

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE MEETING OF THE EXECUTIVE – 4 FEBRUARY 2014

SUBMITTED TO THE COUNCIL MEETING – 18 FEBRUARY 2014

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

- |                                  |                          |
|----------------------------------|--------------------------|
| * Cllr Robert Knowles (Chairman) | * Cllr Donal O’Neill     |
| * Cllr Mike Band (Vice-Chairman) | * Cllr Julia Potts       |
| * Cllr Brian Adams               | * Cllr Stefan Reynolds   |
| * Cllr Carole King               | * Cllr Adam Taylor-Smith |
| * Cllr Tom Martin                | * Cllr Keith Webster     |
- \* Present

Cllr Jim Edwards was also in attendance and spoke on Agenda Items 6 and 8  
(Minute Nos. 153 and 146 refer)

Cllr Peter Isherwood attended and spoke on Agenda Item 13 (Minute No. 149 refers)

Cllr Diane James attended the meeting and spoke on Agenda Items 8, 10, 17 and 19  
(Minute Nos. 146, 154, 158 and 152 refer)

142. MINUTES

The Minutes of the Meeting held on 7 January 2014 were confirmed and signed.

143. DECLARATION OF INTERESTS

Cllr Mike Band declared a non-pecuniary interest in Agenda Item 16 (Development of Two Affordable Homes in Shamley Green) as a member of Wonersh Parish Council.

144. QUESTIONS

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

i. from Celia Sandars of Farnham

*“The Waverley website Brightwells “Frequently Asked Questions”, asks “Will there be enough car parking spaces for visitors to the town?” and the answer is given – “There will actually be more car parking spaces in Farnham once the development is finished, including an additional 198 spaces at Riverside car park.”*

*Presumably this information was understood by the Inspector at the CPO Public Inquiry last January and if this is correct, it is puzzling to read in the Executive papers of 1 October 2013 at Item 8 Appendix C that a planning application for a 198 space temporary car park will be issued for Riverside once a screening direction has been issued from the Secretary of State with regard to the need for an Environmental Impact Assessment.*

*Contrary to statements by the Leader and Portfolio Holder for East Street, denying that a car park is already under construction at Riverside without the screening direction, the foundations and works are visible for all to see. Is this to be a temporary car park or is it to be permanent? I'd be most grateful for an explanation."*

The Portfolio Holder for East Street replied:-

"The planning consent to extend Riverside car park was temporary as the intention was that the car park would be constructed to alleviate the loss of Dogflud car park during the construction phase of the Brightwells Regeneration Scheme.

Following a request made by Waverley Borough Council for a screening opinion, we have now received a direction from the Secretary of State who has confirmed that an Environmental Impact Assessment is required to accompany a new application to update consent of the car park. We are now progressing with this requirement before submitting an updated application.

As previously explained, works to construct an extended car park have not started. Construction has been carried out in relation to decontamination works required to make the site safe for the laying of underground cables and the building of tennis courts. The sub-base is as specified within the agreed contamination strategy and can be used as a base of a car park or an area of open space as it is designed to allow water to drain and filter underground as effectively as possible.

I will ask officers to check the Brightwells 'Frequently Asked Questions' page on the website to address any ambiguity."

ii. from Mr Ian Coult, Chairman of the Clockhouse, Milford

*"My question is in response to a letter received from Cllr King, Chair of Grants Panel, dated 9 January, detailing the WBC grant proposed for The Clockhouse for the year 2014/15. The letter from WBC makes clear that our grant is proposed to be reduced from £42,750 to £40,000 and states that in reaching their decision, the Grants Panel recognised that "The Clockhouse has a higher level of reserves than the other funded day centres in the Borough...and that with Waverley's ageing population, there was a need to focus funding on organisations that offered more support for people who are frail and have mild dementia." I understand that we are the only Centre to receive a cut in Grant for 2014/15.*

*My question to the Executive is: Was this decision reached on factually correct information and was it reached by a fair comparison with other Centres?"*

Mr Coult was not in attendance to ask his question at the meeting and therefore a written response was sent to him on behalf of the Portfolio Holder, Cllr Carole King.

iii. from Mr Jerry Hyman of Farnham

*“Council Leader,*

*Following the exposure at the CPO Inquiry of the problem of Crest's consented roads scheme, which would more than double pedestrian and traffic waiting times at the main 'Royal Deer' junction, the Council rightly sought to address the matter through the Brightwells Steering Group. The Notes of the 12th February (2013) BSG meeting state that WBC/CNS/SCC "discussed different options to improve pedestrian flow at the Royal Deer junction..." and recognised the "need to model the impact on traffic and ensure measures don't generate more congestion".*

*Subsequent BSG Meetings discussed the possibility of "shared space" solutions along the lines of the Copenhagen and Poynton, but since last July the meeting notes indicate that Waverley has been constantly "awaiting feedback" from Crest .*

*As this issue is central to the practicality, design and viability of Crest's East Street scheme, can you please now update us on Crest's progress with this matter, and in view of the need for inform the debate regarding our MP's own related proposals, can you confirm whether Crest and/or SCC have had any success in finding and modelling any solution for their 'Royal Deer' problem?”*

The Leader of the Council gave the following response:-

“Thank you for your question. A full traffic assessment has been carried out by Crest and agreed by Surrey County Council as part of the planning process. The County Council are satisfied that the solutions identified will balance the impact of changes in traffic movement. The notes of the steering group show that although a solution exists, different options are still being looked at to understand if any further improvements can be made.”

