

BOROUGH OF REIGATE AND BANSTEAD

OVERVIEW AND SCRUTINY COMMITTEE

Minutes of a meeting of the Overview and Scrutiny Committee held at the New Council Chamber - Town Hall, Reigate on Thursday, 15 July 2021 at 7.30 pm.

Present: Councillors G. Buttironi, Z. Cooper, M. Elbourne, J. C. S. Essex, P. Harp, N. D. Harrison (Chair), A. King, N. C. Moses, S. Sinden, M. Tary and S. T. Walsh (Vice-Chair)

Also present: Councillors R. Ashford, M. Brunt, T. Schofield

13. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies were received from Councillor Parnall and Councillor Whinney. There were no substitutions.

Councillor Blacker and Councillor Turner attended remotely so could not vote.

14. MINUTES

The Minutes of the last meeting on 17 June 2021 were approved.

15. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

16. LEADER'S UPDATE

Members received an update from the Leader, Councillor Brunt about the ongoing activities and key work ahead for the Council.

The response to COVID-19 was continuing and the third wave was expected to peak in August/September this year. Some social distancing measures still needed to be maintained after 19 July including in the Town Hall offices for staff. There remained a need to be cautious while virus rates were rising. Council officers had been involved in supporting the recent surge testing in the Borough and the Leader thanked them for their work in this and their continuing work going the extra mile to respond to the pandemic and support residents. The Council continued to maintain its services despite all the challenges. The Leader was keen to make sure staff took some holiday over the summer as there would be further challenges in the autumn and winter months. Vaccination rates were progressing well with slightly lower take up in Redhill and in the north of the Borough. A number of pop-up vaccination centres were proving to be popular.

The Mayor's Volunteer Awards were focusing on recognising the voluntary work during the pandemic and the winners would be announced in September. The Council was continuing to support local businesses during COVID-19 and beyond with business grants and through the work of the Economic Prosperity team. It had recently run an entrepreneurs' academy which had attracted a number of candidates. A 'Dragon's Den' type scenario had been organised and the judges were impressed with the quality of ideas from the entrants.

The Leader thanked the work of the Interim Head of Finance, Pat Main, finance team and Portfolio Holder for Finance and Governance, Councillor Schofield, for their work on the budget last year. The Council had come out in a relatively strong position, despite COVID-19 challenges, with the team working to ensure that all COVID-19 costs (including the recent surge testing) were recovered for the Council from central government.

The local elections had been delivered safely and successfully despite the challenges of COVID-19, social distancing and running three elections simultaneously. It was a credit to the elections team and all those who worked during the elections that the process had run so smoothly.

Ongoing activity included Marketfield Way which was a major development in Redhill. This continued to move forward at a good pace and was due to open in 2022. The development aimed to attract visitors to Redhill, in particular in the evenings. The Leader stressed it was important for the Council to continue to invest and support development in Redhill. The Harlequin had benefited from a £100k culture recovery fund grant from central government and would be reopening in the next week. It was still offering socially distanced seating for those residents who were still concerned about going out and offering socially distanced screenings.

The Leader reported that there was a backlog of housing evictions which was putting additional pressure on the housing team. Effective plans were in place, but it would be a challenge to respond to the rising number of residents at risk of homelessness. The proposals for the Community Centres was on the meeting agenda and good progress had been made.

Service and financial planning for the coming year was well underway and Members were urged to put forward their ideas before the plans were discussed in December. This included ways to bridge funding gaps to bring more revenue into the Council and avoid reducing services.

Delivering affordable homes was a priority for the Leader and the first houses set out initially in the housing strategy were almost ready in Pitwood Park. Work on the flats in Cromwell Road, Redhill was ahead of schedule. A task force was being set up to bring about the sustainability action plan which needed the support of residents and businesses across the Borough. The Council had also developed effective strategic partnerships such as with the NHS. Health partners had seen the Council in new light during the pandemic and there were greater connections locally. The Leader had met the new Leader in Epsom and Ewell to discuss ways of working in the future to deliver shared services and benefits for both communities.

