

Notice of Meeting

Council

A meeting of the Test Valley Borough Council will be held on

Date: Wednesday 8 June 2022

Time: 5.30 pm

Venue: Upper Guildhall, High Street, Andover, Hampshire SP10 1NT

when your attendance is required to consider the business set out in the agenda.



Head of Legal and Democratic Services

For further information or enquiries please contact:

Emma Horbury - 01264 368001

ehorbury@testvalley.gov.uk

Legal and Democratic Service

Test Valley Borough Council,
Beech Hurst, Weyhill Road,
Andover, Hampshire,
SP10 3AJ

www.testvalley.gov.uk

PUBLIC PARTICIPATION SCHEME

If members of the public wish to address the meeting they should notify the Legal and Democratic Service at the Council's Beech Hurst office by noon on the working day before the meeting.

Council

Wednesday 8 June 2022

AGENDA

**The order of these items may change as a result of members
of the public wishing to speak**

- 1 Prayers**
- 2 Apologies**
- 3 Public Participation**
- 4 Declarations of Interest**
- 5 To approve the minutes of the meeting of the Council held on 6 April 2022 and Annual Council on 18 May 2022**
- 6 Mayor's Announcements**
- 7 To receive and adopt Committee reports 3 - 39**

To receive and, where necessary, adopt reports of Committees.
- 8 Questions under Rule 11.1**
- 9 Questions under Rule 11.2**
- 10 Notice of Motion - Rule 12**
- 11 Overview and Scrutiny Chairman's Annual Report 40 - 47**

The Overview and Scrutiny Chairman will present the Committee's Annual report.

ITEM 7 To receive and, where necessary, adopt reports of Committees

(Some reports may involve the disclosure of exempt information. If the Council wishes to debate them, for each individual case the Council will need to adopt a suitable motion).

7.1 To receive the minutes of the following meetings:

- 7.1.1 General Purposes Committee – 29 March 2022
- 7.1.2 Cabinet – 30 March 2022
- 7.1.3 Northern Area Planning Committee – 31 March 2022
- 7.1.4 Southern Area Planning Committee – 5 April 2022
- 7.1.5 Overview and Scrutiny Committee – 7 April 2022
- 7.1.6 Southern Area Planning Committee – 26 April 2022
- 7.1.7 Cabinet – 11 May 2022
- 7.1.8 Northern Area Planning Committee – 12 May 2022
- 7.1.9 Southern Area Planning Committee – 16 May 2022
- 7.1.10 Overview and Scrutiny Committee – 17 May 2022
- 7.1.11 Southern Area Planning Committee – 7 June 2022

(Note: in relation to 7.1.11 these minutes are not included in the minute book and will be presented at the next Council meeting but members are able to ask questions on resolved items.)

7.2 To adopt recommendations from the following:

- 7.2.1 Cabinet – 11 May 2022
- 7.2.1.1 Annual Governance Statement 2021/22 (APPENDIX A)

Consideration was given to a report of the Finance and Resources Portfolio Holder which sought approval for the Annual Governance Statement, which accompanied the 2021/22 Statement of Accounts.

On the basis of Internal Audit work completed in 2021/22, the Internal Audit Manager has provided a “substantial assurance” opinion in respect of the Council’s risk management, control and governance arrangements.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended:

That the Annual Governance Statement for 2021/22 be approved and that the Leader and Chief Executive be authorised to sign it on behalf of the Council.

7.2.2 Overview and Scrutiny Committee – 17 May 2022

7.2.2.1 Climate and Ecological Emergency Bill (APPENDIX B)

Consideration was given to a report of the Chairman (Lead Panel Member) setting out the findings of the Climate and Ecological Emergency Bill panel. The Climate and Ecological Emergency (CEE) Bill was put forward to assist the UK government to meet its legally binding target of net zero carbon emissions by 2050. In response to a motion to Council on 1 September 2021 seeking to support the Bill, it was agreed that an Overview and Scrutiny Task and Finish Panel be established to review the implications of the CEE Bill on Test Valley and consider whether to support the Bill or not. The CEE Bill was being considered through the House of Commons at the point the 2021-22 session of Parliament was brought to a close.

At the time of the final meeting of the panel, the CEE Bill was due its second reading at the House of Commons, which represents a relatively early stage in the legislative process. The Bill had been delayed on several occasions with the most recent date for the second reading having been scheduled for 18 March 2022, which was deferred until 6 May 2022. The parliamentary session for 2021-22 was brought to a close on 28 April, therefore it is indicated that there will be no further progress on the Bill. It is not known whether the Bill may be re-introduced in future parliamentary sessions, and if it is re-introduced whether it would have been subject to amendments. The panel anticipated that should the Bill have been enacted, the government would have needed to fill in many of the details of the requirements of an eventual Act by making regulations or orders.

Despite this, the panel has investigated, as best as possible: the connections between the expectation of the Bill and other legislation, how the Climate Emergency Action Plan (CEAP) and other potential local implications may arise, and what conclusions can be drawn. In reaching those conclusions the panel identified a number of general comments. They were mindful of the scale of the requirements and that the provisions within the Bill go beyond the remit of local authorities. In addition, the panel recognised the need for clarity on how any legally binding requirement would work, be measured and monitored. There were also issues with the language and terminology used in terms of being able to properly understand the purpose of the Bill and its implications.

The Task and Finish Panel has considered the CEE Bill as required by the Council motion. As the Bill is no longer progressing, it is recommended that the work of the Panel on whether to support the Bill be concluded. However, the Panel has highlighted elements of the Bill which it can support and which can add value to our existing CEAP. The recommendations of the panel for consideration as part of future reviews of the Council's CEAP comprise:

- Think about re-focusing on biodiversity (taking account of the forthcoming implications of the Environment Act 2021), including the link to the CEAP; and
- Add targets and milestones to the CEAP.

Recommended:

- 1. That the findings of the Climate and Ecological Emergency Bill panel set out in Annex 2 to the report be noted.**
- 2. That it be noted that the panel could not come to a firm conclusion on whether or not the motion (contained at Annex 1 to the report) relating to the Climate and Ecological Emergency Bill could be supported; however as the Bill will not be progressing, as the 2021-2022 session of Parliament has prorogued, it is recommended that the work of the panel be concluded.**
- 3. That the recommendations of the panel, as set out in paragraph 6.2 to the report, be considered as part of future reviews of the Council's Climate Emergency Action Plan.**

7.2.4 Southern Area Planning Committee – 7 June 2022

Recommendations to follow (if any)

Annual Governance Statement 2021/22

Report of the Finance & Resources Portfolio Holder

Recommended:

That the Annual Governance Statement for 2021/22 be approved and that the Leader and Chief Executive be authorised to sign it on behalf of the Council.

Recommendation to Council

SUMMARY:

- The purpose of this report is to seek approval for the Annual Governance Statement, which accompanies the 2021/22 Statement of Accounts.
- Best practice requires that the approval of this Statement is considered separately from the Statement of Accounts, although both are published together each year.

1 Introduction

1.1 Test Valley Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and used economically, efficiently and effectively.

1.2 The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

2 Background

2.1 As part of its responsibilities outlined above, the Council is required to produce an Annual Governance Statement (AGS) and publish the Statement alongside its Annual Statement of Accounts. The format of the statement is based on guidance produced by the Chartered Institute of Public Finance (CIPFA) in conjunction with the Society of Local Chief Executives (SOLACE) titled "Delivering Good Governance in Local Government: Framework".

2.2 The Statement is attached as an Annex to this report and covers the following areas:

- (a) Scope of responsibility
- (b) The purpose of the Governance Framework Test Valley Borough Council

Report from Cabinet on 11 May 2022

APPENDIX A

- (c) The impact of Covid-19 on the governance framework
- (d) The Governance Framework in place at the Council
- (e) A review of its effectiveness
- (f) A separate Annex of best practice actions that have been identified and will be implemented during 2022/23.

- 2.3 The Review of Effectiveness (item 2.2 (e)) has been carried out by the Internal Audit Manager, who has reviewed all of the internal audit work carried out during the year. To inform this work, a self-assessment of the internal audit function's conformance with the Public Sector Internal Audit Standards (PSIAS) was carried out in March 2022.
- 2.4 On the basis of Internal Audit work completed in 2021/22, the Internal Audit Manager has provided a "substantial assurance" opinion in respect of the Council's risk management, control and governance arrangements.
- 2.5 The emergence of the Covid 19 pandemic towards the end of March 2020 has continued to impact the Council's budgets and governance arrangements throughout the 2021/22 financial year. The impact that this has had on governance arrangements is explained throughout the AGS.
- 2.6 The date for final publication of the Council's accounts and Annual Accounts and Annual Governance Statement for 2021/22 is 30th September 2022.

3 Corporate Objectives and Priorities

- 3.1 In addition to its legal responsibilities, approval of an AGS is considered to be best practice and will ensure that proper arrangements are in place to deliver the aims of the Council's Corporate Plan.

4 Consultations/Communications

- 4.1 The Chief Executive, Deputy Chief Executive and all Heads of Service have been asked to review the AGS and consider whether there are any areas which they felt are appropriate for disclosure. All comments received have been incorporated in the Statement.
- 4.2 The Audit Panel also reviewed and endorsed the draft AGS at its meeting on 14th March 2022.

5 Options and Options Appraisal

- 5.1 The Council has a statutory duty to approve an AGS. In view of this, if the annexed AGS is not recommended for approval, Cabinet should provide a clear indication as to what changes are needed in order for a revised version to be presented as soon as possible.

6 Risk Management

- 6.1 The research and preparation of the 2021/22 AGS has not identified any significant red or amber risks that need addressing.

Report from Cabinet on 11 May 2022**APPENDIX A**

6.2 Five areas have been identified where improvements can be made to existing controls to further strengthen the Council's governance arrangements. These are summarised as an appendix to the AGS.

7 Resource Implications

7.1 There are no direct resource implications in approving the AGS. The publication costs can be met within existing budgets.

8 Legal Implications

8.1 The Council is required by the Accounts and Audit (England) Regulations 2015 to approve, and subsequently publish, the AGS with the Statement of Accounts.

9 Equality Issues

9.1 This report has not identified any equalities matters.

10 Conclusion and reasons for recommendation

10.1 The AGS is part of the framework for delivering good governance in local authorities. The Statement is a high profile document signed by the Leader and Chief Executive and is published with the Statement of Accounts each year to demonstrate a commitment to the continuous review and development of the Council's governance arrangements.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
Accounts and Audit (England) Regulations 2015			
<u>Confidentiality:</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Finance and Resources) Councillor M Flood			
Officer:	Carl Whatley	Ext:	8540
Report to:	Cabinet	Date:	11 May 2022

Annual Governance Statement 2021/22

1 Scope of responsibility

- 1.1 The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 The Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Local Code of Corporate Governance is on the Council's website at: <http://www.testvalley.gov.uk/aboutyourcouncil/corporatedirection/local-codecorporate-governance>, or can be obtained from the Head of Legal and Democratic Services. This statement explains how the Council has complied, and continues to comply, with the principles underlying this code and also meets the requirements of regulation 6 of the Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

2 The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, value for money services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk at a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks occurring and the impact should they happen, and to manage them efficiently, effectively and economically.