## **PART I - RECOMMENDATIONS TO THE COUNCIL**

### 145. FINANCIAL STRATEGY 2014/15 – 2016/17

The reports from the Executive in respect of the 2014/15 budget are set out at Appendix A to the Council agenda incorporating:-

- |              |  |
|--------------|--|
| Appendix A.1 | General Fund Budget 2014/15  |
| Appendix A.2 | General Fund Capital Programme 2014/15                                     |
| Appendix A.3 | Housing Revenue Account Business Plan 2014/2041 and Revenue Budget 2014/15 |

Appendix A.4      Housing Revenue Account Capital Programme 2014/15,  
New Affordable Programme and Stock Improvement  
Programme

Appendix A.5      Council Tax Setting 2014/15

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

146. WAVERLEY COMMUNITY PARTNERSHIP APPLICATIONS FOR REVENUE  
FUNDING 2014/15

- 146.1 The Waverley Community Partnership awards funding towards the running costs of organisations that provide high priority services for the benefit of Waverley residents, in partnership with the Council. The services that the partner organisations deliver cut across all corporate objectives and could fall in any of the 5 priority areas. In addition the Council made a specific commitment in the Corporate Plan to work with voluntary groups to meet the needs of residents. Waverley's contribution to the Waverley Voluntary Grants Panel also helps support organisations specifically in the well-being and social welfare area.
- 146.2 At its meeting on 1 October 2013, the Executive agreed to open the 2014/15 funding round of the Waverley Community Partnership to coincide with the budget-setting process. In the summer all existing partner organisations were advised how the grants pot sits within the Council's overall budget pressures and to take extra care in preparing their financial plans for 2014/15. They were asked to consider alternative scenarios, including one with a reduction in grant funding. In the current year, 2013/14, the Council maintained its overall financial package for the voluntary sector and the total funding for the Waverley Community Partnership was £328,819.
- 146.3 The Council will receive a significant reduction in its grant from the Government for 2014/15. However, Members recognise the vital services delivered in partnership with the voluntary sector and mindful of the potential impact any cut would have on our voluntary organisations, many of which are providing vital services to more vulnerable members of the community, it is currently proposed in the draft budget 2014/15 to maintain the overall grants budget at the same level as the current year. The Grants Moderation Panel made its recommendations within the overall budget, £328,819, although individual awards varied. When reaching its decisions, the panel also recommended bringing four 'new' organisations into the scheme whilst continuing to support all existing organisations. This clearly demonstrates the Council's continued commitment to the voluntary sector despite having to make its own budget reductions.
- 146.4 In addition, it is proposed that the total amount of money that Waverley contributes to the Waverley Voluntary Grants Panel (WVGP) for 2014/15 should not be reduced but maintained at the same level as the current year, 2013/14, at £42,770. Surrey County Council has also agreed to maintain its contribution at the same level as the current year. Waverley's budget also includes an annual revenue contribution of £4,000 to help facilitate the approved allocation of grants from the WVGP.

- 146.5 In the current year, 2013/14, the Council established an emergency funding provision for unexpected or urgent requests for support to current and new partner organisations during the year. To date three organisations have been awarded funding, with four other applications pending. At present a balance of £28,965 will potentially remain unspent at the end of the year and it is proposed to carry over any unspent funds to next year, 2014/15 to maintain an emergency funding provision. This fund would again support any unexpected or urgent requests for support throughout the year. The grants panel have also recommended that some organisations could potentially receive further funding throughout the year and this provision would be used for that purpose.
- 146.6 In addition to the above grant schemes, the Council financially supports a number of other voluntary sector organisations to deliver high priority services. In 2012/13, as part of a nominated pilot project three organisations signed up to three year Service Level Agreements from 1 April 2012 to 31 March 2015. The total annual funding to these organisations is currently £377,430, with Citizens Advice Waverley receiving £195,040, Farnham Maltings receiving £32,490 for the outreach service and £49,900 for the management of Farnham Museum and Waverley Hoppa Community Transport receiving £100,000. The RVS is also funded through a Service Level Agreement for the meals on wheels service, renewed on an annual basis, in partnership with Surrey County Council. Waverley's contribution of £30,000 is matched by the County Council to provide a service to residents in the borough.
- 146.7 The Council's overall financial package to the voluntary sector is, therefore, in excess of £750,000, showing the Council's continued commitment to its partnerships with voluntary organisations.
- 146.8 A total of 29 applications to the Waverley Community Partnership have been received, with six from new applicants. The total level of funding requested by the organisations for 2014/15 was £465,650 and Annexe 1 details all the applications received, which far exceeds the target budget of £328,819.
- 146.9. Each application has been reviewed by the relevant 'link officer' within each service area. In addition, a financial assessment of each organisation's annual accounts has been undertaken to identify any changes/concerns in the financial position of partner organisations. Where appropriate, Member Representatives for organisations were invited to comment in general on their work.
- 146.10 A grants panel, chaired by the Portfolio Holder for Partnerships, made recommendations on funding levels. The Chairman was supported by the Deputy Leader and the Portfolio Holder for Leisure & Culture and officers from Finance and Communities. The panel made proposals on levels of funding ahead of the Overview & Scrutiny Committee consideration. Annexe 1 shows notes on the reasons for the proposed grant levels for some organisations where this is considered to be particularly relevant. Information on other discretionary financial support that the Council provides to partner organisations is detailed in Annexe 2.