The pandemic had offered an opportunity to work closely with residents and support the most vulnerable. The communities were more open to volunteering, such as

litter picking and understood more about the work of the Council and the support offered during COVID-19.

The government was continuing to look at local government reform and planning reform which will require the Council to respond and will take Member and officer time and resource. The Leader looked for support from Committee Members going forward.

Members made the following comments and observations:

Vaccination take-up – Members asked the Leader what the Council was doing to encourage people to take up a first and second dose of the Covid vaccine. The Leader said the Council was working closely with Primary Care Networks (PCNs) on the vaccination programmes that had been delivered across the Borough such as in Woodhatch Place, Reigate. They worked with the communications teams to support the messaging although they had received very little notice about the pop-up clinics. There was a role for Members to reinforce the messages. The information given to the Incident Management Team (IMT) was that there would be a peak in August/September of COVID-19.

Litter bin locations – Members reported that residents had been putting out plastic bags to collect litter in certain areas and had put in requests for a Council litter bins in these areas. They asked if the Council was doing a post-Covid survey of litter bin locations to support this work. It was confirmed that there was ongoing work to map locations of litter bins and if Members and residents had suggestions then to let officers know. Bins needed to be easily accessible from the road to make collection possible. A social media campaign was underway to remind dog owners to take home the bags of dog poo from their pets to remind people that it was socially unacceptable to leave dog poo lying around.

Working with the NHS – Members asked about further work with NHS partners in the north of the Borough. The Leader confirmed he was happy to do this and there were opportunities to work with colleagues in Epsom and Ewell as PCNs crossed different Council boundaries.

RESOLVED that the Committee noted the Leader's update.

17. **COMMUNITY CENTRES**

Members received a report on the transformation of the three community centres in Banstead, Horley and Woodhatch.

Councillor Ashford, Executive Member and Portfolio Holder for Community Partnerships, gave an introduction and overview to the report which set out progress made and public surveys that had been carried out. It found that the community centres operated in an outdated over-50s club model with the Council's approach needing to be refreshed. The new multi-use community centres will continue to welcome existing users but plan to offer services for more residents of different age groups. The COVID-19 pandemic had severely curtailed service delivery from the centres, although some services have continued to be delivered. More than 1200 residents had responded to the survey regarding the proposed changes and there was huge interest from people who wanted a place to meet and connect with others. Community development teams could also use the centres to

support people. A food club had been set up in Woodhatch and Horley, and a new programme was being developed in Horley to support under-fives. A dementia support group was being set up in Horley.

The plan was to bolster the team and develop leadership and market the changes with a local promotion and engagement campaign. The programme was seeking an additional budget growth proposal of £71k for new staff resource through service and financial planning for 2022/23 onwards to deliver and sustain the planned changes. The programme was also bidding for £15k from the Corporate Plan Delivery Fund Reserve in 2021/22 to deliver re-branding and marketing for the centres.

Councillor Ashford thanked officers, particularly Head of Community Partnerships, Justine Chatfield, and Transformation Manager, Isabel Wootton, for their work and commitment to the project. Councillor Ashford asked for the Committee to note the proposals and make any observations for the Executive to consider.

Members welcomed the report and update and made the following observations and comments:

Learning and development – Members asked if this was for the staff and volunteers or for the residents themselves? It was confirmed that this was for staff and volunteers and there was an opportunity to increase this learning and development with the Council and other partner organisations.

Future look of the community centres – Members asked what good would look like in regard to the community centres in two years' time. This would not be a 'once size fits all' approach and services would develop differently in the three local community centres, driven by what local people wanted to see. There were opportunities to expand services later in the day and at weekends and to make use of these spaces throughout the week. The plan was to engage with a wider age range of residents and more diverse communities with different activities organised for different groups.

