

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE MEETING OF THE EXECUTIVE – 7 FEBRUARY 2012

SUBMITTED TO THE COUNCIL MEETING – 21 FEBRUARY 2012

(To be read in conjunction with the Agenda for the Meeting)

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| * Cllr Robert Knowles (Chairman) | Cllr Stephen O’Grady |
| * Cllr Mike Band (Vice-Chairman) | * Cllr Julia Potts |
| * Cllr Carole King | * Cllr Stefan Reynolds |
| * Cllr Bryn Morgan | * Cllr Adam Taylor-Smith |
| * Cllr David Munro | * Cllr Keith Webster |

* Present

Cllr Peter Isherwood was also in attendance

135. LOYAL ADDRESS (Agenda Item 2)

The Leader of the Council read the loyal address to her Majesty the Queen agreed by the Council at its last meeting and sent to Buckingham Palace on the occasion of the Diamond Jubilee of Her Majesty the Queen’s Accession. The National Anthem was then played in the Council Chamber.

136. MINUTES (Agenda Item 3)

The Minutes of the Meeting of the Executive held on 10 January 2012 were confirmed and signed.

137. APOLOGY FOR ABSENCE (Agenda Item 4)

An apology for absence was received from Cllr Stephen O’Grady.

138. DISCLOSURE OF INTERESTS (Agenda Item 5)

There were no interests raised under this heading.

139. QUESTIONS (Agenda Item 6)

The Executive received the following questions in accordance with Procedure Rule 10:-

i. from Mrs Celia Sandars of Farnham

Which Council Members have been present at face to face meetings with representatives from Crest Nicholson since September 2011 to date, on what dates have any such meetings been held, and how many meetings have been held with Crest Nicholson over the same period without any Members present?

The Portfolio Holder for East Street responded as follows:-

I have met with representatives from Crest Nicholson on a number of occasions during this period, including on 13 September 2011 when senior members of the Crest Team gave a presentation with a question and answer session to all Waverley Councillors. I attended with a senior Crest employee, a presentation given to Farnham Town Council on 29 September 2011. I also met with the Director in charge of regeneration at Crest Nicholson in October 2011. I am frequently in touch by email and telephone with Crest Nicholson and most recently received an update from them this morning.

A Waverley Officer Steering Group meets fortnightly with Crest representatives present, and six of these meetings have been held since September. I receive full minutes of these meetings and, of course, I am free to attend these meetings and have done so in the past

ii. from Mrs Ann Thurston of Farnham

By 31st December 2011 (the long-stop date agreed by Council), the conditional East Street contract did not have the benefit of 'viability' or 'land assembly', and therefore could not become unconditional. There were no outstanding planning appeals, judicial challenges or public enquiries relating to the East Street development.

Since 31st December Waverley Borough Council has had the opportunity to terminate the East Street contract with CNS. Why has WBC chosen not to terminate the contract and has this decision been put to a Council meeting? Is it now the intention to continue with the conditional East Street contract indefinitely without an end-stop date agreed by Council?

The Portfolio Holder for East Street replied:-

Waverley Borough Council and CNS are both committed to the regeneration of Brightwells/East Street in accordance with the planning permission granted in August 2009. At the Executive meeting on 29 November 2011, specialist commercial property consultants, Hamptons International and DTZ/UGL, commenting on the viability of the scheme reported an improvement in the viability of the scheme after the long period of national economic recession. The scheme is now attracting important commercial tenants and the financial appraisal is significantly more positive. There is currently no reason to determine the conditional contract and it would not be in Waverley's interests to do so.

iii. from Mr Richard Sandars of Farnham

The Portfolio holder for East Street has previously named a small number of retailers who have apparently agreed to take up tenancies on commercial premises on the East Street development. Will he now, please, similarly name those retailers who have entered into legally

binding tenancy contracts, as against having merely written letters of intent.

The Portfolio Holder for East Street replied as follows:-

Crest Nicholson are in discussion with a number of appropriate retail and restaurant chains interested in locating at Brightwells. Despite the continuing national economic uncertainty, there is keen interest in the Brightwells project as it is recognised that the consumer profile in Farnham is more resistant to the downturn than other areas in the UK.