- 146.11 A Community Overview and Scrutiny Grants Sub-Committee was established in November 2011 to review application documentation and scrutinise the grants moderation panel's initial allocations. At its meeting on 18 November 2013 the Community O&S agreed to establish the Sub-Committee again this year to consider the initial allocations in more detail before bringing observations back to this Committee at its next meeting in January 2013. The Sub-Committee met on 19 December 2013 and the minutes of the meeting have been considered by the main Committee and the Executive.
- 146.12 The Community Overview and Scrutiny Committee considered the notes from the Grants Sub-Committee and raised particular concern about the reduction in funding to the organisations and Day Centres which provided services to the elderly and vulnerable people. Members felt that with an ever-growing and ageing population this should be more of a priority for the Council and funding should at least be maintained at previous levels to ensure service could be maintained. Members noted the comments from the Sub-Committee on the Clockhouse and Age UK Waverley but disagreed with the reasoning for the reduction in funding to these two organisations. Although it was suggested that a review be undertaken in six months time with a possibility of a second grant instalment to Age UK Waverley, it was considered that it provided an essential service and could be detrimental to both Age UK Waverley and Rowleys if it did not receive the same grant as it received last year. Similarly, Members felt the same about the Clockhouse and the invaluable service it provided to support older people in the Borough and it should also receive the same grant as last year.
- 146.13 During the discussion, Members agreed that they wanted to have a detailed look at what the Council was doing for the provision and care of elderly and asked the Head of Community Services to do a presentation at the next meeting. Following this, a review may be undertaken to take a detailed look at service provision to the elderly, noting that an in-depth review had already been undertaken on Day Centres.
- 146.14 The Committee questioned whether there were joint funding opportunities for Dementia care with Surrey County Council but noted that because of budget cuts, this was no longer available. Members also commented on the disparity of services across the organisations and felt they needed a better understanding about the value of the services they provided when considering funding applications in the future. It was suggested that there should be a review of Service Level Agreements and questioned whether these should be extended to Day Centres. The Committee agreed to make the following observations to the Executive, that:-
1. grants to the Clockhouse and Age UK Waverley should be frozen to the same levels provided as last year's grants, to be funded from the emergency fund provision; and
  2. a review be carried out before the grant application process in 2015/16 seeking to establish specific criteria and objective measures.

- 146.15 Following the work of a Member Special Interest Group (SIG) in 2011, the Executive agreed to invite three organisations to negotiate SLAs for 2012-15 as a pilot scheme for this new way of working. The organisations signed SLAs in April 2012 and regular monitoring meetings are held. At its meeting on 4 October 2011 the Executive asked for the success of the pilot SLAs to be monitored and their impact reviewed before rolling out the approach to other funded organisations.
- 146.16 Officers have concluded that the SLA pilot is a success and the process is working well. Outcomes have been monitored and reported to Committee. Following discussions with the Portfolio Holder for Partnerships other organisations have been identified as being suitable to be added to the organisations for which an SLA would be more appropriate. Whilst it is proposed that the organisations would continue to receive funding from the Waverley Community Partnership for 2014/15, negotiations to agree the content of the SLA will need to take place over the coming year so that three year Agreements from 2015-2018 can be in place for 1 April 2015. Proposals on the way forward will be reported to the Executive as part of an SLA Report in the Spring 2014.
- 146.17 The Executive accordingly

**RECOMMENDS that**

- 21. the grant levels for each organisation, as detailed in Annexe 1 to the report be approved; and**
- 22. the remaining balance of the 2013/14 Emergency Funding Provision be carried over to 2014/15 to support any unexpected or urgent requests for support throughout the year and some of the recommendations made by the Grants Panel.**

*[Reason: to consider the applications to the Waverley Community Partnership for revenue funding in 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.