Engaging with local schools – Members wanted to know more about engagement with local schools to find out what services could be provided and extend the care given within schools where families needed additional support. If communities wanted to take this forward then this would be facilitated. For example, Woodhatch community centre had engaged with Sandcross School locally. This had taken place because there were good local links with this school. Post Covid lockdowns, there was more opportunity to develop and generate good links with local schools in other areas.

Learning from other projects in the Borough – the Council was drawing on the knowledge and experience of other hubs in the Borough, for example the Merstham hub which had developed in recent years. The three community centres however, had hundreds of established members so they wanted to tread carefully and make sure current members were not alienated and to build services around them.

Projected income – Members noted the bar charts in the report which showed that income would increase in the centres by going to multi-use and using the space more frequently. They asked if the rental charges would be going up. Councillor Ashford reassured Members that the intention was not to price out current users but

to bring the community in to using the centres, and to address current anomalies in room hire rates. The commercial rates would depend on usage but the income growth projected was due to increased footfall and room hire rather than increased prices.

Linking the community centres with a wider catchment area – Members questioned how the community centres would link to other hubs such as the Harlequin and other community hubs in town centres such as Redhill so there was an equal service to all residents. Officers confirmed that work was ongoing to map services locally with partner organisations and other community organisations. They were also looking at developing an outreach programme to look at how to fill gaps and community provision across the Borough.

Research undertaken – Officers had visited seven community centres in Elmbridge pre-Covid to look at best practice and looked at their services. They had also worked with colleagues in Tandridge District Council, Woking Borough Council and in Surrey County Council to research information and ideas to support the new approach.

Remit with older people – Members were concerned that a wider remit may crowd out older people's space and needed to make sure that the current usage for older people did not decrease over time. Councillor Ashford reassured the Committee that it was the Council's ambition to keep services for older people but also use the centres at the times of the day when they were not being used. The Council was not winding down services for older people but adding to them. There were also wellbeing opportunities for older people to mix with younger people, including children.

Loneliness and isolation – combatting loneliness was one of the top three reasons identified by residents for wanting to use the centres with wellbeing workshops and issues of dementia being explored. There were longstanding community centres in Banstead, Woodhatch and Horley but there were gaps in other areas such as Nork. Transport needed to be in place to ensure that all residents could benefit from the services at these centres. It was noted that work was ongoing with partner organisations such as an outreach service with Dementia First in Horley, as the charity had its base in Tandridge. There would be services which were specific to each community centre.

Membership of centres – the issue of membership or non-membership was discussed. Before the community centres were taken back in-house then residents were required to join as members of individual centres. However, this system did not work well as people wanted to visit each centre and this was felt to be the wrong approach. Post the pandemic, it was proposed that there would be an optional loyalty scheme so there was an element of belonging to a centre with discounts on lunch or other activities but not a membership scheme. This would avoid penalising families or vulnerable residents who could not afford or did not want to pay a membership fee and would encourage more residents to use the centres.

Future capital funding – Members asked about future funding available for the community centres. There was provision in the capital programme for capital expenditure that may be necessary in future such as replacing a boiler or roofing.

Timing of revenue funding – the Executive would be asked to agree £15k for a rebranding and marketing exercise to bring in short term expertise to market and reposition the centres to a wider audience. The request for additional resource was for use in this financial year to enable the transformation plans to be delivered. The funding for the Team Leader post was being sought from 2022/23 as there was sufficient funding for 2021/22 within existing budgets due to savings from some vacancies as a result of COVID-19 earlier this year, and there was capacity in the 2021/22 budget to recruit for the Team Leader position.

Local museum facilities – Councillor Harp asked about the possibility of having a local museum facility, for example, in the Banstead centre as there was no museum currently in the Borough. It was noted that there was an active history society in Banstead. Councillor Ashford said there was an opportunity for local groups to come and use these centres and make an offer to their communities. Those interested in this type of project should come and talk to the Council.

RESOLVED that the Committee:

- (i) Noted the proposals for the community centres and set out the observations in the Minutes to be considered by the Executive.