- 2.3 The governance framework that has been in place at the Council for the year ended 31 March 2022 is explained in the following section along with changes that have been implemented in the year. It will continue to be developed during the coming year.

3 The impact of Covid19 on the governance framework

- 3.1 The Council's governance arrangements have continued to be impacted by the coronavirus pandemic during 2021/22. Response and Recovery Plans initially established at the onset of the pandemic during 2020/21 have been subject to regular review and update during the year and the Council has put in place and adapted robust and effective measures for managing these impacts including:
- Taking an active role in the Hampshire and Isle of Wight Local Resilience Forum (LRF) contributing to the wider LRF response and recovery programmes.
 - Establishing clear roles and responsibilities with the Council's Cabinet who are the recovery sponsors and the Management Team meeting specifically as a response and recovery programme group to review and guide the delivery of the action plans derived from the strategic priorities set out in the recovery plan.
 - Continuing to support community response and recovery through funding and bringing together community partners on a regular basis.
 - Working with its strategic partners to support testing and vaccination centres which are now in operation within the borough.
 - Identifying priorities and work streams and fully assessing and regularly reviewing the impacts and mitigating actions.
 - Drawing upon some of the lessons learned throughout the pandemic, the Council has commissioned a New Ways of Working programme to support the Council's onward modernisation. The programme has utilised the experience gained from working more remotely and developed plans for working in a more agile way. Following a pilot phase the Council is embedding this new approach through three key work streams: people & culture, business infrastructure and innovation in service delivery.
- 3.2 The Council has continued to embed the practices learned throughout the pandemic and control measures have worked well throughout the waves of the virus. Forming part of the corporate risk register means that Management Team have been reviewing Covid19 impacts alongside other key strategic risks on a quarterly basis as part of the corporate dashboard. A lessons learned / project closure report for the recovery project is being produced as response arrangements are scaled down and/or embedded as part of business as usual activities. Wider more systemic / long term recovery issues which the council is not solely responsible for (e.g. economic recovery) are to be addressed through ongoing policy and strategy development.

Report from Cabinet on 11 May 2022

APPENDIX A

4 The governance framework

4.1 The key elements of the systems and processes that comprise the Council's governance arrangements are as follows:

- The Council has fulfilled the following key roles (now formally adopted as part of the Local Code of Governance):
 - To promote the well-being of the area and provide leadership to the community;
 - To ensure the provision of high quality services provided in-house, by private sector companies, (where the ability to influence exists), jointly with other Councils or agencies, or by the voluntary sector;
 - To be accountable and provide stewardship for the use of public funds and resources;
 - To build a strong sense of community.

4.1.1 In fulfilling these roles the Council is committed to following the six core principles of good corporate governance identified in the CIPFA/SOLACE Guidance and how the Council is working towards achieving these principles is set out in the document "Principles of Good Governance"

4.2 A single strategic partnership for the Borough is in place called the Test Valley Partnership. It brings together the key partner agencies from across the public and voluntary and community sector. It meets twice a year and provides a place in which the key strategic issues facing the borough can be discussed, joint work developed and statutory duties met.

4.2.1 The Test Valley Partnership and its umbrella groups (community safety management group, community resilience forum and the newly established civilian military forum) all continued to meet throughout the pandemic. During 2021 the main partnership met on two occasions. The partnership has started to review its programme of work in-light of the pandemic and where evidence is demonstrating a focus is required.

4.2.2 A significant piece of work this year has been on mental health with the partnership finalising the process for signing up to the mental health concordat which requires an action plan to be developed and endorsed by all partners. The Community Resilience Forum has continued its work and met in 2021 to review how community resilience models developed within the pandemic could shape future planning which is also contributing to a wider Local Resilience Forum review.

4.3 The Council has a clear vision of its purpose and desired outcomes for the short, medium and long term. These are encapsulated in its Corporate Plan through a range of corporate and service strategies and through four areas of focus as part of the Council's commitment to the Test Valley Partnership.

4.3.1 There has been considerable consultation and stakeholder involvement in the

Report from Cabinet on 11 May 2022

APPENDIX A

development and progression of these plans and strategies and they are made available to the public through a variety of means including the Council's website and Test Valley News.

- 4.3.2 The Council has published a Corporate Plan for 2019 / 2023 "Growing Our Potential" which was approved by the Council on 10th April 2019. It has four main aims and an action plan detailing how these aims will be delivered. In developing the plan, previous priorities were reviewed, extensive consultation was undertaken with local people and elected Councillors whilst also considering external influences on the borough, such as government policy.
- 4.3.3 The Council has a longstanding strategic commitment to work with its communities collaboratively. At the centre of this is the democratic role elected councillors play in bringing communities together to ensure inclusivity when undertaking local action planning and priority setting. The Council's Member and Community Development Group, chaired by the Leader of the Council, supports community councillors to engage more effectively with local residents and communities.
- 4.3.4 This has enabled the Council to develop innovative practice such as being one of only three Local Authorities in the country to be part of the Innovation in Democracy Programme in 2019/20 in which a Citizens Assembly was held in Romsey focused on the priorities for the South of Town Centre Masterplan. The Council continues to build upon the experience gained from the Innovation in Democracy Programme.
- 4.3.5 In 2021 the Council's senior managers who form the Senior Managers Forum took part in a one-day workshop hosted by the Southern Policy Centre with contributions from a former government minister on how the Council could use deliberative engagement techniques as a way to ensure effective evidence-led engagement with residents and move beyond traditional survey models. This includes applying the principles of lived experience and deliberation as part of our approach to developing key policy areas such as the next corporate plan. In addition the Council is also piloting further deliberative engagement activities such as:
- Contributing to the Local Resilience Forum review of community resilience through a series of deliberative events to shape a future model of community resilience.
 - A youth engagement project in Andover
 - A commitment to three deliberative events as part of the development of the next corporate plan.
 - embedding deliberative community engagement as part of the consultation process for the 2023 Corporate Plan.
- 4.3.6 The Council formally reviews its progress and performance against its corporate priorities through an Annual Corporate Action Plan Report <https://www.testvalley.gov.uk/aboutyourcouncil/corporatedirection/corporate-plan-for-2019-to-2023> which is presented to Overview and Scrutiny Committee (OSCOM) and the Cabinet.

Report from Cabinet on 11 May 2022

APPENDIX A

- 4.4 The Corporate Plan is supported by a performance management framework (including performance indicators) to measure progress. 2021 saw the introduction of a new Corporate Dashboard which brings top-line strategic information for the Council's Management Team to review each quarter and act as a catalyst for the onward Management Team work programme. The Dashboard applies the good governance principles and uses the framework developed by the Centre for Governance & Scrutiny (CFGS) of "anticipate, manage and adapt" to help structure discussion. The dashboard focuses on the following key areas:
- Finance
 - Emerging issues and hot topics (strategic oversight)
 - Organisational health – people
 - Democratic matters
 - Corporate Performance
 - Corporate Action plan delivery
 - Governance and Risk management
- 4.5 Members of OSCOM undertake task and finish panel reviews. Once an area for review has been identified, the lead member/chairman of the panel presents the draft scoping document for the review to the full committee for consideration.
- 4.5.1 A full report is then subsequently presented to OSCOM once the review has been completed or reached an appropriate stage. This process has ensured more effective and focused reviews and a clear line of responsibility to the main committee. In addition, there are standing panels; the Audit Panel and the Budget Panel which meet regularly throughout the year and cover scrutiny of all the financial activities of the Council. The standing Panels report to OSCOM on a regular basis and bring any issues of concern to the attention of the Committee.
- 4.6 The Council has in place a Medium Term Financial Strategy, updated annually, which supports the aims of the Corporate Plan. The Medium Term Financial Strategy has been materially affected by the impacts of the coronavirus, though most income and expenditure is returning to pre-pandemic levels. The greatest risk to the MTFS is the uncertainty surrounding the potential for a business rates re-set which could see a material reduction in a key income stream, the timing and extent of which is beyond the Council's control.
- 4.7 The quality and value for money of services provided to users is measured through the Authority's performance management system. This includes the measurement and review of performance against national and local performance indicators and actions taken to address areas for improvement. Performance is monitored regularly throughout the year by Performance Boards and as part of the Corporate Dashboard process.
- 4.8 The roles of the Cabinet, OSCOM, and other committees of the Council as well as specific roles assigned to the Leader, Deputy Leader, Portfolio Holders and senior officers of the Council are defined and documented within the Council's Constitution.

Report from Cabinet on 11 May 2022

APPENDIX A

- 4.8.1 The Leader undertook a Portfolio Holder review and update on 27th October 2021. The Constitution also clearly identifies the powers, duties and responsibilities delegated to the Deputy Leader, Portfolio Holders and Officers, and includes rules for how Council and committee meetings should operate and the relationship between Members and Officers.
- 4.8.2 Arrangements have been put in place to reinstate physical Council and Committee meetings after the Government ended the ability to hold remote meeting in May 2021. This included incorporating Covid-19 protection measures, as appropriate, as guidance changed.
- 4.8.3 Having regard to the benefits of remote meetings, the Council has responded to the Government's consultation/call for evidence on the subject. The Council has been able to continue to avail itself of the ability to conduct non-committee business remotely or in a hybrid fashion where appropriate.
- 4.9 During 2021 the Council established a Strategy and Innovation Service to strengthen the Council's ability to develop and manage its corporate planning processes. In its first year of operation the Service led on key projects and programmes including the Council's approach to new ways of working.
- 4.10 The conduct of Members and Officers is regulated by separate codes of conduct within the Council's Constitution. The Council's General Purposes Committee together with the General Purposes Employment Appeals and Ethics Sub-Committee promote high standards of conduct by Members and consider complaints made against Members.
- 4.10.1 A comprehensive set of Human Resources policies ensures compliance with employment legislation and promotes good personnel practices. These include disciplinary and capability processes to deal with conduct or performance which is unacceptable. These policies and procedures are regularly reviewed and revised.
- 4.11 The conduct of day to day Council business is regulated through policies and procedures such as Contract Standing Orders and Financial Regulations. The delegations to Members and Officers are kept continually under review and revised as appropriate.
- 4.12 Elected members and all officers are aware of their obligations under equality legislation, as well as the standards of behaviour and language which are expected from representatives and employees of the Council. Ongoing training is provided for both Members and officers.
- 4.12.1 Equality impact assessments are built into the Council's decision making process. The Council has reviewed its corporate equalities objectives, alongside its duties under the new gender pay gap publication requirements. The Council continues to deliver training on the Equality Act 2010 to new members of staff and to Members.

