

BOROUGH OF REIGATE AND BANSTEAD

EXECUTIVE

Minutes of a meeting of the Executive held at the New Council Chamber - Town Hall, Reigate on 17 November 2022 at 7.30 pm.

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

Also present: Councillors P. Chandler, J. C. S. Essex and N. D. Harrison.

35. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Neame.

36. MINUTES

RESOLVED that the minutes of the meeting of the Executive held on 20 October 2022 be approved.

37. DECLARATIONS OF INTEREST

There were no declarations of interest.

38. SERVICE & FINANCIAL PLANNING 2023/24

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, introduced a report setting out the service and financial planning proposals for 2023/24.

Councillor Schofield explained that preparation for the proposals had settled since the COVID pandemic and the implementation of the Council's Financial Sustainability Programme, which allowed Executive Members and officers to carry out full reviews of spending plans and sources of income earlier in the budget cycle.

This exercise identified opportunities to adjust the existing budgets to reflect forecast income levels, including an increase in parking income after the pandemic downturn. The proposed increases were therefore included in the budget report, both to ensure greater transparency and to ensure that the additional income was taken into account during budget-setting. The supporting Fees & Charges Policy was also included for approval.

The draft budget supported the continuation of high-quality services within modest budget growth requirements, mainly reflecting unavoidable cost increases. Despite the present economic challenges, the proposals sought to find savings which would have a limited direct impact on service delivery.

Councillor Schofield commended the efforts of officers and Executive members to balance the service and central budgets for 2023/24, however it was noted that the

final budget position would depend on the outcome of the Spending Review and the Provisional Local Government Settlement.

The budget report also highlighted several potential risks and issues that could require the Council to draw on the reserves which had been earmarked to address those risks, such as –

- reduced housing benefit subsidy and grants;
- empty commercial properties;
- the increasing cost of energy bills; and
- uncertainty about the extent of Government support.

Despite economic uncertainty, the underlying revenue budget was balanced, and the Council's finances were considered to be relatively robust due to its healthy reserves, the efficient use of its resources driven by the Financial Sustainability Plan, and the generation of new sources of income with the Council's Commercial Strategy.

Medium term financial plan

The report included updates to the Council's five-year medium-term forecasts, reflecting efforts to map the potential impacts of increasing costs and reductions in Government funding over the next five years. While the forecast gap remained potentially significant if action was not taken to address it, the Medium-Term Financial Plan and supporting strategies provided a solid framework for future financial planning.

Reserves

Revenue reserves were sufficient to support the budget and mitigate potential risks whilst the Council focussed on developing new income streams and reducing costs through the Financial Sustainability Programme. Approval was sought to adopt the supporting Reserves Policy.

Council tax

The Council Tax proposals sought to increase the Reigate & Banstead element of the average Band D charge by less than 10 pence per week, resulting in an overall increase of £5, subject to confirmation of the Government's referendum limit in the Provisional Local Government Settlement in December and approval by the Council at its budget meeting in February.

The report also committed the Council to reviewing the Local Council Tax Support scheme for 2023/24.

Capital Programme

There were no significant changes proposed to the current Capital Programme, as the Council was focussed on delivering the existing capital schemes and rolling programmes within it.

The draft budget would be considered by the Budget Scrutiny Panel and Overview and Scrutiny Panel before a final budget would be put to the Executive in January.

The Leader of the Council and Deputy Leader commended the recommendations for approval by the Executive and upon a vote it was –

RESOLVED:

- i. That the national and local policy context (Annex 1) and significant financial uncertainties at this stage in the budget-setting process be noted.
- ii. That the service proposals set out in this report which seek to respond to this context and deliver our corporate priorities, be endorsed.
- iii. That the draft service business plans for 2023/24 to 2025/26 be approved, and that Heads of Service be authorised to finalise the plans for their service areas in consultation with the relevant Portfolio Holders.
- iv. That the following be approved for consultation under the Council's budget and policy framework:
 - a. Medium Term Financial Plan Forecasts and proposed actions to address the forecast Revenue Budget gap (Annex 2);
 - b. Service Revenue Budget growth proposals totalling £0.442 million, savings of (£0.828) million and additional income of (£1.186) million (Annex 3);
 - c. Central Revenue Budget Savings proposals totalling (£0.897) million (Annex 3);
 - d. Revenue Issues, Risks and Opportunities totalling £2.407 million, to be funded from earmarked Reserves as necessary;
 - e. Revenue Reserve Balances at 1 April 2022 of £45.596 million (Annex 6.1);
 - f. A forecast balanced Revenue budget for 2023/24, subject to final confirmation of the outstanding items; and
 - g. Capital Programme Growth proposals totalling £7.683 million (Annex 4).
- v. That the Fees & Charges Policy (Annex 5) be approved.
- vi. That the Reserves Policy (Annex 6.2) be approved.
- vii. That the Local Council Tax Support Scheme be reviewed during 2023/24 and the outcome reported as part of Service & Financial Planning for 2024/25.