18. MEDIUM TERM FINANCIAL STRATEGY 2022/23 TO 2026/27

Members received a report and update on the Medium-Term Financial Plan 2022/23 to 2026/27 from Councillor Schofield, Deputy Leader and Executive Member for Finance and Governance.

The report to the Committee set out the background and context for the budget elements of service and financial planning for 2022/23 onwards. It provided an early opportunity for Members to consider the factors that will be taken into account when preparing draft budget estimates that are scheduled to be reported in November. Similar to other local authorities, the Council was facing a challenging financial future with an underlying budget gap. Budget efficiencies had been achieved and Reserves remained buoyant, but the Council was seeking new sustainable income streams and sources of income. The report excluded service growth and savings and the outcome of the fees and charges review as well as any government funding announcements. Councillor Schofield asked for the Committee to note the report and provide any comments which could be taken into account as work on the budget progressed.

Members welcomed the report and made the following observations and comments:

Costs and inflation – it was noted that the budget report included an updated forecast for pay cost inflation. Members asked about short and medium-term risks and cost increases and inflation, particularly with uncertainty of cuts from central government. A working assumption in the document was that there would be a similar pay rise to last year. More detail would be known when consultation started between the Council as employer and the unions. The Council recognised that inflation was rising and was keeping a close eye on this. There may be increased costs from suppliers, and, where significant, these would be reflected in the draft budget in the autumn. Cost inflation was recognised as a MTFP key risk in the report.

Borrowing for capital projects – Members welcomed the capital projects that were underway and asked about the borrowing that needed to be paid back as there would be a lag between completing a project and an income stream being established. It was confirmed that financial forecasts for each project were set out in the project business case initially and revenue budget was allocated for interest payments and capital repayments (MRP) costs. There was also a balance to be achieved between purely financial returns and wider social benefits of a project for the community. For example, the Cromwell Road development included different types of housing tenancies for social benefit. The Commercial Ventures Executive Sub-Committee analysed the financial implications of business cases to ensure they deliver value for residents.

Capital programme – the report set out the previously-approved capital programme for 2021/22 to 2025/26. This included the Cromwell Road development as well as Marketfield Way development in Redhill. Members asked if further information about the commercial returns for Marketfield Way and other capital projects and the housing programme could be included in future reports. Councillor Schofield confirmed that MTFP forecasts do not yet include revenue projections for projects not yet completed. Pat Main, Interim Head of Finance, confirmed that when a new asset comes into use, operating costs and income budgets will be included in the budget for the commencement year. Councillor Essex noted that the forecast budget gap was therefore a pessimistic forecast as it did not set out in detail where the additional income streams would come from and did not include information about income from projects already in the pipeline. It was confirmed this would be addressed in more detail in the Commercial Strategy Part 2 and in future budget reports when the details are confirmed.

Commercial strategy – Members highlighted the Commercial Strategy which was outlined in the report. Part 1 had been published but Part 2 was not yet available. There were pressures on delivering projects currently as well as the impact of the continuing response to COVID-19 and there was no commercial director in post at present. The Chair of Overview and Scrutiny expressed concern about the continued absence of Part 2 of the strategy. If income was required from commercial property to balance the budget then the Council needed to be looking out for these opportunities to provide new commercial returns. The Interim Head of Paid Service, Mari Roberts-Wood reassured Members. Part 2 of the Strategy was a critical document and an officer task force had been set up to identify the work and resources needed to progress it as well as identify any skills gaps. The Council was acting on any approaches regarding potential property purchases and considering each on their merits. The next step would be to engage with the O&S Commercial Scrutiny Panel shortly to start to discuss Part 2.

Environmental Sustainability strategy – Members asked if this could be looked at in tandem with the commercial strategy so that these issues could be considered as a whole. The Committee was due to review the Environmental Sustainability strategy in the autumn and the outcome would be reflected in future budget proposals as appropriate.

