approaches made to the Council. Of these, 151 (34%) cases met the threshold where the Council is required to provide support. This is the highest level recorded in the last five financial years.

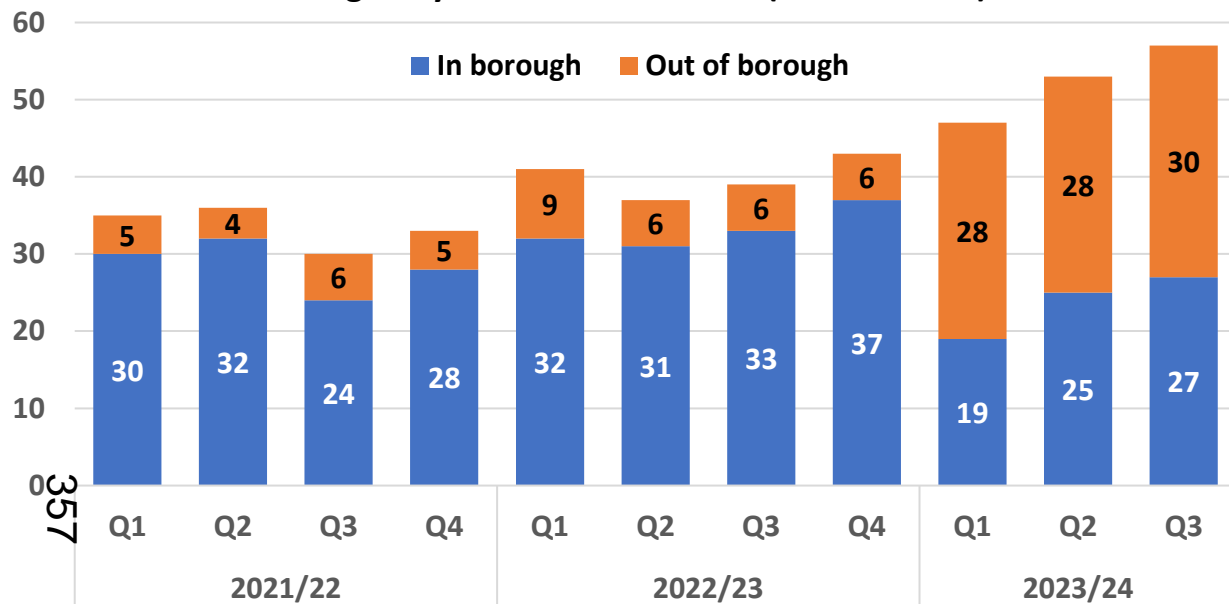
108 positive outcomes were achieved in Q3.

The homelessness support provided by the Council often straddles quarters as the Housing team work with clients to prevent and relieve homelessness in accordance with the timescales set in the Homelessness Reduction Act. Not all cases presented to the Council in Q3 that meet the support threshold will have concluded by the end of the quarter, with outcomes therefore following later in the year.



# KPI 5 – The % of positive homelessness prevention and relief outcomes (continued)

## Average number of households in temporary emergency accommodation (contextual)



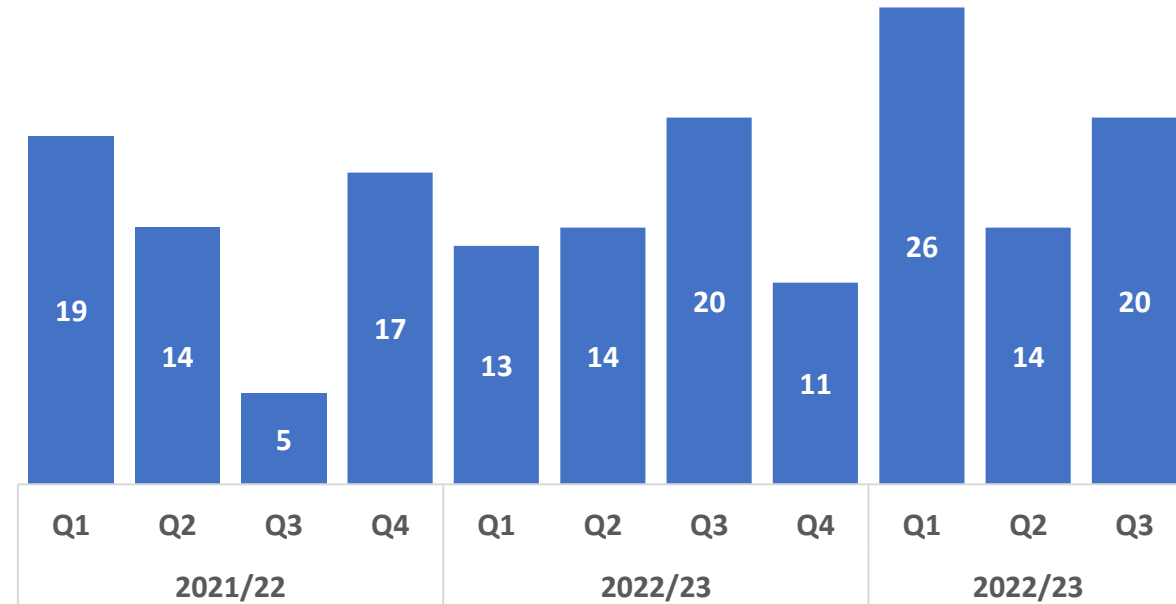
### Temporary emergency accommodation

The average number of households in temporary emergency accommodation continues to increase in Q3. Limited available social housing and affordable private rental options locally continue to be a driving factor behind the elevated levels of temporary emergency accommodation usage.

The Housing service is implementing a scheme for the purchase of additional Council owned and operated temporary emergency accommodation. Likewise, a pilot scheme has been introduced for social tenants under-occupying their tenancy the opportunity to downsize, making larger social housing premises available for other, larger, households.

*Note – since Q1 2023/24 emergency accommodation placements in Crawley are included in the 'out of borough' total, where previously they were not.*

## Main duty acceptances (contextual)



### Main duty acceptances

The main housing duty is to provide accommodation until more secure accommodation is found.

At the close of Q3 there were 20 main duty homelessness acceptances, an increase on that seen in Q2.

# KPI 6 – Net housing completions

	TARGET	ACTUAL	STATUS
Q1	115	72	AMBER
Q2	230	124	RED
Q3	345	333	AMBER
Q4	460		

## Description

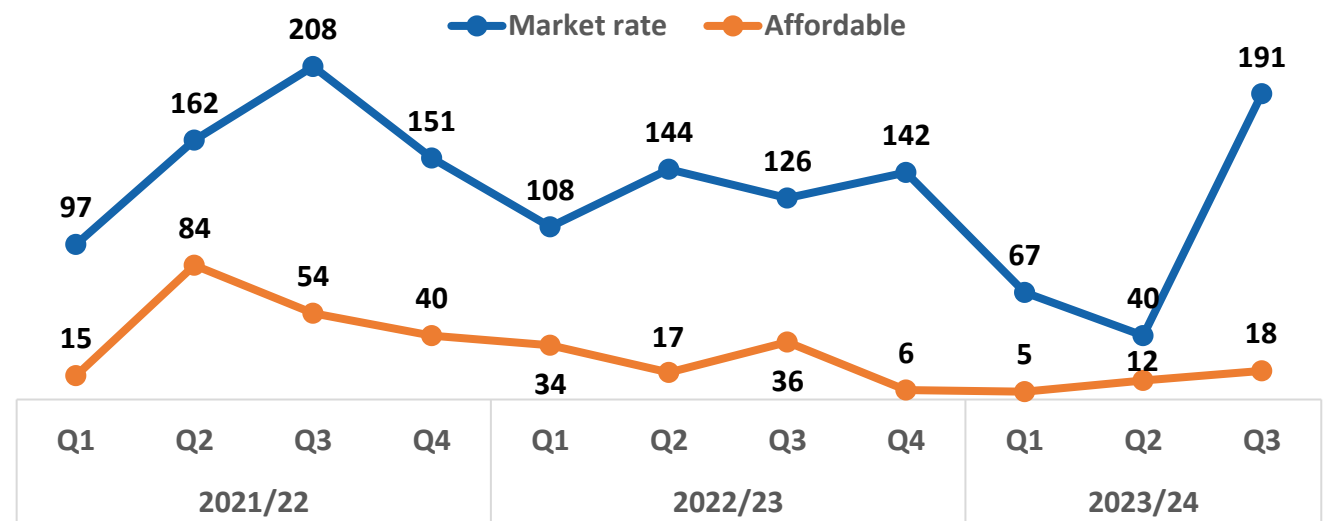
This indicator measures the net number of residential housing completions that have taken place in the borough. It includes all completions – i.e. at both market and affordable rates. The targets mirror those set in the Council’s local plan. Performance reported is cumulative for the year. Given the fluctuations in housing completions throughout the year, a tolerance of 60 applies.

The numbers of units listed as under construction or newly commenced may be subject to change between quarters as the Council does not always receive notice or receives delayed notice from sites.

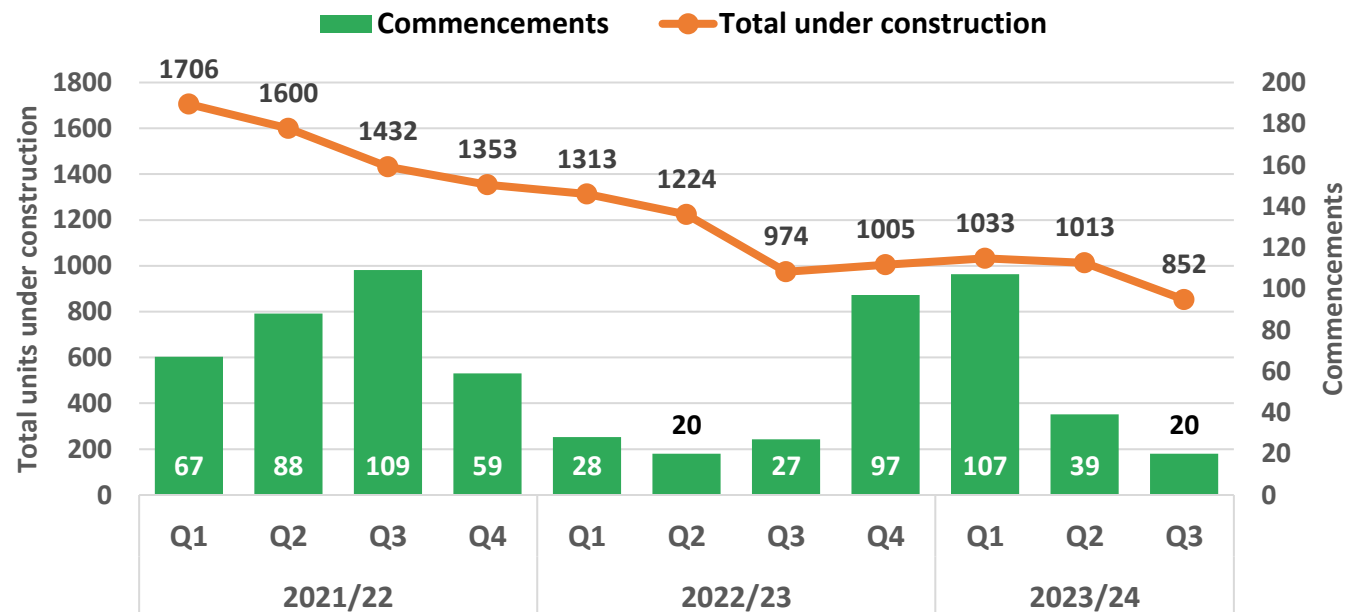
## Narrative

In Q3, 209 dwellings were completed, a significant increase compared to previous quarters. The majority of completions have come from the development at Marketfield Road, Redhill (The Rise) and the Horley North West Sector.

### Housing completions by quarter and tenure



### Units under construction and commencements (contextual)



## KPI 7 – Net affordable housing completions

	TARGET	ACTUAL	STATUS
Q1	25	5	RED
Q2	50	17	RED
Q3	75	35	RED
Q4	100		

### Description

KPI 7 measures the number of net affordable housing completions in the borough. Whilst the target is derived from the Council's local plan, the plan does not set an annual target, but instead a total of 1,500 affordable units over the period. The annual target is therefore set by dividing this total target by the plan period.

Performance reported is cumulative for the year. Given the fluctuations in housing completions, a tolerance of 10 applies each quarter.

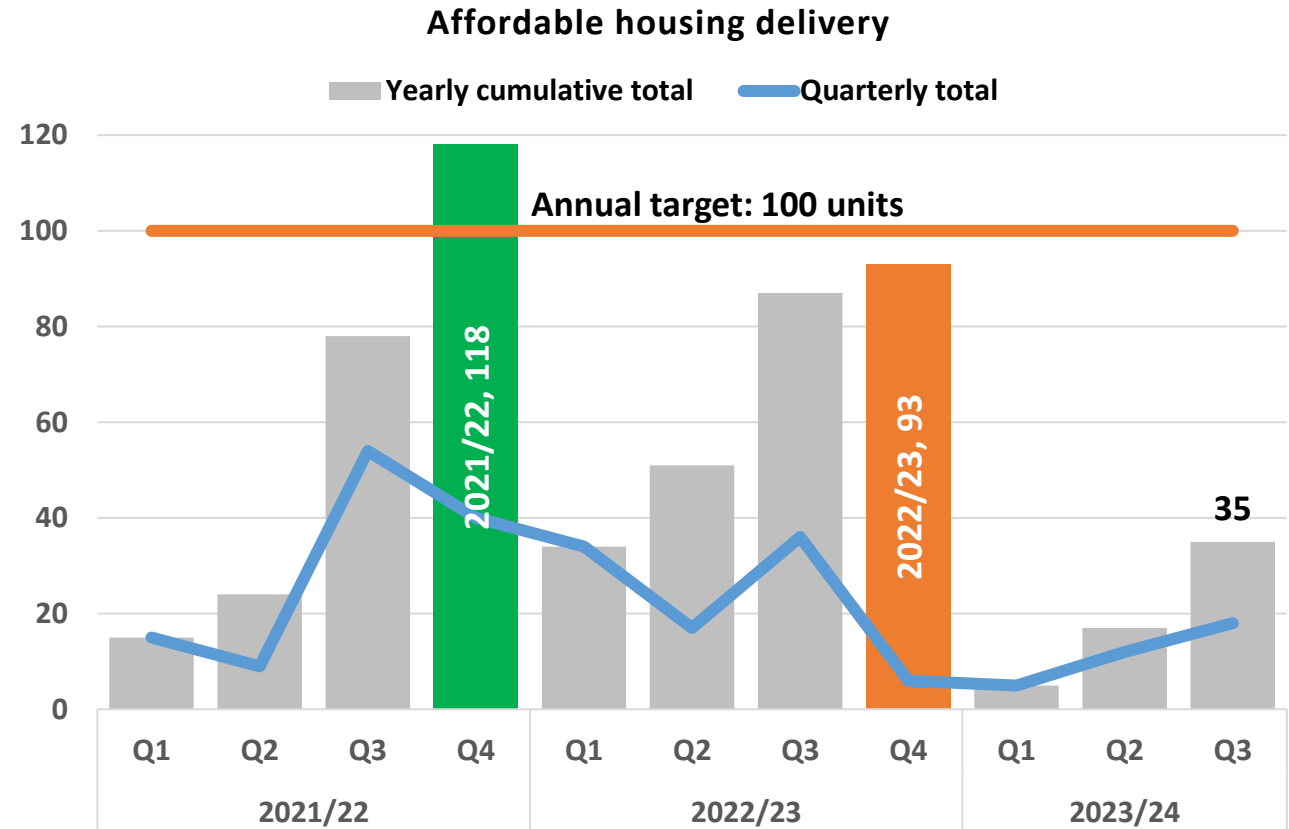
### Narrative

In Q3, 18 affordable units were delivered, all of which came from the Horley North West Sector.

While off target so far this year, it should be noted that 1,164 affordable units have been delivered in the borough since 2012, which means that progress towards achieving the Local Plan 15-year target is on track.

Of the 852 dwellings under construction at the end of Q3, 82 are affordable units. In Q3 no further affordable dwellings commenced construction.

Quarter	Shared ownership	Social rent	Affordable rent	Total (quarterly)
Q1	0	5	0	5
Q2	9	3	0	12
Q3	7	11	0	18



## KPI 8 – Local Environmental Quality Surveys

	TARGET	ACTUAL	STATUS
Q1	90% of sites at grade B or above	Unable to report	Unable to report
Q2		100%	GREEN
Q3		99.5%	GREEN
Q4			

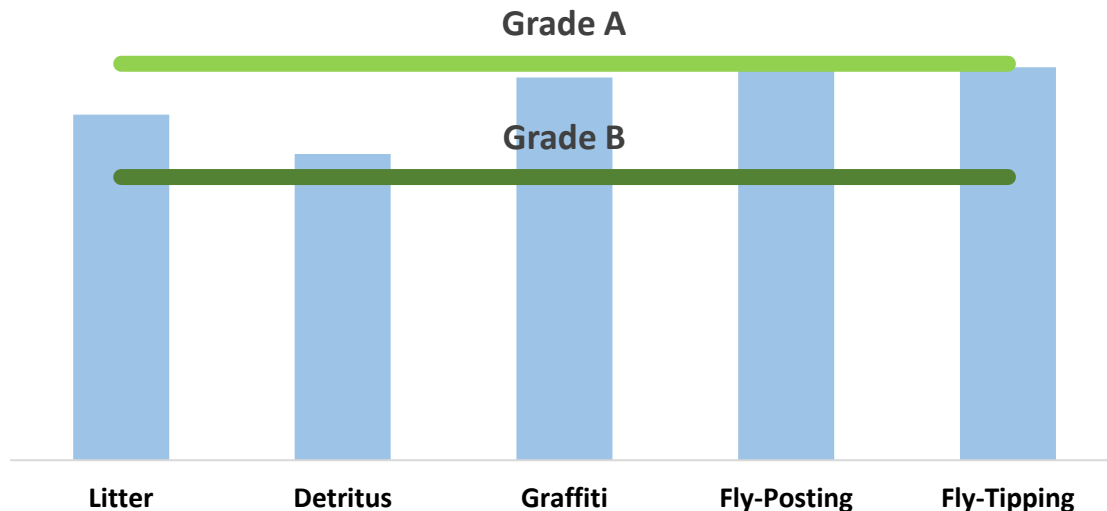
### Description

Local Environmental Quality Surveys (LEQs) are a robust and well recognised methodology for measuring the cleanliness of places. The methodology is developed and maintained by [Keep Britain Tidy](#). A selection of sites in the borough are assessed in several categories. The average of the scores achieved in each category gives an overall score for each site that is surveyed.

### Narrative

Of the 186 surveys carried out in Q3, 185 scored grade B or higher.

LEQ average site scores by category



## KPI 9 – Number of missed bins per 1,000 collected

	TARGET	ACTUAL	STATUS
Q1	10 per 1,000 collected	1.08	GREEN
Q2		1.07	GREEN
Q3		1.09	GREEN
Q4			

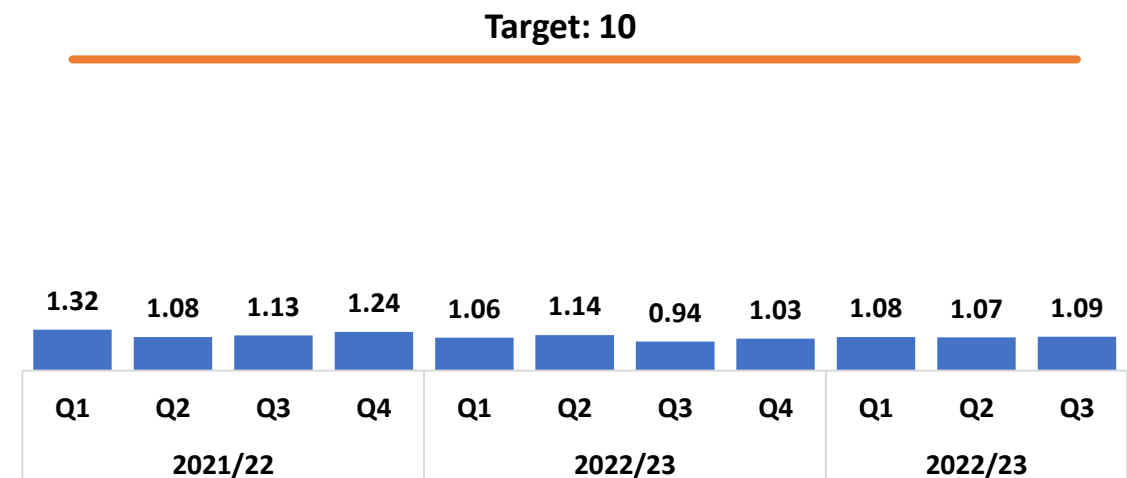
### Description

This indicator tracks how many refuse and recycling bins have been missed per 1,000 that are collected. Performance is measured and reported on quarterly.

### Narrative

The Council continues to deliver a reliable waste collection service for residents, with the number of bins missed per 1,000 collected standing at 1.09 at the end of Q3.

Number of missed bins per 1,000 collected



# KPI 10 – The percentage of household waste that is recycled or composted

		TARGET	ACTUAL	STATUS
23/24	Q1	60%	57.1%	AMBER
	Q2		55.7%	AMBER
	Q3			
	Q4			

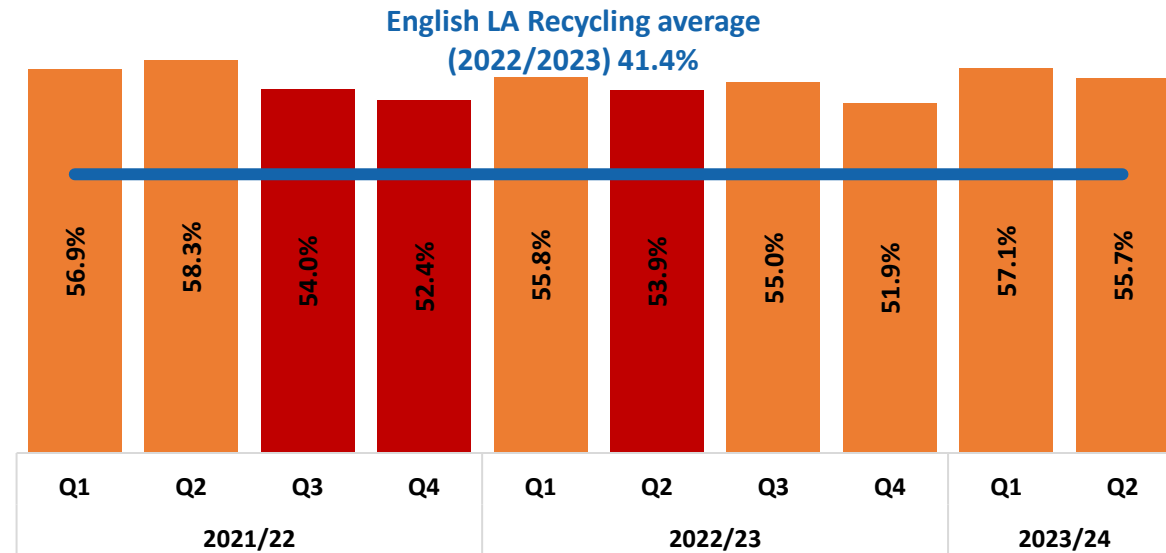
## Description

This indicator measures the percentage of household waste collected by the Council that is recycled or composted. **Performance is reported one quarter in arrears.** The target for this indicator is a stretch goal, set in the Surrey Joint Waste Management Strategy.