Report from Cabinet on 11 May 2022

APPENDIX A

- 4.12.2 As part of his Portfolio Review in October 2021 the Leader introduced a new area of Portfolio responsibility “Diversity and Inclusion”. The responsibility for being the Council’s lead for Equality, Diversity and Inclusion has been allocated to the Council’s Management Team. The Council has published information that demonstrates compliance with the Equality Duty as defined by the Equality Act 2010 on its website.
(<https://www.testvalley.gov.uk/aboutyourcouncil/corporatedirection/equality---diversity/equalities>)
- 4.13 The Council has established Disability Focus Groups that contributed towards the development of the new Corporate Plan. The groups are helping the Council and its partners on an ongoing basis.
- 4.14 The Council is a statutory partner with regards safeguarding its residents of all ages under both The Children Act 2004 and The Care Act 2015. The Council has in place a Safeguarding Children and Vulnerable Adults Policy and this and the associated procedures are monitored regularly to ensure compliance with these duties. The Council also liaises with both the Hampshire Safeguarding Children Partnership and Hampshire Safeguarding Adults Board to ensure this.
- 4.15 On a bi-annual basis the Council is required by the Hampshire Safeguarding Children Partnership to complete the required Section 11 audit as a self-assessment of its position with regards its safeguarding duties. The last full audit which took place in 2020 was reviewed in 2021 and identified that the Council is compliant with Section 11 of the Children Act.
- 4.15.1 On a bi-annual basis the Council is also required by the Hampshire Safeguarding Adults Board to undertake an audit of its position with regards its safeguarding duties, the last undertaken in 2020 with the 2022 assessment in progress.
- 4.16 The Council approved a Climate Emergency Action Plan in 2020 to identify the steps it will be taking to work towards achieving carbon neutrality. The ability to make progress on the actions has been affected by the challenges posed by Covid19. However, because of the circumstances created by the pandemic certain areas have progressed quicker than anticipated such as new ways of working. In other areas, evidence is being gathered to create greenhouse emissions and a decarbonisation plan for the Council’s buildings.
- 4.17 The Council’s approach to risk management is outlined in its Risk Management Strategy. Corporate and Service specific risks are reviewed on a quarterly basis by the Council’s Service Performance Boards and progress in managing the corporate risk register is reported to OSCOM on an annual basis. Risk management also forms part of quarterly Corporate Dashboard discussions with the Council’s Management Team which includes the review and update of corporate risks.

Report from Cabinet on 11 May 2022

APPENDIX A

4.17.1 The Finance & Resources Portfolio Holder is the Council's Member Champion for risk management and risk management is embedded within the Council's processes e.g. reports to decision-making committees use a template which includes a section on risk assessment which must be completed before the report can be considered.

4.18 The requirement to achieve Nutrient Neutrality from new residential development, overnight accommodation and tourist attractions affects the Council's strategic priority to deliver housing.

4.18.1 Measures to secure the use of land to provide off-site mitigation solutions necessary to protect the internationally designated nature conservation sites in and around the Solent have included the purchase of nitrate credits from a third party which can be purchased from the Council directly through an approved mitigation framework. The Council is investigating the amount of nitrate credits arising from recent land purchases and how any credits could be used. Work has also continued with the Environment Agency, Southern Water and other partners to review permit limits at Wastewater Treatment Works serving the Borough.

4.19 The Council's OSCOM Audit Panel met three times in the year to undertake the core functions of an "audit committee". The terms of reference for the Audit Panel include:

Audit Activity

- To consider the Internal Audit Manager's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- To consider summaries of specific internal audit reports as requested.
- To consider reports dealing with the management and performance of the providers of internal audit services.
- To consider a report from internal audit on agreed actions not implemented within a reasonable timescale.
- To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- To consider specific reports as agreed with the external auditor.
- To comment on the scope and depth of external audit work and to ensure it gives value for money.
- To commission work from internal and external audit.

Regulatory Framework

- To review any issue referred to it by the Chief Executive, the Deputy Chief Executive, or any Council body.
- To monitor the effective development and operation of corporate governance in the Council.
- To monitor Council policies on whistleblowing and the anti-fraud, anti-corruption and anti-bribery strategies and the Council's complaints process.

Report from Cabinet on 11 May 2022

APPENDIX A

- To oversee the production of the authority's Annual Governance Statement and to recommend its adoption.
- To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- To consider the Council's compliance with its own and other published standards and controls.

4.19.1 At its meeting on 6th April 2022, Council resolved to establish an Audit Committee with effect from 18th May 2022. This will replace the arrangements that have been in place throughout the 2021/22 financial year and will be reported in more detail in the next Annual Governance Statement.

4.20 The Chief Executive is the Council's Head of Paid Service and has overall corporate management and operational responsibility for the way in which the Council delivers its services. The Head of Legal and Democratic Services is designated as the Council's Monitoring Officer and has responsibilities under section 5 of the Local Government and Housing Act 1989 for ensuring that the Council complies with relevant laws and regulations and internal policies such as Contract Standing Orders. The Head of Finance and Revenues is designated as the Council's Section 151 Officer with responsibility for ensuring the "proper administration of financial affairs".

4.20.1 The Head of Finance and Revenues also has responsibility under section 114 of the Local Government Finance Act 1988 for reporting to the Council and the external auditor if the Council has made, or is about to make, expenditure which is unlawful.

4.20.2 These three statutory officers meet regularly throughout the year (plus as required on an ad hoc basis) to discuss significant corporate issues.

4.21 The CIPFA statement on the Role of the Chief Financial Officer in Local Government requires the Chief Finance Officer to report directly to the Chief Executive and be a member of the 'Leadership Team', of equal status to other members. The Council does not strictly comply with this requirement in that the Head of Finance and Revenues reports to the Deputy Chief Executive. However, in practice, the Head of Finance and Revenues is able to report directly to the Chief Executive and Members as and when required, is a member of the Management Team, and is involved and consulted in all matters which have financial implications for the Council.

4.22 The Council's Constitution contains a Confidential Reporting Code for Employees which safeguards "whistle-blowers" who raise legitimate concerns about the Council's actions and specifies how their concerns should be addressed.

4.22.1 Financial Regulations require all staff to raise concerns about the use or misuse of Council resources with the Head of Finance and Revenues or Internal Audit who will carry out an independent investigation of the circumstances. Internal Audit also actively encourages staff to raise matters of concern through "Speak Up" campaigns. A form is available on the Council's intranet for staff to raise concerns (anonymously if desired) about the use of Council resources and this facility has been extended to the website so that members of the public can raise concerns in this area.

Report from Cabinet on 11 May 2022

APPENDIX A

- 4.22.2 The Council also has a formal complaints procedure for members of the public to raise issues, e.g. where they are dissatisfied with the service they have received, and an annual report is prepared for OSCOM summarising these complaints and how they were resolved.
- 4.23 The Council has a detailed Anti-Fraud and Corruption Policy which sets out the roles, responsibilities of officers and Members and actions to be taken when fraud or corruption is discovered. In addition, an Anti-Bribery Policy has been approved to address the requirements of the Bribery Act 2010.
- 4.24 The Democratic Services Manager is responsible for identifying and providing for Councillors' training needs. The Council has a cross-party Member and Community Development Group which is supported by officers from a range of services.
- 4.24.1 This Group has continued to work to promote an enhanced role for Councillors that focuses on them acting as a catalyst for change to encourage communities to reach their full potential. This work has brought together the needs and expectations of our communities in order to make balanced decisions, and has ensured a culture of democratic accountability is embraced throughout the Council.
- 4.24.2 The Group enables the Council to develop a programme of Councillor training and development that is shaped by the Councillors themselves, ensuring that training and development activities offered is tailored to individual Councillor needs as well as the needs of Councillors generally, the council and communities. This work has been shared with the Councillor Commission and has become a key part of the ongoing work that supports this national project.
- 4.24.3 All new Councillors are provided with induction training to assist them with understanding and successfully carrying out their different roles, with an ongoing programme of training and development provided on specific issues where appropriate e.g. planning, and to build key skills and knowledge.
- 4.24.4 All officers also receive induction training and appropriate professional and skills training and development identified, for instance, through annual performance discussions.
- 4.25 A People Strategy was produced in 2020/21 which shapes the cultural direction and people management practices for the future to enable the Council to achieve its ambitions over the next 3-5 years. Whilst being able to respond to the changing needs of local government and the borough's residents this forms part of the Council's Corporate Framework with close links to the Corporate Plan and Medium Term Financial Strategy.
- 4.26 The Council has in place various channels of communication with the community and other stakeholders. The Council's Consultation Portal provides a single link to all our current 'live' consultations, giving residents the opportunity to get involved, as well as access to details of the feedback from previous consultations.

Report from Cabinet on 11 May 2022

APPENDIX A

- 4.26.1 There are a number of tools in place to enable the Council to hear the widest range of views from local communities, in a consistent way, as part of an evidence led approach to decision making. These include:
- Statement of community involvement.
 - Community Planning Toolkit.
 - Specialist advice and support through Community Engagement Officers and policy Team.
 - Equality objectives which set out how the Council will ensure an inclusive approach to consultation.
- 4.26.2 As the Council's place-based approach has grown, partnership websites such as Andover Vision and Romsey Future have been developed, where appropriate, due to the collaborative nature of the projects e.g. Romsey South of Town Centre. Consultation and project information has been posted to these websites with clear links back to relevant Council Services.
<https://www.testvalley.gov.uk/consultations>
- 4.26.3 Publications such as Test Valley News are sent to all households and the Council's website is an important source of information about the Council and its services. The Council's website has been designed to make it more accessible to residents and businesses of Test Valley and to make it easier to undertake transactions online. An External Communications Strategy has been produced to support the emerging Corporate Plan.
- 4.27 The Council has identified its key partnerships and promotes good governance in those. The Council's Contract Standing Orders and Financial Regulations contain specific sections on partnerships and identify officer responsibilities in relation to the management and involvement in partnerships. Protocols and agreements are put in place for the management of significant partnerships.
- 4.28 Covid19 Governance - The coronavirus pandemic and social distancing requirements have necessitated some interim amendments to processes and controls in response to an increase in remote working and access to meetings. These are being delivered in a controlled manner with appropriate advice to managers regarding the risk of error and fraud.
- 4.28.1 The crisis has required the Council to be innovative and flexible in releasing funds in a swift and controlled way. Interim processes have been put in place to maximise the benefits to residents and businesses. Crises like this will inevitably attract individuals who see the opportunity for fraud. All managers have been reminded of the risk of fraud and the various forms it may take. Interim processes are designed with this particular risk in mind.

5 Review of effectiveness

- 5.1 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Authority who have responsibility for the development and maintenance of the governance environment, the annual report of the Internal Audit Manager, and also by comments made by the external auditor and other review agencies and inspectorates.