RESOLVED that the Committee:

- (i) Noted the report and raised comments for consideration by the Executive as set out in the Minutes.

19. CAPITAL INVESTMENT STRATEGY 2022/23

The Committee received a report and briefing on the Capital Investment Strategy 2022/23 from Councillor Schofield, Deputy Leader and Executive Member for Finance and Governance.

It reflected further development work in this area over the past year and set out the approach to capital investment plans and priorities and covered the assets that the Council owns and their performance. It confirmed that new capital investment decisions took account of stewardship, value for money, prudence, sustainability, affordability, and risks.

Horley Business Park – Members asked about the Horley Business Park project and how this was captured in this Strategy. The Interim Head of Finance, Pat Main, confirmed that the loan to purchase the site was reported in the Council's annual statement of accounts with Greensands Holdings Limited owning the land assets.

Council assets – Members noted that Table 3 in the report set out the Council assets and gross yields for 2020/21. This included Crown House, Redhill and Regent House, Redhill. Table 2 included significant assets such as Marketfield Way. Members asked when these properties would be revalued as they had not been valued since 1 March 2020. It was confirmed that updated property valuations would be prepared for the final accounts for 2020/21. Members asked about the Council's investment in Pathway for Care. It was confirmed that this comprised of preference shares and were therefore excluded from the physical assets list. They also asked for a list of other properties the Council owned but were not listed in Table 2. It was confirmed that the Strategy included a link to where they were reported on the Council's website as part of the Local Government Transparency Code.

Commercial activity action plan and annual outturn report – Members asked for more information about these reports (refer to pages 176 and 181). A written response would be provided.

Commercial developments and investment – funds have previously been allocated in the Capital Programme for commercial development and commercial investment, but these investments had not yet been made (as set out in Table 6). Members asked for confirmation whether these were commitments to a general investment intention rather than a specific project? Councillor Schofield explained that, as the commercial strategy Part 2 takes form, this would confirm the likely timeline for when these investments would be made. The response to COVID-19 had delayed work on the Strategy but it was now resuming.

Commercial governance framework – Members asked if there were plans to update the commercial governance framework 2019. It was confirmed that this framework was still valid and provided a logical progression for making commercial decisions. It was not out of date although there were other mechanisms that could be used in conjunction with this framework.

RESOLVED that the Committee:

- (i) Noted the report and raised comments for consideration by Executive that are set out in the Minutes.

20. CONSTITUTION OF HYBRID WORKING PANEL

The Committee received a report to constitute a Hybrid Working Scrutiny Panel to consider proposals on post COVID-19 remote working. It considered membership, the draft timetable and the scope and Terms of Reference of the Panel's work.

It was agreed that Group Leaders would finalise the nomination of members of the panel from each political group.

It was also agreed that a second Panel which had been set up at an earlier meeting – the Local Plan Scrutiny Panel – would be increased from five Members to seven Members.

RESOLVED that the Committee:

- (i) Constituted O&S Hybrid Working Panel to consider proposals on post COVID-19 remote working;
- (ii) Agreed that the O&S Local Plan Scrutiny Panel membership be increased to 7 members from 5 members.

21. O&S WORK PROGRAMME SCHEDULE 2021/22

Members considered the future work programme for the Committee as set out in Annex 1 to the report. It was confirmed that representatives from Raven Housing Trust had been invited to speak to the Committee at their next meeting in September as well as the Portfolio Holder for Housing & Support.

The Action Tracker was noted. Members asked for a date on the flats recycling roll-out timeline and updated plan.

RESOLVED that the Committee:

- (i) Noted the proposed future work programme of the Committee and the updated Action Tracker.

22. EXECUTIVE

It was reported that there were no items arising from the Executive that might be subject to the 'call-in' procedure in accordance with the provisions of the Overview and Scrutiny Procedure Rules.

23. ANY OTHER URGENT BUSINESS

There was no urgent business.

The Meeting closed at 9.46 pm