39. HOUSING ASSISTANCE POLICY - FINANCIAL ASSISTANCE FOR ADAPTATIONS AND REPAIRS

The Executive Member for Neighbourhood Services, Councillor Bramhall, explained that the policy had been updated and revised to reflect current and future circumstances, particularly increases in the cost of housing assistance works due to global materials price increases.

Annual increases in the capital funding for disabled adaptations in previous years had resulted in a substantial underspent balance on those ring-fenced funds, which could not be used for other purposes. However, there was guidance on the application of discretion to allow the best use of those funds beyond the basic mandatory provision prescribed in law.

The key components of the revised policy were to:

- Increase the maximum discretionary Disabled Facilities Grant (DFG) funding above the current maximum award of £45,000, up to a new maximum of £55,000.
- Increase the level of disregard of the first portion of a client's means-tested contributions for DFG's, from the current level of £5,000 up to £7,000.
- Allow the inclusion of an extended warranty of up to 5 years with all DFG funded stairlifts, step lifts and through floor lifts.
- Include funding for vehicle crossovers, otherwise known as 'dropped kerbs', where these are required as part of a mandatory DFG to facilitate safe vehicle access onto a hardstanding or driveway.
- Increase the maximum value of Small Works Grants from the current level of £500 up to £1,000.
- Increase the maximum value of Small Works Loans from the current level of £6,500 up to £10,000.

The benefits of the recommended changes were:

- To help more people to access the adaptations they require more quickly;
- To enable the Council to spend more of its government allocation for disabled adaptations; and
- To help reduce the growing underspend.

The recommendations would benefit those in need of their homes being adapted, as well as families and wider communities who provide support to older and disabled residents. This would also support the delivery of wider health and social care objectives and help to reduce budget pressures by assisting people to live independently at home for as long as possible.

Members commended the recommendations and reflected on their personal experiences of meeting residents who had benefited from the policy.

It was noted that the maximum values of associated grants and loans would need to be reviewed again in the future to maintain parity with inflationary increases in living costs.

Members acknowledged that the Government maintained a funding clawback option, however until such time that funding was withdrawn it was appropriate that the Council should continue to utilise those funds for the benefit of residents.

The Executive Member commended the recommendations for approval by the Executive, and upon a vote it was –

RESOLVED that the amended Housing Assistance Policy – Financial Assistance for Adaptations and Repairs provided as Annex 1 be approved.

40. GOVERNANCE OF COUNCIL'S CHARITABLE TRUSTS

The Executive Member for Investment and Companies, Councillor Archer, introduced the report and explained that the Council was the sole trustee for seventeen charitable trusts, which were registered with the Charity Commission.

To promote good governance and to demonstrate that there was a clear separation between the Council's role as the municipal authority and the Council's role as trustee, officers recommended that the terms of reference of the Commercial Ventures Executive Sub-Committee be extended so that it fulfilled the role of trustee in the charitable trusts where the Council was the sole trustee.

It was therefore proposed that the Commercial Ventures Executive Sub-Committee be renamed as the Partner, Shareholder and Trustee Sub-Committee.

The six main duties of trustees were:

- To ensure a charity is carrying out its purpose for the public benefit;
- To comply with the charity's governing document and the law;
- To act in the charity's best interests;
- To manage the charity's resources responsibly;
- To act with reasonable skill and care; and
- To ensure the charity is accountable

The terms of reference and functions of the new sub-committee would be guided by the Charity Commission's principles, as follows –

- To promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
- To promote the effective use of charitable resources.

Online training on governance of charitable trusts would be delivered to committee members and officers in November 2022.

The Executive Member commended the recommendations to the Executive, and upon a vote it was –

Recommended to Council:

- 1) That, in accordance with Article 15 of the Constitution, Full Council approves the extension of the terms of reference of the Commercial Ventures Executive Sub-Committee, subject to paragraph (2) below, by incorporating the terms of reference as shown in Appendix 1 to this report.
- 2) That the Monitoring Officer be authorised to take all necessary action to finalise the terms of reference to be included in the Council's Constitution and to make such other consequential amendments to the Constitution as the Monitoring Officer deems appropriate.
- 3) The Commercial Ventures Executive Sub-Committee be renamed as the Partner, Shareholder and Trustee Sub-Committee

41. STATEMENTS

There were no statements.

42. EXEMPT BUSINESS

There was no exempt business.

43. ANY OTHER URGENT BUSINESS

There was no urgent business.

The Meeting closed at 7.50 pm