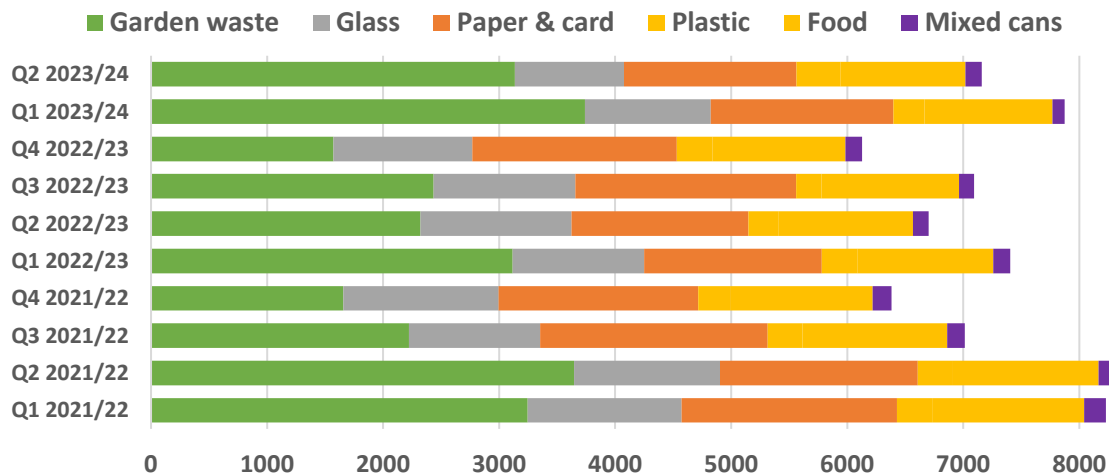
## Narrative

Despite being off target, Q2's performance is marginally higher than that achieved in Q2 of last year. Garden waste arisings were a particular feature of Q2's performance, despite a dry spell during the summer. Yields of nearly all other recycling materials are continuing to fall. However, levels of residual waste (i.e. waste not recycled) are remaining broadly consistent, down to an average of 94.29kg per household in Q2, compared to 96.95kg in Q1.

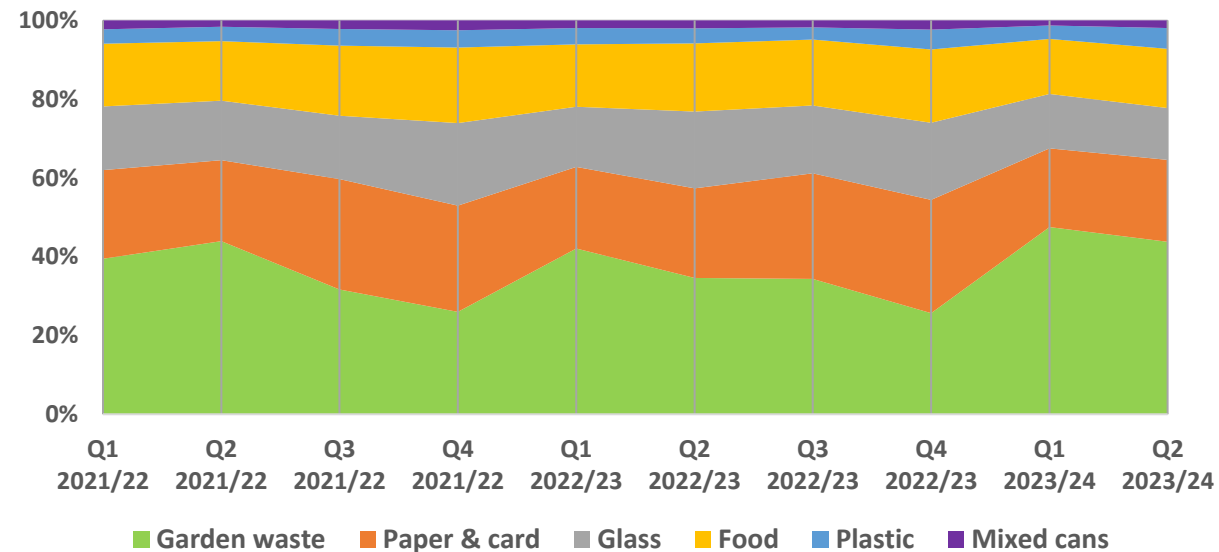
## The % of household waste that is recycled and composted



## Recyclate tonnage collected (contextual)



## Composition of recyclates collected (contextual)



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## Annex 1.1 – KPIs 2024/25

Ref.	Description
KPI 1	<b>Council Tax collection</b> The % of Council Tax collected against the value due.
KPI 2	<b>Business Rates collection</b> The % of Business Rates collected against the value due.
KPI 3	<b>Staff turnover</b> The % of staff that leave the organisation on a voluntary basis in a rolling 12 month period.
KPI 4	<b>Staff sickness absence</b> Average duration of short-term sickness absence per employee. Reported on a rolling 12 month basis.
KPI 5	<b>Homelessness positive outcomes</b> The % of positive homelessness prevention and relief outcomes
KPI 6	<b>Housing completions</b> Net number of completions.
KPI 7	<b>Affordable housing completions</b> Net number of affordable housing completions.
KPI 8	<b>Local Environmental Quality Surveys</b> Performance in Local Environmental Quality Surveys (LEQs)
KPI 9	<b>Missed bins</b> Number of missed bins per 1,000 collected
KPI 10	<b>Recycling performance</b> The % of household waste that is recycled and composted
KPI 11	<b>Number of visits to the Council's leisure centres (Annual Q4)</b>
KPI 12	<b>Reduction in the Council's carbon footprint (Annual Q4)</b> Reduction as measured against the 2019/20 baseline.
KPI 13	<b>Handling of complaints (Annual Q4)</b> Metrics detailing the Council's handling of corporate complaints (i.e. informal, stage 1 and stage 2, as well as any that are referred to the ombudsman).

### Contextual indicators (annually reported in Q4):

Ref.	Description
N/A	<b>Intervention service performance</b> Performance metrics related to intervention, money support and refugee support.

Ref.	Description
N/A	<b>Fraud performance</b> Number of fraud cases investigated, broken down by area and the value of fraud detected, both notional and cashable.

2023/24 Quarter 3: Revenue Budget Monitoring

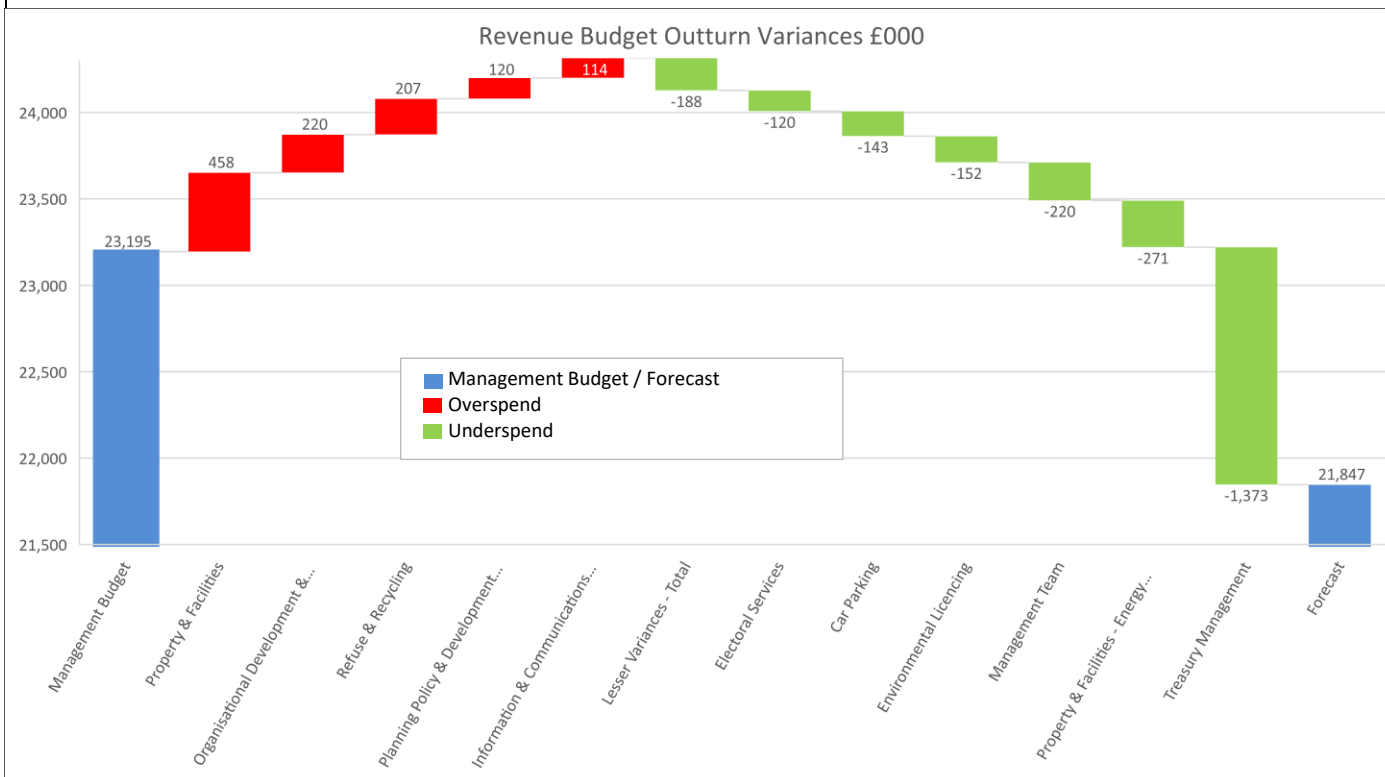
Summary

The full year forecast at the end of Quarter 3 for Service budgets is -£50k (0.2%) lower than the management budget; Central budgets are forecast to be -£1,297k (42.9%) lower than budget, resulting in an overall forecast of -£1,347k (5.8%) lower than budget.

Headline Revenue Budget Information 2023/24

£000

Management Budget	23,195
Year End Forecast	21,847
Projected underspend	<b>-1,347</b> (-5.8% of the budget)



Forecast for Services is £50k under budget. Significant variances are summarised below:

- Property & Facilities: £458k overspend** driven by unbudgeted council tax expenses at The Rise, higher than forecast maintenance costs at properties including Regent House, Redhill Distribution Centre and car parks.
- Organisational Development & Human Resources: £220k overspend** driven by higher interim resource costs to support the service during restructure.
- Refuse & Recycling: £207k overspend** driven by lower recycle costs, partially offset by a higher number of garden waste subscribers and lower pay costs due to vacancies.
- Planning & Development Management: £120k overspend** driven by lower income from planning applications partially offset by savings in pay costs due to vacancies.
- ICT: £114k overspend** driven by higher consultancy costs and higher than forecast contract renewals.
- Electoral Services: £120k underspend** due to lower election costs and staff vacancies
- Car Parking: £143k underspend** driven by underspent residual budget following termination of the SCC on-street parking contract.
- Environmental Licencing: £152k underspend** driven primarily by higher private hire income.
- Management Team: £220k underspend** driven primarily by vacancies that will be recruited in 2024/25.
- Property & Facilities - Energy Costs: £271k underspend** driven by renewal of contracts.

Forecast for Central Budgets is £1,297k under budget. Significant variances are summarised below:

- Treasury Management: £1,373k underspend.** Higher than budgeted interest income due to favourable rates, more funds on deposit and lower than budgeted borrowing.

1. General Fund Reserve		£000	£000
Balance at start of year			3,476.9
Add: Projected underspend	at 31 March 2024		1,347.5
Anticipated balance at End of Year before Reserves Review/Reallocations*			4,824.3
*Maximum General Fund Balance Required (2023/24)		3,500.0	

Responsible Officer	Service	Original Budget £000	Total Variations £000	Management Budget £000	Year End Outturn £000	Year End Variance £000	Commentary
<b>1a. Organisation</b>							
Catherine Rose	Corporate Policy	224.2	0.0	224.2	232.2	8.0	Minor Variance
	Projects & Business Assurance	223.2	0.0	223.2	202.0	-21.2	Savings in paycosts due to vacancy.
Carys Jones	Communications	753.8	62.0	815.8	751.7	-64.1	Savings in paycosts due to vacancies partially offset by cost of temporary cover and software costs for web design.
	Customer Contact	415.8	0.0	415.8	400.4	-15.4	Savings in paycosts due to deleted post.
Darren Wray	Information & Communications Technology	2,395.9	0.0	2,395.9	2,510.3	114.4	£235k overspend on consultancy and contract renewals, partially offset by £69k underspend on ICT Strategy investment and £30k savings in paycosts due to vacancies. It should be noted that a £200k growth adjustment has been included in the approved budget for 2024/25 to address the increased cost of system licences and maintenance.
Kate Brown	Organisational Development & Human Resources	733.0	0.0	733.0	953.4	220.4	The overspend consists of costs to support the service during restructure, including interim staff costs, consultancy support costs and severance payments .
Joyce Hamilton	Legal Services	816.0	-136.0	680.0	628.0	-52.0	There has been a significant underspend in Legal and Procurement due to vacant posts, offset by overspends for external legal services (required due to internal staff vacancies) and a small under-recovery of income compared to forecast for recovery of historic legal costs.
	Democratic Services	894.8	46.0	940.8	923.6	-17.2	Small savings in paycosts due to a vacancy, partly offset by other minor overspends for training, consultancy costs and temporary staff.
	Electoral Services	646.9	28.0	674.9	554.6	-120.3	This underspend consists of lower election costs of £46k combined with a higher recovery £35k than anticipated of election costs from previous claims. There is a salary underspend of £75k forecast for the Register of Electors Team, partially offset by temporary staff costs and other running costs such as printing and documentation costs. A transfer of unspent budget to a reserve for future Elections will be made at the financial year end as previously agreed.
Pat Main	Corporate Support	174.6	0.0	174.6	122.2	-52.4	There is an underspend on salaries due to vacant post plus some minor underspends on a number of running cost budgets.
	Finance	1,253.4	0.0	1,253.4	1,319.4	66.0	Cost of additional temporary support to ensure that key financial controls are maintained.
	Property & Facilities	-1,270.7	0.0	-1,270.7	-813.0	457.7	Key overspend variances are for unbudgeted costs during transfer of The Rise (£178k), including council tax costs before flats were sold. Also some service charge under recoveries due to tenancies starting at dates which overlap the financial year, plus support costs which are revenue expenditure and are not eligible to be capitalised. Also a number of smaller variances for other assets including Regent House (£78k), pavilions (£33k), car parks (£28k) and Redhill Distribution Centre (£30k), primarily overspends on mechanical and electrical maintenance, business rates changes, service charge changes and consultancy costs (none of which can be capitalised). Final position to be confirmed at financial year end.

Responsible Officer	Service	Original Budget £000	Total Variations £000	Management Budget £000	Year End Outturn £000	Year End Variance £000	Commentary
	Property & Facilities - Energy Costs	1,377.6	0.0	1,377.6	1,106.5	-271.1	Renegotiated and renewed energy contracts and revised prices. This underspend offsets some of the overspends in the Property & Facilities budgets above.
	Commercial & Investment	149.3	0.0	149.3	149.3	0.0	Forecast in line with budget.
<b>1b. Place</b>							
Simon Bland	Economic Prosperity	288.3	0.0	288.3	327.7	39.4	£50k income budgeted from Market Operator will not be received, partially offset by higher than budgeted sponsorship income.
Morag Williams	Fleet	1,457.7	0.0	1,457.7	1,542.4	84.7	The volume of fuel usage has been reassessed and is now forecast to be £23k over budget by year end. Replacement tyres are forecast to cost £28k more than budget and unplanned vehicle maintenance costs of £87k are forecast, this is offset by a £53k underspend due to vacancies.
	Refuse & Recycling	948.2	0.0	948.2	1,155.6	207.4	£368k lower income due to reduced recycle prices is partially offset by £161k higher income generated by extra subscribers to the garden waste service. Paycosts are lower than budget due to vacancies, but this is largely offset by increased overtime and temporary staff costs.
	Engineering & Construction	83.1	0.0	83.1	84.6	1.5	Minor Variance
	Environmental Health & JET	1,167.7	45.0	1,212.7	1,169.6	-43.1	Minor underspend variances in areas such as pest control, increased income from penalties and housing standards due to reduced works in default.
	Environmental Licencing	-138.2	-45.0	-183.2	-335.2	-152.0	£171k higher income due to increased private hire applications and lower forecast pay costs due to a vacancy, partially offset by a £30k legal settlement payment.
	Greenspaces	1,453.5	-2.5	1,451.0	1,451.4	0.4	£87k lower income than budget following transfer of the SCC Verges contract in April. £20k higher forecast spend compared to budget for playgrounds maintenance costs. Countryside maintenance costs are £17k higher than was predicted, mainly reactive work due to weather conditions. Offset by salaries that are forecast to be £124k lower than budget due to vacancies.
	Car Parking	-1,175.9	0.0	-1,175.9	-1,319.2	-143.3	The transfer of the SCC on-street parking contract affects the 2023/24 budget as follows; the salary budget is expected to underspend by £280k (note some staff have transferred under TUPE arrangements), PCN income is £118k under budget. Season ticket income is predicted to be £19k under budget, whilst service operating costs are £32k higher. Coupled with other minor variances, this results in a net underspend of £143k. It should be noted that the budget for 2024/25 has been adjusted for this as a £162k saving was agreed as part of the 2024/25 budget process and approved by Council on 20/2/2024.
	Street Cleansing	1,006.6	0.0	1,006.6	940.5	-66.1	Lower forecast pay costs due to vacancies, offset in part by overtime costs.
Peter Boarder	Place Delivery	334.0	0.0	334.0	360.5	26.5	Saving in paycosts due to vacancy.
Andrew Benson	Building Control	0.0	0.0	0.0	-9.0	-9.0	Minor Variance
	Planning Policy & Development Services	693.4	0.0	693.4	813.8	120.4	£390k overspend due to the reduced level of DC planning applications and reduced fee income which is offset by a salary budget underspend of £280k due to vacancies after accommodating temporary staff costs of £90k to cover vacancies.
	Land Charges	-98.5	0.0	-98.5	-98.5	0.0	Budget on target - forecast reduced from Q2 due to potential demand reductions due to cost of living crisis and higher interest rates affecting the volume of house sales.

Responsible Officer	Service	Original Budget £000	Total Variations £000	Management Budget £000	Year End Outturn £000	Year End Variance £000	Commentary
<b>1c. People</b>							
Justine Chatfield	Community Development	385.3	-29.3	356.0	349.5	-6.5	Minor Variance
	Partnerships	323.1	0.0	323.1	311.5	-11.6	Forecast reflects additional external funding received for paycosts
	Community Centres	413.6	29.3	442.9	406.6	-36.3	Increase in income partially offset by higher one-off costs
	Voluntary Sector Support	184.1	0.0	184.1	184.1	0.0	
Richard Robinson	Housing Services	897.9	0.0	897.9	912.0	14.1	£423k net overspend on provision of Bed & Breakfast accommodation offset by calling on the Homelessness Prevention Reserve.
Simon Rosser	Revenues, Benefits & Fraud	2,161.2	-441.0	1,720.2	1,728.0	7.8	Salary underspend of £112k and additional Council Tax court fee income expected of £46k, offset by additional audit costs for the Housing Benefit subsidy claim together with additional printing and postage costs and overtime costs which leave a minor overspend forecast.
Duane Kirkland	Supporting People	148.6	0.0	148.6	137.3	-11.3	Minor Variance
	Supporting Families	84.0	0.0	84.0	69.0	-15.0	There has been some additional funding received but this is offset by salary costs, leaving a small underspend expected at final year end.
	Harlequin	311.4	0.0	311.4	237.4	-74.0	Harlequin budgets currently under review due to identification of RAAC and the requirement to close the building .
	Leisure Services	-135.8	2.5	-133.2	-150.1	-16.9	There is an underspend on salaries and slightly higher than anticipated income from Centres, this however is offset by lower than anticipated film and TV income plus an overspend for running RBBC events. Overall a small net underspend is forecast for year end.
<b>1d. Management Team</b>							
Mari Roberts-Wood	Management Team	945.6	0.0	945.6	725.6	-220.0	Savings in paycosts - vacant posts that will be filled in 2024/25.
Laura McCartney	Emergency Planning	84.7	0.0	84.7	84.7	0.0	

<b>Total Services</b>	<b>20,611.4</b>	<b>- 441.0</b>	<b>20,170.5</b>	<b>20,120.4</b>	<b>(50.1)</b>	<b>-0.25%</b>
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**2. Central Budgets**

Pat Main	Insurance	467.0	0.0	467.0	415.5	-51.5	Commercial property premiums lower than budgeted.
	External Audit Fees	150.0	0.0	150.0	199.1	49.1	
	Internal Audit Fees	65.0	0.0	65.0	65.7	0.7	
	Housing Benefits - net cost	-714.7	441.0	-273.7	-209.3	64.4	The cost of benefit payments continues to exceed the subsidy and grant receipts from DWP.
	Treasury Management	-87.0	0.0	-87.0	-1,460.1	-1,373.1	Higher than budgeted interest income due to favourable rates, more funds on deposit and lower than budgeted borrowing.
	Employer Pension Costs	2,240.0	0.0	2,240.0	2,240.0	0.0	
	Central Pay Cost Provision	252.0	0.0	252.0	252.0	0.0	
	Central Vacancy Turnover Provision	-150.0	0.0	-150.0	-150.0	0.0	Offset against forecast service pay savings
	Preceptor Grants – Horley Town Council Double Taxation	43.5	0.0	43.5	43.5	0.0	
	Funding Contribution - Banstead Commons Conservators	110.5	0.0	110.5	110.5	0.0	
Kate Brown	Central Recruitment & Visa Expenses	45.0	-5.0	45.0	50.0	5.0	Minor variances
	Central Training Budget	81.8	5.0	81.8	89.8	8.0	Minor variances
	Apprenticeship Levy	80.0	0.0	80.0	80.0	0.0	