Whilst discussion and negotiations are in progress, at this stage, it is not possible for commercial reasons to report on specific commercial discussions. However it can be stated that Odeon exchanged a binding contract on 15 November last year and an agreement with Marks and Spencer is now very close to exchange.

iv. from Mr David Cooper of Farnham

At the meeting of the Executive 10 January, I asked an informal question about whether the Council had any alternative funders to underwrite the East Street scheme for the CPOs, as Crest Nicholson Sainsbury have so far failed to produce sufficient finance for the development. The Leader assured me that no other bodies or organisations were involved in financing the scheme.

Waverley has linked the fact that the CNS contract was not extended at 31 December 2011 with the statement that "*the Compulsory Purchase Process was in train*" (Farnham Herald 20.01.2012).

I now refer to:

Government Circular 06/2004 Compulsory Purchase and the Crichel Down Rules Page 7 Resource implications of the proposed scheme

Paragraph 19 "*If a local authority.....cannot show that all the necessary resources are likely to be available to achieve that end within a reasonable timescale, it will be difficult to show conclusively that the compulsory acquisition of the land included in the order is justified in the public interest...*" and **Paragraph 21** "*It would only be in exceptional (and fully justified) circumstances that it might be reasonable to acquire land where there was little prospect of implementing the scheme for a number of years. Even more importantly the confirming Minister would expect to be reassured that it was anticipated that adequate funding would be available to enable the authority to complete the compulsory acquisition within the statutory period following the confirmation of the order.*"

Taking all this into account, can the Council confirm categorically that the funding for the East Street scheme to enable the CPOs to go ahead, will not be at local Council Tax payers' expense?

The Portfolio Holder for East Street responded:-

The CPO cannot be made unless both financial and timetable viability is established. Once agreed by Council the CPO will progress in accordance with the procedures established in the previously agreed Development Agreement and CPO agreement. A copy of the Development Agreement can be found on Waverley's website.

Expenses incurred during the disposal of the land asset will be covered by the overall development receipt (Minimum Land Value) due to Waverley. There is every reason to expect a successful outcome to the CPO process and professional advice taken supports this view.

v. from Mr David Wylde of Farnham

What contingency plans have Waverley made, as a responsible and far-seeing council, in the event of Crest Nicholson pulling out of the East Street Scheme?

In other words, does the council have a Plan B and what is it?

The East Street Portfolio Holder replied:-

As stated in response to Mrs Thurston's earlier question, both Waverley and Crest Nicholson remain committed to this regeneration scheme, and I am pleased to report that Crest are actively engaged in attracting commercial tenants to the development. They are not intending to pull out of the scheme.

I believe that the scheme has significant benefits to Farnham residents including:-

- 72 new affordable homes
- A new tennis club at Riverside
- A new Brightwells Gostrey Centre
- A multi-screen state of the art digital cinema
- A £750,000 contribution towards education in Farnham
- A £375,000 contribution towards a park and stride scheme and traffic schemes
- A £322,000 contribution towards sport and leisure provision in Farnham
- A £37,000 contribution towards libraries in Farnham
- Provision of public art
- A contribution of over £300,000 to improvements in Farnham Park.

Part I - Recommendations to the Council

140. CORPORATE PLAN 2012-2015 (Agenda Item 8; Appendix B)

140.1 The draft Corporate Plan at Annexe 1 sets out Waverley's vision and ambitions for the Council and its Services for 2012-15, with key delivery targets under each priority:

- Value for Money
- Affordable Housing
- Leisure and lives
- Understanding our residents' needs
- Environment

140.2 The Corporate Plan is a vital document for the Council, and will set the direction for the delivery of Waverley's services, for example through the allocation of resources and the setting of service plans and targets.

140.3 Waverley's previous Corporate Plan ran from 2008 – 2011 and notable achievements and successes that were delivered under this plan included the introduction of food waste collection throughout parts of the Borough, a significant decrease in the time taken to process planning applications, the launch of the Don't Lose Your Home or Business project, the introduction of a new cash payment system for residents with outlets across the Borough, the achievement of the 'Achieving' level of the equality standard a year ahead of target, major refurbishments at Cranleigh and Farnham Leisure Centres and £8.5 million secured for the improvement of homes for Waverley's tenants.

140.4 This new draft plan builds on the successes of the previous plan, together with the Conservative manifesto pledges at the election in May 2011. It reflects the difficult financial times we live in and sets the priorities of the Council for the next three years. The Corporate Overview and Scrutiny Committee considered the draft plan at their meeting on 31 January but had no specific observations to make.