147. ANNUAL PAY POLICY STATEMENT

- 147.1 The Localism Act 2011 requires all public authorities to publish Annual Pay Policy Statements. The Council is required to adopt the Annual Pay Policy Statement each year and the Council is not legally permitted to depart from the policies set out in that statement when it considers actual decisions in relation to individuals' remuneration, including redundancy and/or severance.
- 147.2 The Annual Pay Policy Statement for 2014-15, attached as Annexe 3 has been updated as follows:

- To reflect the new senior management structure effective from 1 January 2014 and the payment of a spot salary to the Executive Director
- To reflect the fact that from April 2014, in line with the revised Code of Recommended Practice for Local Authorities on Data Transparency, the number of staff whose remuneration (including benefits) exceeds £50,000 and a list of their responsibilities will be published on the website, together with the pay multiple (ratio between the highest paid salary and the median salary of the authority's workforce)
- The third paragraph has been amended, following feedback from Staffside, to clearly demonstrate the criteria upon which each job is evaluated whilst showing greater sensitivity to staff on the lowest grade
- The Council's payscales (Appendix 1) has been amended to reflect the spot salary payment to the Executive Director and incorporate the Professional Planners Salary Scale, previously shown as Appendix 3. This will be further updated to reflect the 2014 pay award, should this be agreed by Council.

147.3 The amendments are shown as tracked changes. The Executive accordingly

**RECOMMENDS that**

**23. the Annual Pay Policy Statement for 2014-15 be approved.**

*[Reason: to seek approval of the Annual Pay Policy Statement for 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.

148. TREASURY MANAGEMENT 2014/15

148.1 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. For Waverley Borough Council this means managing a turnover of around £170m and investing up to £60m in financial markets at any one time and, with the introduction of HRA Self-financing in 2012/13, it now also includes borrowing of £193m.

148.2 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. These changes were incorporated in Waverley's Policy and approved in February 2012. Subsequently, a minor change has been made by CIPFA to 2 prudential indicators and this is reflected later.



- 148.3 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 but all key changes to the current Treasury Management arrangements are highlighted in bold italic text in this report. The most significant change is the consideration of options for widening the scope to invest surplus cash which are detailed in the report.
- 148.4 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.
  - iv. 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.
  - v. 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"*.
  - vi. To help facilitate a standardisation and codification of treasury management policies and practices in the public services.
  - vii. 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
  - viii. 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.
  - ix. 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.

148.5 In 2012, officers, supported by treasury advisors, revised the following key documents to bring them in line with the requirements of the new Code and these were approved by Council in February 2013:

- Treasury Management Policy Statement - this document is included at Annexe 4 and it sets out the headline objectives of the Treasury Management function.
- Treasury Management Strategy 2014/15 - this document is included at Annexe 5 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 2014/15 - this document is included at Annexe 6 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.

148.6 As the Housing Revenue Account approaches the end of the second year under the self-financing framework, the financial transactions and future cashflows can be projected with greater certainty, particularly as the programmes of capital spend are developed. The most significant HRA cashflow transactions relate to capital spend on new homes and, whilst surpluses have accumulated in the first two years, it is anticipated that there will be major spend in the next few years. Officers are working on more sophisticated cashflow forecasting for these large cashflows which should enable longer term investment decisions to be taken without compromising liquidity.

148.7 In the light of the significantly higher cash balances being experienced in 2013/14, mainly due to the HRA business plan cashflows, it has become increasingly difficult to make day to day investment decisions which utilise surplus cash balances to the best effect. The thresholds set in the current Investment Strategy rightly limit the options for investment but widening the scope of the Strategy could enable an improved position to be achieved without introducing significant additional risk. Officers have examined a range of alternative investment options and these are set out in Annexe 7. Some of the options listed would not be acceptable given the Council's Strategy principles and priorities but some may be beneficial, subject to certain controls. Where officers consider that changes could be made to the Investment Strategy, these measures are highlighted in Annexe 7 and have been incorporated in the draft Strategy 2014/15 at Annexe 6.

148.8 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 their 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 8. The prudential indicators are intended to support decision-making and are ways of targeting and measuring performance.

- 148.9 The Corporate Overview & Scrutiny Committee congratulated officers on the continued prudent approach of the Treasury Management Policy, and had no further observations on the proposed revisions to the Treasury Management Strategy Statement 2014/15 and Annual Investment Strategy 2014/15. The Executive accordingly

**RECOMMENDS that**

- 24. the 2014/15 Treasury Management Policy, the 2014/15 Treasury Management Strategy, the Annual Investment Strategy for 2014/15 and the Prudential Indicators for 2014/15 to 2015/16 be approved.**

*[Reason: to seek approval of a revised Treasury Management Policy, 2014/15 Treasury Management Strategy and Investment Strategy and the Prudential Indicators for 2014/15 to 2016/17].*

149. REFURBISHMENT – HERONS LEISURE CENTRE

*[This item contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of the revised Part I of Schedule 12A to the Local Government Act 1972, namely:-*