<b>Total Central Items</b>	<b>2,583.1</b>	<b>441.0</b>	<b>3,024.1</b>	<b>1,726.7</b>	<b>(1,297.4)</b>	<b>-42.90%</b>
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<b>Grand Total</b>	<b>23,194.5</b>	<b>0.0</b>	<b>23,194.5</b>	<b>21,847.1</b>	<b>(1,347.4)</b>	<b>-5.81%</b>
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HOUSEHOLD SUPPORT FUND ROUNDS 1 TO 4  Expenditure & Funding @ P9 2023/24	Round #1 <small>(period covered- 06.10.21 - 31.03.22)</small>		Round #2 <small>(period covered- 01.04.22 - 30.09.22)</small>		Round #3 <small>(period covered- 01.10.22 - 31.03.23)</small>		Round #4 <small>(period covered- 01.04.23 - 31.03.24)</small>	
	Funding £m	Expenditure £m	Funding £m	Expenditure £m	Funding £m	Expenditure £m	Funding £m	Expenditure £m
	(actuals)	(actuals)	(actuals)	(actuals)	(actuals)	(actuals)	(actuals)	(forecast)
The Household Support Fund is a Government scheme aimed at alleviating the financial pressures falling on households as a result of the cost of living crisis. There is a specific focus on supporting households with energy, food & water bills.								
Initial Grant Allocation (received via Surrey County Council)	(0.383)		(0.324)		(0.302)		(0.512)	
<b>Support Issued To Households</b>								
Council Tax Reduction Strand (pro-active payments made to CTR recipients)		0.181		-		-		-
Referral Strand (referrals made to us from 3rd parties)		0.103		-		-		-
Fuel Vouchers (distributed via VCS partners)		0.019		0.025		-		-
Food Vouchers (distributed via VCS partners)		-		0.053		0.069		0.096
Water Vouchers (distributed via SES Water)		-		-		-		0.009
Cash Payments (made to pensioner households on Council Tax Support)		-		0.188		0.002		-
		0.303		0.266		0.071		0.105
<b>Contributions To Voluntary/Community Sector Partners</b>								
Stripey Stork		0.008		-		0.012		0.030
Fuel Grants		0.008		-		0.035		0.014
East Surrey Domestic Abuse Service		0.006		-		0.020		0.031
'I Choose Freedom' (previously known as Reigate & Banstead Women's Aid)		0.006		-		0.020		0.018
Food Clubs		0.005		-		0.023		0.035
Renewed Hope Trust		0.002		-		-		0.003
Gateway Allotment Project		0.002		-		-		-
Merstham Mix		0.001		-		-		-
Surrey Community Action		0.001		-		-		-
Money Support Team		-		-		0.010		0.036
East Surrey YMCA		-		-		0.005		0.015
Age Concern		-		-		0.002		0.009
Mole Valley Lifeline Alarms (energy efficiency measures)		-		-		-		0.035
Citizen's Advice Reigate & Banstead (advice line for residents)		-		-		-		0.031
Methodist Homes Association		-		-		-		0.014
Community Debt Advice		-		-		-		0.003
St Mark's Church - Hamper Project		-		-		-		0.001
		0.039		0.000		0.127		0.274
<b>Housing Support</b>								
Contributions Towards Rent Arrears		0.023		0.020		0.021		0.045
Rent Assistance / Rehoming Of Donyings Cabin Occupants		0.008		-		-		-
Contribution To ESDAS Sanctuary		0.005		0.005		-		-
Energy, Food & Essentials For Specific Housing Clients		-		-		0.003		0.010
		0.036		0.025		0.024		0.055
<b>Other Support</b>								
Warm Hubs		-		-		0.012		-
Mayor's Trust Fund		-		-		0.005		0.019
RBBC Community Centres - Hot Meals		-		-		-		0.006
		0.000		0.000		0.017		0.025
<b>Administration Costs</b>								
RBBC Staff Costs (costs falling outside BAU)		0.003		0.009		0.016		0.030
Admin Contributions Claimed By VCS Partners		0.005		0.001		0.009		0.021
Software & Administration Services (NEC Software Solutions)		-		0.015		-		-
		0.008		0.025		0.025		0.051
		(2.20% of spend)		(8.08% of spend)		(9.58% of spend)		(9.93% of spend)
<b>Grant Closure/Reconciliation</b>								
Grant Top-Up To Eliminate Overspend (received from Surrey County Council)	(0.003)							
Recoupment Of Unspent Grant (excess funding returned to Surrey County Council)				0.008		0.023		0.003
Repurposed By Surrey County Council (extra support made by upper-tier for carers, free school meals etc)						0.015		(contingency)
<b>No. Of Households Supported</b>		4,294		2,451		2,745		tbc
<b>Total Funding &amp; Expenditure</b>	<b>(0.386)</b>	<b>0.386</b>	<b>(0.324)</b>	<b>0.324</b>	<b>(0.302)</b>	<b>0.302</b>	<b>(0.512)</b>	<b>0.512</b>



2023/24 UKRAINIAN REFUGEE SCHEMES Expenditure & Funding @ P9 2023/24	22/23 Funding Received £m	22/23 Total Expenditure £m	23/24 Funding Received £m	23/24 Total Expenditure £m
<b>"Ukraine Family Scheme"</b>	(actuals)	(actuals)	(forecast)	(forecast)
Funding Received/Expected (costs are reimbursed in arrears by SCC)	(0.006)		(0.004)	
Refugee Accommodation Costs		0.005		0.003
Interpretation/Translation Costs		0.001		0.001
<b>Total Expenditure / (Funding)</b>	(0.006)	0.006	(0.004)	0.004
<b>Reimbursement Outstanding / (Funding Received In Advance)</b>	<b>0.000</b>		<b>0.000</b>	
<b>"Homes For Ukraine Scheme"</b>				
Funding Brought Forward From Previous Years	-		(1.202)	
In-Year Funding Received/Expected (costs are reimbursed in arrears By SCC)	(1.707)		(0.757)	
Sponsorship Payments (increase from £350/mth to £600/mth after 12 mths sponsorship)		0.431		0.550
Refugee Accommodation Costs		0.011		0.060
Interpretation & Translation Services		0.001		0.005
Other Costs		0.001		0.006
Staffing Costs (dedicated staff, overtime, additional hours etc)		0.058		0.110
Staff Travel Costs		0.003		0.007
<b>Total Expenditure / (Funding)</b>	(1.707)	0.505	(1.959)	0.738
<b>Reimbursement Outstanding / (Funding Received In Advance)</b>	<b>(1.202)</b>		<b>(1.221)</b>	
<b>Total Expenditure / (Funding) - Both Schemes</b>	<b>(1.713)</b>	<b>0.511</b>	<b>(1.963)</b>	<b>0.742</b>
<b>Reimbursement Outstanding / (Funding Received In Advance) - Both Schemes</b>	<b>(1.202)</b>		<b>(1.221)</b>	
<b>Breakdown Of Funding Received In Advance:-</b>	(actuals)		(forecast)	
Homelessness Contingency Funding	<b>(0.257)</b>		<b>(0.254)</b>	
General / Core Funding	<b>(0.945)</b>		<b>(0.967)</b>	
Funding Received In Advance (amounts carried forward until they become repayable)	<b>(1.202)</b>		<b>(1.221)</b>	

**Note:-**

23/24 Costs & Funding are very hard to predict as they depend upon a variety of factors including:-

1. how, and to what extent local housing pressures might arise from (say) future breakdowns in sponsor/refugee relationships
2. the extent to which refugees choose to self-integrate into society (e.g finding work and funding their own private housing)
3. any potential end to the war in Ukraine and/or refugees deciding to return home for their own reasons

The above forecasts are therefore best estimates based on both historic costs and anecdotal evidence. It is worth noting that the government is yet to set an official end date for either scheme.

<b>2023/24 SYRIAN REFUGEES SCHEME</b>	Forecast Expenditure £m	Forecast Funding £m
<b>Expenditure &amp; Funding 2023/24</b>		
<b><u>Refugee Family Support</u></b>		
Grant		0.000
Local Authority Funding		0.000
Staff Costs	0.099	
Travel Costs	0.001	
Refugee Accommodation Costs	0.075	
Refugee Nursery Fees	0.005	
Miscellaneous Expenditure	0.007	
<b>Forecast Expenditure and Income 2023/24</b>	<b>0.187</b>	<b>0.000</b>
<b>Forecast Net Expenditure</b>	<b>0.187</b>	

**Note**

The scheme is coming to an end this year. Total spend is to be funded via reserve of £201k carried fwd from 22/23.

<b>2023/24 AFGHAN REFUGEES SCHEME</b>	Forecast Expenditure £m	Forecast Funding £m
<b>Expenditure &amp; Funding 2023/24</b>		
<b><u>Afghan Refugees Scheme</u></b>		
Grant		(0.030)
Local Authority Funding		(0.025)
Staff Costs	0.039	
Refugee Accommodation Costs	0.010	
Miscellaneous Expenditure	0.002	
<b>Forecast Expenditure and Income 2023/24</b>	<b>0.051</b>	<b>(0.055)</b>
<b>Forecast Net Expenditure</b>	<b>(0.004)</b>	

**Note**

Further grant is expected for this scheme. However, amount and date is unknown, it could be in 24/25.

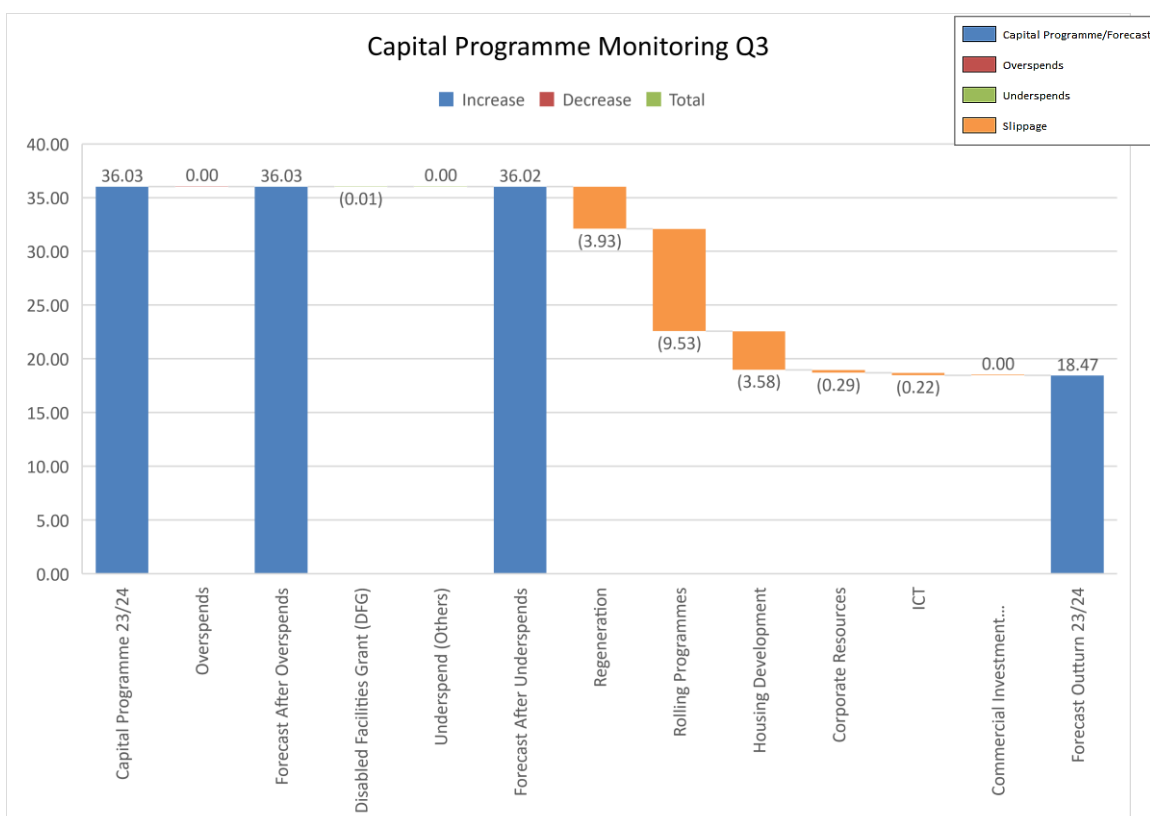
## 2023-24 Q3 Capital Programme Monitoring

## Summary

Full year forecast expenditure against the Capital Programme at the end of Quarter 3 is £18.470m which is £17.563m (49%) below the approved Programme for the year. The variance is predominantly a result of forecast slippage, with several significant programmes not expected to commence until at least 2024/25.

## Headline Capital Budget Information 2023-24

	£m
<b>Current Budget (Section 1):</b>	<b>36.033</b>
Projected Net Overspends	0.000 (or 0 % of Programme)
Projected Net Underspends	-0.010 (or 0 % of Programme)
Projected Slippage	-17.553 (or 49 % of Programme)
<b>Total Capital Expenditure</b>	<b>18.470</b>



## Slippage &amp; significant variances

<b>Regeneration</b>	<b>Marketfield Way Redevelopment</b> - (£1.00m over original budget allocation) - due to timing of payment to main contractor. Overall project is still within the £4.298m additional budget approved by Council in February 2024.
	<b>Merstham Recreation Ground</b> - (£2.57m slippage) - Main works will now commence in April 2024, with minimal spend forecast in 2023/24.
	<b>Horley Public Realm Improvements</b> - (£0.93m slippage) - on-site delivery now expected to commence summer 2024.
	<b>Subway Refurbishment, Horley</b> - (£0.77m slippage) - on-site delivery now expected to commence late 2024.
	<b>Preston Regeneration</b> (£0.46m slippage) - Skate park delivered, with remainder of expenditure taking place in 2024/25.
<b>Strategic Property</b>	<b>Beech House, London Road. Reigate</b> - (£3.00m slippage) pending decision on plans for investment in the asset.
	<b>Car Park Capital Works</b> - (£0.76m slippage) - expenditure now expected in 2024/25.
<b>Corporate Resources &amp; Organisational Development</b>	<b>Environmental Strategy Delivery</b> - (£0.29m slippage) - original budget and CIL allocation will be spent over multiple financial years.
	<b>Great Workplace Programme</b> - (£0.25m slippage) - expenditure subject to outcome of Town Hall occupancy review.

<b>Other</b>	<b>Vehicles &amp; Plant Programme</b> - (£1.56m slippage) - expenditure now expected in 2024/25.
	<b>Vehicle Wash Bay Replacement</b> - (£0.35m slippage) - expenditure now expected in 2024/25.
	<b>Harlequin Service Development</b> - (£0.16m slippage) - expenditure now unlikely to be required

## Capital ANNEX 3: Section 1

### Reconciliation of Capital Programme to Approved Budgets 2023-24

	£000
<b>Original Capital Budget</b>	4,339.0
Budget approved but not yet released <sup>1</sup>	0.0
	<hr/> 4,339.0
<b>Additions</b>	
Carry Forwards from previous year	24,116.2
Budgets released during the year <sup>1</sup>	7,577.9
Reprofiling of projects	0.0
Other Changes	0.0
<b>Current Capital Budget</b>	<hr/> <b>36,033.1</b> <hr/>

#### Notes

- 1 Some budgets are approved as part of the capital programme but are not released pending further approval. These are added when the business case has been approved.

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Temporary Accommodation – Cyclical Repairs & Improvement	17.9	40.0	0.0	0.0	40.0	17.9	-22.1	Dan Jones	Minor underspends forecast
Temporary Accommodation - New Pond Flat Works	56.1	0.0	95.0	0.0	95.0	56.1	-38.9	Dan Jones	Minor underspends forecast
Massetts Road	0.5	21.0	21.0	0.0	42.0	0.5	-41.5	Dan Jones	Minor underspends forecast
Operational Buildings	1.3	95.0	370.0	0.0	465.0	95.0	-370.0	Dan Jones	Town hall reoccupation project is progressing. There will be some re-fitting expenditure in 2023/24 and the remaining balance required in 2024/25 subject to being eligible capital expenditure.
Community Centre Programme	4.8	67.0	81.4	0.0	148.4	67.0	-81.4	Dan Jones	Horley Community Centre refurbishment is scheduled subject to a final decision on the business case. The underspend will be carried forward to 2024/25 to fund the works.
Existing Pavilions Programme	112.6	50.0	97.5	0.0	147.5	147.5	-0.0	Dan Jones	Full spend anticipated on parks cafes refurbishment.
Leisure Centre Maintenance	6.0	190.0	158.7	0.0	348.7	6.0	-342.7	Dan Jones	Forecast remains unchanged. Requires a decision to carry forward £200k for future emergency plant repairs following the leisure centre contract extension.
Harlequin Property Maintenance	130.4	120.0	270.0	0.0	390.0	130.4	-259.5	Dan Jones	The Harlequin remains closed following the identification of RAAC. Forecast remains unchanged for 23/24 and the remaining budget will continue to be utilised to keep building safe. It is expected that the remaining capital budget will not be required for the foreseeable future.

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Tenanted Properties	0.0	100.0	166.6	0.0	266.6	100.0	-166.6	Dan Jones	Tenanted properties are undergoing planned lift replacements and heating, ventilation and air conditioning upgrades. There will be a requirement to carry underspends forward to 2024/25.
Crown House	0.0	75.0	285.0	0.0	360.0	0.0	-360.0	Dan Jones	This budget is no longer required as planned works are being funded by Greensand Holdings Limited.
Units 1-5 Redhill Distribution Centre Salfords	0.0	17.0	114.5	0.0	131.5	0.0	-131.5	Dan Jones	Expenditure is likely to take place in 2024/25, subject to the outcome of negotiations to extend the lease to the existing tenant or to modify the property for a new tenant.
Linden House, 51B High Street Reigate	0.0	12.0	0.0	0.0	12.0	68.8	56.8	Dan Jones	Overspend on fit-out at change of tenancy for the upper floor unit.
Unit 61E Albert Road North	44.1	12.0	74.2	0.0	86.2	86.2	0.0	Dan Jones	Drainage and remedial work are forecast to complete in 2023/24
Forum House, Brighton Road Redhill	0.0	150.0	270.0	0.0	420.0	0.0	-420.0	Dan Jones	Budget carry forward to 2024/25 to be required to cover extensive works on lifts and HVAC - subject to the outcome of procurement.
Beech House, London Road Reigate	0.0	0.0	3,000.0	0.0	3,000.0	0.0	-3,000.0	Dan Jones	Options are to be agreed and business case approved by PSTESC. Therefore this budget will be carried forward into 2024/25
Regent House, 1-3 Queensway Redhill	0.0	90.0	175.0	0.0	265.0	0.0	-265.0	Dan Jones	Budget carry forward to 2024/25 to be required to cover extensive works on lifts and HVAC - subject to the outcome of procurement.

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Tenanted Property Assets	0.8	76.0	135.4	0.0	211.4	0.8	-210.6	Dan Jones	Planned for 2024/25 subject to procurement. Parks cafes roofs and drainage system upgrades.
Infra-structure (walls)	18.8	10.0	31.4	0.0	41.4	41.4	0.0	Dan Jones	Full spend at outturn forecast.
Car Parks Capital Works Programme	0.0	195.0	562.7	0.0	757.7	0.0	-757.7	Dan Jones	Expenditure will now take place in 2024/25. Awaiting car parks review outcome and procurement.
Earlswood Depot/Park Farm Depot	0.0	20.0	60.7	0.0	80.7	0.0	-80.7	Dan Jones	Expenditure will now take place in 2024/25. Multiple workstreams are in the planning phase with plans to be finalised and procurement approach confirmed.
Public Conveniences	4.0	10.0	21.0	0.0	31.0	10.0	-21.0	Dan Jones	Forecast underspend and requirement to carry forward £21k to cover on-going works including at Horley public conveniences.
Cemeteries & Chapel	0.0	20.0	80.0	0.0	100.0	50.0	-50.0	Dan Jones	Remaining balance required for works planned in 2024/25 subject to condition surveys and procurement.
Allotments	0.0	12.0	42.0	0.0	54.0	0.0	-54.0	Dan Jones	No planned spend in 2023/24. A workplan is to be developed and budget carry forward to 2024/25.
Building Maintenance - Capitalised Staff Costs	0.0	28.0	28.0	0.0	56.0	0.0	-56.0	Dan Jones	Capitalisation rules and policy mean there is limited scope to capitalise salaries in 2023/24.
Pavilion Replacement - Woodmansterne	0.0	0.0	20.0	0.0	20.0	0.0	-20.0	Dan Jones	Expenditure will now take place in 2024/25. Boiler works specification to be programmed in line with the tenant's operational activity.



Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Priory Park	92.9	10.0	223.0	0.0	233.0	233.0	0.0	Dan Jones	Full spend forecast for year with confirmation of final invoices and costs in progress.
<b>Strategic Property</b>	<b>490.2</b>	<b>1,420.0</b>	<b>6,383.0</b>	<b>-</b>	<b>7,803.0</b>	<b>1,110.5</b>	<b>- 6,692.4</b>		
ICT Replacement Programme	24.8	200.0	0.0	0.0	200.0	37.7	-162.3	Darren Wray	Investment in replacement IT capital assets in 2023/24 with further replacement programmes to be effected in 2024/25.
Replacement Printers and Photocopiers	0.0	60.0	0.0	0.0	60.0	0.0	-60.0	Darren Wray	The project for printer replacement will now take place in 2024/25, subject to procurement.
Council Chamber IT Project	113.5	0.0	0.0	150.0	150.0	150.0	0.0	Alex Vine	Project complete

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Environmental Strategy Delivery	7.9	0.0	236.0	62.2	298.2	7.9	-290.3	Catherine Rose	Expenditure comprises two elements. First, a general Environmental Sustainability (ES) capital fund (£236k) that is used on an ad hoc basis for smaller ES projects or to provide 'top up' funding to other projects to make them more sustainable – therefore this will not all be spent in this financial year as it will effectively cover a multi-year requirement of funding for the respective projects. The second element is the first phase of strategic CIL funding associated with sustainability improvements to Council buildings. It is proposed to incorporate strategic CIL funding associated with sustainability improvements to Council buildings within the Property Services budget from 2024/25 onwards.
<b>Corporate Resources</b>	<b>146.3</b>	<b>260.0</b>	<b>236.0</b>	<b>212.2</b>	<b>708.2</b>	<b>195.6</b>	<b>- 512.7</b>		
Great Workplace Programme - Phase 2	0.0	250.0	0.0	0.0	250.0	0.0	-250.0	Dan Jones	This budget was created before the pandemic to fund changes to office space. A decision on use going forward is still awaited, and expenditure is now forecast up to 2025/26.
<b>Organisational Development</b>	<b>-</b>	<b>250.0</b>	<b>-</b>	<b>-</b>	<b>250.0</b>	<b>-</b>	<b>- 250.0</b>		
<b>Organisation Capital Budget</b>	<b>636.4</b>	<b>1,930.0</b>	<b>6,619.0</b>	<b>212.2</b>	<b>8,761.2</b>	<b>1,306.1</b>	<b>- 7,455.1</b>		

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Home Improvement Agency & Handy Person Scheme	90.0	125.0	0.0	0.0	125.0	120.0	-5.0	Katie Jackson	Minor variance
Disabled Facilities Grant	935.6	1,287.0	0.0	0.0	1,287.0	1,281.5	-5.5	Katie Jackson	Minor variance
Temporary Accommodation – Stirling House	120.0	0.0	120.0	0.0	120.0	120.0	0.0	Richard Robinson	Expenditure complete
Temporary Accommodation – Mitchell Court	240.0	0.0	240.0	0.0	240.0	240.0	0.0	Richard Robinson	Expenditure complete
Purchase of Temporary & Emergency Accommodation	1,405.6	0.0	3,996.6	0.0	3,996.6	1,405.6	-2,591.0	Richard Robinson	The Council has purchased 4 properties with a further property under offer. Likely to purchase another 3 (TA) and a HMO (EA) in 2024/25.
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 1)	1,299.8	0.0	2,967.5	0.0	2,967.5	2,123.7	-843.8	Richard Robinson	The Council purchased 4 properties that are now occupied. Housing partners have purchased 3 properties, with a further 4 properties undergoing conveyancing and 1 property to be identified.
Purchase of Temporary Accommodation - Local Authority Housing Fund (Round 2)	858.2	0.0	0.0	1,857.8	1,857.8	1,777.0	-80.8	Richard Robinson	The Council purchased 3 properties that are currently under refurbishment. Another property is undergoing conveyancing.
Octavia Court (Lee Street Bungalows)	0.0	0.0	20.0	0.0	20.0	20.0	0.0	Richard Robinson	Final £20k expenditure for release of retention before 31 March - project then complete
Development of Court Lodge Residential Site	0.6	0.0	0.0	0.0	0.0	0.0	0.0	Peter Boarder	Small residual spend in 2023/24.
Wheatley Court (Cromwell Road Development)	25.4	0.0	100.0	0.0	100.0	25.4	-74.6	Richard Robinson	£25k spent on consultancy costs and retention - project complete - no further spend forecast in 2023/24.
<b>Housing</b>	<b>4,975.1</b>	<b>1,412.0</b>	<b>7,444.1</b>	<b>1,857.8</b>	<b>10,713.9</b>	<b>7,113.2</b>	<b>- 3,600.7</b>		