140.5 The Executive now

RECOMMENDS that

37. the Corporate Plan for 2012 – 15, as set out at Annexe 1, be approved and adopted.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

141. FINANCIAL STRATEGY 2012/13 – 2015/16 (Agenda Item 9; Appendix C)

The reports from the Executive in respect of the 2012/13 budget are set out at Appendix A to the Council agenda incorporating:-

Appendix A.1	General Fund Budget 2012/13
Appendix A.2	General Fund Capital Programme 2012/13
Appendix A.3	Housing Revenue Account Business Plan 2012-2041
Appendix A.4	Housing Revenue Account Business Plan – Revenue Budget 2012/13
Appendix A.5	Housing Revenue Account Business Plan – Capital Programme 2012/13
Appendix A.6	Council Tax Setting 2012/13

These reports will be dealt with under Agenda Item 9 of the Council agenda.

142. DECEMBER BUDGET MONITORING 2011-2012 (Agenda Item 10; Appendix D)

142.1 The Executive received an update of the expenditure and income position as at December 2011 compared with the budget for the General Fund and the Housing Revenue Account and giving an update on the Capital Programme for the General Fund and Housing Revenue Account.

142.2 In February 2011 the Council received a planning application for development of a mixed use development upon the Godalming Key Site. On 7th June 2011 planning permission was refused under delegated powers of the Head of Planning. An appeal has been lodged against the Council's refusal. The appeal will be determined by way of Public Inquiry on the 12 June 2012. This gives the Council a potential opportunity to determine an alternative, more acceptable application for the site.

142.3 Members will note that there are concurrent ongoing negotiations with a different developer in relation to an alternative scheme upon the site. It is hoped that these negotiations will result in the submission of an application in late January for a more acceptable development. In the event that Planning Permission is granted, it is envisaged that the current appeal would be withdrawn, thereby avoiding the cost of this Inquiry. However, if the Inquiry does take place is likely to last for approximately eight days.

142.4 Whilst the Planning Service budget includes sums for both consultants and legal expenses it would not cover the cost of an Inquiry of this size. It is therefore necessary to seek additional funding to support the Inquiry. The potential costs of leading Counsel for this Inquiry has been estimated at around £30,000. In addition the likely costs of external planning witnesses (including design expert) has been estimated at £20,000. It is recommended that a supplementary estimate of £50,000 be approved to meet the costs of the professional and other costs with a further £10,000 being approved but only spent subject to the agreement of the Chief Executive and Portfolio Holders for Finance and Planning. If incurred, this will offset the forecast underspend in 2011/2012.

- 142.5 The purchase of replacement bins has been brought forward into the 2011/2012 budget to coincide with the implementation of the new recycling scheme. The cost of 2,700 140L bins is £40,230 and subject to Executive approval will be met from the Provision for Emergency Schemes. The need to purchase the bins followed from a Health and Safety Review as the current bins are too small to use the mechanical lifting equipment on the refuse vehicles.
- 142.6 The Executive noted the position as at 31 December 2011 and agreed that the General Fund and HRA budgets should continue to be monitored closely during the remainder of 2011/12. The Executive now

RECOMMENDS that

- 38. a supplementary estimate of £50,000 be approved for the Godalming Key Site Appeal with a further £10,000 being approved but only spent subject to the agreement of the Chief Executive and Portfolio Holders for Finance and Planning; and**
- 39. the Provision for Emergency Schemes in the Capital Programme be used for the purchase of replacement bins at £40,230.**

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

143. TREASURY MANAGEMENT 2012/13 (Agenda Item 11; Appendix E)
- 143.1 Treasury management is the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 143.2 For Waverley Borough Council this has traditionally meant managing a cashflow of around £150 million and investing up to £40 million in financial markets at any one time and, with the introduction of HRA Self-financing, will also mean having borrowing of around £193 million.
- 143.3 The latest revision to the code by CIPFA in November 2011 incorporates the implications of the new HRA Self-Financing framework and tightens up on the requirements for the management of risk.
- 143.4 The code requires local authorities to maintain their Treasury Management Policy in accordance with the code and any of its revisions and with legislation. It also requires local authorities to determine their Treasury Management strategies and Investment strategies on an annual basis and their Prudential Indicators on an annual basis. Some minor updates have been included in the revised treasury documents.