*Information relating to the financial or business affairs of any particular person (including the authority holding that information)]*

- 149.1 In July 2007, Waverley's administration made improving its leisure centres a central corporate priority committing to undertake large scale improvements to the leisure centres throughout the borough. In February 2008, the Council reaffirmed this commitment and approved capital works for the leisure centres in Cranleigh, Farnham and Godalming. Refurbishments were completed on time and within budget in 2010 at Cranleigh and Farnham leisure centres and a new Godalming Leisure Centre was opened ahead of schedule in the autumn of 2012. This capital investment has enabled Waverley to create a strong leisure portfolio culminating in a substantial increase in leisure centre usage throughout the newly created centres. It is also worth noting that these refurbishments have also acted as 'invest to save' projects delivering a significant financial return on investment for the council.
- 149.2 Following the Council's manifesto pledge in May 2011, which included the refurbishment of the Herons Leisure Centre, officers have explored the potential for development of the centre and the associated impact on the management fee. The Herons Leisure Centre was built in 1998 and is now sixteen years old. Given the age of the centre and the increasing demand, issues have started to arise regarding the facilities offered at the Herons. Total usage and customer satisfaction have decreased, which can predominantly be attributed to the condition and age of the facilities. In order to improve the quality of leisure provision capital investment is required.

149.3 Customer needs and expectations have changed considerably over the last sixteen years and the refurbishment of the leisure centre will provide the opportunity to review and address all of these aspects for the community. In February 2013, the Council approved a capital budget of £2.820m and agreed that a tendering process should be undertaken for the Herons refurbishment project. In July 2013 Executive appointed Cosmur to carry out the works at the Herons. The project was split into 3 stages and a limited order was placed with Cosmur for work up to the completion of stage 2.

- Stage 1: to appoint a 'lead contractor' to guide the process overall refurbishment process
- Stage 2: to design, tender and cost the range of desired refurbishment options
- Stage 3: to enter into a construction contract for the refurbishment works

149.4 Public consultation with users, non-users and key focus groups has helped inform the process and ensure the community's priorities are addressed. This important consultation was carried out by Ploszajski Lynch Consulting Ltd in early 2013 and their findings have been carefully referenced in the dispatched tender documentation. Throughout the last six months officers have worked extensively with DC Leisure and Cosmur to create fully designed and costed proposals for the Council to consider. Officers have held detailed discussions with the development team to determine which areas will have the most positive affect on usage, the management fee and costs.

149.5 The intention, as delivered in Cranleigh and Farnham, is to minimise the service disruption throughout the refurbishment thus reducing the impact on the operation and usage of the centre. The key elements, to reduce closure costs and loss of income, will be to keep the gym in operation throughout the construction project and for a minimal pool closure period. Therefore phasing of works has been carefully considered throughout the process. A planning application was made in November 2013 and was submitted to the appropriate planning committee on 5 February 2014. The portfolio holders for leisure and finance, and other key stakeholders, have been involved in the development of the scheme throughout Stage 2.

149.6 The refurbishment works have been split into options for pricing to allow flexibility when choosing the final design. Detailed costs for these works have been worked on throughout the process. The associated costs are attached at (Exempt) Annexe 9 and consist of:

- a) Base works, which include;
  - i. Extending current gym area
  - ii. Creating a dance studio
  - iii. Enhancing the dry changing facilities
  - iv. Refurbishment of the wetside changing village
- b) Additional items - As part of the process officers have also explored additional items that would benefit local residents and positively impact upon usage and therefore the management fee These are:
  - i. A full remodelling of the reception area.
  - ii. Inclusion of a health suite

- iii. Upgrading of the child soft play area
  - iv. Tiling to the pool surround.
- c) Bringing forward future lifecycle liabilities - Refurbishments create the ideal opportunity to bring forward future identified liabilities minimising closure periods, future capital costs and the impact to users of the centre. Waverley's annual capital budget included £405,000 worth of mechanical and electrical works as future liabilities by including these within the tender process and bring them forward will not only avoid future disruption to users and the but has achieved a saving of c£100,000.
- d) As part of the detailed surveys carried further structural issues were also identified and the Council are in the position to be able to bring these forward as part of the refurbishment works, further reducing future impacts on users of the leisure centre.

149.7 In line with Waverley's adopted carbon reduction strategy the project team have also investigated energy saving options which deliver a financial return for the council as well as reducing energy consumption. These projects have been embedded within the lifecycle costs, increasing the energy efficiency as well as removing future liabilities and maintenance responsibilities.

149.8 This refurbishment project will ensure that the Herons Leisure Centre will have all of the updated facilities required for the foreseeable future. Whilst the Edge will provide excellent alternative facilities for customers during the Herons refurbishment works, after the project there will be less reliance upon the Edge to deliver activities on offer at the Herons. These proposed improvements will enable the Council to objectively review the operating model for the Edge into the future.