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Harlequin - Service Development	-1.2	100.0	64.0	0.0	164.0	0.0	-164.0	Duane Kirkland	Harlequin budgets are currently under review due to identification of RAAC and the requirement to close the building.
<b>Leisure &amp; Intervention</b>	<b>- 1.2</b>	<b>100.0</b>	<b>64.0</b>	<b>-</b>	<b>164.0</b>	<b>-</b>	<b>- 164.0</b>		
CCTV Rolling Programme	94.0	0.0	104.6	0.0	104.6	97.3	-7.3	Justine Chatfield	Minor variance
UKSPF - Digital Connectivity for Local Community Facilities	0.0	0.0	3.0	0.0	3.0	3.0	0.0	Justine Chatfield	Project complete
<b>Community Partnerships</b>	<b>94.0</b>	<b>-</b>	<b>107.6</b>	<b>-</b>	<b>107.6</b>	<b>100.3</b>	<b>- 7.3</b>		
<b>People Services Capital Budget</b>	<b>5,068.0</b>	<b>1,512.0</b>	<b>7,615.7</b>	<b>1,857.8</b>	<b>10,985.5</b>	<b>7,213.4</b>	<b>- 3,772.0</b>		
Vehicles & Plant Programme	40.1	582.0	1,022.3	0.0	1,604.3	40.1	-1,564.2	Morag Williams	Rolling programme reviewed resulting in capital slippage and re-profiling to 2024/25 .
Fleet Vehicle Wash-Bay Replacement	0.0	0.0	350.0	0.0	350.0	0.0	-350.0	Morag Williams	Included in the depot works programme - timing of replacement is subject to vehicle requirements and prioritisation of this project as part of the programme.
Workshop Refurbishment	0.0	0.0	160.0	0.0	160.0	0.0	-160.0	Morag Williams	Included in the depot works programme - timing of replacement is subject to vehicle requirements and prioritisation of this project as part of the programme.
Play Area Improvement Programme	79.9	230.0	0.0	0.0	230.0	79.9	-150.1	Morag Williams	Subject to specification and agreement of a programme of works - £80k will be spent in 2023/24 and the remainder will be carried forward to 2024/25.
Parks & Countryside - Infrastructure & Fencing	0.0	45.0	0.0	0.0	45.0	4.0	-41.0	Morag Williams	Minor underspend in 2023/24 - further works planned for 2024/25

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Air Quality Monitoring Equipment	2.6	40.0	0.0	0.0	40.0	20.0	-20.0	Katie Jackson	Forecast reflects reduced asset replacement this year plus reduced capacity to pursue capital projects due to competing demands of Gatwick DCO work.
Contribution to Surrey Transit Site	0.0	0.0	127.0	0.0	127.0	0.0	-127.0	Pat Main	This is a budget brought forward from 2022/23 and is subject to approval of planning permission when a suitable Surrey transit site is identified.
<b>Neighbourhood Operations</b>	<b>122.6</b>	<b>897.0</b>	<b>1,659.3</b>	<b>-</b>	<b>2,556.3</b>	<b>144.0</b>	<b>- 2,412.3</b>		
Pay-on-Exit Car Parking at Central Car Park and Victoria Road Car Park, Horley	13.6	0.0	45.6	281.6	327.2	140.3	-186.9	Peter Boarder	Work to install electric vehicle charging points will be completed this financial year. Slippage related to wider landscaping works that have been tendered will be delivered in the first half of 2024/25.
Horley Public Realm Improvements - Phase 4	9.8	0.0	564.9	390.8	955.7	25.9	-929.8	Peter Boarder	Detailed design has now been completed and project delivery transferred to Surrey County Council; slippage relates to the physical delivery of the improvements which are provisionally programmed to commence in summer 2024.

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Subway Refurbishment, Horley	24.6	0.0	0.0	825.6	825.6	56.1	-769.5	Peter Boarder	Designs for the refurbishment of the subway are being progressed to the end of RIBA stage 3. Slippage relates to the delivery of the works that will need to take place after Network Rail have completed works to the subway superstructure which is currently provisionally scheduled for late 2024. Some works may be able to be delivered ahead of this as part of the public realm improvements
Marketfield Way Redevelopment	5,993.4	0.0	5,574.9	0.0	5,574.9	6,574.9	1,000.0	Peter Boarder	Overspend on current budget to settle Final Account with the main contractor. Additional budget of £4.298m approved by Council in February 2024. A payment of just under £1m to Vinci is required in late 2023/24 funded within the £4.298m additional budget.
Redhill Public Realm Improvements	0.0	0.0	30.0	0.0	30.0	30.0	0.0	Peter Boarder	Project complete
Merstham Recreation Ground	37.6	0.0	1,465.0	1,230.6	2,695.6	124.2	-2,571.4	Peter Boarder	A contract has been let to deliver a replacement pitch at Battlebridge and works are due to begin in March. The main contractor has been selected for works to Merstham Rec and works are now forecast to commence early 2024/25.

Capital ANNEX 2: Section 2

Capital Budget Monitoring Quarter 3 (P9):  
Summary by Programme and Project 2023-24

Programme/Project	Year to Date	Original Budget	Carry Forwards	Released In Year	Current Budget	Year End Outturn	Year End Variance	Scheme Controller	Quarter 3: Explanation of Significant Variances
	£000	£000	£000	£000	£000	£000	£000		
Preston - Parking Improvements	148.4	0.0	542.0	0.0	542.0	76.1	-465.8	Peter Boarder	Works to deliver Preston skate park delivered. Planning applications submitted for parking scheme and awaiting planning permission prior to works commencing. Forecast start on site in 2024/25.
<b>Place Delivery</b>	<b>6,230.9</b>	<b>-</b>	<b>8,222.3</b>	<b>2,728.6</b>	<b>10,950.9</b>	<b>7,027.5</b>	<b>- 3,923.4</b>		
<b>Place Services Capital Budget</b>	<b>6,353.5</b>	<b>897.0</b>	<b>9,881.6</b>	<b>2,728.6</b>	<b>13,507.2</b>	<b>7,171.5</b>	<b>- 6,335.7</b>		
Watercolour Community Space Grant - S106		0.0	0.0	103.5	103.5	103.5	0.0	Relevant HoS	Funds forecast to be utilised in 2023/24
Kingswood Level Crossing Capital Grant - S106		0.0	0.0	76.0	76.0	76.0	0.0	Relevant HoS	Funds forecast to be utilised in 2023/24
<b>S106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179.5</b>	<b>179.5</b>	<b>179.5</b>	<b>-</b>		
CIL Capital Awarded to Third Parties	1,289.3	0.0	0.0	2,599.8	2,599.8	2,599.8	0.0	Relevant HoS	On-going allocation of funds
<b>CIL</b>	<b>1,289.3</b>	<b>-</b>	<b>-</b>	<b>2,599.8</b>	<b>2,599.8</b>	<b>2,599.8</b>	<b>-</b>		
<b>Corporate Capital Budget</b>	<b>1,289.3</b>	<b>-</b>	<b>-</b>	<b>2,779.3</b>	<b>2,779.3</b>	<b>2,779.3</b>	<b>-</b>		
<b>Total Capital Budget</b>	<b>13,347.2</b>	<b>4,339.0</b>	<b>24,116.2</b>	<b>7,577.9</b>	<b>36,033.1</b>	<b>18,470.3</b>	<b>- 17,562.8</b>		

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**Financial Sustainability Programme: quarterly Update**

As per the structure outlined within the 2022/23 budget report, our approach to our Financial Sustainability Programme (FSP) is based around four general areas:

- Income generation (that is, pursuing opportunities to generate new income streams, optimising fees and charges and implementing the commercial strategy)
- Use of assets (making effective use of existing assets, including the repurposing and sale of surplus properties)
- Prioritisation of resources (reviewing in year budget forecasts to identify new opportunities for savings and efficiencies, reviewing the level of service provided and focusing resources on priority services, and managing pay costs and making effective use of staff resources)
- Achieving value for money (including pursuing options to share with other Councils to realise efficiency savings and identifying invest to save opportunities, including investment in technology to reduce operational costs)

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	<b>Progress</b>	<b>Next Steps</b>	<b>Financial Benefits</b>
<b>Programme</b>	<ul style="list-style-type: none"> <li>• The programme was audited by the Council’s internal auditors in 2023/24. The audit resulted in an opinion of ‘substantial’ assurance, with one management action resulting, which has now been completed.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain the programme governance framework which supports the delivery of programme objectives and outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b>Service &amp; Financial Planning – 2024/25</b>	<ul style="list-style-type: none"> <li>• Significant work has taken place throughout the spring and summer to prepare proposals for the draft budget.</li> <li>• There has been a firm focus on identifying service and central budget savings in line with the objectives of the FSP, specifically to generate income, use assets to maximise efficiency and achieve value for money</li> <li>• The draft budget for 2024/25 was endorsed by the Executive at its meeting on 16 November 2023. (Note further updated by Budget approved by Council 20 February 2024).</li> </ul>	<ul style="list-style-type: none"> <li>• Further work will take be undertaken over the coming weeks to test and refine the proposals, including consultation with the Overview &amp; Scrutiny Committee’s Budget Scrutiny Panel and other stakeholder groups.</li> <li>• Final budget proposals will be presented in January 2024.</li> </ul>	<ul style="list-style-type: none"> <li>• A total of £2.259m savings have identified from services areas and from fees and charges.</li> <li>• Of the total above, £0.540m are specifically from additional fees and charges income which have been achieved in line with the Council’s fees and charges policy.</li> <li>• In addition to the £2.259m service savings, a further £0.200m of treasury management savings have been identified plus other net central budget savings of £0.176m</li> </ul>

	Progress	Next Steps	Financial Benefits
			<ul style="list-style-type: none"> <li>• Included within the overall service savings of £2.259m, are specific savings from assets and property including income from the Rise at Redhill of £0.700m plus new café leases income of £0.100m, plus a further £0.104m from new properties such as Reading Arch Road.</li> <li>• Also included in the service savings is a post reduction from deleting a vacant post with a saving of £0.044m.</li> <li>• A further service saving is an efficiency saving of £0.025m for CIL funded solar compacting bins which are being introduced.</li> <li>• Finally, external grants have been maximised where possible and £0.695m of additional income has been achieved from the Homelessness Prevention Government Grant.</li> </ul>
<b>Standalone projects and activities</b>	<ul style="list-style-type: none"> <li>• Project and activity scoping (ongoing)</li> <li>• Activities to deliver 'quick wins' being progressed (ongoing)</li> <li>• Projects being progressed through established project management framework (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>• Activities to deliver 'quick wins' continue to be progressed by relevant service areas (ongoing)</li> <li>• Projects being progressed through established project management framework (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>• Small scale for 2023/24 from 'quick win' activities were incorporated within the agreed budget for the current year. These savings, alongside the total savings (generated under FSP) delivered a total budget benefit of £2m for 2023/24 summarised as £1.23m of additional income and £0.79m of cost savings.</li> </ul>

	Progress	Next Steps	Financial Benefits
			<ul style="list-style-type: none"> <li>Financial benefits from projects are be confirmed on a case by case basis</li> </ul>
<b>Vacancy Control Mechanism and Pay Budgets</b>	<ul style="list-style-type: none"> <li>New vacancy control mechanism introduced (June 2022)</li> <li>Senior Officer Panel established to review business cases for recruitment to vacant posts (July 2022)</li> <li>Vacancy control mechanism now operational; recruitment to vacant posts being reviewed by senior management on a case-by-case basis</li> </ul>	<ul style="list-style-type: none"> <li>Changes and improvements to the process to be implemented as they are identified (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>Pay costs budgets for 2024/25 are being reduced by £0.243m to reflect elements of the pay award budget that did not have to be fully utilised last year after final pay negotiations.</li> <li>A proposed post deletion of 1 FTE in the draft 2024/25 budget will result in a saving of £0.044m.</li> </ul>
<b>Third Party Funding Opportunities</b>	<ul style="list-style-type: none"> <li>£0.5m secured from health partners towards Council community development and partnerships work Investment plan submitted in respect of £1m UK Shared Prosperity Fund funding (July 2022)</li> <li>Council services as well as third parties were invited to submit Strategic CIL bids in 2022. Circa £7.5m of funding was awarded to Council projects.</li> <li>£0.089m secured from Surrey County Council for sustainability and environmental activities</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities for further third party funding continue to be explored (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>For the 2024/25 to 2027/28 Capital Programme there is Strategic CIL Funding of £0.754m being applied to fund the Environmental Stability upgrades for the Council which will cost £1.145m in total over the period of the full capital programme.</li> <li>Capital Grants and other funding opportunities such as the £0.089m contribution from Surrey County Council to fund solar panels as part of the sustainability work have been included in the Capital Programme which will go forward to the January Budget meeting for approval.</li> </ul>

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## TREASURY MANAGEMENT STRATEGY

2023/24

Quarter 3

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### 1. Introduction

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

This report satisfies the requirement in the 2021 Code, mandatory from 1 April 2023, of quarterly reporting of the treasury management prudential indicators.

The non-treasury prudential indicators are incorporated in the quarterly revenue and capital monitoring update.

The Treasury Management Strategy for 2023/24 was approved by Council on 20 July 2023.

The Council has invested significant sums and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

The successful identification, monitoring and control of risk therefore remains central to the Council's treasury management strategy.

### 2. External Context

(provided by the Council's Treasury Management Advisor, Arlingclose)

**Economic background:** UK inflation rates finally started to decline, mirroring the sharp but earlier drop seen in the Eurozone and US. Despite the fall, the Consumer Price Index (CPI) remained substantially in excess in the Bank of England's (BoE) 2% target, at 3.9% for November 2023. Market expectations for further rises in Bank Rate fell from October through to year end, indicating that the 5.25% level reached in August 2023 was indeed the peak for Bank Rate.

Economic growth in the UK remained weak over the period, edging into recessionary territory. In calendar Q3 2023, the economy contracted by 0.1%, following no change in Q2. Monthly GDP data showed a 0.3% contraction in October, following a 0.2%

*rise in September. While other indicators have suggested a pickup in activity in the subsequent months, Q4 GDP growth is likely to continue the weak trend.*

*July data showed the unemployment rate increased to 4.2% (3mth/year) while the employment rate rose to 75.7%. Pay growth edged lower as the previous strong pay rates waned; total pay (including bonuses) growth was 7.2% over the three months to October 2023, while regular pay growth was 7.3%. Adjusting for inflation, pay growth in real terms were positive at 1.3% and 1.4% for total pay and regular pay respectively.*

*Inflation continued to fall from its peak as annual headline CPI declined to 3.9% (down from 4.6%) in November 2023. The largest downward contribution came from energy and food prices. The core rate also surprised on the downside, falling to 5.1% from 5.7%.*

*The BoE's Monetary Policy Committee held Bank Rate at 5.25% throughout the period, although a substantial minority continued to vote for a 25 basis point rate rise. The Bank continues to tighten monetary policy through asset sales, as it reduces the size of its balance sheet. Financial market Bank Rate expectations moderated over the period as falling inflation and weakening data showed that higher interest rates were working in the UK, US, and Eurozone.*

*Following the December MPC meeting, Arlingclose, the authority's treasury adviser, maintained its central view that 5.25% is the peak in Bank Rate. Short term risks are broadly balanced, but over the remaining part of the time horizon the risks are to the downside from economic activity weakening more than expected.*

*The lagged effect of monetary policy together with the staggered fixed term mortgage maturities over the next 12-24 months means the full impact from Bank Rate rises are still yet to be felt by households. As such, while consumer confidence continued to improve over the period, it is likely this will reverse at some point and spending will struggle. Higher rates will also impact exposed businesses; according to S&P/CIPS survey data, the UK manufacturing and construction sectors contracted during the quarter. The services sector recovered, however, with the PMI rising strongly in December, possibly due to improving consumer confidence.*

*The US Federal Reserve held its key interest rate at 5.25-5.50% over the period. While policymakers continued to talk up the risks to inflation and therefore interest rates, this stance ebbed over the quarter culminating in a relatively dovish outcome from the December FOMC meeting.*

*The European Central Bank continues to resist market policy loosening expectations, but the Eurozone CPI rate has fallen sharply as GDP growth as markedly slowed, hitting 2.4% in November (although rising to 2.9% on energy-related base effects).*

**Financial markets:** *Financial market sentiment and bond yields remained volatile, but the latter rapidly trended downwards towards the end of 2023 on signs of sharply moderating inflation and economic growth.*

*Gilt yields fell towards the end of the period. The 10-year UK benchmark gilt yield rose from 4.57% to peak at 4.67% in October before dropping to 3.54% by the end of December 2023. The Sterling Overnight Rate (SONIA) averaged 5.19% over the period.*

**Credit review:** *Arlingclose maintained the advised maximum duration limit for all banks on its recommended counterparty list to 35 days over the period.*

*In October, Moody's revised the outlook on the UK's Aa3 sovereign rating to stable from negative. This led to similar rating actions on entities that include an element of government support in their own credit ratings, including banks and housing associations. Local authorities were, however, downgraded on expectations of lower government funding.*

*Following the issue of a Section 114 notice, in November Arlingclose advised against undertaking new lending to Nottingham City Council. After reducing its recommended duration on Warrington Borough Council to a maximum of 100 days in September, the local authority was subsequently suspended from the Arlingclose recommended list following a credit rating downgrade by Moody's to Baa1.*

*Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress, but no changes were made to recommended durations over the period.*

*Heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.*

### **3. Local Context**

On 31 March 2023, the Council had net investments of £9.0million arising from its revenue and capital income and expenditure.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment.

These factors are summarised in the table below.

<b>Table 1: Balance Sheet Summary</b>	<b>31/03/2023 Actual £000</b>	<b>31/03/2024 Forecast £000</b>
General Fund CFR	94,300	62,900
External borrowing <sup>1</sup>	(7,000)	-
<b>Internal borrowing</b>	<b>87,300</b>	<b>62,900</b>
Less: Balance sheet resources	103,294	66,500
<b>Investments/ (borrowing)</b>	<b>15,994</b>	<b>3,600</b>

NOTE 1: Loans to which the Council is committed; excludes optional refinancing.

The treasury management position at 31<sup>st</sup> December and the change since 1 April is set out in the table below.

<b>Table 2: Treasury Management Summary</b>	<b>31/03/2023 Balance £000</b>	<b>Movement £000</b>	<b>30/12/2023 Balance £000</b>	<b>30/12/2023 Rate %</b>
Short term Borrowing	(7,000)	7,000	-	-
Cash and cash equivalents	15,994	34,737	50,731	5.02%
<b>Net investments</b>	<b>8,994</b>	<b>41,737</b>	<b>50,731</b>	<b>5.02%</b>

The increase in investment movement is due to capital receipts during this period.

## **Borrowing**

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

## **Borrowing Strategy and Activity**

At 31 December 2023 the Council held no loans.

The Council has historically been largely debt free and has borrowed on a temporary basis to fund short term cash flow shortfalls. This strategy is likely to remain the most effective in future.

Loans outstanding as at 31 December 2023 are summarised in the table below.



<b>Table 3: Borrowing Position</b>	<b>31/03/2023 Balance £000</b>	<b>Net Movement £000</b>	<b>30/12/2023 Balance £000</b>	<b>30/12/2023 Weighted Average Rate %</b>	<b>30/12/2023 Weighted Average Maturity (months)</b>
Other Lenders <sup>1</sup>	(7,000)	7,000	-	-	-
<b>Total borrowing</b>	<b>(7,000)</b>	<b>7,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTE 1: Housing Association

The chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should long-term plans change being a secondary objective.

The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

### **Treasury Investment Activity**

The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Authority's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held.

During the year, investment balances ranged between £11.8 million and £65.9 million due to timing differences between income and expenditure.

The investment position is set out in the table below:

<b>Table 4: Treasury Investment Position</b>	<b>31/03/2023 Balance £000</b>	<b>Net Movement £000</b>	<b>30/12/2023 Balance £000</b>	<b>30/12/2023 Income Return %</b>	<b>30/12/2023 Weighted Average Maturity (Days)</b>
Banks & building societies (unsecured)	8,994	(4,263)	4,731	2.11%	1
Government – Debt Management Office (DMO)	-	10,000	10,000	5.33%	132
Money Market Funds	7,000	29,000	36,000	5.30%	1
<b>Total investments</b>	<b>15,994</b>	<b>34,737</b>	<b>50,731</b>	<b>5.02%<sup>1</sup></b>	<b>9<sup>1</sup></b>

NOTE 1: Weighted Average

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield.

The objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

The Bank of England increased the Bank Rate by 1%, from 4.25% at the beginning of April to 5.25% by the end of December.

Short-dated cash rates peaked at 5.6% for 3-month rates and 12-month rates to nearly 6.6% during the period.

The rates on deposits with the Government's Debt Management Account Deposit Facility (DMADF) also rose, ranging between 5.2% and 5.3% by the end of December and Money Market Rates from 4.16% and 5.35%.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in the table below.

<b>Table 5: Investment Benchmarking – Treasury investments managed in-house</b>	<b>Credit Score</b>	<b>Credit Rating</b>	<b>Bail-in Exposure</b>	<b>Weighted Average Maturity (days)</b>	<b>Rate of Return %</b>
<u>Reigate &amp; Banstead Borough Council</u>					
31/03/2023	4.90	A+	100%	1	4.01%
30/12/2023	4.62	AA-	80%	9	5.02%
Similar Local Authorities	4.81	AA-	57%	54	5.00%
All Local Authorities	4.80	AA-	60%	11	5.04%

## **Non-Treasury Investments**

The definition of investments in the Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

At 31 December the Council held:

- £1.1m shares in Pathway For Care Limited;
- £0.652m shares in Greensand Holdings Limited; and
- Loans of £13.258m advanced to Greensand Holdings Limited
- Note: excludes funds provided to Horley Business Park Development LLP which is in the process of being liquidated.

## Treasury Performance

Treasury investments generated an average rate of return 5.02% in the nine months of the financial year.

The Council's treasury investment income for the year is likely to be above the budget due to the higher interest rates and anticipated capital receipts during the second quarter of the year.

## Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy.

Compliance with specific investment limits is demonstrated in the table below.