- 143.5 In July 2011 the Council agreed to employ Treasury Management advisors to provide upfront support for the implementation of HRA self-financing and ongoing advice for general treasury management matters. Following a competitive tender process, Arlingclose were appointed as Waverley's treasury advisors for an initial three year period. Arlingclose provide regular market updates and advice on investments and counterparties. Waverley has regard to Arlingclose's advice in its day to day treasury activity but is not bound by it.
- 143.6 The quality of the service is controlled through regular meetings with the Arlingclose team and by review at internal Treasury Management Panel meetings. Waverley has also become a member of CIPFA's Treasury Management Group and the newly formed Surrey Treasury Management Forum in the past year.
- 143.7 CIPFA has produced this Code and the accompanying guidance notes to help satisfy nine main purposes:
- i. To assist public service organisations in the development and maintenance of firm foundations and clear objectives for their treasury management activities, and thereby to add to their credibility in the public eye.
 - ii. To emphasise the overriding importance of effective risk management, as the foundation for treasury management in all public service bodies.
 - iii. To provide transparency for treasury management decisions including the use of counterparties and financial instruments that individual public service organisations intend to use for the prudent management of their financial affairs.
 - iii. To encourage the pursuit of value for money in treasury management, and to promote the reasoned use, development and appreciation of appropriate and practical measures of performance.
 - iv. To enable CIPFA members to fulfil their professional and contractual responsibilities to the organisations they serve and, in accordance with the members' charter, *"to maintain and develop the professional competence of both themselves and those they supervise"*.
 - v. To help facilitate a standardisation and codification of treasury management policies and practices in the public services.
 - vi. To assist those involved in the regulation and review of treasury management in the public services, particularly those charged with the audit of the same,
 - vii. To foster a continuing debate on the relevance and currency of the statutory and regulatory regimes under which treasury management in the various parts of the public services operates.

- viii. To further the understanding and confidence of, and to act as a reference work for, financial and other institutions whose businesses bring them into contact with the treasury management activities of public service organisations.

143.8 Officers, supported by Waverley's treasury advisors Arlingclose, have revised the following key documents to bring them in line with the requirements of the new Code:

- Treasury Management Policy Statement - this document is included at Annexe 2 and it sets out the headline objectives of the Treasury Management function.
- Treasury Management Strategy 2012/13 - this document is included at Annexe 3 and it sets out the way in which Waverley's policy objectives for Treasury Management will be achieved and the high level approach to borrowing and investment. As required by the Code, the Strategy includes a statement of Waverley's Treasury Management Practices (TMPs) which set out specific areas of note and how they will be dealt with.
- Annual Investment Strategy 2012/13 - this document is included at Annexe 4 and it sets out how Waverley's investments will be managed, in accordance with the Treasury Management Strategy, and how this will help achieve Waverley's TM policy objectives. This Strategy is required by local government investment regulations.

143.9 The Local Government Act 2003 requires local authorities to comply with CIPFA's Prudential Borrowing Code. This in turn requires local authorities to agree a specified set of prudential indicators relating to its investment and borrowing activities. Officers have revised Waverley's Prudential Indicators in line with the requirements of the new Code and the current conditions which are included at Annexe 5. The prudential indicators are intended to support decision-making and are ways of targeting and measuring performance.

143.10 The Executive

RECOMMENDS that

40. the following Treasury Management statements be approved:

- **the Treasury Management Policy**
- **the 2012/13 Treasury Management Strategy (including the TMPs and the requirements of the latest CIPFA code of practice)**
- **the Annual Investment Strategy for 2012/13; and**
- **the Prudential Indicators for 2012/13 to 2014/15.**

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

144. WAVERLEY COMMUNITY PARTNERSHIP – APPLICATIONS FOR REVENUE FUNDING 2012-13 (Agenda Item 12; Appendix F)

144.1 At its meeting on 4 October 2011, the Executive agreed to open the 2012/13 funding round of the Waverley Community Partnership. Given the known pressures on the Council's budget whereby Government grant was expected to be reduced by over 14%, the Executive agreed that, for planning purposes, the overall grants pot would be reduced by 12% in 2012/13. Organisations were therefore advised to assume a 12% reduction in their grant when they did their financial planning for 2012/13.

144.2 Despite confirmation of the loss of Government grant of over 14%, the huge continuing success of the Star Chamber and Foresight programmes has allowed for the overall funding available for allocation to Community Partnership organisations, the Waverley Voluntary Grants Panel (WVGP) and Service Level Agreement (SLA) organisations to be kept at the same level as 2011/12, meaning that £744,530 will be once again available in total in 2012/13. This does not mean that all individual applicants will get the same allocation as in 2011/12.