Report from Cabinet on 11 May 2022

APPENDIX A

- 5.2 The effectiveness of the governance framework is maintained and reviewed through a number of mechanisms and processes:
- 5.2.1 Full Council is ultimately responsible for approving amendments to the Council's Constitution. The Head of Legal and Democratic Services is responsible for monitoring and reviewing the Constitution which is undertaken at least annually to ensure that it is up to date with current legislation and best practice.
 - 5.2.2 The Cabinet has responsibility for the day to day operation of the Council's business unless that business is delegated specifically to another committee (e.g. Planning, Licensing) and ensuring that governance arrangements and compliance is adequate for the conduct of that business.
 - 5.2.3 As part of the Council's open and transparent approach, Overview and Scrutiny Committee has responsibility for scrutinising the decisions of the Cabinet and reviewing the Council's policies and functions and making recommendations to the Cabinet as appropriate.
 - 5.2.4 The Council's Overview & Scrutiny Committee and its Audit Panel takes responsibility for audit and risk management issues, reviewing the Council's work in these areas and monitoring the progress and performance of both Internal and External Audit.
 - 5.2.5 The Council's General Purposes Committee together with the General Purposes Employment Appeals and Ethics Sub-Committee have the role of promoting and maintaining high standards of conduct amongst Members and assisting them to observe the Authority's Code of Conduct. The work of the Sub-Committee is supported by the appointment of three Independent Persons and Parish representatives as required by the Localism Act 2011. The General Purposes Committee may receive reports as to the operation of the Code of Conduct. In addition, the General Purposes Employment Appeals and Ethics Sub-Committee will be required to determine complaints which are referred to it by the Monitoring Officer following investigation and direct or recommend any further action required consistent with the Localism Act 2011 and associated regulations.
 - 5.2.6 The Council's Internal Audit team, located within the Finance & Revenues Service, carries out a continuous review of the Council's systems to provide independent assurance that the control environment is effective in achieving the Council's objectives. The team objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of the Authority's resources. The performance of the Internal Audit team is monitored by the Council's Audit Panel and Section 151 Officer. The Internal Audit Manager presents the Internal Audit Strategy and Annual Audit Plan to the Audit Panel and produces an Annual Report giving an opinion of the adequacy of the Council's systems of internal control.

Report from Cabinet on 11 May 2022

APPENDIX A

- 5.3 A self-assessment of the internal audit function's conformance with the Public Sector Internal Audit Standards (PSIAS) was carried out in March 2022. The Public Sector Internal Audit Standards are a mandatory requirement, the objectives of which are to:
- define the nature of internal auditing within the UK public sector, ○ set basic principles for carrying out internal audit in the UK public sector,
 - establish a framework for providing internal audit services, which add value to the organisation, leading to improved organisational processes and operations, and
 - establish the basis for evaluation of Internal Audit performance to drive improvement planning.
- 5.3.1 The self-assessment concluded that the function "generally" conforms to the standards.
- 5.3.2 There is evidence that the work the Internal Audit function has delivered is effective; especially around risk and performance. It contributes to and has influence in the Authority on these areas. It is a highly respected service that is engaged with the organisation and which provides ongoing support in key areas, as well as effective assurance on controls.
- 5.4 The Internal Audit Manager has provided substantial assurance in respect of the Council's risk management, control and governance arrangements. "Substantial Assurance" means that systems in place are generally sound, but some best practice developmental areas have been identified to strengthen the Council's governance arrangements. These form the basis of the action plan appended to this Statement.
- 5.5 As noted throughout this statement, the Council's governance arrangements have been impacted during 2021/22 by the coronavirus pandemic and the need for Response and Recovery Plans to be adapted and implemented. Internal Audit have continued to monitor the governance arrangements relating to this response during 2021/22 and the adoption of impact assessments into business as usual.
- 5.6 The Council has been required to administer business rates, Test and Trace and other Covid-related grants and schemes within extremely short timescales, multiple times during 2021/22. Internal Audit conducted post-assurance reviews to determine eligibility compliance, whether there were any errors or fraudulent claims and if any money is to be recovered from fraudulent or incorrectly administered grants. These audits resulted in a substantial assurance opinion being given.
- 5.7 The Council is regularly audited by the External Auditor (Ernst and Young LLP) who independently examines the Council's accounts and financial systems and who presents an [Annual Audit Report](#) to Members, the latest available covering the financial year 2020/21. This was a positive report with an unqualified opinion on the Council's accounts, system of internal control and arrangements to achieve value for money.

Report from Cabinet on 11 May 2022

APPENDIX A

- 5.8 The Covid19 pandemic has continued to have an unprecedented impact on the Council's governance arrangements for 2021/22. These impacts have been evaluated, in line with government guidance and mitigation measures, and developed alongside the Council's strategic partners and Local Resilience Forum.
- 5.9 The date for final publication of the Council's Annual Accounts and Annual Governance Statement is 30th September 2022.

6 Declaration

- 6.1 We have been advised on the implications of this review of the effectiveness of the governance framework and of any significant governance issues. A plan to address weaknesses and ensure continuous improvement of the system is in place as shown in the attached annex.
- 6.2 We propose over the coming year to take steps to address these matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: **Signed:**

Leader of the Council

Chief Executive

Governance Actions for 2022-23

No significant governance issues have been identified. The following are best practice developmental areas to strengthen the Council's governance arrangements

Issue	Action to be Taken	Timescale	Lead Officer
Lessons learned: Learning any relevant lessons arising from high profile local authority governance failures (elsewhere in the country).	To develop in-house training session for senior managers on the lessons to be learnt.	31/03/23	Chief Executive
Member Learning & Development: Developing Member awareness around the key principles of good governance.	The key principles of good governance to be incorporated, as appropriate, into the Member Induction programme for 2023-24.	31/03/23	Head of Legal & Democratic and Democratic Services Manager
	To develop some form of performance information to be provided to Members through its Overview and Scrutiny function.	31/03/23	Head of Strategy & Innovation
Robustness of Council policies: Ensuring Council policies remain aligned to new and alternative ways of working.	Council policies to be reviewed and updated alongside the New Ways of Working programme to ensure they remain fit for purpose.	31/03/23	Head of Strategy & Innovation

<p>Strength of Audit Systems: Improving clarity between the roles of the Audit Panel and General Purposes Committee.</p>	<p>To consider current arrangements for Audit reporting in the light of the Council’s external auditor’s recommendation that further clarity is needed between the role of Audit Panel and General Purposes Committee & the recommendation that a separate Audit Committee be established.</p>	<p>31/03/23</p>	<p>Head of Legal & Democratic in consultation with Statutory Officers</p>
<p>Business Continuity Planning: The Council has a well-established approach to Business Continuity Planning which is primarily based on alternative office accommodation for its employees to relocate to. Although the current Business Continuity Plan remains valid the lessons learned from the pandemic and the move to more remote working means the BCP would benefit from review.</p>	<p>The Corporate Business Continuity Plan is being revisited and revised as part of a Corporate project. This to consider the new ways of working introduced in response to the pandemic.</p>	<p>31/03/23</p>	<p>Deputy Chief Executive</p>
	<p>To review and confirm those systems classed as “critical” for BCP purposes and carry out appropriate testing of these systems.</p>	<p>31/03/23</p>	<p>Deputy Chief Executive</p>

Climate and Ecological Emergency Bill

Report of the Chairman of the Overview and Scrutiny Committee

Recommended:

1. That the findings of the Climate and Ecological Emergency Bill panel set out in Annex 2 to the report be noted.
2. That it is noted that the panel could not come to a firm conclusion on whether or not the motion (contained at Annex 1 to the report) relating to the Climate and Ecological Emergency Bill could be supported; however as the Bill will not be progressing, as the 2021-2022 session of Parliament has prorogued, it is recommended that the work of the panel be concluded.
3. That the recommendations of the panel, as set out in paragraph 6.2 to the report, be considered as part of future reviews of the Council's Climate Emergency Action Plan.

Recommendation to Council

SUMMARY:

- The Climate and Ecological Emergency (CEE) Bill was put forward to assist the UK government to meet its legally binding target of net zero carbon emissions by 2050. In response to a motion to Council on 1 September 2021 seeking to support the Bill, it was agreed that an OSCOM Task and Finish Panel be established to review the implications of the CEE Bill on Test Valley and consider whether to support the Bill or not. The CEE Bill was being considered through the House of Commons at the point the 2021-22 session of Parliament was brought to a close.

1 Introduction

- 1.1 The Climate and Ecological Emergency (CEE) Bill was presented to Parliament in September 2020 as a private members bill (formally referred to as the Climate and Ecology Bill). The Bill was subsequently reviewed and reintroduced¹ for the parliamentary session in June 2021.
- 1.2 A campaign is in place to seek support for the CEE Bill, promoted by the CEE Bill Alliance (now referred to as Zero Hour). A Motion was presented to Council on 1 September 2021 which sought that the Council resolve to support the CEE Bill; inform the local media of this decision; write an open letter to Kit Malthouse MP and Caroline Nokes MP (shared with our residents through local and social media) urging them to sign up to support the Bill; and write to the CEE Bill Alliance expressing the Council's support.

¹ Formally known as the Climate and Ecology Bill, see: <https://bills.parliament.uk/bills/2943>

Report from Overview and Scrutiny Committee on 17 May 2022 APPENDIX B

- 1.3 The Council subsequently approved to refer the motion to OSCOM for consideration and response given the committee's key role in monitoring the Climate Emergency Action Plan (see Annex 1). Accordingly, an OSCOM Task and Finish Panel was established. This report sets out the findings of that Panel.

2 Background

- 2.1 The Climate Change Act 2008 sets out legally binding targets for reducing carbon emissions, processes for setting carbon budgets, and reporting in relation to adaptation to climate change among other matters. The legislation was amended in 2019 to commit the UK to a legally binding target of net zero carbon emissions by 2050.
- 2.2 The Climate and Ecological Emergency Bill would significantly expand the remit and scope of the Climate Change Act 2008, including attaining net zero carbon emissions as rapidly as possible. It proposes to assign new duties to government, parliament and the advisory Committee on Climate Change to enact a strategy that meets more ambitious targets for both climate change and biodiversity.

3 Overview of the Climate and Ecological Emergency Bill

- 3.1 The CEE Bill put forward a framework of overarching policy imperatives that recognises our responsibility to reduce the UK's entire emissions and ecological footprint, urgently and fairly. The CEE Bill includes 11 expectations² which would ensure that:-
- a. The nature emergency is addressed shoulder to shoulder with the climate crisis via an urgent, joined-up whole-of-government approach.
 - b. The UK plays its full and fair role in limiting the mean global temperature rise to the most stringent end of the Paris Agreement (i.e. reducing UK emissions at a rate consistent with at least a 66% probability of limiting peak warming to 1.5°C compared to pre-industrial levels) via a new legally binding climate target.
 - c. The UK takes responsibility for its entire greenhouse gas footprint—i.e. its consumption emissions, including passenger shipping, flights and land-based transport—by accounting for all of the emissions that take place overseas in the manufacture, transport and disposal of goods consumed in the UK.
 - d. The reduction of the UK's greenhouse gas emissions is achieved first and foremost, by stopping emissions' sources caused by human activity, whilst also ending the exploration, extraction, export and import of fossil fuels.

² Derived from information that was published on the CEE Bill Alliance (now 'Zero Hour') website. Please note, the wording may not directly reflect that contained within the Bill itself.