<b>Table 6: Investment Limits</b>	<b>2023/24 Maximum £000</b>	<b>30/12/2023 Actual £000</b>	<b>2023/24 Limit £000</b>	<b>Complied?</b>
Any single organisation, except the UK Government	10,000	5,000	10,000	Yes
Any group of pooled funds under the same management	-	-	10,000	Yes
Negotiable instruments held in a broker's nominee account	-	-	13,000	Yes
Limit per non-UK country	-	-	5,000	Yes
The UK Government	25,000	10,000	n/a	Yes
Local authorities & other government entities	-	-	Unlimited	Yes
Secured investments	-	-	Unlimited	Yes
Banks (unsecured) (Excluding the Councils Operational bank accounts)	10	<b>10</b>	Unlimited	Yes

<b>Table 6: Investment Limits</b>	<b>2023/24 Maximum £000</b>	<b>30/12/2023 Actual £000</b>	<b>2023/24 Limit £000</b>	<b>Complied?</b>
Building societies (unsecured)	-	-	10,000	Yes
Registered providers (unsecured)	-	-	13,000	Yes
Money market funds	£41m sector (£10m per counterparty)	£36m sector (£7m per counterparty)	Unlimited (£10m per counterparty)	Yes
Strategic pooled funds	-	-	25,000	Yes
Real estate investment trusts	-	-	13,000	Yes
Other investments	-	-	5,000	Yes

## Treasury Management Prudential Indicators

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

### 1. Liability Benchmark

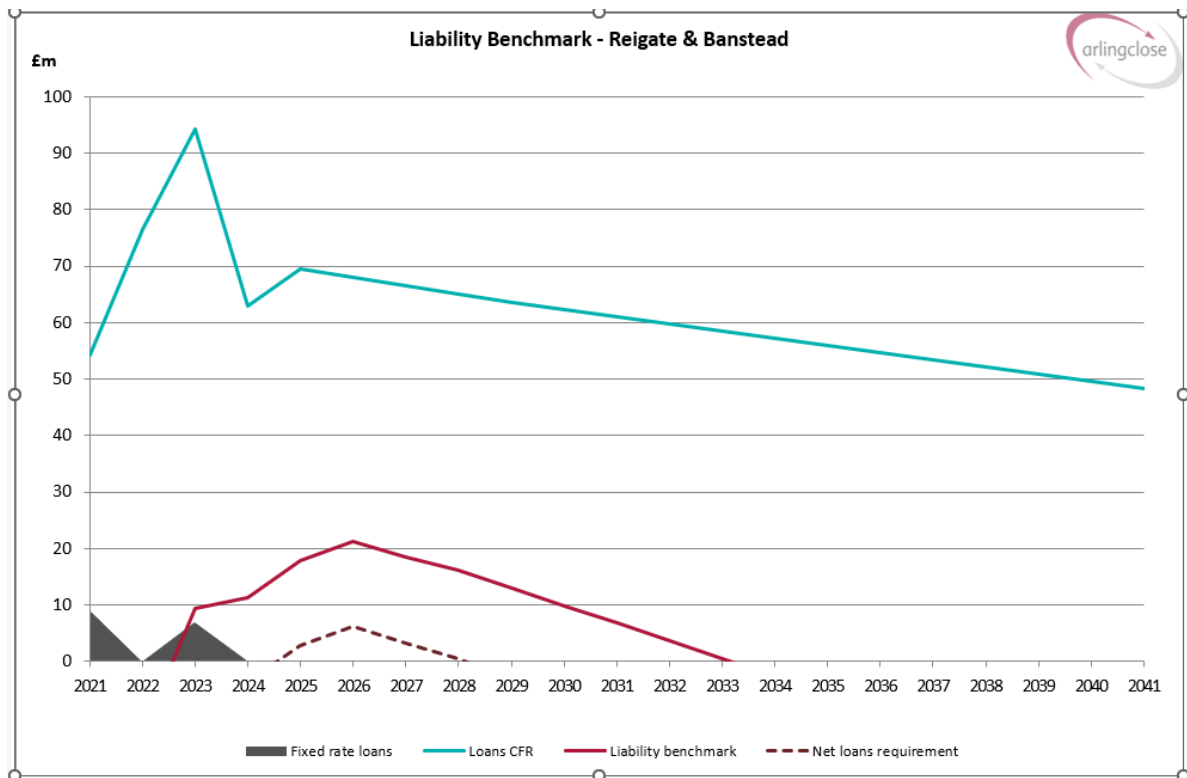
This indicator compares the Council's actual current borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making.

It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £15.0 million required to manage day-to-day cash flow.

<b>Table 7: Liability Benchmark</b>	<b>31/03/2023 Actual £000</b>	<b>31/03/2024 Forecast £000</b>	<b>31/03/2025 Forecast £000</b>	<b>31/03/2026 Forecast £000</b>
Loans CFR	94,300	62,900	69,600	68,100
Less: Balance sheet resources	103,300	66,500	66,700	61,800
<b>Net loans requirement</b>	<b>9,000</b>	<b>3,600</b>	<b>(2,900)</b>	<b>(6,300)</b>
Plus: Liquidity allowance	15,000	15,000	15,000	15,000
<b>Liability benchmark</b>	<b>6,000</b>	<b>11,400</b>	<b>17,900</b>	<b>21,300</b>
<b>Current borrowing</b>	<b>(7,000)</b>	-	-	-

Following on from the medium-term forecast in the table above, the long-term liability benchmark assumes no capital expenditure will be funded by borrowing after 2023/24 and that reserves will increase by 2.5%. This is illustrated in the chart below:



A borrowing requirement of £11.4 million is expected by 31 March 2024 and increasing by £17.9million and £21.3 million respectively for 31 March 2025 and 31 March 2026 and declining thereafter from 2027 onwards.

The net loans requirement on the graph is a lower figure and represents the borrowing that would be required if investment balances were kept at nil. The graph represents only a snapshot in time at year end when balances are typically at their lowest and borrowing needs are highest. In year balances are expected to fluctuate to up to £65.9 million.

Borrowing is therefore in practice only likely to be required in the short term for some parts of the year.

## 2. Maturity Structure of Borrowing

This indicator is set to control the Council’s exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Table 8: Maturity Structure of Borrowing	Upper Limit	Lower Limit	30/12/2023 Actual Borrowing	Complied?
Under 12 months	100%	0%	-	Yes
12 months and within 24 months	100%	0%	-	Yes
24 months and within 5 years	100%	0%	-	Yes
5 years and within 10 years	100%	0%	-	Yes
10 years and above	100%	0%	-	Yes

Time periods start on the first day of each financial year.

The maturity date of borrowing is the earliest date on which the lender can demand repayment.

As the Council has relatively modest and short term overall borrowing requirements there is no significant refinancing risk associated with having all loans maturing within the timescales shown above.

At present the Council would wish to retain maximum flexibility as to the periods in which it borrows over. If the debt portfolio becomes more extensive, then the indicator will be reviewed to ensure that it remains suitable.

### 3. Long-term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

<b>Table 9: Long Term Investments</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>No fixed date</b>
Limit on principal invested beyond year end	£10.0m	£10.0m	£10.0m	£10.0m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

#### Additional indicators

**Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average rating / credit score of its investment portfolio.

This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

<b>Table 10: Credit Risk</b>	<b>2023/24 Target</b>	<b>30/12/2023 Actual</b>	<b>Complied?</b>
Portfolio average credit	A	AA-	Yes

**Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period.

<b>Table 11: Liquidity Risk</b>	<b>2023/24 Target</b>	<b>30/12/2023 Actual</b>	<b>Complied?</b>
Total cash available within 3 months	£5.0m	£36.0m	Yes

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. Bank Rate rose by 1.00% from 4.25% on 1st April to 5.25% by 31 December 2023.

<b>Table 12: Interest rate risk indicator</b>	<b>2023/24 Target</b>	<b>30/12/2023 Actual</b>	<b>Complied?</b>
Revenue impact of a 1% change in interest rates	£0.078m pa	£0.451m pa	No

The higher actuals figure is due to the fact that the target was set at a time when the authority had both short-term investments and short-term debt, mitigating the overall impact of a change of interest rates. At 31/12/2023 the authority had no short-term debt increasing the impact of a change in interest rates. This target will be reviewed for the next financial year so that it incorporates this eventuality.

For context, the changes in interest rates during the year to date were:

<b>Interest Rates</b>	<b>31/3/23</b>	<b>30/12/23</b>
Bank Rate	4.25%	5.25%
1-year PWLB certainty rate, maturity loans	4.78%	5.60%
5-year PWLB certainty rate, maturity loans	4.31%	4.92%
10-year PWLB certainty rate, maturity loans	4.33%	5.06%
20-year PWLB certainty rate, maturity loans	4.70%	5.55%
50-year PWLB certainty rate, maturity loans	4.41%	5.38%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

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## Prudential Indicators

### 2023/24

Quarter 3

The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and produce prudential indicators. Each indicator either summarises the expected activity or introduces limits upon the activity and reflects the outcome of the Council's underlying capital appraisal systems.

The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to financing implications and potential risks to the authority.

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

### 1. Capital Expenditure

This indicator requires reasonable estimates of the total capital expenditure to be incurred. The Council's planned capital expenditure is summarised below. The 2023/24 forecast at 31 December 2023 is set out in the table below.

	2022/23 actual £000	2023/24 forecast <sup>1</sup> £000	2024/25 budget £000	2025/26 budget £000
General Fund services	21,154	22,027	10,241	3,938
Capital investments	-	1,308	-	-

NOTE 1: Approved slippage from 2022/23 of £24.116m but the current forecast for 2023-24 includes a reduction in expenditure.

The Council is planning to incur £1.3m of capital expenditure on investments by 31 March 2024.

### 2. Capital Financing Requirement

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure (that is not financed by grants, capital receipts or direct revenue contributions) and reduces with MRP (minimum revenue provision) and capital receipts used to replace debt.

	<b>31/03/2023 actual £000</b>	<b>31/03/2024 forecast £000</b>	<b>31/03/2025 budget £000</b>	<b>31/03/2026 budget £000</b>
General Fund services	94,300	62,900	69,600	68,100
Capital investments	-	1,308	-	-
<b>TOTAL CFR</b>	<b>94,300</b>	<b>64,208</b>	<b>69,600</b>	<b>68,100</b>

The CFR as at 31 March 2024 has reduced to reflect capital receipts received in the second quarter of the current financial year.

### 3. Gross Debt and the Capital Financing Requirement

Statutory guidance is that debt should remain below the capital financing requirement (CFR), except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	<b>31/03/2023 actual £000</b>	<b>31/03/2024 forecast £000</b>	<b>31/03/2025 budget £000</b>	<b>31/03/2026 budget £000</b>	<b>Debt at 30/12/2023 £000</b>
Debt	7,000	-	-	-	-
Capital Financing Requirement	94,300	64,208	69,600	68,100	

### 4. Debt and Authorised Limit and Operational Boundary

The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	<b>Maximum Debt Q3 2023/24 £000</b>	<b>Debt at 30/12/2023 £000</b>	<b>2023/24 Authorised Limit £000</b>	<b>2023/24 Operational Boundary £000</b>	<b>Complied? Yes/No</b>
Borrowing	11,000	-	40,000	35,000	Yes

Since the Operational Boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow; this is not counted as a compliance failure.

## 5. Net Income from Service and Commercial Investments Compared to Net Revenue Stream

The Council's income from commercial and service investments as a proportion of its net revenue stream is forecast to be as set out below.

	2022/23 actual £000	2023/24 forecast £000	2024/25 budget £000	2025/26 budget £000
Total net income from service and commercial investments	2,013	2,085	2,397	2,757
Proportion of net revenue stream	13.52%	9.39%	10.93%	12.57%

## 6. Proportion of Finance Costs to Net Revenue Stream

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

This net annual charge is known as financing costs and is compared to the net revenue stream i.e., the amount funded from council tax, business rates and general government grants.

	2022/23 actual £000	2023/24 forecast £000	2024/25 budget £000	2025/26 budget £000
Financing costs	612	843	1,782	1,799
Proportion of net revenue stream	4.11%	3.80%	8.12%	8.20%

**Treasury Management Indicators:** These indicators (Liability Benchmark, Maturity Structure of Borrowing and Long-Term/Short Term Treasury Management Investments) are set out within the Treasury Management Report Q3 2023/24 in Annex 5.1.

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## Housing Focus on Homelessness 2023/24



**127 households in temporary accommodation**



**1,286 households on the waiting list for social housing**



**19 single people in emergency accommodation**



**39 people with children in emergency accommodation**

2023/24 (year to date) compared to previous year there were:



**1,318 households approaching due to the threat of homelessness**

**Up  
31.5%**

**1,002  
from 2022/23**



**425 households owed a statutory homeless duty**

**Up  
8.7%**

**391  
from 2022/23**



**258 positive outcomes**

**Up  
4.4%**

**247  
from 2022/23**



**59 households in emergency accommodation**

**Up  
73.5%**

**34  
from 2022/23**



**173 lets to social housing vacancies**

**Down  
33.2%**

**259  
from 2022/23**

## Other explanatory notes

1. 647 of 1,318 households that approached due to threat of homelessness indicated that affordability of accommodation was an issue.

2. Over 1,022 applications received to join the waiting list and 425 accepted year to date.

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<b>SIGNED OFF BY:</b>	Chief Finance Officer
<b>AUTHOR:</b>	Martin Trenaman
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<b>E-MAIL:</b>	<a href="mailto:Martin.Trenaman@Reigate-Banstead.Gov.Uk">Martin.Trenaman@Reigate-Banstead.Gov.Uk</a>
<b>TO:</b>	Executive
<b>DATE:</b>	Thursday 21 March 2024
<b>EXECUTIVE MEMBER:</b>	Deputy Leader and Portfolio Holder for Finance and Governance

<b>KEY DECISION REQUIRED</b>	N
<b>WARD (S) AFFECTED</b>	(All Wards)

<b>SUBJECT</b>	<b>DEBT WRITE OFF &amp; RECOVERY 2023/24</b>
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<b>RECOMMENDATIONS</b>
<p><b>Executive is recommended to approve:</b></p> <p>(i) That nine irrecoverable debts totalling £206,919.56 (Annex 1) be written out of the Council's accounts.</p>
<b>REASONS FOR RECOMMENDATIONS</b>
<p>Six debts relate to National Non Domestic Rates (NNDR), and three debts relate to Benefit overpayments.</p> <p>All possible action has been taken to recover these amounts. This report is seeking approval to write them out of the Council's accounts.</p>
<b>EXECUTIVE SUMMARY</b>
<p>This report explains the action and the reasons for recommending six debts for write-off totalling £206,919.56. It also provides an overview of debt recovery performance for 2023/24.</p>
<p><b>The Executive has authority to approve the above recommendation.</b></p>

## STATUTORY POWERS

# Agenda Item 9

1. The Council has the powers under various Acts of Parliament and Statutory Regulations to charge for the services it provides and for collection of taxation monies e.g. the *Local Government Finance Act 1992*.
2. The powers to waive the collection of properly determined and levied debts are set out within the Financial Procedures Rules in the Council's Constitution. Under the Constitution all debts valued over £10,000 require approval of the Executive.

## BACKGROUND

3. The debt write off is recommended in order for the Council to show the true position in its accounts. All possible action has been taken to recover these amounts and this report is seeking approval to technically write them out of the accounts.
4. In addition, the write-off of irrecoverable debts has been approved under delegated authority by:
  - (i) The Head of Benefits and Fraud:
    - 129 debts valued under £1,000 totalling £25,621.54 relating to business rates (NNDR), council tax and benefit overpayments
  - (ii) The Chief Finance Officer
    - 94 debts valued under £1,000 totalling £9,327.03 relating to sundry debts
    - 86 debts valued £1,000 - £10,000 totalling £272,623.55 relating to business rates (NNDR), council tax, and benefit overpayments.

## KEY INFORMATION

### Debt Recovery Performance

5. A schedule of performance information relating to the Debt Management function is set out at Annex 2. It confirms that the Council continues to perform well and remains in the top quartile nationally for its low write-off levels.

## OPTIONS

6. The Executive has three options:

**Option 1** To approve the recommendations in this report so that the write-offs can be updated in the authority's statement of accounts.

This is the recommended option.

**Option 2** To defer a decision and ask officers to provide more information and/or clarification on any specific points.

This is not recommended as it would potentially mean that the write-offs are not reflected in the authority's 2023/24 statement of accounts.

**Option 3** To reject the recommended write-offs.

This is not recommended as it would potentially mean that assets (debtors) are over-stated in the authority's statement of accounts.

## LEGAL IMPLICATIONS

7. There are no additional legal implications associated with this report.



## **FINANCIAL IMPLICATIONS**

8. The total value of the debts is approximately 0.8% of the Council's gross budget and is the equivalent of 17% of the provision that has previously been set aside for bad debts in the Council's accounts.

## **EQUALITIES IMPLICATIONS**

9. All recovery processes are carried out in the same way for all persons and companies that owe money to the Council, ensuring a consistent and fair approach.

## **ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS**

10. There are no additional environmental sustainability implications.

## **COMMUNICATION IMPLICATIONS**

11. There are no additional communications implications associated with this report.

## **RISK MANAGEMENT CONSIDERATIONS**

12. There are no additional risk management implications.

## **CONSULTATION**

13. The Portfolio Holder for Finance & Governance has been consulted on the proposals in this report.

## **POLICY FRAMEWORK**

14. Debt recovery is operated within the framework set out in the Financial Procedure Rules within the Constitution.

## **BACKGROUND PAPERS**

None

## **ANNEXES**

- |         |                                 |
|---------|---------------------------------|
| Annex 1 | Debts Recommended for Write-Off |
| Annex 2 | Debt Recovery Performance       |

**Business Rates (NNDR) Write Offs Over £10,000**

Account No	Taxpayer's name(s) and address	Period of Liability		Reason for recommendation for write off	Liability		Outstanding £
		From	To		Due £	Paid £	
241018X	Gulf International (Uk) Limited (Dissolved)	01/04/2021	03/11/2022	The company was dissolved on 9.5.23, therefore recovery can no longer continue.	15,618.84	0.00	15,618.84
2356122	Wilko Limited - (In Administration)	01/04/2023	09/08/2023	The company went into administration on the 10.08.2023 and recovery can no longer continue.	21,807.56	10,158.00	11,649.56
2476364	Mrs R	09/07/2019	16/01/2023	The debtor is deceased.	14,792.93	0.00	14,792.93
244525X	Montreaux Redhill Limited (in Administration)	01/04/2020	31/01/2023	The company went into administration on 10.8.23 and recovery can no longer continue.	177,440.96	166,617.21	10,823.75
2474087 and 2468466	The Armoured Duck Ltd (Dissolved)	21/01/2022	11/12/2023	The company was dissolved on 12.12.23 and recovery can no longer continue.	11,976.05	24,582.00	11,976.05
2439414	Outsourced Fulfilment Services Limited	01/04/2019	13/01/2022	The company is based in Hong Kong and it has not been possible to make contact.	40,469.69	0.00	40,469.69
<b>Total for write off</b>							<b>£105,330.82</b>

## Housing Benefit Overpayment Write Offs Over £10,000

Claim/Account no	Taxpayer's name(s) and address	Period of Liability		Reason for recommendation for write off	Liability		Outstanding £
		From	To		Due £	Paid £	
471493	Mr M	15/09/2008	24/06/2012	Debtor is subject to a Bankruptcy Order, therefore cannot pursue the debt.	28,807.00	270.00	28,537.00
514070	Mrs D	07/04/2008	16/07/2017	The debtor is deceased.	27,211.00	2,411.10	24,799.90
520795	Mrs W	01/10/2010	16/07/2023	The debtor is deceased.	63,869.10	15,617.26	48,251.84
<b>Total for write off</b>							<b>£101,588.74</b>

# Agenda Item 9

ANNEX 2

**Table 1: Debt Write Off Performance, 1 April 2023 to 22 February 2024**

Performance 2022/23 %	Category	Debt Raised £	Write-Off Target 2022/23 [Less than] %	Performance 2022/23 %
0.06%	Council Tax	143.7m	1%	0.0002%
0.72%	Business Rates	51.7m	1%	0.0008%
4.61%	Housing Benefit Overpayments	£649,228 <sup>1</sup>	2%	7.65% <sup>1</sup>
0.06%	Sundry Debts	£9.8m	1%	0.11%

Note 1: The total value of debts recommended for write off for Housing Benefit Overpayments raised in the current year is £49,672.

This equates to write offs of 7.65% on the benefit overpayments totaling £649,228 that had been raised to the end of December 2023.

The reason for the above target level of write off this year is that an overpayment of £64,668 was raised on the 14/9/23 and, unfortunately, the debtor died on the 17/10/23. The debt was partially reduced by monies recovered from the deceased's estate, but this still left an outstanding sum of £48,251 which is now to be written off as unrecoverable.

The current total debt outstanding and in recovery for Housing Benefit Overpayments is £2.5m.

**Table 2: Debt Collection Performance, 1 April 2023 to 22 February 2024**

Performance 2022/23 %	Category	Collection Target 2023/24 %	Performance 2023/24 %
98.6%	Council Tax	99.0%	95.84% <sup>1</sup>
99.95%	Business Rates	99.8%	96.03% <sup>1</sup>
87.33%	Housing Benefit Overpayments	55.0%	76.97% <sup>2</sup>
92.87%	Sundry Debts	97.0%	94.9% <sup>1</sup>

Note 1: Performance at 22 February 2024; and is on track to meet the annual collection target.

Note 2: Performance to the end of December 2023.



<b>SIGNED OFF BY</b>	Chief Finance Officer
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<b>TO</b>	Overview & Scrutiny Committee Executive Council
<b>DATE</b>	Thursday 14 March 2024 Thursday 21 March 2024 Thursday 28 March 2024
<b>EXECUTIVE MEMBER</b>	Deputy Leader and Portfolio Holder for Finance and Governance

<b>KEY DECISION REQUIRED</b>	Y
<b>WARDS AFFECTED</b>	(All Wards)

<b>SUBJECT</b>	Treasury Management Strategy Statement 2024/25
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<p><b>RECOMMENDATIONS</b></p> <p><b>Overview &amp; Scrutiny Committee:</b></p> <p>i) <b>Overview &amp; Scrutiny Committee is asked to consider and to provide feedback on the following which are to be finalised and submitted for approval by the Executive on 14 March 2024 and Council on 28 March 2024:</b></p> <ul style="list-style-type: none"> <li>● Treasury Management Strategy 2024/25;</li> <li>● Investment Strategy 2024/25; and</li> <li>● Capital Strategy 2024/25.</li> </ul> <p><b>Executive:</b></p> <p>i) <b>Executive is asked to consider the following and recommend their approval by Council:</b></p> <ul style="list-style-type: none"> <li>● Treasury Management Strategy for 2024/25;</li> <li>● Investment Strategy 2024/25; and</li> <li>● Capital Strategy 2024/25</li> </ul>
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<p><b>Council:</b></p> <p>i) <b>Council is asked to approve the following:</b></p> <ul style="list-style-type: none"><li>• <b>Treasury Management Strategy for 2024/25;</b></li><li>• <b>Investment Strategy 2024/25; and</b></li><li>• <b>Capital Strategy 2024/25</b></li></ul>
<p><b>REASONS FOR RECOMMENDATIONS</b></p>
<p>To enable the adoption of the updated Treasury Management Strategy Statement for the 2024/25 financial year in order to comply with the Chartered Institute of Public Finance Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities. Also, with Government (Department for Levelling up, Housing and Communities) investment and borrowing guidance.</p>
<p><b>EXECUTIVE SUMMARY</b></p>
<p>This report sets out the Treasury Management Strategy, Investment Strategy and Capital Strategy for 2024/25.</p> <p>It has been prepared in consultation with the Council's treasury management advisors and confirms compliance with relevant guidance.</p>
<p><b>Council has authority to approve the Treasury Management Strategy Statement, Prudential Indicators, Minimum Revenue Provision Policy and Borrowing Limits.</b></p>
<p><b>STATUTORY POWERS</b></p>
<ol style="list-style-type: none"><li>1. The Council is required to approve an annual Treasury Management Strategy Statement, Investment Strategy and Capital Strategy to ensure that borrowing and investment activities are prudent, affordable and sustainable.</li><li>2. The Council operates its treasury management activity as an integral part of its statutory obligation to manage the Council's finances effectively under the Local Government Act 2003 and associated guidance.</li><li>3. Treasury Management activities are undertaken in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management, the Prudential Code for Capital Finance in Local Authorities, and the Government's (Department for Levelling up, Housing and Communities - DLUHC) investment and borrowing guidance.</li></ol>
<p><b>BACKGROUND</b></p>
<ol style="list-style-type: none"><li>4. The Council is required to approve an annual Treasury Management Strategy, Investment Strategy and Capital Strategy (in combination referred to as 'the Strategy') to ensure that borrowing and investments are prudent, affordable and sustainable.</li><li>5. The Strategy for 2024/25 is set out in the attached Annexes.</li></ol>

It has been prepared in line with the CIPFA Codes and Government guidance and comprises three sections:

1. **Treasury Management Strategy** which explains the Council’s approach to management of cash flows, borrowing and investments, and the associated risks;
2. **Investment Strategy** which sets out how the Council invests its cash and what it aims to achieve through that investment; and
3. **Capital Strategy** which provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services.