144.3 Details of the draft grant awards for 2012/13, as recommended by the Grants Moderation Panel, are set out in Annexe 6 totalling £350,100. Applicants were informed of their proposed grant levels before Christmas, although it was made clear that final awards would not be agreed until after the Council meeting in February.

144.4 In addition, £42,768 has been earmarked to the Waverley Voluntary Grants Panel (WVGP) for 2012/13 and £4,000 to help facilitate the approved allocation of grants from the WVGP.

144.5 At its meeting on 4 October 2011, the Executive agreed that Citizens Advice Waverley and Waverley Community Transport (Hoppa) might be funded through a Service Level Agreement (SLA) from April 2012 rather than through the Waverley Community Partnership grant pot. Subsequently, following the discussion with the Portfolio Holder for Communities, and endorsed by the Executive, Farnham Maltings was added to the organisations where an SLA might be more appropriate. These organisations have also been planning for a reduction in grant funding of 12%. £304,660 has been earmarked for SLA organisations.

Summary of Funding Proposed

Organisations	£
Community Partnership	350,100
Waverley Voluntary Grants Panel	42,770
Service Level Agreement provision	304,660
Contingency	47,000

Total	744,530
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- 144.6 The Community Overview and Scrutiny Grants Sub-Committee observations are attached at Annexe 7. The Community Overview and Scrutiny Committee on 30 January 2012 did not identify any further specific observations but were pleased to note that, by prudent management of finances, the grants pot had not been reduced and that the observations from the Overview and Scrutiny Grants Sub-Committee had been taken into account.
- 144.7 A total of 31 applications to the Waverley Community Partnership have been received, with 5 from new applicants. The total level of funding requested by the organisations for 2012/13 was £662,627 and Annexe 6 details all the applications received, which far exceeded the budget, creating an even more challenging decision-making process for 2012/13. Details of the assessment process are included at Annexe 8.
- 144.8 The Executive noted that the Service Level Agreements with the three nominated organisations would be considered at its meeting on 6 March 2012 when the final grant allocations to those organisations would be decided upon. The Executive now

RECOMMENDS that

- 41. £744,530 be made available for the grants budget in 2012/13 (the same amount as in 2011/12); and**
- 42. having regard to the comments of the Overview and Scrutiny Committee and Sub-Committee, grants levels for each organisation be approved as set out at Annexe 6.**

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

145. HR POLICY REVIEW (Agenda Item 13; Appendix G)
- 145.1 Following the replacement of Waverley's Policy for Employment Over the Age of 65 with a new 'Pathways to Retirement' Policy, the Fit for Work Policy, Disciplinary Policy, Capability Policy, Grievance Policy and Collective Grievance Policy have been reviewed and simplified. Additionally, a Redeployment Policy has been written to establish clear processes and procedures for managing redeployment which may occur due to reorganisation of the service, lack of capability or following medical advice.
- 145.2 All of Waverley's HR policies are being reviewed on a rolling programme. It is good practice to do this to keep up to date with relevant legislation and to ensure we are applying best practice. The aim is to ensure that the Council is equipped to provide excellent services to local people by creating a high-performing staff team and operating first class policies and practices.

145.3 Consultation on the draft policies has taken place with Corporate Management Team and Staff Side, and also with Heads of Service and Connectors (middle managers). The Corporate Overview and Scrutiny Committee also reviewed the policies but had no specific observations to make on them. Once approved, the policies will be launched and made available to all staff and further guidance and training given as appropriate.

145.4 The policies, together with the associated procedures, are attached at Annexe 9 and the resulting changes are summarised below:-

Fit for Work Policy The emphasis is now on actively supporting the employee to maximise their level of fitness for work, for example: discuss options such as working from home, part-time working, temporary or permanent reduction in hours/duties/redeployment to help the employee continue to work rather than be absent.

Waverley actively manages sickness absence and has a low level of absence. This policy will enable managers to manage sickness absence more tightly with staff who have a higher than average level of absence.

Retirement Policy This Policy replaces the 'Employment Over the Age of 65' Policy. From 1st October, an employee who reaches age 65 will not automatically retire. This policy gives the employee a greater choice of options.

Disciplinary, Capability, Grievance/Collective Grievance These Policies are now stand-alone rather than combined documents which are to be read in conjunction with the Absence Management Policy. There are no significant changes to the content.

Redeployment Policy A new policy document written to establish clear processes and procedures for managing redeployment which may occur due to reorganisation of the service, lack of capability or following medical advice.