149.9 Waverley's capital programme includes a total scheme budget of £2,820,000 for the Herons refurbishment. This figure is based on indicative costs for the extended gym, improved dry side changing rooms, the introduction of a dance studio and refurbishment of the wetside changing village, additional elements were also tendered as part of the process for works in the pool hall and reception area. All figures include contractor costs, fees, contingencies, fit-out, equipment and closure costs. The approved funding for this budget is mainly from Waverley's resources, including the £500,000 underspend on Godalming Leisure Centre budget, but it also includes a grant of £392,000 from Sport England towards the refurbishment of the wet changing rooms and a contribution from the Shottermill Trust's balances of £200,000. The capital investment options will lead to further savings in the management fee charged by our contractor DC Leisure. Previous phases of the leisure investment strategy have generated an average return of 4.5% on capital spend and officers are ensuring this scheme produces a similar positive return.

149.10 Approval has already been given to enter into a legal agreement with the Shottermill Trust to secure their funding of £200,000 and the Executive now

**RECOMMENDS that**

- 25. subject to planning permission, the preferred contractor Cosmur be appointed to carry out Stage 3 of the base refurbishment works and approval of the final agreement of the contract terms be delegated to the Director of Finance and Resources in consultation with the Portfolio Holders for Community Services and Finance;**
- 26. Cosmur be appointed to carry out the additional refurbishment works identified in (Exempt) Annexe 9, recognising the agreed management fee uplift and the benefit to users of the centre, with the increased capital funds to be taken from the revenue reserve fund; and**
- 27. to reduce future disruption to customers and minimise risk of additional closure costs, agreement be given to bring forward the identified lifecycle liabilities as detailed in (Exempt) Annexe 9, to be financed from the revenue reserve fund.**

*[Reason: to advise Members of the latest position in respect of the refurbishment of The Herons Leisure Centre and seek approval for the award of the contracts for the building works.]*

Background Papers

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

**150. DEVELOPMENT OF TWO AFFORDABLE HOMES IN SHAMLEY GREEN**

*[This item contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of the revised Part I of Schedule 12A to the Local Government Act 1972, namely:-*

*Information relating to the financial or business affairs of any particular person (including the authority holding that information)]*

- 150.1 In January 2014, a planning application was submitted for the development of the garage site adjacent to No. 64 Hullmead, Shamley Green to provide two affordable homes for social rent to meet local housing need. The proposed layout of the site is shown in Annexe 10. The planning application will be considered by Eastern Area Planning Committee in March.
- 150.2 Pre-development services have been provided by Nye Saunders Architects, who have worked with specialists to provide supplementary information to support the planning application. At the early stage of the project, the pre-development costs have been funded by the approved budget of £83,500 from the New Affordable Homes Reserve.

150.3 The build contract will be tendered in accordance with the Council's Contract Procedure Rules and, if required, EU Procurement Regulations. The precise nature of selecting a contractor will depend on which procurement route is necessary, and appropriate advertising will be undertaken as part of the applicable procurement process. Financial checks of each contractor will be completed before tender documents are issued to those on the short list.

150.4 The build programme is estimated to take 9 months and the implementation of the project plan will be monitored by the Housing Delivery Board. It is hoped that by seeking budget approval at this stage, the process of selecting a build contractor can start as soon as planning permission is granted and enable an earlier start on site date to be achieved.

150.5 Nye Saunders has produced the following cost estimates, including build costs, professional fees and pre-development survey costs and a contingency for the site, split over the next two years. These are set out in (Exempt) Annexe 11.

<b>Key activities</b>	<b>Date</b>
Planning Application – Committee Meeting	March 2014
Prepare detailed specification	February – April 2014
Seek expressions of interest & Pre Qualification Questionnaire	April 2014
Select short-list of build contractors and issue tender documents	May 2014
Tender documents returned	Early July 2014
Inform successful contractor	End July 2014
Lead – in period	September 2014
Start on site	October 2014
Completion	June 2015

150.6 The Executive

**RECOMMENDS that**

- 28. approval be given to the allocation of funding from S106 funds, capital receipts and the New Affordable Homes Reserve, as appropriate and as set out in (Exempt) Annexe 11, for the development of two affordable homes on the garage site adjacent to No. 64 Hullmead, Shamley Green;**
- 29. the architect be appointed to act as both architect and Employer's Agent and a build contractor in accordance with the Council's Contract Procedure Rules to deliver two new affordable homes within the agreed budget; and**

**30. authority be given to the Head of Housing Strategy and Delivery and Director of Operations to enter into a contract with Nye Saunders as architect and Employer's Agent.**

*[Reason: to seek approval for funding from the New Affordable Homes Reserve for the development of two affordable homes after planning consent has been secured.]*

Background Papers

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

151. MILFORD CONSERVATION AREA APPRAISAL

151.1 Milford is one of 43 Conservation Areas (CA) in Waverley. Currently six Conservation Area Appraisals (CAAs) have been completed (Wrecclesham, Bramley, Farnham Town Centre, Wheelerstreet, Godalming Town Centre and Chiddingfold). This is the third CAA to be completed since 2007, and follows the Godalming Town Centre and Wheelerstreet document. Wheelerstreet CAA was a pilot project that helped Waverley formulate a methodology (following the latest English Heritage guidelines) so that the remaining 38 CAAs can be undertaken in a consistent manner.

