

Corporate Policy and Resources Committee



24 March 2025

Title	Reorganisation and Transformation Board Terms of Reference
Purpose of the report	To make a decision
Report Author	Lee O'Neil, Deputy Chief Executive
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: <ol style="list-style-type: none"> 1. Confirm the merging of the Reorganisation Board and the Transformation Board, with the combined Board to oversee the Council's Transformation Programme and any changes required as part of Local Government Reorganisation in Surrey; and 2. Agree the Terms of Reference for the combined Reorganisation and Transformation Board as outlined in Appendix A.
Reason for Recommendation	There is a need for a Member/Officer Board to oversee progress with the Council's Transformation Programme, addressing recommendations made in the Annual Audit Report, together with the programme of work to deliver Spelthorne's transition into a larger unitary authority as part of the Government's Local Government Reorganisation for Surrey; and to ensure that these two programmes of work are appropriately aligned.

1. Summary of the report

What is the situation	Why we want to do something
Spelthorne has agreed a Transformation Programme to ensure the ongoing financial viability of the Council, with a	There is a need to ensure that the work of the Transformation Board and the Reorganisation Board are appropriately aligned.

<p>Members' Transformation Board set-up to oversee this work.</p> <p>Grant Thornton, the Council's external auditors, highlighted in their Annual Audit Report for 2023-24 the need to drive forwards a medium-term transformation programme to help close projected budget gaps.</p> <p>In view of the planned Local Government Reorganisation for Surrey it was also agreed to set up a Reorganisation Board, to oversee the work required to transition into a larger unitary authority.</p>	
This is what we want to do about it	These are the next steps
In order to ensure effective alignment of both workstreams, it is proposed that the Reorganisation Board should be combined with the Transformation Board.	Committee is asked to confirm the merger of these two Boards and the Terms of Reference for a combined Reorganisation and Transformation Board.

- 1.1 This report seeks the Committee's confirmation of the merger of the Transformation and Reorganisation Boards, to oversee the Council's Transformation Programme and the work required to enable the transition into a new unitary authority as part of the Government's plans for Local Government Reorganisation in Surrey. The report also seeks approval for the proposed Terms of Reference for the combined Board that would be created.

2. Key issues

- 2.1 At its meeting on 9 December 2024, the Corporate Policy and Resources Committee (CPRC) agreed an outline Transformation Programme covering the years 2025 to 2031, to ensure the ongoing financial viability of the Council.
- 2.2 At that meeting, the Committee also agreed to set up a Councillors' Transformation Board, reporting to the CPRC, to oversee and drive this transformation work, and for the draft Terms of Reference for that Board to be agreed by the next meeting of the Committee in January 2025. Grant Thornton, the Council's External Auditors, in their Interim Annual Audit Report for 2023-24, recommended as part of Key Recommendation 1, that the Council *"reinstates its transformation programme as a matter of urgency"*.
- 2.3 Subsequent to that meeting, the Government announced proposals for Local Government Reorganisation (LGR) and has confirmed that Surrey will be in the first phase of local authorities to be taken through the LGR process. As a consequence, if this process progresses in accordance with the Government's

planned timetable, Spelthorne will no longer exist as a sovereign authority from April 2027.

- 2.4 In view of the challenging timetable for LGR in Surrey and the need to prepare for, plan and implement the necessary work-streams necessary to implement the transition into a new unitary authority, the Committee at its meeting on 20 January 2025, agreed to set up a new Reorganisation Board to oversee this process and report back to CPRC.
- 2.5 On 6 February, the Council resolved to agree the Terms of Reference for the Reorganisation Board with two amendments, removing the words 'decision making' and adding the word 'Spelthorne' in front of the title 'Programme Sponsor' in Section 6 of the report.
- 2.6 The first meeting of the Reorganisation Board was held on 26 February 2025 where it was agreed that the Council's Reorganisation Board should be merged with the Transformation Board with a revised Terms of Reference, as outlined in **Appendix A**. By merging these two Boards into one, the combined Board can ensure that the Council's Transformation Programme is appropriately aligned to the plans/direction of travel for the LGR process, and report progress to the CPRC.

3. Options analysis and proposal

3.1 Option 1 (recommended option) – The Committee is asked to:

- 1. Confirm the merging of the Reorganisation Board and the Transformation Board, with the combined Board to oversee the Council's Transformation Programme and any changes required as part of Local Government Reorganisation in Surrey; and
- 2. Agree the Terms of Reference for the combined Reorganisation and Transformation Board, as outlined in **Appendix A**.

3.2 Option 2

The Committee could propose amendments to the proposed Terms of Reference for the Reorganisation and Transformation Board.

3.3 Option 3

The Committee could propose an alternative approach.

4. Financial management comments

- 4.1 The Council's Transformation Programme and the LGR process will have significant financial implications for this authority. As part of its remit, the Reorganisation and Transformation Board would be required to monitor and report on such matters to the CPRC.

5. Risk management comments

- 5.1 If the Transformation Board and Reorganisation Board were to continue to operate separately there would be a risk that their work streams would not align and potentially cause wasted time and expenditure.
- 5.2 If a transformation programme is not taken forward in parallel to the reorganisation work, there is a risk the Council will struggle to balance its Budget for 2026-27. By merging these two Boards, this would minimise this risk.

- 5.3 Close working between Councillors across the chamber, together with officers, will be necessary to ensure that Spelthorne can continue to transform services for the benefit of residents, deliver savings and achieve the best outcomes from LGR for its communities.

6. Procurement comments

- 6.1 There are none.

7. Legal comments

- 7.1 There are none.

8. Other considerations

- 8.1 There are none.

9. Equality and Diversity

- 9.1 Any issues concerning equality and diversity will be considered in relation to elements of the work programmes overseen by the combined Board, when these are progressed.

10. Sustainability/Climate Change Implications

- 10.1 Any issues concerning sustainability/climate change will be considered in relation to elements of the work programmes overseen by the combined Board, when these are progressed.

11. Timetable for implementation

- 11.1 If agreed by the Committee the Terms of Reference for the combined Reorganisation and Transformation Board will take effect immediately.

12. Contact

- 12.1 Lee O'Neil – Deputy Chief Executive (l.o'neil@spelthorne.gov.uk)
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Background papers:

There are none.

Appendices:

Appendix A - Proposed Terms of Reference for Reorganisation and Transformation Board