Restructuring Policy A new policy document, written to establish clear processes and procedures for managing the restructure of a service.

Car Allowance Policy A new policy document, written to establish a clear rationale for entitlement to a car allowance for staff employed from 1st January 2012 or existing staff transferring to a new post from that date.

145.5 The Executive

RECOMMENDS that

43. the HR Policies at Annexe 9 be approved and adopted.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

146. ANNUAL PAY POLICY STATEMENT (Agenda Item 14; Appendix H)

146.1 Under the Localism Act, which will come into force in April 2012, all public authorities must publish Annual Pay Policy Statements. The Pay Policy at Annexe 10 will be published on Waverley's website.

146.2 At the meeting, the Portfolio Holder for Finance moved an amendment which resulted in three additional recommendations being included in the budget recommendations which have been dealt with earlier on this agenda. In view of the considerable hard work and effort put in by Waverley's staff over the course of the last year, the Executive endorsed the following recommendations to the Council:-

21. To grant every member of staff a one-off thank you payment of £450 (pro-rata depending on hours worked and length of service) as a token of the Council's appreciation.

146.3 This payment would be offered on the following terms:

- The payment of £450 per employee will be a one-off ex-gratia payment, before tax. It will not be pensionable. The payment will be pro-rata for part-time members of staff.
- The qualifying date for payment will be 1 April 2012. Any member of staff who has under one year of service as of this date will receive 1/12 of the full entitlement for each full month of service pro-rata for part time employees.
- The payment itself will be made in the July pay packet. Any member of staff who leaves Waverley between 1 April and 15 July will not be entitled to the payment.

146.4 The effect of this payment when taken together with the extra staff holiday for Christmas closure if applied to councillor's allowances would equate to 2%. In view of this it was also proposed that

22. councillors' allowances be increased by 2% from 1 April 2012, costing £3,670 in 2012/13; and

23. the cost of these payments, totalling £190,150, be met through a one-off transfer of funds from the revenue reserve for general fund costs (£143,350) and from the housing revenue account balance for housing costs (£46,620).

146.5 The Executive

RECOMMENDS that

44. the Pay Policy be approved and adopted.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

147. LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY – REVISED PREFERRED OPTIONS AND DRAFT POLICIES (Agenda Item 15; Appendix I)

147.1 The purpose of this item is to identify the main changes that it is considered need to be made to the draft Local Development Framework (LDF) Core Strategy and seeks approval from the Council to consult on the revised Plan.

147.2 The Local Development Framework (LDF) Core Strategy sets out the key policies and overall strategy for managing and directing future development in Waverley over the next 15 years. In December 2010, the Council approved the Core Strategy Preferred Options and Draft policies for consultation (effectively the first full draft of the Core Strategy). The consultation on the first Preferred Options Core Strategy took place early in 2011. A summary of the key issues coming out of the consultation was attached to the LDF update report considered by the Executive in November 2011.

147.3 The responses to the consultation have been carefully considered, as well as other important developments over the past 12 months, in order to identify what changes are needed to the draft Core Strategy. Of particular significance is the emerging national picture both in terms of legislation through the Localism Act and policy in the draft National Planning Policy Framework (NPPF).

147.4 The Council received over 1,300 comments on the first Preferred Options Core Strategy. Some of these do not justify a change in the Plan, others are on matters of detail. The representations received as a result of the consultation have been considered alongside other key changes since the first Preferred Options Core Strategy was agreed for consultation. As a result, the Plan has been amended. Officers consider that the changes are of enough significance to justify undertaking a further consultation on the revised Core Strategy, before moving to the formal Publication and Submission stages of the process. A number of changes have been made to the draft Plan. It is considered that the most significant changes are:-

- Updating/amending the Vision and Objectives of the Plan.
- The overall Spatial Strategy (i.e. the Council's broad approach to where new development should go), has been amended, and the approach to delivering new housing has also been amended accordingly. The approach remains that the main settlements should be the focus of most new development, but there are some changes in terms of the role of villages and the broad location of new housing.