Report from Overview and Scrutiny Committee on 17 May 2022 **APPENDIX B**

- e. The UK nations adhere to national, legally-binding carbon budgets set each year—not every five years.
 - f. The UK has a strict nature target so that by 2030 nature is visibly and measurably on the path of recovery in line with the [Global Goal for Nature](#). The Bill also ties this nature target to international pledges, locking them into law. This will ensure that the UK will comprehensively fulfil its obligations under the UN Convention on Biological Diversity—and meet the commitments set out in the [Leaders' Pledge for Nature](#).
 - g. The UK's ecosystems are protected and restored with a focus on biodiversity and ecosystems that act as resilient natural carbon sinks—and that the health of nature is achieved, above all else, by avoiding its destruction.
 - h. The UK takes responsibility for its entire ecological footprint. This means preventing adverse impacts on ecosystems and human health caused by consumption, trade and production in the UK and internationally—including via the extraction of raw materials, deforestation, land degradation, pollution and waste.
 - i. An emergency strategy is drawn up via a temporary Climate and Nature Assembly, representative of the UK population, in order to advise on the fairest way forward. The Assembly would work directly with the Climate Change Committee and the Joint Nature Conservation Committee, before the strategy is laid before and approved by Parliament.
 - j. More vulnerable communities are positively impacted by the proposals in the strategy, and that financial support and retraining is offered to those people currently working in high-impact industries.
 - k. Annual interim, legally-binding targets are set in order to achieve the Bill's objective
- 3.2 It was suggested that the panel would achieve this with a four month deadline. Unfortunately this has not been achieved due to difficulties in being able to bring all of the panel together (at times in person) to enable the consideration of the matters it was to address. .

4 Legislative process

- 4.1 At the time of the final meeting of the panel, the CEE Bill was due its second reading at the House of Commons, which represents a relatively early stage in the legislative process. The Bill had been delayed on several occasions with the most recent date for the second reading having been scheduled for 18 March 2022, which was deferred until 6 May 2022. The parliamentary session for 2021-22 was brought to a close on 28 April, therefore it is indicated that there will be no further progress on the Bill. It is not known whether the Bill may be re-introduced in future parliamentary sessions, and if it is re-introduced whether it would have been subject to amendments. The panel anticipated that should the Bill have been enacted, the government would have needed to fill in some of the details of the requirements of the Act by making regulations or orders.

Report from Overview and Scrutiny Committee on 17 May 2022 **APPENDIX B**

5 Response of the CEE Bill Task and Finish Panel

- 5.1 In October 2021, OSCOM agreed that in order to fulfil its role set by Council a Task and Finish Panel should be established. This panel comprised Councillor Lodge (Chairman) and Councillors Gwynne, Hatley, Parker and Swain. Councillor Johnston also participated as an external advisor. The scope of the work focused on four areas. This section of the report reviews each of those four areas and summarises the response of the panel.
- a) Seek to understand the background of the Bill and investigate the impact that this might have on the Council and the Borough, including our communities
- 5.2 The panel were provided with briefing notes on the background to the Bill and information on the legislative process. This helped inform the approach and order of the investigation.
- 5.3 One of the points highlighted at the beginning was that the provisions within the CEE Bill are directed at national government and given the uncertainty regarding the process and application of the Bill it would prove a challenge for the panel to fully ascertain the impact of the Bill.
- 5.4 Despite this, the panel has investigated, as best as possible: the connections between the expectation of the Bill and other legislation, how the Climate Emergency Action Plan (CEAP) and other potential local implications may arise, and what conclusions can be drawn. Annex 2 to the report sets out the understanding and conclusions of the panel.
- 5.5 In reaching those conclusions the panel identified a number of general comments. They were mindful of the scale of the requirements and that the provisions within the Bill go beyond the remit of local authorities. In addition, the panel recognised the need for clarity on how any legally binding requirement would work, be measured and monitored. There were also issues with the language and terminology used in terms of being able to properly understand the purpose of the Bill and its implications.
- 5.6 It was highlighted that if the CEE Bill were to become law, the government would need to ensure that sufficient funds are allocated to implement and achieve its content at both a national and local level. This would hopefully be of benefit to local authorities, as it may assist with the resourcing of cutting carbon emissions, protecting and restoring ecosystems, and facilitating work with communities, residents and businesses.
- b) Understand the extent to which the Climate Emergency Action Plan (CEAP) aligns with the detail of the Bill and how any differences may need to be addressed (as far as appropriate to do so);
- 5.7 Annex 2 identifies where there are opportunities for the CEAP to be revised in the future – these are shown in bold in the final column of the table in Annex 2. One area of focus is that the Council’s CEAP predominantly focuses on the climate emergency. A key component of the CEE Bill is elevating the nature crisis so that it is considered on an equal par with the climate emergency.

Report from Overview and Scrutiny Committee on 17 May 2022 APPENDIX B

The Bill would ensure that UK's ecosystems are protected and restored with a focus on biodiversity and ecosystems that act as resilient natural carbon sinks. Whilst the CEAP reflects on our role in working to conserve and enhance biodiversity, with one of the themes in the action plan relating to the natural environment, it was considered that the profile of the ecological crisis should be emphasised.

- 5.8 At a local level, this could mean greater commitments and actions in relation to ecological issues. The panel considers that this should be supported. The Council already has a comprehensive land purchase and community ecology programme. Our approach to biodiversity will also be influenced by the requirements of the Environment Act 2021 and linked secondary legislation and policy which is due to follow. This includes the introduction of mandatory Biodiversity Net Gain through the planning system.
- 5.9 The reinforcing of the ecological element within the CEAP and the rolling out of the Council's approach to the requirements of the Environment Act 2021 are recommended to be supported.
- 5.10 The Panel considered that the scope of the Council's ability to reduce greenhouse gases should look at both addressing the Council's own emissions and also assisting with signposting our communities to opportunities for them to explore. This remains an element of the CEAP and is recommended that it be supported.
- c) Understand the implications and potential opportunities, and reflect on our experiences of deliberative democracy in relation to how this may work at a national level, as well as more local implications;
- 5.11 The Bill proposed that the preparation of a Climate and Ecological Emergency Strategy would in part be informed by a Climate and Nature Assembly. The panel heard from the Head of Strategy and Innovation and the experience of deliberative democracy and running a citizen assembly, being one of three authorities to pilot such an approach through the government's Innovation in Democracy Programme. It is unclear whether there would be an expectation of deliberative democracy approaches required at a local level. The panel considered that based on the Council's previous experience they are valuable but can be very resource intensive and need careful structuring.
- 5.12 A further potential implication of the Bill is that the Council may be expected to take a more proactive role working with communities, residents and businesses to reflect the objectives set out in the Bill. This theme is already incorporated in the CEAP under Supporting Communities and Businesses. We are continuing to support and signpost opportunities; this has been a feature of the work undertaken e.g. recently we have delivered a climate change workshop at the annual TVAPC conference.
- d) Through developing our understand of the Bill and the implications at a national and local level make recommendations as to how the Council should consider whether to support the principle of the Bill and those other elements raised through the motion to Council on 1 September 2021.

Report from Overview and Scrutiny Committee on 17 May 2022 **APPENDIX B**

- 5.13 As this Bill was at such an early stage of the process and lacking the background or detail of what it will require, it proved difficult for the panel to fully understand the implications. Whilst the panel has made informed assumptions about possible consequences there remain gaps in our understanding.
- 5.14 The task of comprehending the implications has been made even more complex because the Bill is directed towards national government and not at the local level. This uncertainty made it challenging for the panel to determine whether the principle of the Bill should be supported, with panel members drawing different conclusions on this matter. Therefore, no firm conclusion was reached on whether the panel recommended that the Council ‘in principle’ support the Bill in line with the motion (Annex 1).
- 5.15 However, there are elements within the Bill which may be applicable to a local context including those which complement actions in the Council’s Climate Emergency Action Plan (CEAP) or which could be considered as part of its refresh. These are highlighted within Annex 2.
- 5.16 There are elements of the Bill that would appear to have a logical basis but in the opinion of the panel required further clarity or refining. These are highlighted in Annex 2. For example in terms of annual interim targets to achieve the overarching climate and nature targets, the panel understands the strength and weight of a legal target but the Bill was silent on how this would be enforced and how would it work in practice.
- 5.17 A further example is where the Bill proposed that the UK takes responsibility for its entire ecological footprint during production, trade and consumption in the UK and internationally. Whilst there is a sound basis for the proposal there are some doubts on whether this can be achieved when its compliance is dependent on international circumstances.
- 5.18 As indicated above, following the final meeting of the Panel, the parliamentary session for 2021-22 was brought to a close; the implication being that the CEE Bill will not progress further. In light of the status of the Bill, it is proposed that the work of the Panel be concluded.

6 Conclusion

- 6.1 The CEE Bill was put forward to require the UK government to meet its commitments in achieving net zero carbon emissions and aims to tackle the climate-nature emergency.
- 6.2 The Task and Finish Panel has considered the CEE Bill as required by the Council motion. As the Bill is no longer progressing, it is recommended that the work of the Panel on whether to support the Bill be concluded. However, the Panel has highlighted elements of the Bill which it can support and which can add value to our existing CEAP. The recommendations of the panel for consideration as part of future reviews of the Council’s CEAP comprise:

Report from Overview and Scrutiny Committee on 17 May 2022 **APPENDIX B**

- Think about re-focusing on biodiversity (taking account of the forthcoming implications of the Environment Act 2021), including the link to the CEAP; and
- Add targets and milestones to the CEAP.

<u>Background Papers (Local Government Act 1972 Section 100D)</u> Test Valley Borough Council's Climate Emergency Action Plan (2020)			
<u>Confidentiality</u> It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	2		
Author:	Graham Smith	Ext:	8141
File Ref:	N/A		
Report to:	Overview and Scrutiny Committee	Date:	17 May 2022

Resolution of Test Valley Borough Council regarding the Climate and Ecological Emergency Bill

Council refers the following motion to the Overview and Scrutiny Committee for consideration and response:

That Council:

- i. Support the Climate and Ecological Emergency Bill;
- ii. Inform the local media of this decision;
- iii. Write an open letter to Kit Malthouse MP and Mrs Caroline Nokes MP (shared with our residents through local and social media) urging them to sign up to support the Bill; and
- iv. Write to the CEE Bill Alliance (now known as Zero Hour), the organisers of the campaign for the Bill, expressing its support (joinus@ceebill.uk).