6. The Strategy has the following objectives:

- To consider and effectively address the risks associated with Treasury Management activity;
- To optimise the flow of cash through the organisation in order to maximise the potential for using it to earn investment income for the Council, and where required limit the borrowing costs;
- To optimise the returns from investments while meeting the overriding need to protect the capital sum and ensure that the cash is available when required;
- To align investments in relation to cash flow, within statutory constraints, in order to increase investment returns in future years;
- To optimise the revenue budget costs of undertaking all treasury activities;
- To monitor and review significant changes in the pattern of cash movements and interest rate movements and react accordingly;
- To incorporate any changes to CIPFA’s Treasury Management Code of Practice and the Prudential Code and Government guidance that govern effective treasury management; and
- To incorporate implementation of International Financial Reporting Standard (IFRS) 16 in April 2024.

## KEY INFORMATION

### Capital Investment Strategy and Capital Programme

7. The capital expenditure plans set out in this report are based on the Capital Programme 2024/25 to 2028/29 that was approved by Executive and Council in February 2024.

### Prudential Indicators

8. The Prudential Indicators as set out in the Strategy provide a sound basis for future investment and borrowing decisions. A summary of the key indicators is provided in the table below and they are explained in the Treasury Management Strategy at Annex 1.

Table 1: PRUDENTIAL INDICATORS	2022/23 Actual £000	2023/24 Forecast £000	2024/25 Forecast £000	2025/26 Forecast £000	2026/27 Forecast £000

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Capital Expenditure	21,156	10,773	16,048	6,665	4,856
Capital Financing Requirement (CFR)	93,300	72,600	79,300	80,800	82,100
Cumulative External Debt	7,000	-	-	-	-
Operational Boundary for External Debt	69,000	35,000	36,000	37,000	38,000
Authorised Limit for External Debt	79,000	40,000	41,000	42,000	43,000
Liability Benchmark	(9,000)	(3,500)	3,100	11,600	11,000
Proportion of financing costs to revenue stream as a %	4.08%	3.55%	8.20%	8.34%	8.44%
Net income from commercial and service investments to net revenue stream as a %	13.52%	9.18%	10.55%	12.14%	13.96%
Credit risk indicator - portfolio average risk	A				
Liquidity risk - cash available within 3 months	£3.0 million				
Revenue impact of a 1% change in rates	£0.451 million pa				
Maturity Structure of Borrowing 2024/25 – Upper Limit	100%				
Maturity Structure of Borrowing 2024/25 – Lower Limit	0%				

## CIPFA Code

9. CIPFA published the latest Prudential and Treasury Management Codes in December 2021. They require investments and investment income to be attributed to one of three purposes:

(i) Treasury management

- Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use; and
- Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

(ii) Service delivery

- Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure; and
- Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is '*...either related to the financial viability of the project in question or otherwise incidental to the primary purpose...*'.

(iii) Commercial return



- Investments held primarily for financial return with no treasury management or direct service provision purpose;
- Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services; and
- Councils must not borrow to invest primarily for financial return.

10. The Investment Strategy at Annex 2 covers:

- Classification of investments for service or commercial purposes;
- The authority's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the authority's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;
- An assessment of affordability, prudence and proportionality in respect of the authority's overall financial capacity (ie. whether losses could be absorbed in budgets or reserves without unmanageable detriment to local services);
- Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;
- Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);
- Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them is periodically re-evaluated to inform the overall strategy); and
- Statement of compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an authority must not borrow to invest primarily for financial return.

11. The Code also requires authorities to:

- Adopt a debt Liability Benchmark treasury indicator to support the financing risk management of the capital financing requirement; this is shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;
- Class long term treasury investments, (including pooled funds), as commercial investments unless justified by a cash flow business case;
- Include some pooled funds (longer term instruments, including those with no fixed maturity date) in the indicator for principal sums maturing in years beyond the initial budget year;
- Ensure that the knowledge and skills register for officers and members involved in the treasury management function is proportionate to the size and complexity of the treasury management conducted;

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- Submit quarterly performance reports to Members (as part of integrated budget monitoring reports), including updates on performance against the Prudential Indicators; and
- Set out any environmental, social and governance (ESG) issues to be addressed within the treasury management policies and practices.

12. The main requirements of the Code relating to service and commercial investments are:

- The risks associated with service and commercial investments should be proportionate to their financial capacity – losses to be absorbed in budgets or reserves without unmanageable detriment to local services;
- An authority must not borrow to invest for the primary purpose of commercial return. It is not prudent for local authorities to make any investment or spending decision that will increase the Capital Financing Requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority;
- To conduct an annual review to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
- To include the new Prudential Indicator for the net income from commercial and service investments as a proportion of the net revenue stream; and
- To prepare supporting Investment Management Practices which set out how the Council will manage risks associated with non-treasury investments.

13. The underlying principles, including that an authority must not borrow to invest primarily for financial return, align with the Government's changes to PWLB borrowing terms in 2020.

## OPTIONS

14. Overview & Scrutiny Committee has two options

- **Option 1:** Note the report and make no observations to the Executive.
- **Option 2:** Note the report and make any observations to the Executive.

15. Executive has two options:

- **Option 1:** Recommend the Treasury Management Strategy, Investment Strategy and Capital Strategy for 2024/25 to Council for approval;
- **Option 1:** Request further information before the Treasury Management Strategy, Investment Strategy and Capital Strategy for 2024/25 are recommended to Council for approval. This option would delay approval of the Strategy and may constrain treasury management activity.

16. Council has two options:

- **Option 1:** To approve the Treasury Management Strategy, Investment Strategy and Capital Strategy for 2024/25 to Council;
- **Option 1:** To request further information before the Treasury Management Strategy, Investment Strategy and Capital Strategy for 2024/25 are approved. This option would delay approval of the Strategy and may constrain treasury management activity.

17. A delay in approving the 2024/25 Treasury Management Strategy Statement may result in reduced returns on investments and delay borrowing to fund planned capital investment. It would also mean that the Council is at risk of non-compliance with the latest CIPFA Codes of Practice and DLUHC guidance.

## **LEGAL IMPLICATIONS**

18. There are no further legal implications arising from this report.

## **FINANCIAL IMPLICATIONS**

19. The financial impacts of this Strategy have been reflected within the Council's approved 2024/25 Budget. There are therefore no additional financial implications from this report.

## **EQUALITIES IMPLICATIONS**

20. The Council has a statutory duty to consider equality implications as part of the decision making process and demonstrate this. There are no equality implications arising from this report.

## **ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS**

21. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

## **COMMUNICATION IMPLICATIONS**

22. There are no communication implications arising from this report.

## **RISK MANAGEMENT CONSIDERATIONS**

23. These are set out in the Annexes to the report

## **CONSULTATION**

24. The Finance & Governance Portfolio holder, the Chair of Overview & Scrutiny and Overview & Scrutiny Committee Members had an opportunity to consider the Council's approach to Treasury Management at a briefing with the Council's treasury advisors Arlingclose and the Finance team on 5 March 2024.

25. Overview & Scrutiny Committee's feedback at its meeting on 14 March 2024 will be considered by Executive on 21 March 2023 and Council on 28 March 2024.

## **POLICY FRAMEWORK**

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26. The Strategy is part of the Council's Policy Framework as set out in Article 4 of the Constitution.

## **BACKGROUND PAPERS**

- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ('the Code')
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ('the Code')
- CIPFA Treasury Management Guidance Notes 2018 and 2021
- DLUHC Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- CIPFA Prudential Code for Capital Finance in Local Authorities (2021) (Prudential Code)
- CIPFA Prudential Code for Capital Finance in Local Authorities (2021) Guidance Notes
- DLUHC Consultation on changes to the capital framework - Minimum Revenue Provision (November 2021 to February 2022). Latest consultation closed 16 February 2024.
- *CIL Strategic Infrastructure Programme 2023-2027*, report to Executive, 23 March 2023
- *Budget and Capital Programme 2024/25*, report to Executive, 1 February 2024

## **ANNEXES**

1. Treasury Management Strategy 2024/25
2. Investment Strategy 2024/25
3. Capital Strategy 2024/25

# TREASURY MANAGEMENT STRATEGY

## 2024/25

March 2024

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### 1. Introduction

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks.

The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to prudent financial management.

Treasury risk management is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service purposes and for commercial profit are considered separately in Annex 2, the Investment Strategy.

### 2. External Context

Source: Arlingclose

**Economic background:** The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Authority's treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level in September and then again in November. Members of the BoE's Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with near-term risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI inflation was 6.7% in September 2023, unchanged from the previous month but above the 6.6% expected. Core CPI inflation fell to 6.1% from 6.2%, in line with predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling, declining to around 4% by the end of calendar 2023 but taking until early 2025 to reach the 2% target and then falling below target during the second half 2025 and into 2026.

ONS figures showed the UK economy grew by 0.2% between April and June 2022. The BoE forecasts GDP will likely stagnate in Q3 but increase modestly by 0.1% in Q4, a deterioration in the outlook compared to the August MPR. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth remained strong, with regular pay (excluding bonuses) up 7.8% over the period and total pay (including bonuses) up 8.1%. Adjusted for inflation, regular pay was 1.1% and total pay 1.3%. Looking forward, the MPR showed the unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve paused in September and November, maintaining the Fed Funds rate target at this level. It is likely this level represents the peak in US rates, but central bank policymakers emphasised that any additional tightening would be dependent on the cumulative impact of rate rises to date, together with inflation and developments in the economy and financial markets.

US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the 2.1% reading for Q2. But as the impact from higher rates is felt in the coming months, a weakening of economic activity is likely. Annual CPI inflation remained at 3.7% in September after increasing from 3% and 3.2% consecutively in June and July.

Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.9% in October 2023. Economic growth has been weak, and GDP was shown to have contracted by 0.1% in the three months to September 2023. In line with other central banks, the European Central Bank has been increasing rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

Credit outlook: Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest

rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (November 2023): Although UK inflation and wage growth remain elevated, the Authority's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

Arlingclose expects long-term gilt yields to eventually fall from current levels (amid continued volatility) reflecting the lower medium-term path for Bank Rate. However, yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

Like the BoE, the Federal Reserve and other central banks see persistently high policy rates through 2023 and 2024 as key to dampening domestic inflationary pressure. Bond markets will need to absorb significant new supply, particularly from the US government.

A more detailed economic and interest rate forecast provided by Arlingclose is included at Appendix 1.

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate/yield of 5.02%, and that any new long-term loans will be borrowed at an average rate of 5.19%.

### 3. Local Context

At 31 December 2023, the Council had no loans. Investments included £51.0 million of treasury investments earning a return of 5.29%.

- £5.0 million was invested in unsecured bank deposits earning 5.20%;
- £36.0 million was invested in money market funds earning 5.32%; and
- 10.0million with the UK Debt Management Account Deposit Facility - DMADF - earning 5.23%.

Forecast changes in these sums at 31 March each year are set out in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast	31.3.23	31.3.24	31.3.25	31.3.26	31.3.27
	Actual	Estimate	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000
<b>Capital financing requirement</b>	<b>93,300</b>	<b>72,600</b>	<b>79,300</b>	<b>80,800</b>	<b>82,100</b>
Less: External borrowing	(7,000)	-	-	-	-
<b>Internal borrowing</b>	<b>86,300</b>	<b>72,600</b>	<b>79,300</b>	<b>80,800</b>	<b>82,100</b>
Less: Balance sheet resources	(102,400)	(89,200)	(89,200)	(82,000)	(84,100)
<b>(Treasury investments) / New borrowing</b>	<b>(16,100)</b>	<b>(16,500)</b>	<b>(9,900)</b>	<b>(1,400)</b>	<b>(2,000)</b>

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment.

The Council's current strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing.

The Council has an increasing CFR over the medium term, due to plans to invest in the capital programme.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 confirms that the Council expects to comply with this recommendation.



**Liability benchmark:** To compare the Council’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing.

This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £13.0 million at each year-end. This comprises the £10.0 million minimum investment balance that the Council is required to hold at all times (to retain a desired ‘professional’ status when working with financial intermediaries) and an additional £3.0 million liquidity buffer to meet any unexpected cash flow shortfalls.

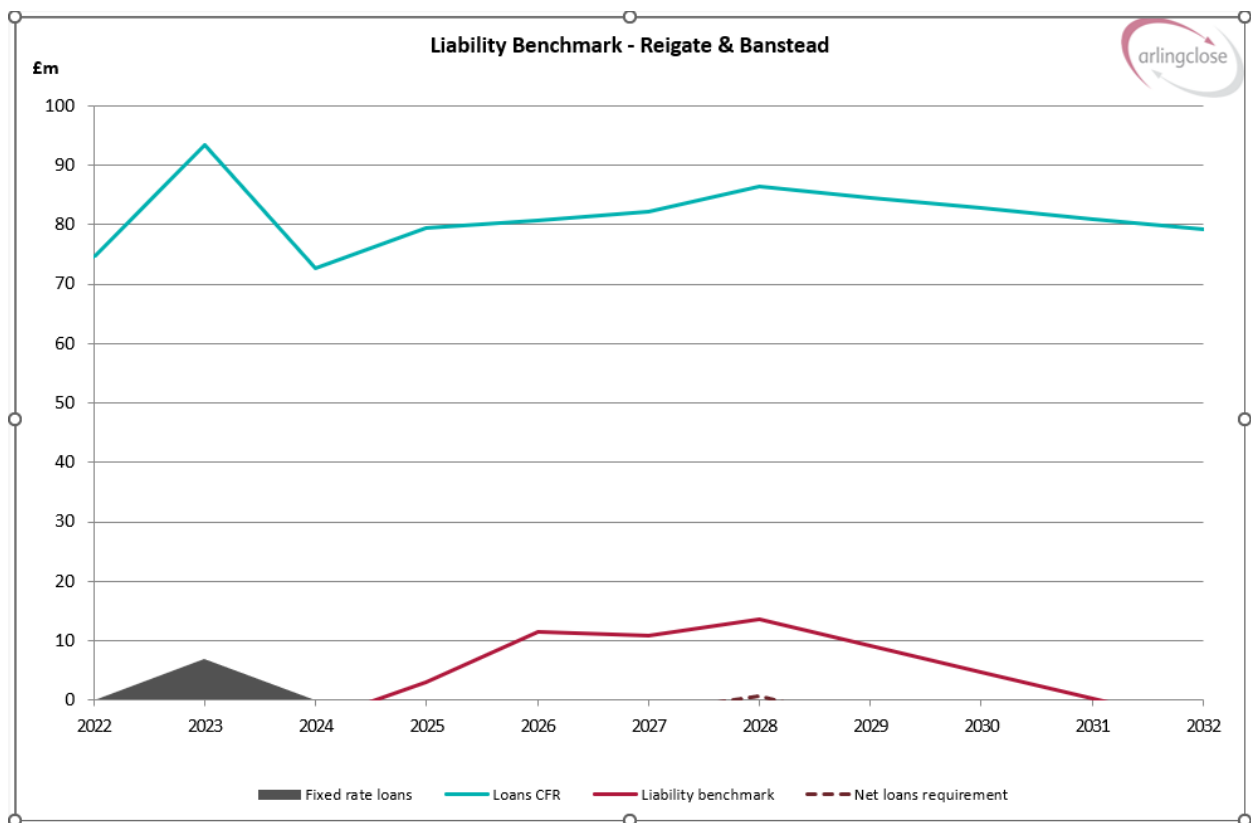
The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and helps shape its strategic focus and decision making.

The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund current capital and revenue plans, while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

<b>Table 2: Prudential Indicator: Liability benchmark</b>	<b>31.3.23 Actual</b>	<b>31.3.24 Estimate</b>	<b>31.3.25 Forecast</b>	<b>31.3.26 Forecast</b>	<b>31.3.27 Forecast</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>CFR</b>	<b>93,300</b>	<b>72,600</b>	<b>79,300</b>	<b>80,800</b>	<b>82,100</b>
Less: Balance sheet resources	(102,400)	(89,100)	(89,200)	(82,200)	(84,100)
<b>Net Loans Requirement</b>	<b>(9,100)</b>	<b>(16,000)</b>	<b>(9,900)</b>	<b>(1,400)</b>	<b>(2,000)</b>
Plus: Liquidity allowance	-	13,000	13,000	13,000	13,000
<b>Liability Benchmark</b>	<b>(9,100)</b>	<b>(3,500)</b>	<b>3,100</b>	<b>11,600</b>	<b>11,000</b>

The net loans requirement is negative through to 2026/27 meaning the Council is projected to have an investment balance rather than a borrowing need. This becomes a short-term borrowing requirement (indicated by a positive liability benchmark figure) from 2024/25 in order to maintain the £13.0 million minimum liquidity allowance.

Following on from the medium-term forecasts in table 2 above, the ten-year liability benchmark currently assumes no capital expenditure will be funded by borrowing after 2028 and reserves will increase by 2.5%. This is illustrated in the chart below:



The liability benchmark represents the minimum borrowing required to fund the Council’s capital program and maintain minimum balances of £13 million.

The Council is projected to have a minimum borrowing requirement of £3.1 million at 31 March 2025.

A borrowing requirement of £11.6 is expected by 31 March 2026, reducing to £11.0 million by 31 March 2027.

The net loans requirement on the graph is a lower figure and represents the borrowing that would be required if investment balances were kept at nil.

The graph represents only a snapshot in time at year end when balances are typically at their lowest and borrowing needs are highest. In year balances are expected to fluctuate to up to £32.4 million.

Borrowing in future is therefore in practice only likely to be required in the short term for some parts of the year.

### **Borrowing Strategy**

The Council held a short-term loan of £7.0 million at 31 March 2023.

The liability benchmark forecast in table 2 confirms that the Council is only likely to need to borrow modest amounts for short term periods in the coming year.

The Council may opt to borrow additional sums to pre-fund future years’ requirements, providing this does not exceed the authorised limit for borrowing of £41.0 million.

**Objectives:** The Council's chief objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of costs over the period for which funds are required. Flexibility to renegotiate loans, should the Council's long-term plans change, is a secondary objective.

**Strategy:** The Council has historically been largely debt free and has borrowed on a temporary basis to fund short term cash flow shortfalls. This strategy is likely to remain the most effective in future.

Short-term borrowing sourced from other local authorities or housing associations is expected to continue to be the most cost-effective borrowing option, but the situation will remain under constant review.

The Council may on occasion arrange forward starting loans, where the interest rate is fixed in advance, but the cash is scheduled to be received at a later point in time.

**Sources of borrowing:** The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly *the Public Works Loan Board*)
- UK Infrastructure Bank Ltd
- any institution approved for investments (Table 3 below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Surrey Pension Fund)
- capital market bond investors
- retail investors via a regulated peer-peer platform
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.

**PWLB loans** are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans if required.

**Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities.

This is a more complicated source of finance than the PWLB for two reasons:

- borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and
- there will be a lead time of several months between committing to borrow and knowing the interest rate payable.

The Council is unlikely to borrow from this source: if it does any decision to borrow from the Agency will be the subject of a separate report to full Council.

**Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- similar assets based finance
- sale and leaseback

**Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

#### 4. Treasury Investment Strategy

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves.

In the past 12 months, the Council's treasury investment balance has ranged between £13.0 million and £50.8 million.

**Objectives:** The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) factors when investing.

**Strategy:** New treasury investments will be made primarily to manage day-to-day cash flows using short-term low risk instruments.

The CIPFA Code does not permit local authorities to both borrow and invest long-term for cash flow management. But the Council may make long-term investments for treasury risk management purposes, including to manage interest rate risk by investing sums borrowed in advance for the capital programme for up to three years and to manage inflation risk by investing usable reserves in instruments whose value rises with inflation.

**ESG policy:** Environmental, Social and Governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level.

When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

**Business models:** Under the IFRS 9 accounting standard, accounting for certain investments depends on the Council’s “business model” for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

In practice this distinction only applies to tradable investments where repayments are solely of principal and interest (such as bonds, certificates of deposit or Treasury bills): although allowable within the strategy the Council does not expect to use these products in the upcoming year.

**Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types in table 3 below, subject to the limits shown.

<b>Table 3: Treasury investment counterparties and limits</b>			
<b>Sector</b>	<b>Time limit</b>	<b>Counterparty limit</b>	<b>Sector limit</b>
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£10 million	Unlimited
Secured investments <sup>1</sup>	25 years	£6 million	Unlimited
Banks (unsecured) <sup>1</sup>	13 months	£6 million	Unlimited
Building societies (unsecured) <sup>1</sup>	13 months	£3 million	£10 million
Registered providers (unsecured) <sup>1</sup>	5 years	£3 million	£13 million
Money market funds <sup>2</sup>	n/a	£10 million	Unlimited
Strategic pooled funds	n/a	£2 million	£25 million
Real estate investment trusts	n/a	£2 million	£13 million
Other investments <sup>1</sup>	5 years	£2 million	£5 million

This table must be read in conjunction with the notes below:

- 1. Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-.

Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered.

2. **Minimum credit rating (money market funds):** Investment will only be made in money market whose lowest published credit rating is at least AAA.

This refers to the overall rating of the fund rather than the weighted average ratings of the fund's investments.

For entities without published credit ratings, investments may be made where external advice indicates the entity to be of similar credit quality.

**Government:** Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

**Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

**Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

**Registered providers (unsecured):** Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

**Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to

diversify its liquid investments over a variety of providers to ensure access to cash at all times.

**Strategic pooled funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

**Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

**Other investments:** This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

**Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than A-. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

The Council's business bank account provider is Lloyds bank plc. It may be necessary to hold liquid funds in the main business account overnight, for example where grant payments are received prior to allocation. Therefore, there is no limit on amounts that can be held with Lloyds. However, the Council monitors its operational accounts on a daily basis, transferring any surplus funds to investment accounts and there for minimising the amount held in the operational bank account at any time.

**Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating

criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

**Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

**Reputational aspects:** The Authority is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be considered when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

**Investment limits:** The Council's revenue reserves available to cover investment losses are forecast to be £30.9 million on 31 March 2024 and £30.1 million by 31 March 2025. In order that no more than 30.0% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £10.0 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.