151.2 Conservation Area Appraisals (CAAs) are undertaken to identify and explain the character of the Conservation Area (CA). The document at Annexe 12 will identify the specific qualities of the Milford CA and thereby help to manage change within the CA. It is not enough for a Local Planning Authority to just designate an area as a CA, Section 71 of the 1990 act explains that "it shall be the duty of a local planning authority from time to time to formulate and publish proposals for the preservation and enhancement of any parts of their area which are conservation areas". Policy HE8 in the Local Plan states that "the Council will seek to preserve or enhance the character of conservation areas by.....(e) carrying out conservation area appraisals". It is therefore considered pertinent for Waverley to undertake CAAs with the aim to appraise the character of each CA; identify the qualities which should be preserved and enhanced, and produce a management plan to include proposals for enhancement where necessary.

151.3 As part of the consultation process, a walkabout was conducted with local Councillors and Witley Parish Council and there was communication by email to discuss the draft document. A public consultation was undertaken to support the development of the CAA. The consultation started on Monday 28 October 2013 for six weeks, ending on Monday 9 December 2013.

151.4. The following methods to inform the public of the consultation included:

- Letter to all residents in the CA
- Letter for key stakeholders including:
  - Parish Council
  - Surrey County Council



- Statutory consultees (English Heritage, Natural England and Environment Agency)
- Relevant internal Waverley officers
- Local Councillors

151.5 A poster and hard copy of the draft Milford CAA document was made available at Planning Reception, Council Offices, Godalming (Monday to Thursday 9am – 5pm and Friday 9am – 4pm) and a copy could be viewed online at [www.waverley.gov.uk/milfordcaa](http://www.waverley.gov.uk/milfordcaa).

151.6 Six responses were received to the draft document. The main areas raised related to the management plan. As a result the draft CAA has been updated to include additional issues about the flood zone and infilling as well as separate sections about boundary walls and litter. Recommendations within the management plan section relating to environmental enhancement were also supported. The Consultation Report considered by the Executive gave a summary of the comments received and the officers responses.

151.7 The Executive now

#### **RECOMMENDS that**

#### **31. the Conservation Area Appraisal for Milford be adopted as a material planning consideration.**

*[Reason: to adopt the Milford Conservation Area Appraisal as a material consideration and used in the determination of planning applications and listed building consent within the Conservation Area.]*

#### Background Papers

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

#### 152. AMENDMENTS TO THE CONSTITUTION AND SCHEME OF DELEGATION

152.1 Section 37 of the Local Government Act 2000 requires the Council to prepare, keep up to date and publicise a Constitution. The current Constitution was originally adopted in 2001, as the Council moved from the Committee system to an Executive model of governance with a Leader and Executive responsible for Executive functions. The Constitution was based upon the guidance and model developed by the Department for Transport, Environment and the Regions and the Local Government Association.

152.2 Since then, the Constitution has been revised to reflect additional requirements and duties from a range of legislation and guidance, including:

- Licensing Act 2003
- Gambling Act 2005
- Local Government and Public Involvement in Health Act 2007

152.3 Since it was last reviewed in 2011 a number of procedural issues have been raised and improvements suggested to make the Constitution more streamlined. A revised constitution is attached as Annexe 13, showing proposed revisions as 'track changes'. There are a number of minor changes to job titles and the main changes are summarised below:

- The call-in procedure could be more robust and needs strengthening, particularly with the addition of a requirement for councillors to give reasons for a call-in;
- Deleting Part 2 in Minutes which is never used and having two new sections Part 1 – Recommendations and Part 2 – Resolutions and matters for information;
- Revisions to the urgency procedures clarifying the procedure and including reference to urgency procedures not applying to areas such as access to information;
- Time allocated to speak at Committees not just Council meetings being 4minutes and clarification that the Procedure Rules apply to council meetings, Committee meetings and Panels; and
- the Scheme of Delegation for items to be considered by the Joint Planning Committee; and
- the proposal that authority be delegated to the Head of Policy and Governance to keep the list of plans and strategies within the Policy Framework under constant review and up-to-date.

152.4 The Constitution SIG and Executive received a paper at Annexe 14 setting out a proposal to review the Overview and Scrutiny arrangements that have been operating for some time now, with a view to maximising the benefits of overview and scrutiny and making the processes more robust. Both were supportive of a review being undertaken by officers.