- The target for the number of new homes has been increased so that it is equivalent to delivering the South East Plan 'Option 1' figure of 230 dwellings a year.
- Current evidence identifies a shortfall between the overall housing target and the number of new homes that can be delivered on land within settlements or other suitable brownfield land. This shortfall is approximately 1,000 and the preferred approach to delivering these homes is through selected releases of land on the edge of the main settlements, excluding land within the Green Belt, AONB or AGLV. The preferred distribution is for approximately 100 of these homes to be around Godalming with the remainder split between Farnham and Cranleigh.
- The approach to development in the villages has changed. This change relates particularly to the approach to rural exception sites. Current policy says that sites outside villages can be used for affordable housing where this meets an identified local need. The proposed change in policy is in response to the changes proposed in the draft NPPF and the changes to funding for affordable housing. In essence the new policy allows for a small element of market housing to be included in these schemes where it is needed to secure the delivery of affordable housing.
- Various changes are proposed to the policy on employment development. In particular, the employment chapter includes a new stand-alone policy on Dunsfold Park and its current and future role as a location for employment.
- There are some changes to the biodiversity policy to address issues concerning the Wealden Heaths Special Protection Area (SPA).
- There are changes to strengthen the requirements of the proposed policy dealing with sustainable design and construction. These include a requirement that new residential developments of 10 or more dwellings meet Level 4 of the Code for Sustainable Homes.
- The section relating to Gypsies, Travellers and travelling Showpeople has been updated to refer to the on-going work to identify land for additional pitches.

147.5 The most significant changes to the Plan relate to the number of new homes that should be planned for and the broad location of these homes. The previous draft Plan included a local housing target that was significantly less than the South East Plan target. It was a capacity-based target that assumed there would be no need to release any greenfield land. The approach at that time was in response to an earlier consultation on housing numbers, where the majority of those who responded had favoured this lower, capacity-based approach.

147.6 There are various reasons why the target for the number of new homes should be increased. In essence, it is very likely that a Core Strategy proposing the lower housing target would be found to be unsound by an Inspector at the Examination stage. This is partly in response to comments made during the last consultation, and partly in response to other changes in circumstances and experiences with Core Strategies elsewhere. In particular, publication of the draft NPPF made clear the Government's commitment to

seeing an increase in the delivery of new homes and a requirement to meet local development needs. One of the criticisms of the earlier target was that it did not give sufficient weight to the evidence of need and demand for new homes in Waverley.

- 147.7 The latest version of the draft Core Strategy, at Annexe 11 (circulated as a separate document), proposes a housing target equivalent to the South East Plan 'Option 1' figure of 230 dwellings a year. This was the housing figure for Waverley that was included in the South East Plan when it was submitted in 2006. That figure was subsequently increased from 230 to 250 by the Secretary of State, on the recommendation of the Panel that had examined the South East Plan. As it currently stands, therefore, the housing target for Waverley is 250 a year. However, the South East Plan, like other regional plans, is due to be abolished through the provisions of the Localism Act. It is considered that there is a case for Waverley to revert to the Option 1 figure. Essentially this is due to a change in circumstances since the South East Plan Panel first recommended the increase in Waverley's figure from 230 to 250. This justification is set out in more detail in Chapter 7 of the revised Plan.
- 147.8 As explained above, there is currently a shortfall between the overall housing target and the estimate of the number of new homes that can be built within settlements or on other suitable brownfield land. This shortfall is estimated to be approximately 1,000 units. The draft Plan explains the preferred approach to meeting this shortfall. This would be through selected releases of land on the edge of the main settlements. The approach excludes land that is within the Green Belt, the AONB or the AGLV. As a result, the main focus for these greenfield releases would be Farnham and Cranleigh as these are the main settlements that are least constrained by these designations.
- 147.9 The evidence supporting the Core Strategy continues to be revised and updated. This includes an update to the Employment Land Review earlier in 2011 and an update to the Strategic Housing Land Availability Assessment (SHLAA), again focused on identifying opportunities for new homes within settlements. The updated SHLAA will be published alongside the consultation.
- 147.10 Sustainability Appraisal (SA) is a key part of the preparation of LDF documents. The full SA report will be finalised prior to formal publication of the Core Strategy. At this stage an interim SA report is being finalised, focussing on the latest preferred options and draft policies. Again, this will be available alongside the consultation.
- 147.11 Subject to what comes out of this further consultation, the next stage is to prepare the Core Strategy for Publication. This triggers the more formal consultation on the soundness of the Plan. This is followed by the Submission to the Secretary of State and the Examination of the Plan by an independent Inspector. The anticipated timetable is as follows:-

Consultation on Revised Preferred Options	– March/April 2012
Publication of the Core Strategy	- July 2012
Submission to Secretary of State	- October 2012
Adoption following Examination	- June/July 2013