<b>Table 4: Additional investment limits</b>	<b>Cash limit</b>
Any group of pooled funds under the same management	£10 million per manager
Negotiable instruments held in a broker's nominee account	£13 million per broker
Foreign countries	£5 million per country

**Liquidity management:** The Council performs regular cashflow forecasts to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

Liquid cash will be spread to optimise access to cash in the event of operational difficulties at any one provider (e.g., bank accounts and money market funds).

## 5. Treasury Management Prudential Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

The Council measure its exposure to credit risk by monitoring the overall average credit rating / credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk. The 2023/24 level remains one 'notch' above the Council's minimum individual counterparty rating of A-.

<b>Table 5: Credit risk indicator</b>	<b>Target</b>
Portfolio average credit	A

The Council will measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

<b>Table 6: Liquidity risk indicator</b>	<b>Target</b>
Total cash available within 3 months	£3.0 million

Interest rate risk indicator is set to measure the Council's exposure to interest rate risk by monitoring the impact that a 1% rise or fall in interest rates would have on the Council's income.

As the Council's borrowing is expected to be nil or small over the coming year investments will have the predominant impact on this indicatory. This indicator for 2024/25 reflects the expectation that a majority of the Council's treasury investments will not be held at fixed rates of interest.

<b>Table 8: Interest rate risk indicator</b>	<b>Limit</b>
Revenue budget impact of a 1% change in rates	£0.451 million pa

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

**Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

<b>Table 9: Refinancing rate risk indicator</b>	<b>Upper limit</b>	<b>Lower limit</b>
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

As the Council has relatively modest and short term overall borrowing requirement there is no significant refinancing risk. At present the Council would wish to retain maximum flexibility as to the periods in which it borrows over. The indicator will be kept under review to ensure that it remains suitable.

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

**Long-term treasury management investments:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

<b>Table 10: Price risk indicator</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>No fixed date</b>
Limit on principal invested beyond year end	£10.0 million	£10.0 million	£10.0 million	£10.0 million

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

## **6. Related Matters**

The CIPFA Code requires the Council to include the following in its treasury management strategy.

**Financial derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the

expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

**Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Chief Finance Officer believes this to be the most appropriate status. The Council is required to have at least £10.0 million in investments at all times in order to maintain profession status.

## 7. Financial Implications

The budget for investment income in 2024/25 is £0.8 million, based on an average investment portfolio of £18.5 million at an interest rate of 5.02%.

If actual levels of investments and borrowing, or actual interest rates, differ from those forecasts, performance against budget will be correspondingly different.

## 8. Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Finance Officer, having consulted the Portfolio holder for Finance & Governance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

**Table 11: Options Considered**

<b>Alternative</b>	<b>Impact on income and expenditure</b>	<b>Impact on risk management</b>
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

## Arlingclose Economic & Interest Rate Forecast December 2023

### **Underlying assumptions:**

- *UK inflation and wage growth remain elevated but have eased over the past two months fuelling rate cuts expectations. Near-term rate cuts remain unlikely, although downside risks will increase as the UK economy likely slides into recession.*
- *The MPC's message remains unchanged as the Committee seeks to maintain tighter financial conditions. Monetary policy will remain tight as inflation is expected to moderate to target slowly, although some wage and inflation measures are below the Bank's last forecasts.*
- *Despite some deterioration in activity data, the UK economy remains resilient in the face of tighter monetary policy. Recent data has been soft but mixed; the more timely PMI figures suggest that the services sector is recovering from a weak Q3. Tighter policy will however bear down on domestic and external activity as interest rates bite.*
- *Employment demand is easing. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household and business spending will therefore be weak.*
- *Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.*
- *Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant loosening in the future to boost activity.*
- *Global bond yields will remain volatile. Markets are currently running with expectations of near-term US rate cuts, fuelled somewhat unexpectedly by US policymakers themselves. Term premia and bond yields have experienced a marked decline. It would not be a surprise to see a reversal if data points do not support the narrative, but the current 10-year yield appears broadly reflective of a lower medium-term level for Bank Rate.*
- *There is a heightened risk of fiscal policy and/or geo-political events causing substantial volatility in yields.*

### **Forecast:**

- *The MPC held Bank Rate at 5.25% in December. We believe this is the peak for Bank Rate.*

- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.
- The immediate risks around Bank Rate have become more balanced, due to the weakening UK economy and dampening effects on inflation. This shifts to the downside in the short term as the economy weakens.
- Long-term gilt yields are now substantially lower. Arlingclose expects yields to be flat from here over the short-term reflecting medium term Bank Rate forecasts. Periodic volatility is likely.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
<b>Official Bank Rate</b>													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>3-month money market rate</b>													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>5yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.77	3.75	3.75	3.75	3.70	3.60	3.50	3.50	3.40	3.30	3.30	3.30	3.35
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>10yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.72	3.75	3.80	3.80	3.80	3.80	3.80	3.80	3.75	3.65	3.60	3.65	3.70
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>20yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.25
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>50yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.76	3.80	3.85	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.95	3.95	3.95
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

UK Infrastructure Bank Rate = Gilt yield + 0.40%

# INVESTMENT STRATEGY

## 2024/25

March 2024

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### 1. Introduction

The Council invests its cash for three broad purposes:

- (i) because it has surplus funds as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**);
- (ii) to support local public services by lending to or buying shares in other organisations (**service investments**); and
- (iii) to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018.

### 2. Treasury Management Investments

The Council typically receives its income (e.g. from taxes and grants) before it pays for its expenditure (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government.

These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy.

The balance of the Council's treasury management investments is expected to fluctuate between £13.0m and £32.4m during the 2024/25 financial year.

**Contribution:** The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

**Further details:** The Council's policies and its plan for 2024/25 for treasury management investments are covered in a separate document, the treasury management strategy, at Annex 1.

### 3. Service Investments: Loans

**Contribution:** The Council lends money to its subsidiaries to support local public services and stimulate local economic growth. The largest loan currently is to a Council Subsidiary to provide a vehicle for economic regeneration to support corporate objectives.

**Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes	31.3.2024 Estimated 2023/24			2024/25
	Balance Owing	Loss Allowance	Net Balance In Council Accounts	Approved Limit
Category of borrower	£000	£000	£000	£000m
Subsidiary <sup>1</sup>	13,258	(3,880)	9,378	13,258
<b>TOTAL</b>	<b>13,258</b>	<b>(3,880)</b>	<b>9,378</b>	<b>13,258</b>

Note 1 Greensand Holdings Limited

**Loss allowance:** Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

**Risk assessment:** The Council assesses and mitigates the risk of loss before entering into and whilst holding service loans by:

- Assessing the markets in which the Council is looking to invest, to ascertain why the market is currently not delivering the outcomes the Council requires through its Corporate Objectives. If this is due to financial reasons the Council will then assess whether a service loan would provide the means to achieve the desired outcome.
- Upon determining that a service loan may be required, the Council will then seek external advice where necessary, this will include the use of external legal, financial and tax advice as appropriate.
- A credit check and analysis of the beneficiary's financial statements will also be carried out to determine their financial strength. Loans will only be entered into should the beneficiary be of a suitable strength, and additional security may be sought, for instance, through a charge on land, should the Council require this.
- In order to ensure the objectives of the Council are delivered, the terms of the loan may oblige the borrower to meet certain criteria, for instance to provide additional affordable housing on a housing development.
- Where possible, the Council will also place a representative on the board of the project, in order to ensure effective on-going monitoring of the project is maintained; and



- Once the loan has been made, the Council will continue to monitor credit ratings and financial statements of the beneficiary to ensure loss adjustments can be made accurately and in a timely manner should the beneficiary's credit rating or financial performance decrease.

#### 4. Service Investments: Shares

**Contribution:** The Council invests in the shares of its subsidiaries to support local public services and stimulate local economic growth.

The Council has a 10% share in Pathway for Care Limited: a supported living company that provides housing and care to people with complex health needs. In January 2024 the company was placed into administration.

**Security:** Shares can fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes	31.3.2023 Estimated value			2024/25
	Amounts Invested	Gains Or Losses	Value In Accounts <sup>1</sup>	Approved Limit
Category of company	£000	£000	£000	£000
Subsidiaries	1,100	-	1,100	1,100
<b>TOTAL</b>	<b>1,100</b>	<b>-</b>	<b>1,100</b>	<b>1,100</b>

Note 1: Before provision for credit loss.

**Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding shares by:

- Assessing the markets in which the Council is looking to invest, to ascertain why the market is currently not delivering the outcomes the Council requires through its Corporate Objectives. If this is due to financial reasons the Council will then assess whether a service loan would provide the means to achieve the desired outcome;
- A credit check and analysis of the beneficiary's financial statements will also be carried out to determine their financial strength. Shares will only be bought if the beneficiary is of a suitable strength, and additional security may be sought, for instance, through a charge on land, should the Council require this; and
- In order to ensure the objectives of the Council are delivered, the terms of the agreement may oblige the company to meet certain criteria, as the council has significant influence.

**Non-specified Investments:** Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government

guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments.

The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

## 5. Commercial Investments: Property

The Department for Levelling Up, Housing and Communities defines property to be an investment if it is held primarily or partially to generate a profit.

**Contribution:** The Council has invested in local commercial and residential property with the primary intention for regeneration and housing development either directly or indirectly within the wider region by providing additional income that is then spent on regeneration, economy and housing within the local area.

Properties that fall into the investment asset category are listed in the table below.

Table 3: Property held for investment purposes	Actual	31.3.2023		31.3.2024	
	Purchase Cost	Gains or (Losses)	Estimated Value	Gains or (Losses)	Estimated Value
Property	£000	£000	£000	£000	£000
Units 1-5 Redhill Distribution Centre, Salbrook Road, Salfords RH1 5DY	15,903	(973)	15,882	(1,387)	14,495
Regent House, 1-3 Queensway, Redhill, RH1 1QT	16,313	(450)	11,983	(1,074)	10,903
Forum House, 41-51 Brighton Road, Redhill RH1 6YS	6,067	(170)	5,072	(980)	4,092
Beech House, 35 London Road, Reigate RH2 9PZ	6,305	(122)	3,789	(923)	2,866
55-57, 59, 61 & 63 Victoria Road, Horley RH6 7QH	1,135	(22)	1,019	(50)	969
<b>TOTAL</b>	<b>45,725</b>	<b>(1,737)</b>	<b>37,745</b>	<b>(4,414)</b>	<b>33,331</b>

**Security:** In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than the debt currently outstanding for the asset. The Council did not borrow to fund the above assets and is not expected to require significant borrowing for them in future. Therefore, the Council is content that the properties meet the definition of being secure.

The condition of the Council's property portfolio is closely monitored by the Property Services Team, and the cost of maintaining the buildings is covered by the approved maintenance budget.

Asset values are reviewed by an independent valuer on a regular basis, investments properties valuations are carried out annually.

**Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. The Council recognised that these assets are illiquid and therefore ensures that adequate cash is available in other more liquid investments in order to meet short term cash flow needs.

## 6. Proportionality

Whilst the Council is dependent on some profit generating investment activity from treasury management and commercial property investments to achieve a balanced revenue budget, this amounts to less than 1% of the overall gross revenue budget and therefore is considered proportionate.

The assumptions around profit-generating investment activity are reviewed as part of the annual budget monitoring process and, if necessary, revised as part of the following year's budget forecasts.

## 7. Borrowing in Advance of Need

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

The Council is not planning to borrow in advance of need purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward-approved CFR estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

## 8. Capacity, Skills and Culture

### **Elected Members and officers:**

The Council arranges annual training for Members on Treasury Management and the current borrowing and investment environment; the most recent training took place in March 2024 led by the Council's treasury advisers and the Finance team. Participants are encouraged to ask questions to further their understanding of the approach to decision-making for both investments and borrowing. Further briefings may be arranged in consultation with lead Members.

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

Where Council officers do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective and practical than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

**Commercial deals:** Officers with relevant professional disciplines are involved in negotiating such arrangements and are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate and considerable due diligence is undertaken in all instances. Alongside the internal teams the Council also uses, where appropriate, external advisors to complete due diligence processes.

**Corporate governance:** All decisions regarding new loans or investments of this nature are considered by the Chief Finance Officer before being recommended for approval at Council. Reports to Members will have been through a fully costed business case that includes any investment/loan requirements and financial/risk implications. A significant amount of due diligence work is undertaken in each case to ensure that business cases are robust.

## 9. Investment Indicators

The Council has set quantitative indicators to allow Members and the public to assess the Council's total risk exposure as a result of its investment decisions.

**Total risk exposure:** The first indicator shows total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down.

<b>Table 4: Total investment exposure</b>	<b>31.03.2023 Estimated</b>	<b>31.03.2024 Estimated</b>	<b>31.03.2025 Forecast</b>
<b>Total investment exposure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Treasury management investments	16,000	16,500	13,000
Service investments: Loans	8,982	9,378	6,633
Service investments: Shares (at cost)	1,100	1,100	1,100
Commercial investments: Property	37,745	33,331	29,433
<b>TOTAL INVESTMENTS</b>	<b>63,827</b>	<b>60,309</b>	<b>50,166</b>
Commitments to lend	-	652	656

<b>Table 4: Total investment exposure</b>	<b>31.03.2023 Estimated</b>	<b>31.03.2024 Estimated</b>	<b>31.03.2025 Forecast</b>
<b>Total investment exposure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>TOTAL EXPOSURE</b>	<b>63,827</b>	<b>60,961</b>	<b>50,822</b>

**How investments are funded:** Government guidance is that these indicators should include information about how investments are funded.

Since the Council does not normally associate particular assets with particular liabilities, this guidance is not straightforward to comply with. To date these investments have been funded by usable reserves and income received in advance of expenditure. It is planned that this approach will continue in the medium term as internal resources allow.

**Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested.

Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

<b>Table 5: Investment rate of return (net of all costs)</b>			
	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Forecast</b>
<b>Investments net rate of return</b>			
Treasury management investments	2.21%	2.49%	2..36%
Service investments: Loans	2.69%	2.55%	2.42%
Service investments: Shares	-	-	-
Commercial investments: Property	5.92%	5.66%	5.41%

The indicators used to report on the risks and opportunities associated with investment decisions will be kept under review as the Council's Investment Strategy and activities evolve over time.

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# CAPITAL STRATEGY

## 2024/25

March 2024

### 1. Introduction

This capital strategy report sets out a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

### 2. Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

In 2024/25, the Council is planning capital expenditure of £16.05 million as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure	2022/23 actual	2023/24 forecast	2024/25 budget	2025/26 budget	2026/27 budget
	£000	£000	£000	£000	£000
Capital Programme 2024/25 to 2028/29	21,156	4,339	10,241	3,938	4,856
Other fully-funded schemes <sup>1</sup>	-	6,434	5,807	2,727	-
<b>TOTAL</b>	<b>21,156</b>	<b>10,773</b>	<b>16,048</b>	<b>6,665</b>	<b>4,856</b>

1. Schemes approved by Executive in March 2023 that are to be funded through the Community Infrastructure Levy (CIL).

**Setting the Capital programme:** Service Teams bid to include projects in the Capital Programme as part of the service & financial planning process in preparation for setting the Revenue Budget and Capital Programme and refreshing the Medium-Term Financial Plan each year.

The Management Team appraises all bids and makes recommendations to the Executive. The final Capital Programme is then presented to Executive and to Council

for approval by 12 March each year. Additional capital requirements and opportunities identified through the year are considered on their merits in line with the above governance controls. Any in year changes to the capital budget will be made in accordance with the constitution, including appropriate approval by Executive and Council.

All capital expenditure must be financed, either from external sources (such as government grants, section 106, community infrastructure levy and other contributions), the Council's own resources (revenue contributions, reserves and capital receipts) or borrowing.

The planned financing of the above expenditure is as follows:

<b>Table 2: Capital financing</b>	<b>2022/23 actual</b>	<b>2023/24 forecast</b>	<b>2024/25 budget</b>	<b>2025/26 budget</b>	<b>2026/27 budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Grants & Contributions	4,414	8,578	2,600	1,520	1,700
Capital Receipts – received in year	-	35,000	-	-	-
Capital Receipts Reserve	-	3,655	-	-	-
Revenue Resources	124	809	-	-	-
Debt	16,618	(37,269)	13,488	5,145	3,156
<b>TOTAL</b>	<b>21,156</b>	<b>10,773</b>	<b>16,048</b>	<b>6,665</b>	<b>4,856</b>

The Council's total outstanding borrowing is measured by the capital financing requirement (CFR). This increases with any new capital expenditure financed by borrowing and reduces with any minimum revenue provision (MRP) payments or any use of capital receipts to replace borrowing.

The Council approves the MRP policy each year as part of the Annual Treasury Management Strategy.

<b>Table 3: Replacement of prior years' debt finance</b>	<b>2022/23 actual</b>	<b>2023/24 forecast</b>	<b>2024/25 budget</b>	<b>2025/26 budget</b>	<b>2026/27 budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Minimum revenue provision (MRP)	584	629	1,038	1,054	1,060
Capital receipts	-	35,000	-	-	-
<b>TOTAL</b>	<b>584</b>	<b>35,629</b>	<b>1,038</b>	<b>1,054</b>	<b>1,060</b>



The Minimum Revenue Provision Policy is set out at Appendix 1.

The CFR is expected to reduce by £1.0 million during 2024/25. Based on the above figures for expenditure and financing, the Council's forecast CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement	31.3.2023 Actual	31.3.2024 Forecast	31.3.2025 Budget	31.3.2026 Budget	31.3.2027 Budget
	£000	£000	£000	£000	£000
TOTAL CFR	93,300	72,600	79,300	80,800	82,100

**Asset management:** To ensure that capital assets continue to be of long-term use, the Council has an Asset Management Strategy in place. This Strategy is used to identify opportunities to expand the Council's property assets or dispose of surplus assets where appropriate.

It also allows for a review of the state of repair of assets and provides the basis for recommending a rolling investment programme in property assets to maintain and enhance the income derived from them.

The Council's Asset Management Strategy is summarised at Appendix 3.

**Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt.

Repayments of capital grants, loans and investments also generate capital receipts.

There are currently no plans for significant capital receipts to be received in 2024/25 or 2025/26.

The Council's Flexible Use of Capital Receipts Strategy is set out at Appendix 2.

### 3. Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.

This Council is typically cash rich in the short-term as revenue income is received before it is used. Revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing. At 31 March 2024 the Council had no loans.

**Borrowing strategy:** The Council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in future.

The Council has historically been largely debt free but has borrowed on a temporary basis to fund short term cash flow shortfalls. As the Council has a modest and relatively short-lived expected future borrowing requirement short term borrowing is expected to continue to be the most cost-effective option.

The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board if needed.

Projected levels for total outstanding debt (which comprises borrowing) are shown below, compared with the capital financing requirement.

<b>Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement</b>	<b>31.3.2023 Actual</b>	<b>31.3.2024 Forecast</b>	<b>31.3.2025 Budget</b>	<b>31.3.2026 Budget</b>	<b>31.3.2027 Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Debt	7,000	-	-	-	-
Capital Financing Requirement	93,300	72,600	79,300	80,800	82,100

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

**Liability Benchmark:** To compare the Council's actual borrowing against an alternative strategy, a Liability Benchmark has been calculated showing the lowest risk level of borrowing.

This assumes that cash and investment balances are kept to a minimum level of £13.0 million at each year-end.

The benchmark currently shows the Council does expect to borrow by 31 March 2024. A borrowing need of £3.1 million is forecast 31 March 2025, increasing to £11.0 million by 31 March 2027.

The Council plans to borrow at or as near as possible to the Liability Benchmark in future as is illustrated by the table below.

Table 6: Borrowing and the Liability Benchmark	31.3.2023 actual	31.3.2024 actual	31.3.2025 budget	31.3.2026 budget	31.3.2027 budget
	£000	£000	£000	£000	£000
Outstanding/ estimated borrowing	7,000	-	-	-	-
Liability benchmark	(9,000)	(3,500)	3,100	11,600	11,000

**Affordable Borrowing Limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt	2023/24 limit	2024/25 limit	2025/26 limit	2026/27 limit
	£000	£000	£000	£000
Authorised limit – borrowing	40,000	41,000	42,000	43,000
Operational boundary – borrowing	35,000	36,000	37,000	38,000

**Treasury investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns.

Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality money market funds and banks, to minimise the risk of loss, the Council may request its money back at short notice.

Table 8: Treasury management investments	31.3.2023 actual	31.3.2024 forecast	31.3.2025 budget	31.3.2026 budget	31.3.2027 budget
	£000	£000	£000	£000	£000
Near-term investments	6,100	6,500	3,000	3,000	3,000
Longer-term investments	10,000	10,000	10,000	10,000	10,000
<b>TOTAL</b>	<b>16,100</b>	<b>16,500</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>

The Council is required to have at least £10 million in investments at all times to retain a desired professional status when working with financial intermediaries. As this is a constant requirement that remains indefinitely it is considered a long-term investment balance, although it may be invested in short-term products.

**Risk management:** The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

In managing the overall programme of investment there are inherent risks associated such as changes in interest rates, credit risk of counter parties.

Accordingly, the Council will ensure that robust due diligence procedures cover all external capital investment. Where possible contingency plans will be identified at the outset and enacted when appropriate.

No project or investment will be approved where the level of risk - determined by the Council or Chief Finance Officer, as appropriate - is unacceptable.

**Governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Chief Finance Officer and Finance staff, who must act in line with the Treasury Management Strategy approved by Council.

Quarterly reports on treasury management activity are presented to the Overview & Scrutiny Committee and Executive.

#### **4. Investments for Service Purposes**

The Council makes investments to assist local public services, to stimulate local economic growth.

The largest loan currently is to a Council subsidiary to provide a vehicle for both the delivery of housing and infrastructure to seek to meet the corporate objectives of the Council.

Total property investments are currently valued at £33.3 million with the largest being the Redhill Distribution Centre which provides a net return after costs of 5.41%.

**Risk management:** The Council is exposed to a range of risks with regard to the continued affordability and delivery of it's the Capital Programme including:

- Financial risks related to the investment of the Council's assets, cash flow and market volatility;
- Macroeconomic risks related to the growth or decline of the local economy, interest rates, inflation and the wider national and global economy;
- Reputational risks related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception; and

- Governance risks related to ensuring that prudence and careful consideration are prominent in the Council's decision-making.

Due diligence is undertaken on acquisitions and external advice is sought wherever necessary.

When making decisions - particularly around assets which generate a return - due diligence processes include second opinion on asset values, site visits, surveys and market intelligence. They also include risk analysis and sensitivity analysis in order to model how affordability is impacted by stress testing key underlying assumptions. Consideration is also made to the profile of the Council's asset base - and how effectively risk is spread across different asset types and sectors.

**Governance:** The Overview & Scrutiny Committee is responsible for scrutiny and governance of Treasury Management. It reviews the Treasury Management Strategy, and all Treasury Management reports. The Capital Programme is monitored by the Overview & Scrutiny Committee and the Executive as well as receiving all Treasury Management reports. Council approves the Treasury Management Strategy each year along with quarterly performance updates. The Chief Finance Officer is responsible for ensuring that adequate due diligence is carried out before investment is made.

Service teams bid to include projects in the Capital Programme as part of the service & financial planning process in preparation for setting the Revenue Budget and Capital Programme and updating the Medium-Term Financial Plan each year.

The officer Management Team appraises all bids and makes recommendations to the Executive. The recommended Capital Programme is then presented to Executive and to Council for approval by March each year.