[Extract of the Minutes of the Council of Test Valley Borough Council on 1 September 2021]

THIS PAGE IS INTENTIONALLY BLANK

Climate and Ecological Emergency Bill - Overview of Findings of the Panel

ANNEX 2

General Comments on the whole Climate and Ecology Bill:

- There are some challenges / issues with the language and terminology used, in terms of the ability to understand the purpose of the Bill and its implications
- Need to be mindful of the scale of the requirements, national versus local
- In relation to those provisions that are proposed to be legally binding, need to be clear on how this works, how it would be measured and monitored – the provisions within the Bill place the responsibility on the Secretary of State, including achieving the objectives set out in the Bill, publishing a strategy to achieve these objectives, and take all reasonable steps to meet annual interim targets set out within the strategy. We would also need to be clearer about the tolerances on measures and metrics proposed in the Bill, recognising the challenges around the potential reliability or accuracy of data and that changes are not likely to be implemented in a linear way.
- Importance of consideration of the resources for local government to implement changes

CEE Bill Expectation ¹	Links to other legislation / national policy ²	Local implications	Climate Emergency Action Plan (CEAP) / Other Strategy Links	Comments
<p>a. <i>The nature emergency is addressed shoulder to shoulder with the climate crisis via an urgent, joined-up whole-of-government approach</i></p>	<ul style="list-style-type: none"> • Environment Act 2021³, including the Local Nature Recovery Strategy • The government declared a climate and environmental emergency in May 2019 • Climate Change Act 2008 • Agriculture Act 2020 and associated policy and funding changes 	<ul style="list-style-type: none"> • TVBC declared a climate emergency in September 2019. • The Council has commissioned consultants to help inform the next steps for CEAP review. • Environment Act 2021 will introduce a system of mandatory biodiversity net gain through the planning system, following a 2 year transition period. Additional provisions will also have implications, such as the preparation of Local Nature Recovery Strategies. 	<ul style="list-style-type: none"> • CEAP includes a ‘natural environment’ theme but opportunities to strengthen the links and recognition of co-benefits (and risks) • Corporate Plan and Corporate Action Plan (TVBC will be drafting a new corporate plan in 2022). • Local Plan • Biodiversity Action Plan • Green Space Strategy • PfSH and TVBC work on green infrastructure • Joint work with other organisations on international nature conservation designations • Economic Development Strategy 	<p>The principle of addressing climate and nature emergencies together through a joined up approach is supported by the Panel.</p> <p>There is a need to think about re-focusing on biodiversity (taking account of forthcoming implications of the Environment Act 2021), including the links to the CEAP, as discussed through the OSCOM Panel on the CEAP.</p>
<p>b. <i>The UK plays its full and fair role in limiting the mean global temperature rise to the most stringent end of the Paris Agreement (i.e. reducing UK emissions at a rate consistent with at least a 66% probability of limiting peak warming to 1.5°C compared to pre-industrial levels) via a new legally binding climate target.</i></p>	<ul style="list-style-type: none"> • It is understood that the current approach in the Climate Change Act 2008 is based on a 50% probability 	<ul style="list-style-type: none"> • Will be implications on / for local authorities, as well as those living and working locally, if the rate of reduction in emissions needs to increase reflecting any national changes on this matter. This would also have implications on the cost of implementing such measures. 	<ul style="list-style-type: none"> • No links identified at present 	<p>The principle of a full and fair role being played in limiting the rise in global temperature is supported by the Panel. Where possible, it would also support exceeding the commitments that the UK has made.</p> <p>There may be challenges with forecasting the probability of attaining specific temperature rise scenarios⁴. There would need to be confidence in the modelling used to</p>

¹ Derived from information published on the CEE Bill Alliance (now called ‘Zero Hour’) [website](#), as set out in paragraph 3.1 of the CEE Bill report to OSCOM on 6 October 2021. Please note, the wording may not directly reflect that contained within the Bill itself.

² This may not be totally comprehensive but summarises information that the Panel is aware of.

³ Available: <https://www.legislation.gov.uk/ukpga/2021/30/contents/enacted>

⁴ Understanding that the IPCC has undertaken some work at a global level on emissions reductions for different probability levels.

CEE Bill Expectation ¹	Links to other legislation / national policy ²	Local implications	Climate Emergency Action Plan (CEAP) / Other Strategy Links	Comments
				<p>derive this. There are also challenges with considering this at a local scale</p> <p>In terms of a legally binding climate target – the Panel understands the strength and weight of a legal target but there is the issue of enforceability and how would it work in practice.</p>
<p><i>c. The UK takes responsibility for its entire greenhouse gas footprint—i.e. its consumption emissions, including passenger shipping, flights and land-based transport—by accounting for all of the emissions that take place overseas in the manufacture, transport and disposal of goods consumed in the UK.</i></p>	<ul style="list-style-type: none"> Emissions reporting focuses on "territorial" emissions, meaning emissions that occur within the UK's borders. This includes CO₂ emissions from: <ul style="list-style-type: none"> Industry Commercial Public sector Domestic Transport (road and rail) Land However, for the first time the Sixth Carbon Budget (CB6) at a national level includes emissions from International Aviation and Shipping. Previous carbon budgets have formally excluded these emissions. 	<ul style="list-style-type: none"> Data from the Government for local authority level CO₂ emissions is focused on territorial emissions at present. Some third parties have provided estimates of emissions across local authority areas taking a "consumption" based approach⁵. If this approach is followed, there is the potential that it may necessitate local authorities reporting on wider scope of emissions for their own organisations [our latest reporting at: GHG report], which could increase emissions reporting. As part of our ongoing work on the CEAP, the Council commissioned consultants to review the scope and inform our approach to emissions reporting going forward. 	<ul style="list-style-type: none"> CEAP refers to current Government data for local authority areas based on territorial approach, it also includes an action regarding reviewing the procurement strategy links to consumption based emissions Annual Greenhouse Gas emissions report 	<p>The Panel raised some concern with the 'responsibility' in this context, where emissions may be arising in other countries where the scope to influence may be lessened.</p> <p>The scale of the matters that would need to be addressed are likely to be best dealt with at a national / global scale. Once this framework is established, it could be implemented at a number of scales, including at a local level.</p> <p>The consumption based approach can be useful at a local level (there are caveats to this) to help understand resident responsibility.</p>
<p><i>d. The reduction of the UK's greenhouse gas emissions is achieved first and foremost, by stopping emissions' sources caused by human activity, whilst also ending the exploration, extraction, export and import of fossil fuels</i></p>	<ul style="list-style-type: none"> Net Zero Strategy sets out the Government's strategy, including that by 2035 all electricity will come from low carbon sources UK involved in COP26 announcements / packages about phasing out coal 	<ul style="list-style-type: none"> Ensuring that the reduction of greenhouse gases in our areas is prioritised Greater importance and reliance on local generated renewable energy and fossil fuel produced in UK. In terms of fossil fuels, Hampshire County Council is responsible for determining most minerals and waste planning applications, including gas and oil extraction. TVBC would be a consultee for proposals in the Borough. Gas and oil licenses 	<ul style="list-style-type: none"> Linked to a CEAP action, we switched our electricity source to a REGO backed tariff, which helps industry to understand interest in renewable energy sources and direct investment this way CEAP actions relating to moving fleet vehicles to electric or alternative fuel sources to reduce emissions. Links to emerging Local Plan including in relation to consideration of renewable energy (via Renewable and Low 	<p>The Panel recognise the two aspects linked to this, namely 1) addressing the Council's emissions; and 2) signposting communities / residents in relation to their emissions. Nudge principles and behaviour change are important in helping to reduce emissions.</p> <p>The Panel supported the sentiment of this matter and the Council is already doing this in the CEAP.</p> <p>It was noted that fossil fuels (such as oil based products) are not only used</p>

⁵ This includes the IMPACT Community Carbon Calculator, which provides details at a parish level, as well as local authority level for a specific time period. This is available at: <https://impact-tool.org.uk/>

CEE Bill Expectation ¹	Links to other legislation / national policy ²	Local implications	Climate Emergency Action Plan (CEAP) / Other Strategy Links	Comments
		are issued by the Gas and Oil Authority. ⁶	Carbon Energy Study prepared by LUC and CSE)	for energy generation, so there is a need to be mindful of these wider uses in considering the approach to exploration and extraction.
<i>e. The UK nations adhere to national, legally-binding carbon budgets set each year—not every five years</i>	<ul style="list-style-type: none"> Climate Change Act 2008 sets legally binding targets to reduce carbon emission to be net zero by 2050 Part of this process is setting carbon budgets for five year periods The UK’s greenhouse gas emissions are reported annually but with a two year lag as a result of timescales to collate this data 	<ul style="list-style-type: none"> Potentially could see a requirement for local authorities to set specific annual targets to reduce emissions. 	<ul style="list-style-type: none"> No links identified at present 	<p>The Panel considered that we are likely to need to move towards the annual approach if we are to achieve anything in the short term because of the importance of this matter. This would relate to budget setting as well as measuring annually.</p> <p>In relation to the annual carbon budgets, would need to be clear on how this would be monitored and enforced.</p>
<i>f. The UK has a strict nature target so that by 2030 nature is visibly and measurably on the path of recovery in line with the Global Goal for Nature. The Bill also ties this nature target to international pledges, locking them into law. This will ensure that the UK will comprehensively fulfil its obligations under the UN Convention on Biological Diversity—and meet the commitments set out in the Leaders’ Pledge for Nature</i>	<ul style="list-style-type: none"> 25 Year Environment Plan⁷ (and related plans & strategies) include commitments in relation to restoring specific habitats (marine, freshwater and land based) and increasing woodland Environment Act 2021 sets a requirement to establish a species abundance target to be achieved by 2030⁸, there are also provisions relating to the preparation of Local Nature Recovery Strategies, species conservation strategies, and protected site strategies 	<ul style="list-style-type: none"> There is a duty on public authorities to have regard to conservation of biodiversity in exercising their functions – this is being strengthened in the Environment Act 2021 to reference to conservation and enhancement of biodiversity. Anticipate that national strategies, targets and legal provisions will need to be implemented across local areas – anticipate will need to respond to local circumstances. 	<ul style="list-style-type: none"> Corporate Plan (local environment priority). TVBC will be drafting a new corporate plan in 2022. CEAP includes a ‘natural environment’ theme but there are opportunities to strengthen the links. Biodiversity Action Plan Green Space Strategy 	<p>The Panel considered whether the Council should give more emphasis to carbon sinks within our own land and new open spaces. Also we should think about signposting in relation to agricultural land and the opportunities for enhancing nature.</p>
<i>g. The UK’s ecosystems are protected and restored with a focus on biodiversity and ecosystems that act as resilient natural carbon sinks—and that the health of nature is achieved, above all else, by avoiding its destruction</i>	<ul style="list-style-type: none"> 25 Year Environment Plan (and related plans & strategies) – recognition of opportunity of the Nature Recovery Network delivering additional benefits including carbon capture Environment Act 2021 Agriculture Act 2020 and associated policies and funding including links to Environmental Land Management schemes⁹ 	<ul style="list-style-type: none"> This could influence the approach to conserving and enhancing biodiversity (including through funding / grants available). Need to think about the implications of climate change on biodiversity and ecosystems, for example whether to restore to what the environment has been in the past, or think about what might be appropriate in the future 	<ul style="list-style-type: none"> Corporate Plan (local environment priority). TVBC will be drafting a new corporate plan in 2022. CEAP actions around opportunities for wilding and nutrient mitigation which will contribute to carbon sequestration Green Spaces Strategy 	<p>The Panel’s position on this matter was reflects that set out for items a) and f).</p> <p>Additionally, there is a need to be mindful of links between adaptation¹⁰ and biodiversity, in terms of what will be able to survive in future climate conditions.</p>