152.5 There are also a number of updates to the Scheme of Delegation in relation to Environmental Health and Housing, largely because of changes in legislation. Any changes to the Scheme of Delegation need to be approved by the Council and attached at Annexe 15 is a revised copy of the Scheme. There are also a number of changes to job titles/descriptions resulting from the recent management restructure and authority is already given to the Executive Director to action these. The changes are however shown in the document for clarity of where changes have been made.

152.6 The Executive

**RECOMMENDS that**

- 32. the proposed changes to the Constitution, as set out at Annexe 13, be adopted;**
- 33. authority be delegated to the Head of Policy and Governance to keep the list of plans and strategies within the Policy Framework updated;**

34. approval be given to a review of the Overview and Scrutiny arrangements being undertaken, as proposed in Annexe 14; and
35. the changes to the Scheme of Delegation, as set out at Annexe 15, be adopted.

*[Reason: to review and endorse changes to the constitution and scheme of delegation.]*

#### 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**

#### 153. EXECUTIVE FORWARD PROGRAMME

RESOLVED that the forward programme of key decisions for Waverley Borough Council be adopted, subject to the following additions:-

- i. Review of the Housing Service - April 2014
- ii. Capacity of the figures available for housing in the Borough - Summer 2014

and to amending the Portfolio Holder for the Procurement of Asbestos Management Consultancy Services to Cllr Carole King.

#### 154. SERVICE PLAN ACTION PLANS FOR 2014/15

RESOLVED that the Joint Overview and Scrutiny Committee be thanked for its observations and the Service Plan Action Plans for 2014-15 be endorsed.

*[Reason: to approve the Service Plan Action Plans, outlining strategic actions for each service delivering the Council's corporate priorities for 2014-15.]*

#### 155. BUDGET MANAGEMENT REPORT – DECEMBER 2013

RESOLVED that

1. the reinstatement of the Major Civil Emergencies rota be approved, costing £17,200 in a full year and the cost for 2013/14 being £2,900 to be met from existing budgets;

2. the iTrent pensions systems update capital scheme be approved in the sum of £4,000 within the 2013/14 Capital Programme and funded from the capital provision for urgent schemes;
3. the Car Park Lighting replacement scheme be approved in the sum of £37,000 within the 2013/14 Capital Programme, to be funded £4,000 from Section 106 monies and £33,000 from the capital provision for Urgent Schemes;
4. the most economically advantageous tender valued at £51,500 be awarded to Ridge and Partners LLP for the Health and Safety Asbestos Work within the HRA;
5. the unspent Fire Safety budget be used on the improving and upgrading of fire safety and precaution works at Rolston House; and
6. the budget continue to be monitored closely during the remainder of 2013/14.

*[Reason: to provide a projection of the total expenditure and income position for the General Fund and the Housing Revenue Account as at the end of December 2013 compared with the budget.]*

156. REVIEW OF THE PROVISION OF HORTICULTURE TRAINING AT WAVERLEY TRAINING SERVICES

*[This item contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 1 of the revised Part I of Schedule 12A to the Local Government Act 1972, namely:-*

*Information relating to any individual]*

RESOLVED that

1. post number AC02 be deleted with effect from 1 March 2014 and replaced with a 2 day per week post; and
2. a continued review of the provision of horticulture at Waverley Training Services be undertaken and, if learner numbers do not increase, authority be given to the Head of Community Services and the Manager of Waverley Training Services to cease offering this course at the end of the academic year 2013/14 and the two day per week post be deleted accordingly.

*[Reason: to seek approval to review the delivery of horticulture at Waverley Training Service]*

157. ASBESTOS POLICY

RESOLVED

1. that the new Policy for the Management of Asbestos in Council Premises (Corporate and Housing) be approved, produced to enable the Council to fully discharge its responsibility as duty holder in accordance with Regulation 4 of the Control of Asbestos Regulations 2012; and
2. to note that the Improvement Notice served by the HSE is now complied with, based on the actions taken and proposed by the Council.

*[Reason: to seek approval of the revised Asbestos Policy and to outline the findings of the Health and Safety Executive following their review of the Council's arrangements for management asbestos.]*

158. DRAFT REVISED STATEMENT OF COMMUNITY INVOLVEMENT FOR PLANNING

RESOLVED that consultation be undertaken on the revised Statement of Community Involvement for Planning, for a period of six weeks.

*[Reason: to seek approval to commence public consultation on a draft revised SCI to replace the current document.]*

159. TRANSFER OF COMMUNITY ASSETS

RESOLVED that

1. the overall principles and approach set out in the report be endorsed; and
2. officers prepare a detailed policy for formal adoption by the Council, to be presented to the April meeting of the Executive.

*[Reason: to consider principles for the transference of community assets and seeks approval for preparation of a detailed policy for formal adoption by the Council.]*

160. EXECUTIVE DIRECTOR'S ACTION

The Executive Director reported an urgent action that had been taken regarding the settlement of an outstanding property matter that had previously been brought to the attention of the Executive.

The meeting commenced at 6.45 p.m. and concluded at 8.38 p.m.

Chairman