Additional capital requirements and opportunities identified through the year are considered on their merits in line with the above governance controls. Any in year changes to the capital budget will be made in accordance with the constitution, including appropriate approval by Executive and/or Council. Due diligence is undertaken on acquisitions and external advice is sought wherever necessary.

<b>Table 9: Prudential indicator: Net income from commercial and service investments to net revenue stream</b>	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Budget</b>	<b>2025/26 Budget</b>	<b>2026/27 Budget</b>
Total net income from service and commercial investments - £000s	2,013	2,037	2,343	2,694	3,098
Proportion of net revenue stream - %	13.52%	9.18%	10.55%	12.14%	13.96%

## 5. Liabilities

The Council is committed to making future payments to cover its pension fund deficit valued at £1.89 million and has made provisions to cover risks such as insurance claims.

**Governance:** Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Chief Finance Officer.

The risk of liabilities crystallising and requiring payment is monitored by the Corporate Governance Group and reported quarterly to the Overview & Scrutiny Committee and the Executive.

## 6. Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from council tax, business rates and general government grants.

<b>Table 10: Prudential Indicator: Proportion of financing costs to net revenue stream</b>	<b>2022/23 Actual</b>	<b>2023/24 Actual</b>	<b>2024/25 Budget</b>	<b>2025/26 Budget</b>	<b>2026/27 Budget</b>
Financing costs – in £000	607	788	1,820	1,852	1,874
Proportion of net revenue stream	4.08%	3.55%	8.20%	8.34%	8.44%

**Sustainability:** The Chief Finance Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable because only modest amount of short-term borrowing is expected over a short-term period, and only modest MRP costs are expected over a more extended period.

## 7. Knowledge and Skills

The Finance Team has responsibility for preparing and on-going management of the capital and treasury management strategies and Capital Programme. The team is staffed by professionally qualified accountants with extensive local government finance experience. Team members attend all relevant training courses, workshops and events to ensure that their knowledge and skills are up to date and the Council is in a position to address all new technical developments.

Overall responsibility for capital and treasury activities lies with the Council's Chief Finance Officer who, in accordance with statute, is professionally qualified and is suitably experienced to hold the post.

The Council provides training to Members on an annual basis, which is delivered by Council Officers and external advisors. Members are updated on developments and any issues of significance throughout the year with information presented to the Overview & Scrutiny Committee, Audit Committee, Executive and at Member briefings.

The Council uses Arlingclose Limited, as its external Treasury Management advisors and recognises that that it is essential to engage with external providers of expertise in order to acquire access to specialist skills and resources. When looking at commercial activity transactions, officers from relevant professional disciplines from across the Council are involved in conducting due diligence exercises.

Alongside the internal resources the Council also uses, where appropriate, external advisors to complete the due diligence process.

## Minimum Revenue Provision (MRP) Policy

1. The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the MRP). It is also allowed to undertake additional voluntary payments if required (Voluntary Revenue Provision - VRP).
2. MHCLG regulations require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision.
3. Council is recommended to approve the following MRP Statement for 2024/25:

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the Minimum Revenue Policy will be the Asset life method – MRP will be based on the estimated life of the assets, in accordance with the regulations and will be set aside in the year after the asset becomes operational. This will be a combination of the annuity method and straight-line method:

- Operational land and buildings - 50 years annuity method;
- Investment Properties - 50 years annuity method;
- General Fund Housing - 50 years straight line method;
- Infrastructure - 50 years straight line method;
- Plant and Equipment - 30 years straight line method;
- ICT- 5 years straight line method; and
- Vehicles - 8 years straight line method.

### **MRP on Capital Loans and Share Capital.**

4. Under local authority capital accounting regulations loans to third parties for capital purposes and share capital are deemed to be capital expenditure of the authority. The Council has made loans to its companies (Greensand Holdings Limited and holds share capital in Pathway for Care Limited).
5. The Capital Financing Requirement (CFR) includes the value of the loans and investments (share capital). Funds repaid by the companies will be classed as capital receipts and offset against the CFR, which will reduce accordingly.
6. The repayments of principal will be set aside as capital receipts to finance the initial capital advance in lieu of making MRP. Also, an expected credit loss was recognised where deemed applicable.



7. In years where there is no principal repayment on loans that are investments for commercial purposes, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. Sufficient MRP will be charged to ensure that the outstanding capital financing requirement (CFR) on the loan is no higher than the principal amount outstanding less the expected credit loss. This option was proposed by the government in its recent MRP consultation and in the Authority's view is consistent with the current regulations.

### **MRP Overpayments.**

8. MHCLG Guidance includes the provision that any MRP charges made over the statutory minimum may be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed, the MRP policy must disclose the cumulative overpayment made each year.
9. There are currently no plans to make any Voluntary Revenue Provision (VRP) payments or general MRP overpayments in 2024/25.

### **MRP Consultation and other changes**

10. The Statutory Guidance on MRP has been amended to extend the treatment previously expected for finance leases to all leases. More information around IFRS 16 Implementation of IFRS 16 is detailed at Appendix 4.
11. The MRP charge for the year should be the element of the rent that goes to write down the lease liabilities. As this is generally the only element of the rent that has not already been charged to revenue, it is basically an instruction for the total charge to the General Fund Balance to equal the rents payable for the year.
12. On 21 December 2023 the government issued a further consultation document on proposed changes to the MRP Regulations building on the consultations carried out from November 2021 to February 2022 and June to July 2022 on proposals to strengthen the duty to make MRP with the objective of eradicating imprudent MRP policies relating to investment properties, capital loans and abatement by capital receipts. The latest proposed draft regulations remain substantively the same as previously consulted on in the June-July 2022 consultation, with some minor changes to reflect responses. This consultation closed on 16 February 2024 with the proposed revised regulations due to come into effect from 1 April 2024.
13. The revised regulations provide that:

- Capital receipts may not be used in place of the revenue charge for MRP;
  - Prudent MRP must be determined with respect to the authority's total Capital Financing Requirement; and
  - Capital loans can be excluded from the MRP requirement (if they are not made for commercial reasons) but a charge must be made for expected credit losses.
14. There are no substantive changes to the regulations, therefore the Council's current MRP policy remains in line with them.

## **Flexible Use of Capital Receipts Strategy**

The Department for Levelling up, Housing and Communities (DLUHC) has confirmed the extension for the use of capital receipts to fund the revenue costs of transformation.

The flexible use of capital receipts is designed to offset the revenue cost of transformational projects which are expected to deliver future ongoing revenue savings for either the Council or other public sector delivery partners.

In order to take advantage of the change of use to capital receipts, the Council must act in accordance with the statutory guidance issued by the Secretary of State. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy.

### **Qualifying expenditure.**

Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

### **Projects**

There are currently no projects in place that plan to make use of the capital receipts flexibility. Should this change, details of the expected savings/service transformation will be provided to full Council alongside the impact on the Council's Prudential Indicators.

## **Asset Management**

Management of the Council's property maintenance programme, condition surveys and project management of small to medium size construction projects is carried out by the Property Services team. This team incorporates Facilities Management, with responsibility for the day to day running of the buildings to support and enable ongoing service delivery. The team is augmented by external consultants when specialist advice or additional resources are required.

Compliance with numerous statutory requirements relating to maintenance and management of properties are dealt with in-house, augmented by external consultants when specialist advice is required. The main legislative areas covered are:

- Disability Discrimination Act;
- Control of Asbestos Regulations;
- Health and Safety at Work Act;
- Environment Protection Act (contaminated land);
- Control of Substances Hazardous to Health Regulations (Legionella);
- The Regulatory Reform (Fire Safety) Orders;
- Gas safety and fixed wire testing;
- Fire risk assessments; and
- Lifts and Lifting Operations Lifting Equipment Regulations (LOLER).

Health and Safety schedules have been checked and updated, with all due inspections and certifications in hand.

A rolling five-year programme of condition surveys, regular inspection of the properties and liaison with service managers determines the revenue and capital budgets required over the medium term.

The objective is to reduce reliance on capital to fund planned and reactive maintenance, through continued aggregation of planned maintenance contracts and efficient re tendering of services that the Council purchases from external contractors.

Budgets for, and the cost of, repairs and maintenance are split between planned maintenance and reactive maintenance in order to monitor and measure the progress of improving the proportion of expenditure on the former at the expense of the latter.

All procurements are undertaken in accordance with the Council's Contract Procedure Rules and making use of the Council's E-Procurement system. This approach ensures both compliance with legislation governing public sector procurement and an open and competitive process for securing the most economically advantageous terms.

## Implementation of IFRS16: Leases

From 1 April 2024 the accounting standard which sets out guidelines for accounting for leases changes from IAS (International Accounting Standard) 17 to IFRS (International Financial Reporting Standard) 16.

From this date the way the Council accounts for the assets that it leases will change.

The definition of a lease has been adapted for the public sector as being '*a contract, or part of a contract, that conveys the right to use an asset for a period of time.*'

Adoption of IFRS16 will bring additional lease liabilities on to the balance sheet (e.g. right of use, embedded, rolling and peppercorn leases) which will have an impact on the Council's Prudential Indicators, including the Capital Financing Requirement (CFR), Minimum Revenue Provision (MRP), Authorised Borrowing Limit and Operational Boundary for Borrowing.

When a leased asset is recognised in the balance sheet a corresponding liability will then be created, representing the obligation to make lease payments for the life of the contract.

When lease payments are made, rather than being reported as an expense against a service, the cost will be split between paying off the liability and interest payments.

The leased asset will be depreciated in the same way as similar assets of that class, usually over the life of the lease, unless the asset's useful life is shorter.



<b>Signed off by</b>	Strategic Head of Legal and Governance
<b>Author</b>	Liane Dell, Democratic Services Officer, Alex Vine, Democratic and Electoral Services Manager
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<b>Email</b>	Liane.Dell@reigate-banstead.gov.uk, alex.vine@reigate-banstead.gov.uk
<b>To</b>	Executive
<b>Date</b>	21 March 2024
<b>Executive Member</b>	Portfolio Holder for Environment and Sustainability

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	Banstead Village; Lower Kingswood, Tadworth and Walton; Nork; Tattenham Corner and Preston;

<b>Subject</b>	Appointment to the Board of Banstead Commons Conservators (2024)
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<b>Recommendations</b>
<p>i. <b>To consider each of the nominations to the Banstead Commons Conservators and elect two Conservators for the period April 2024 to March 2027.</b></p>
<b>Reasons for Recommendations</b>
<p>To ensure that positions on the Board of the Banstead Commons Conservators are suitably filled.</p>
<b>Executive Summary</b>
<p>This report covers the annual appointment of representatives to serve on the Banstead Commons Conservators. Officers have delegated authority to accept those nominations (paragraph 1.14 of Officer Scheme of Delegation). In the event that the number of</p>

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nominations received exceed the number of vacancies, or where nominations come from non-members the matter is passed to the Executive for determination.

**Executive has authority to approve the above recommendations**

## Statutory Powers

1. Representation on outside bodies is made in accordance with Local Government Acts 1972 and 2000.
2. The appointment of Banstead Commons Conservators is laid down by the Scheme set out in the Schedule to the Metropolitan Commons (Banstead) Supplemental Act 1893.

## Background

### **The role of the Council and Banstead Commons Conservators**

3. The Council works with several bodies to ensure high standards of care and ensuring effective access to public open space owned by the Council. The Banstead Commons Conservators (BCC) carries out an important role in one of the largest areas being 1350 acres of Metropolitan Common land in the Borough (Banstead Heath, Banstead Downs and Park Downs).

### **The Commons**

4. These areas form a strategically important part of the Green Belt, separating North Surrey from Greater London and make up almost 50% of total Reigate and Banstead Borough Council public open space. They provide recreation for both the local population and visitors from farther afield and are widely used for dog walking, horse riding etc. They form an important part of the local landscape and are acknowledged as an important wildlife habitat with nationally rare and unusual species of plants and animals.

### **Duties and objectives of the Conservators**

5. The primary and statutory duties of the Banstead Commons Conservators are to ensure the integrity of the Commons and free legal access to all. Site management includes general amenity management, maintaining rights of way and ensuring the various wildlife habitats are maintained and improved.
6. Management objectives fall into two distinct categories. Firstly, those demanded by statute:
  - To maintain and protect the integrity of the Banstead Commons,
  - To ensure the free, legal, and safe access of all to the Commons,
  - To provide safe and healthy working environment for employees.

Secondly, those related to recognition of the commons as important amenity and activity areas for residents and visitors from farther afield, together with recognition of the diversity of wildlife in these areas:

- To maintain and improve the Commons as an amenity for all,



- To maintain and improve the Commons as a wildlife habitat.

## Key Information

### Board membership and meetings

7. The board consists of eight conservators appointed on a rolling basis and each serving a three-year term of office.
8. Two of the eight positions are appointed by the Council to represent the Council as landowner. The appointed landowner representatives should be the liaison between the Conservators and the landowner to support environmental and land management objectives.
9. The remaining six positions are elected in accordance with the criteria listed at paragraph 13. However, both the appointed and elected Conservators have the same statutory responsibilities and their function as a conservator should not therefore be influenced by public opinion.
10. Board meetings are held on a quarterly basis.
11. The posts are voluntary and unpaid. Whilst the bodies nominating conservators has changed over the 125 years since the Commons areas were defined, the position has now settled so that all appointments are made by the Council.
12. Advertisements were placed around the Common seeking applications for the 2 elected conservator positions from the 18 January 2024, with a closing date for applications on 18 February 2024.

### Suggested selection criteria

13. Elected representatives should ideally demonstrate the following criteria:
  - A local person with knowledge and interest in local community development matters
  - A regular user of one or more of the commons with an interest in habitat and access preservation and improvement
  - Ability to attend regular evening/weekend meetings
  - Existing knowledge, and prior experience of land management or ecology/botany would be a distinct advantage
  - Professional competencies that would support the Conservators in delivering their objectives, such as:
    - Legal
    - Financial
    - Marketing
    - Public Relations

## Nominations

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14. Two of the Conservators terms conclude at the end of May 2024. The nominations received are set out below:

Representative	Term ends	Role	Nominees
Mr V W Broad	May 2024	Elected Conservator	1. Mr V W Broad 2. Mr J C Mill
Mr J C Mill	May 2024	Elected Conservator	3. Ms K Farmer

15. The nominees' expressions of interest are attached as an exempt report to the agenda.

### Recommendations from Banstead Commons Conservators

16. Banstead Commons Conservators would like to recommend that Mr V.W Broad and Mr J.C Mill are reappointed as a Conservators due to their wealth of knowledge on Banstead Commons and common land legislation and to ensure continuity on the board.

### Options

**Option 1:** The Executive have the authority to appoint a nominated person.

**Option 2:** The Executive may ask officers to seek new nominations.

### Legal Implications

17. Representation on outside bodies is made in accordance with Local Government Acts 1972 and 2000.
18. The appointment of Banstead Commons Conservators is laid down by the Scheme set out in the Schedule to the Metropolitan Commons (Banstead) Supplemental Act 1893.
19. The provisions of the Act make it clear that the Council may appoint such persons as it sees fit. There is no stipulation restricting who may be appointed except that someone who is bankrupt or has compounded with his creditors is not eligible.

### Financial Implications

20. There are no financial implications relating to the appointments.

### Equalities Implications

21. 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.
22. 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 civic partnership status applies to the first part of the duty.
  23. The method of nominations for this position will comply with all necessary equality legislation and duties.
  24. It is important that appointments to outside bodies are made by the Council in a fair and representative way best suiting the interests and diversity of Borough residents.

## **Communication Implications**

25. A public notice inviting applications was posted on notice boards across the Commons.
26. The appointments will be publicised on noticeboards across the Banstead Commons and nominees notified of the outcome of the Executive decision.

## **Environmental Sustainability Implications**

27. The Conservators play an important role in maintaining and protecting the Commons as a wildlife habitat.
28. Banstead Downs and Park Downs are designated as Sites of Special Scientific Interest (SSSI) and Burgh Heath and Banstead Heath are Sites of Nature Conservation Interest (SNCI).

## **Risk Management Considerations**

29. None.

## **Human Resource Implications**

30. There are no Human Resource Implications.

## **Consultation**

31. The positions have been notified to all Members through Group Leaders.
32. The Board's clerk notified the current representatives whose terms were expiring to determine whether they would stand for re-appointment.

## **Policy Framework**

33. There are no policy framework implications.

## **Background Papers**

None

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<b>Signed off by</b>	Strategic Head of Legal and Governance
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<b>To</b>	Overview and Scrutiny Committee – 14 March 2024 Executive – 21 March 2024 Council – 28 March 2024
<b>Date</b>	Thursday, 14 March 2024
<b>Executive Member</b>	Chair of Overview and Scrutiny Committee

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	(All Wards)

<b>Subject</b>	Overview and Scrutiny Proposed Annual Work Programme 2024/25
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<b>Recommendations</b>
That the proposed Work Programme for 2024/25 as set out at Annex 1 and detailed in the report be approved.
<b>Reasons for Recommendations</b>
To agree a Work Programme for the Overview and Scrutiny Committee for the 2024/25 Municipal Year.
<b>Executive Summary</b>
<p>The Overview and Scrutiny Committee proposed annual Work Programme 2024/25 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.</p> <p>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.</p>

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**The above recommendations are subject to approval by Full Council.**

## **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 29.
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.

## **Key Information**

7. Annex 1 sets out a summary of the Committee's proposed Work Programme 2024/25 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. Specifically, an annual update on the Commercial Strategy was presented to the December 2023 committee and it is planned to repeat that in 2024/25. 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, a formal report will not usually be brought to the Committee.

10. Work Programme rolled forward from 2023/24 – The Review of the Greenspaces Strategy will be rolled forward to 2024/25. The Leisure and Culture Strategy, which has been delayed by the unexpected closure of The Harlequin theatre, will also be rolled forward to 2024/25.
11. Portfolio Holder Objectives – The Committee has continued to work closely with Executive Members during 2023/24 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 2024/25.
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 2024/25.
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 2024/25:
  14. Quarterly Revenue and Capital budget monitoring forecasts
  15. Quarterly Treasury Management forecasts.
  16. Quarterly Service Performance Management Monitoring
  17. Corporate Plan performance (annual basis).
18. Local Plan Update – Group Leaders agreed the previous year, that the Portfolio Holder for Place, Planning, and Regulatory Services should give six-monthly updates to Overview & Scrutiny Committee to monitor progress and address any issues arising from the new Local Plan. The Committee received updates in October 2023 and March 2024 and proposes to continue this approach in 2024/25.
19. Panels for 2024/25 – 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. An Environmental Sustainability Strategy Review Panel was established in 2023/24 and concluded its business; there is not intention for this panel to meet in 2024/25. However, there will be an annual update of the Strategy to the full committee.
20. Budget Scrutiny Panel – The Committee has established an annual Budget Scrutiny Panel. The Budget Scrutiny Review Panel held one meeting in 2023/24 (29 November 2023) and reviewed the Service and Financial Planning 2024/25 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.
21. It is therefore suggested that the Panel's work in 2024/25 be based on considering the Provisional Budget proposals for 2025/26 (including any updated assumptions within the Medium Term Financial Plan, appropriate revenue projections and a progress report on the Capital Programme projections).
22. Local Plan Scrutiny Review Panel – The Local Plan Scrutiny Review Panel did not meet in 2023/24. A Local Plan Scrutiny Review Panel is planned for 2024/25 to review the responses to the public consultation on the new Local Plan.

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23. Externally Focused Overview and Scrutiny work – The Committee has successfully undertaken scrutiny with and of partner organisations in recent years. At the meeting of the Environmental Sustainability Strategy Review Panel it was suggested that the Committee could review the two water utilities operating in the borough (SES Water and Thames Water). It is recommended that waste water arrangements is the priority for 2024/25, and that the form of scrutiny be explored by officers and the Chair.
24. 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.
25. In 2023/24 the Committee invited the Portfolio Holder for Community Partnerships, along with representatives of the Police and Community Safety Partnership to this meeting (on 22 February 2024) to assist. It is proposed that the Committee continue to undertake this activity in 2024/25.
26. 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.
27. 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.
28. In 2023/24, updates on Council-owned companies were considered by the Committee bi-annually. This is planned to continue.
29. Call-Ins – The Committee would also consider matters that have been called in for review. There were no Call-Ins of Executive decision in 2023/24.

## Options

30. The Executive has the option to support the proposed Overview and Scrutiny Work Programme 2024/25 as set out in the report.
31. 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 2024/25 to enable them to carry out effectively their scrutiny of the Executive.

## Management Team Comments

32. Management Team are supportive of the Work Programme proposed.
33. 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

34. 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**

35. 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**

36. 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.
37. 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.
38. 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**

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

## **Environmental Sustainability Implications**

40. There are no significant environmental sustainability implications arising from this report.

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<b>Risk Management Considerations</b>
41. There are no significant risk management implications arising from this report.
<b>Resource Implications</b>
42. 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.
<b>Consultation</b>
43. 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.
<b>Policy Framework</b>
44. Policy framework considerations are noted in paragraph 8 and 9.
<b>Background Powers</b>
1. Annex 1 sets out a summary outline of the proposed O&S Annual Forward Work Programme 2024/25.

## Overview and Scrutiny Committee

### Annex 1 - Proposed Annual Forward Work Programme 2024/25

#### 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  (November/December)
Performance Management Monitoring: <ul style="list-style-type: none"> <li>• Quarterly Revenue and Capital Budget monitoring forecasts</li> <li>• Quarterly Treasury Management Performance</li> <li>• Quarterly Service Performance Management Monitoring (KPIs)</li>   <li>• Reigate and Banstead 2020-25 (Corporate Plan) – Performance Report 2023/24</li> </ul>	Quarterly  12 Sept - Q1 2024/25 5 Dec - Q2 2024/25 13 March – Q3 2024/25 12 June – Q4 2024/25  1 meeting – June or July
Leader's Update	Twice yearly
Portfolio Holder updates: <ul style="list-style-type: none"> <li>• Organisation – Corporate Policy &amp; Resources, Finance, Governance &amp; Organisation, Commercial &amp; Community Assets</li> <li>• People: Housing &amp; Support, Communities, Leisure &amp; Culture</li> <li>• Place: Place, Planning &amp; Regulatory Services, Neighbourhood Services, Corporate Policy &amp; Resources</li> </ul>	Three times a year at three separate meetings  10 Oct 2024 / 23 Jan 2024 / 13 March 2025
Companies Performance Updates	Twice yearly (partially Exempt)
Environmental Sustainability Strategy update	Annually (Autumn)

Commercial 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 2024/25**

Budget Scrutiny Review Panel	27 November 2024
Local Plan Scrutiny Panel	To be agreed

#### **Items brought forward from 2023/24**

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 for scrutiny early in 2024/25.
To review the Greenspaces Strategy. Agreed to hold this as a pending item for scrutiny in 2024/25.
To review the Leisure and Culture Strategy.

## **Member Suggestions – additional scrutiny topics - Overview and Scrutiny Committee 2024/25**

To review Waste Water arrangements (Thames Water), as suggested by the Environmental Sustainability Strategy Review Panel

### **O&S Meeting dates 2024/25**

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).

13 June 2024 (Election of Chair/Vice-Chair), 4 July 2024, 12 Sept 2024, 10 Oct 2024, 27 Nov 2024 (Budget Scrutiny), 5 Dec 2024, 23 Jan 2025, 27 Feb 2025 (Annual Community Safety Partnership), 13 March 2025

(As at March 2024)

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