⁶ More information at: <https://www.hants.gov.uk/landplanningandenvironment/strategic-planning/oil-gas-development>

⁷ Available: <https://www.gov.uk/government/publications/25-year-environment-plan>

⁸ Consultation commenced in relation to national targets linked to the Environment Act 2021, see: <https://consult.defra.gov.uk/natural-environment-policy/consultation-on-environmental-targets/>

⁹ More information at: <https://www.gov.uk/government/publications/environmental-land-management-schemes-overview/environmental-land-management-scheme-overview>

CEE Bill Expectation ¹	Links to other legislation / national policy ²	Local implications	Climate Emergency Action Plan (CEAP) / Other Strategy Links	Comments
		(e.g. whether species being planted remain appropriate)		
<p><i>h. The UK takes responsibility for its entire ecological footprint. This means preventing adverse impacts on ecosystems and human health caused by consumption, trade and production in the UK and internationally—including via the extraction of raw materials, deforestation, land degradation, pollution and waste</i></p>	<ul style="list-style-type: none"> • 25 Year Environment Plan (and related plans & strategies) • Environment Act 2021 includes provisions in relation to prohibiting using illegally produced forestry commodities • Commitments through COP26 on deforestation 	<ul style="list-style-type: none"> • This may have implications for approaches to procurement at a local level, including any procurement that the Council undertakes. 	<ul style="list-style-type: none"> • No links to the CEAP identified at present 	<p>The Panel supported this item in principle. There are some doubts on whether this can be achieved at the national level when dependent on international circumstances but it could perhaps be influenced at a local level through procurement processes.</p> <p>The Panel considered that changes at a local level are unlikely to have much direct impact in terms of implementing these provisions.</p>
<p><i>i. An emergency strategy is drawn up via a temporary Climate and Nature Assembly, representative of the UK population, in order to advise on the fairest way forward. The Assembly would work directly with the Climate Change Committee and the Joint Nature Conservation Committee, before the strategy is laid before and approved by Parliament</i></p>	<ul style="list-style-type: none"> • In 2020, a national Climate Assembly¹¹, made up of a representative group of the population, discussed how the UK should meet the target of reaching net zero greenhouse gas emissions by 2050. • All the reports, material and the final outcomes are available at: https://www.climateassembly.uk/ 	<ul style="list-style-type: none"> • No specific obligations for local citizens assemblies or other deliberative democracy approaches • A number of local authorities have organised climate assemblies, citizens assemblies on such matters, or used other deliberative democracy approaches 	<ul style="list-style-type: none"> • No links identified at present 	<p>The Panel received a presentation from the Head of Strategy & Innovation about deliberative democracy and local insights to help inform consideration of this matter.</p> <p>The Panel understand the concept and the role climate assemblies and other forms of deliberative democracy can play (including benefit of input of representative group of population to input). However, there are challenges in implementing this at this scale and given breadth of topic. There may be more value if such approaches are used to feed into the consideration of specific targeted points or topics relating to the climate and ecological emergencies.</p>
<p><i>j. More vulnerable communities are positively impacted by the proposals in the strategy, and that financial support and retraining is offered to those people currently working in high-impact industries</i></p>	<ul style="list-style-type: none"> • Home Energy Conservation Act 1995 (HECA) • Minimum Energy Efficiency Standards • Net Zero Strategy includes some links to this matter, including around reporting the skills systems and delivering a lifetime skills guarantee to include 	<ul style="list-style-type: none"> • The Council may have to take a more proactive role working with communities, residents and businesses to reflect the objectives set out in the Bill. • The Council may need to access funds to implement and achieve targets at both a national and local level. 	<ul style="list-style-type: none"> • There are some links to actions associated with CEAP on supporting businesses that links to this matter • Some links to Economic Development Strategy (2019-23, interim) • Links to HECA - recognises local authorities' ability to use their 	<p>The Panel reflected on a number of matters, including the scope to encourage Registered Providers (particularly those who took on Council stock) to enhance their housing stock (and making sure grant schemes are workable and if not, whether we can we provide support); and links to the green</p>

¹⁰ Climate change adaptation related to preparing for and dealing with actual or anticipated impacts of climate change. This could include adjustments made to natural or human systems to mitigate harm or exploit beneficial opportunities.

¹¹ In case of interest, a documentary about the process of the Climate Assembly and the journey of some of those involved is available via the BBC i-player for those with a TV license:

<https://www.bbc.co.uk/iplayer/episode/p097sbzc/the-people-vs-climate-change>

CEE Bill Expectation ¹	Links to other legislation / national policy ²	Local implications	Climate Emergency Action Plan (CEAP) / Other Strategy Links	Comments
	<p>retraining or upskilling those in the workforce.</p>		<p>position to improve the energy efficiency of all residential accommodation owner-occupied, privately rented and social housing) in their areas. The Government requires local housing authorities to develop an action plan and report to the Department of Business, Energy and Industrial Strategy.</p>	<p>economy and enhancing skills and training. The Panel recognised that we may also want to think about isolated and rural communities, not just in terms of challenges but also opportunities (such as community energy schemes).</p>
<p><i>k. Annual interim, legally-binding targets are set in order to achieve the Bill's objective.</i></p>	<ul style="list-style-type: none"> For carbon emissions, currently 5 yearly carbon budgets are set (linked to the Climate Act 2008) The Environment Act provides a framework for establishing long term targets in relation to the natural environment 	<ul style="list-style-type: none"> May impact on the Council and require local authorities to set specific annual targets to reduce emissions and its ecological footprint in their local authority area. The Council may need to access funds to implement and achieve targets at both a national and local level. Through the Environment Act, local authorities will need to publish Biodiversity Reports which summarise action that has been taken in line with complying with the updated Biodiversity duty – such reports are likely to be required at least every 5 years. 	<ul style="list-style-type: none"> No links identified at present 	<p>The Panel considered that there is likely to be a need to move towards an annual approach for target setting and monitoring if we are to achieve anything in the short term because of the importance of these matters.</p> <p>There would need to be clarity on how the annual interim targets would be enforced.</p> <p>The Panel reflected on the challenges associated with some metrics, such as the reliability of data and that some metrics may evolve over time. This may result in a need to think about acceptable tolerances in the data or caveats that the situation may evolve.</p> <p>The Panel considered there would be value in adding targets and milestones to the Council's CEAP, as reflected upon through the OSCOM CEAP Panel.</p>

THIS PAGE IS INTENTIONALLY BLANK

ITEM 11 Overview and Scrutiny Chairman's Annual Report 2022

Introduction

Welcome to this annual glimpse of the many strategic activities which have been undertaken by Overview and Scrutiny Committee in its dual role as a scrutiniser of Council operations and practices, and as a developer of policies and initiatives which seek to enhance the lives of those who live in the Test Valley.

Overview and Scrutiny Committee is unique among Council committees in that the majority of its work is not performed reactively in response to external requirements. Instead, members manage its own independent work plan in which they focus cross-party collaborative effort upon the investigation, refinement and improvement of a wide range of processes and practices. These enhancements are targeted both within the Council and within its sphere of influence throughout the Borough. Recently, such work has resulted in important areas of policy development coming to fruition.

This year the Committee has also focused upon the efficiency of its own working by questioning the fundamental requirements of 'scrutiny' and by ensuring that its own practices maintain high standards while achieving an economy of committee time. Examples are the revision of the process for appointment of the Overview and Scrutiny Chairman and the new procedure by which the Committee scrutinises Cabinet Portfolios.

Overview and Scrutiny Committee's scrutiny, information-gathering and workshop processes operate at the committee level, the latter activity happening through its 'roundtable' discussion forums. In these forums, members and officers share opinions and experiences as they work closely together on the generation of ideas, the introduction of new initiatives and the creation of corporate plans. Examples this year include: contributions on the implementation of the new Environment Act; Council communications; the annual Corporate Action Plan; development of the new Corporate Plan; and exploration of the potential of the green economy.

Most of the Committee's policy and reform work, however, is carried out within its 'panels' by committed groups of members. Each panel is established to achieve a specific task through a defined programme of work, which typically lasts several months. Throughout most of this year the Committee has been simultaneously operating eight panels. Two of these, the Budget Panel and Audit Panel are re-born on an annual basis and scrutinise their respective Council functions at precision level. Others, which are all discussed below, are examining significant issues such as: the processes involved in S106/CIL negotiation and allocation; and the improvement of the transparency and effectiveness of planning enforcement.

Special mention should be made of the considerable effort performed by members and officers on several initiatives devoted to the study and potential mitigation of the effects of climate change. Two panels have explored climate and environmental issues, one of which was chaired by Councillor Gwynne. Councillor Gwynne's panel created a list of priorities and further actions which should be included in the next iteration of the Climate Emergency Action Plan which should be made available by Spring 2022. This is a revisable document which examines the means by which the Council will achieve carbon neutrality and how it can use its influence to reduce the generation of greenhouse gases across the entire Borough.

Away Day

The Committee held its Away Day on Saturday 10 July at Broughton Village Hall. The day started with a welcome from the Chairman and this was followed with a networking/conversation session. A training session was then delivered by Ian Parry from the Centre for Governance and Scrutiny to develop members' skills and approach to scrutiny. This also helped members to develop an analytical and structured approach to scrutiny and strengthen their ability to work as an effective team.

Several issues raised by Ian Parry's session have since been incorporated into the scrutiny practices of Overview and Scrutiny Committee, such as the benefits of scrutinising future intent and strategic planning, rather than concentrating on the past.

The Committee also reviewed its work programme and discussed future topics. Following evaluation the Committee agreed to add the following to the work programme for 2021/22.

- Community Resilience
- The Green Economy
- Communications
- Funding infrastructure within communities
- Regeneration of town centres
- The impact of the Environment Bill and waste collection in Test Valley
- New ways of working
- Corporate Plan and Corporate Action Plan
- Communications

The away day has enabled the Committee to have in place a clear work programme which reflects the work the Council is undertaking in relation to its corporate priorities. This enables the Committee to be able to focus on key strategic issues and the Council's officer team to be able to resource the work of the committee and its associated panels.

Round Table discussions and Briefing Notes

Six Round Table discussions have been held during the year including;

Communications – a focus on how the Council communicates with residents through its various channels such as print media and the website. The roundtable provided an overview of the work of the strategic communications team and provided the basis for the committee to develop and refine a proposed scope for the communications panel review that commenced during the year.

Corporate Action Plan year 4 – as part of the annual process for updating the Council's corporate action plan, this was an opportunity for the committee to review the proposed changes to the action plan ahead of it being considered by Cabinet.

Developing a new Corporate Plan – In 2023 the Council will adopt a new corporate plan. A roundtable was held to enable members to consider the process for developing the next plan with a particular focus on the public engagement work that commence in summer 2022.

The Green Economy - The OSCOM Green Economy roundtable will focus on where and how TVBC can support business resilience as the UK heads to Net Zero, fostering and supporting low carbon innovation, future land use and places together with the skills that will underpin this transition.