147.12 The Community Overview and Scrutiny Committee passed the following observations to the Executive for particular consideration:

i. Infrastructure

The Committee had concerns about the capacity of some existing infrastructure and, looking forward, concerns that the infrastructure might not be sufficient to support the additional development in Waverley. There were particular references to education capacity generally and electricity supply in the Cranleigh area. There were also concerns about whether there would be funding available for future infrastructure. Given the intention to focus most new development on the main settlements on the basis that they have best access to services etc., there was a concern about funding available for projects within settlements, aimed at improving accessibility, such as new crossings. The Committee wished to see robust discussions taking place with infrastructure providers to ensure that necessary infrastructure is delivered.

ii. Cross Boundary Issues

The Committee recognised the importance of addressing cross boundary issues. This included areas currently not specifically identified in the Core Strategy. The example given was the proposed development at Broadbridge Heath in Horsham District.

iii. Affordable Homes

Members again highlighted the importance of affordable housing.

iv. Village Settlement Boundaries

There were different views expressed about whether or not village boundaries should be changed, but no overall consensus was reached on this matter.

v. Older People

Given that Waverley has an ageing population, the question was raised about how the Council was planning to meet the needs of older people.

v. Young People

There was also a comment about the lack of emphasis in the draft Core Strategy on the needs of young people. It is important that the needs of young people are taken into account with regard to housing and transport to encourage them to stay within the community.

vi. Town Centres

The Committee considered that the vitality and viability of town centres was of great importance and that existing small businesses should be helped to promote their businesses.

147.13 The Executive

RECOMMENDS that

45. **the Core Strategy Revised Preferred Options and Draft Policies be approved as the basis for public consultation; and**
46. **the Head of Planning Services, in consultation with the Planning Portfolio Holder, be authorised to agree any final amendments to the document prior to consultation and to approve the detailed arrangements for the consultation, including the consultation material.**

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

148. CONSTITUTION – PROPOSED CHANGES (Agenda Item 16; Appendix J)

- 148.1 It is some time since the Council reviewed the way its informal and formal question time for members of the community operates. The last major review of the Constitution was agreed by Council in April 2011 when the Strong Leader Executive provisions were adopted.
- 148.2 The Council has adopted a very open system of both formal and informal question times, to give members of the community a chance to raise questions at meetings, either informally without notice, or formally when they are raised in advance, included in the agenda for the meeting, answered by the appropriate Portfolio Holder and a written copy of the reply sent to the questioner.
- 148.3. The current Procedure Rules on Questions do not explain fully the informal question time process, and the limit for informal questions of fifteen minute has not been applied. A suggested update of the Procedure Rules covering Questions by the Public is attached as Annexe 12.
- 148.4 The other route for the public to have their say at meetings is by petitions. The Council adopted a new petition scheme in 2011 under the then prevailing legislation and, having reviewed the scheme, the Executive has decided not to make any changes to it at this time.
- 148.5 Under the Localism Act 2011, the Council is given much greater freedom to agree its arrangements for setting and maintaining high standards of ethical conduct. The Guidance and regulations on implementing the Act have not yet been published, and officers will report on these as soon as they are available. There is a range of other provisions on, for example, community assets and the Executive noted that officers will report on these and any proposals to change the constitution in due course.
- 148.6 The Executive

RECOMMENDS that

47. **the proposed changes to Procedure Rules on Questions, as set out at Annexe 12 be adopted and the Constitution amended accordingly.**

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

Part II – Matters Reported in Detail for the Information of the Council

There were no matters falling within this category.

Part III – Brief Summaries of Other Matters Dealt With

149. EXECUTIVE FORWARD PROGRAMME (Agenda Item 7; Appendix A)

RESOLVED that the forward programme of key decisions for Waverley Borough Council be adopted.

150. TOWN AND PARISH REPRESENTATIVE ON THE STANDARDS COMMITTEE (Agenda Item 17))

RESOLVED that Cllr Patrick Stewart of Witley Parish Council be appointed to the Standards Committee as the Town and Parish Representative for the remainder of the current Council year, with Councillor Kevin Deanus being appointed as reserve.

151. WINDOWS AND DOORS CONTRACT – ACTION TAKEN (Agenda Item 19)

The Executive noted the action taken by the Deputy Chief Executive to award a single contract to Dorwins Ltd for the replacement of the windows and doors to sixty properties within the borough.

The meeting commenced at 6.45 p.m. and concluded at 7.41 p.m.

Chairman