Environment Bill – The roundtable briefed the committee on proposed changes in legislation and also focused on the Hampshire Joint Municipal Waste Management Strategy that was subsequently approved by Cabinet two weeks later.

The Joint Municipal Waste Management Strategy is part of the building blocks or stepping stones that will help take the Council, and other Hampshire partners, on the waste collection system change journey brought about by the Environment Act, specifically weekly food waste collections and the introduction of a twin stream collection system for recyclable material.

Briefing notes on wider subjects of interest to the committee continue to be circulated as and when required.

Items and Meetings

Overview and Scrutiny Committee meetings were previously held on a four-weekly cycle. At its meeting on 26 February 2021, Council approved pilot arrangements for the frequency of Cabinet and Overview and Scrutiny (OSCOM) meetings to move to a six-weekly cycle on a pilot basis.

The move to a six-weekly cycle aimed to better facilitate the Council's business, in particular to better align with the financial deadlines of the Council. It was anticipated that greater time between meetings would allow for the business of the Council to be progressed in a more meaningful and effective way allowing Members and officers to develop work and report back to future meetings in a timely manner taking into account the legal requirements for agenda publication.

The committee had a busy workload with responsibilities across the Council and beyond. During the pilot period Overview and Scrutiny Committee has been able to create and manage its work plan with more time to actively engage in key areas of work. The pilot was reviewed at Council on 26 February where it was agreed to move the frequency of Overview and Scrutiny Committee (and Cabinet) to a six-weekly cycle.

There have been 9 meetings since the last Chairman's Annual Report. The Committee recommended the budget update to Cabinet and endorsed the work undertaken to deliver a budget for 2022/23. In addition the committee also considered the following reports:

- Annual Audit Report
- Budget Panel draft budget and draft fees and charges
- Equality and Inclusion
- Use of Council's power under Regulation of Investigatory Powers Act 2000
- Feedback from Armed Forces Covenant Panel
- Annual report on complaints
- Report on the work of the Test Valley Community Safety Group
- Authority's Monitoring Report 2020-2021

The Committee had received regular updates on the Climate Emergency Action Plan and Covid-19 Recovery

Presentations

Regeneration – The Regeneration Manager gave a presentation on regeneration in Andover and Romsey including the regeneration plan for Andover Town Centre and South of Romsey Town Centre.

Presentation on Local Policing – Acting Chief Inspector Taylor and Sergeant Boughey gave an overview of work and crime figures locally and set out the 8 national priority areas and the three district priorities. They took a variety of questions from members.

New Ways of Working – The Innovation and Business Change Manager gave a presentation on the Council's new ways of working, the first phase of which will focus on providing outstanding services, meeting corporate priorities and achieving best outcomes for our residents. The second phase of the project will look at innovation, insight and service delivery, culture and people and business infrastructure and technology. Members then asked a variety of questions. Further strategic updates relating to this programme of work will be provided in the future, and as a direct result of this presentation, members are now due to receive support on how they can use Council facilities to take part in hybrid meetings.

Portfolio Reviews

Leader's annual review of the Corporate Plan – The Leader gave his annual update on the Council's Corporate Action Plan (CAP) 2019-2023 'Growing Our Potential'. The presentation also updated the Overview and Scrutiny Committee on the Covid-19 Recovery Plan which looks at the ongoing work to ensure the safety of the population and workforce, review future working, providing a sustainable mechanism of recovery through place-based and community focused approach, identifying opportunities to do things differently and adapting to the changing situation.

Housing and Environmental Health Portfolio – Councillor Bundy gave a presentation of key areas of activity during the pandemic and, looking ahead to the future, he also reflected on the role of the Environmental Health Service to ensure that the Overview and Scrutiny Committee had an understanding of the role they have played in supporting our communities. Overview and Scrutiny members were supportive of the work of the service and there was a good discussion about pressures and service planning associated with the scope Councillor Bundy covered in the presentation.

Community, Leisure and Tourism Portfolio Holder – The Community, Leisure and Tourism Portfolio Holder gave a presentation on leisure facilities including and how leisure and sports facilities are progressing financially post pandemic recovery. He highlighted that the Council received a detailed report covering period from March 2020 to July 21 and that whilst restrictions have all been lifted, activity levels continue to recover.

At the time of reporting, Ganger Farm remained in the ownership of the developer however the Council is pushing for completion in preparation for opening later in 2022.

The portfolio Holder was delighted to report the Lights had reopened in September, it had also been awarded the Society of London Theatres See it Safely kitemark in recognition of measures taken to keep the public safe.

Panels

Budget Panel – The Budget Panel, led by Councillor Matthews, met three times during the course of the year.

The panel reviewed the previous year's Financial Out-turn, Medium Term Financial Projection and proposed Fees and Charges for the coming financial year.

The outcomes of these Panel meetings were recommendations to the Overview and Scrutiny Committee that enabled the Committee to make its own recommendations to Cabinet, helping to deliver a robust and balanced budget for the Council in the 2022/23 financial year.

Audit Panel – The panel, led by Councillor Borg Neal met three times during the past year, setting the Internal Audit work programme for 2021/22 and subsequently reviewing progress reports and summaries of recommendations being made. The panel also endorsed the external audit annual audit report, treasury management mid-year review and the process for the appointment of a new external auditor. Council at its meeting on 6 April 2022 agreed to establish an Audit Committee that is responsible for a number of areas including procurement of audit services and audit performance, governance arrangements, financial resilience and financial reporting. Appointments to the Audit Committee will be made at Annual Council in May 2022. Following the establishment of this Committee, the Audit Panel will be decommissioned.

Review of Outside Bodies - The panel, led by Councillor C Dowden, reviewed the role and expectations of members who serve as representatives on outside bodies. The panel examined the guidance for representatives and undertook work to further define the role and the level of feedback required. The review sought to understand the added value that having members as representatives on these bodies brings to ensure that these organisations and the Council gain mutual benefit from this.

Following an initial report of the findings, the panel worked with the Council's Member and Community Development Group, which is a cross-party working group, to develop the final proposals.

As a result of the panel, it has been recommended that new arrangements be developed for how members can provide feedback to the council on the work of the outside body they are part of. These arrangements shall use mechanisms such as the Members' Information Bulletin. The Committee has also agreed that an annual presentation from the Community Manager on the Council's wider support for the voluntary and community sector should form part of the OSCOM annual work programme. An information sheet for representatives has been developed and further support will be given by Democratic Services and including how to report back.

Informal process for the selection of Chairman of Overview and Scrutiny Committee - The panel led by Councillor C Dowden considered an informal process for selecting the candidate for Chair of the Overview and Scrutiny Committee following the piloting of a new approach in 2021. The review focused on how the informal process can enable members to learn more about prospective candidates and how they will meet the qualities of the role description and what they will bring to the role of Chair if selected. The rationale for this is in recognition of the important role that the Overview and Scrutiny Chairman fulfils in enabling the Committee to meet its overview and scrutiny responsibilities. The Committee, at its meeting on 15 December 2021, endorsed the final conclusions of the panel and the informal process piloted in 2021 is adopted for use in future years.

Climate Emergency Action Plan - The panel led by Councillor Gwynne reviewed the status of the Council's response to the declared Climate Emergency; and to collate proposed additions to the Climate Emergency Action Plan for consideration by Council members and the Climate Emergency Board.

Enforcement Panel – ongoing - A review, led by Councillor Burley, is currently being undertaken based on the areas of focus set out in the scoping document and will result in a report to Overview and Scrutiny Committee outlining any key recommendations for consideration. The review will give assurance to residents, planning professionals and councillors that this important service is fit for purpose.

Communications Panel – ongoing - This panel, led by Councillor Brooks, reviewed communications to and from the Council and between Members and staff. The panel looked at an overview of the Council's corporate communications strategy, including plans for the future and looked at how the Council can encourage and maximise opportunities for two-way communication. The panel also focused on the role of members as community councillors and how they currently communicate with their residents and communities. The panel will also hold a focus group with residents and service users to understand how they would prefer to receive communications and identify any gaps or barriers and how these can be overcome. The review will provide valuable insight to the Council as it continues to develop key areas of its communications and the channels it uses to engage and communicate with residents.

Climate and Ecological Emergency Bill – ongoing - At the meeting of Council on 1 September 2021, a motion was proposed by Councillor Gwynne and seconded by Councillor C Dowden, which requested Council support for the Climate and Ecology Emergency Bill, which was awaiting a reading by Parliament. This was referred to Overview and Scrutiny Committee for further consideration and response.

Overview and Scrutiny Committee established a cross-party panel to carry out this task, led by Councillor Lodge. The panel debated the possible high-level implications of each clause within the Bill and noted where these same objectives were also covered by other, more advanced legislation, such as the Environment Act. The panel also examined the potential impact that each clause might have at borough level and where these had already been anticipated within our own Climate Emergency Action Plan.

Panel members have met four times and have had much fruitful and informed debate on the variety of environmental issues raised, even though progress of the Bill itself has been repeatedly stalled in Parliament. The panel is currently compiling its final considerations and conclusions for presentation in May.

S106/Community Infrastructure Levy (CIL) Panel - The purpose of the panel, led by Councillor Hamilton is to understand the processes of negotiation and allocation of CIL/S106 money and how the associated decision-making processes operate. The panel aims to make recommendations where it considers that there are areas for improvement. Work was delayed from 2021 due to COVID restrictions and the majority of it will be undertaken during 2022.

Approach to Portfolio Reviews

Throughout most of 2021 the Overview and Scrutiny Committee has been trialling a new approach to the review of Portfolio Holders and their portfolios. This has aimed to increase efficiency by focussing on specific aspects of each portfolio and by targeting questioning towards future strategic issues, for example: strategic priorities, actions to mitigate future risks, future performance targets (including with regard to climate and ecological issues), future resources, and actions being taken to resolve any on-going problems. The approach also seeks to place a greater emphasis on the examination of strategic issues and encourages a forward looking analysis to ensure that future risks and opportunities are being properly anticipated.

On 22 January 2022 Overview and Scrutiny Committee agreed an informal process for Portfolio coordinators which set out the role of the coordinator, how they will coordinate with the Portfolio Holder for their presentation and leading the questioning at Committee.

Conclusion

This report has described the variety of strategic activities undertaken by the members of Overview and Scrutiny Committee during the present Council year. Fortunately, it was possible for members to meet in person throughout the year, following the lifting of government COVID-19 restrictions.

Overview and Scrutiny Committee's activities have included: the annual Away Day, Roundtable workshops, Briefings (several on-line), 6-weekly Committee Meetings (which include work plan reviews), Cabinet Portfolio Reviews, information-gathering Presentations, and Panels. These have all been well-supported by members who have made significant contributions to their success.

I would like to express my thanks to my Vice Chairman Cllr Nick Matthews and to officers Caroline Lovelock and James Moody who have all provided valuable advice and guidance. Thank you too to the very many more officers who have provided expertise in the support of our specialist panels and who have addressed the Committee in the course of its work.

Cllr Nicolas Lodge
Chairman of Overview and Scrutiny Committee