

To: All Members of the EXECUTIVE

When calling please ask for:

Emma McQuillan, Democratic Services
Manager

Policy and Governance

E-mail: emma.mcquillan@waverley.gov.uk

Direct line: 01483 523351

Calls may be recorded for training or monitoring

Date: 27 January 2017

Membership of the Executive

Cllr Julia Potts (Chairman)
Cllr Tom Martin (Vice Chairman)
Cllr Brian Adams
Cllr Andrew Bolton
Cllr Kevin Deanus

Cllr Jim Edwards
Cllr Jenny Else
Cllr Carole King
Cllr Ged Hall

Dear Councillors

A meeting of the EXECUTIVE will be held as follows:

DATE: TUESDAY, 7 FEBRUARY 2017

TIME: 6.45 PM

PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, THE BURYS,
GODALMING

The Agenda for the Meeting is set out below.

Yours sincerely

ROBIN TAYLOR
Head of Policy and Governance

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NOTES FOR MEMBERS

Contact Officers are shown at the end of each report and members are welcome to raise questions, make observations etc. in advance of the meeting with the appropriate officer.

AGENDA

1. **MINUTES**

To confirm the Minutes of the Meeting held on 10 January 2017 (to be laid on the table for half-an-hour prior to the meeting).

2. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

3. **DECLARATIONS OF INTERESTS**

To receive from members, declarations of interest in relation to any items included on the agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

4. **QUESTIONS FROM MEMBERS OF THE PUBLIC**

To receive any questions from members of the public for which notice has been given in accordance with Procedure Rule 10.

The deadline for submission of questions is 5pm on Tuesday 31 January 2017.

5. **EXECUTIVE FORWARD PROGRAMME** (Pages 11 - 14)

To adopt the forward programme of decisions for Waverley Borough Council.

6. **FINANCIAL STRATEGY 2017/18 - 2019/20 - GENERAL FUND BUDGET 2017/18** (Pages 15 - 78)

[Portfolio Holder: Councillor Ged Hall]
[Wards Affected: All Waverley Wards]

The report outlines the latest General Fund Budget position for 2017/18. Members are reminded of the need to achieve savings throughout the four-year period covered by the Financial Strategy. Information is provided on the details of the provisional Local Government Finance Settlement 2017/18 and

the Council's financial position following this.

The Joint Overview and Scrutiny Committee was requested, in the light of the significant budget shortfall, to consider the cost savings, income generation and growth proposals identified in this report and their observations are set out in the report, including any proposals on how Waverley's Budget can be balanced in 2017/18.

Recommendation

It is recommended that the Executive, after considering comments from the Joint Overview and Scrutiny Committee, makes the following recommendations to Council, to:

- 1. agree a £5 per band D equivalent increase for Waverley's element of Council Tax for 2017/2018;**
- 2. implement the income and cost saving proposals as shown at Annexe 4, including any staffing changes;**
- 3. implement the growth proposals as shown at Annexe 4, including any staffing changes;**
- 4. approve the changes to Fees and Charges as shown at Annexe 5 and agree to delegate the setting of charges for the use of the new Memorial Hall to the Strategic Director of Operations in consultation with the Leader;**
- 5. request officers to progress the projects identified in paragraph 15 that will achieve cost savings and/or generate additional income;**
- 6. approve the General Fund Budget for 2017/18, as amended by the above changes;**
- 7. approve the updated Financial Strategy, as set out at Annexe 1;**
- 8. agree that the Executive carries out a review of the Medium Term Financial Strategy and General Fund Budget in the Spring/Summer 2017 and takes any appropriate action in the light of the position at that time;**
- 9. approve the 2017/18 General Fund Capital Programme and financing proposals totalling £3.3m, as shown at Annexe 7, and the bringing forward of £20,000 of the new building control system budget into 2016/17;**
- 10. suspend, in the light of the significant cut to Waverley's New Homes Bonus, the progression of all other major capital schemes that do not appear in the capital programme and that do not generate a positive revenue benefit, with this position being reviewed in the Spring/Summer 2017; and**

11. **agree that the budgets for capital schemes marked with an asterisk on the schedules be approved, but spending on these projects to be subject to the agreement of the Director of Finance and Resources and Finance Portfolio Holder or the Executive, if appropriate.**

7. HOUSING REVENUE ACCOUNT BUSINESS PLAN, REVENUE BUDGET AND CAPITAL PROGRAMME 2017/18 (Pages 79 - 94)

[Portfolio Holder: Councillor Ged Hall]

[Wards Affected: All Waverley Wards]

The report advises Members of the latest position regarding the Housing Revenue Account (HRA) Revenue Estimates for 2017/18 and the updated 30-year Business Plan.

Recommendation

It is recommended that the Executive, after considering comments from the Joint Overview and Scrutiny Committee, makes the following recommendations to Council, that:

1. **the rent level of Council dwellings be reduced by 1% from the 2016/17 level with effect from April 2017 in compliance with the Welfare Reform and Work Act;**
2. **the weekly charge for garages rented by both Council and non-Council tenants be increased by 10% from April 2017;**
3. **the service charge in sheltered accommodation be increased by 50p/week from 7 April 2017;**
4. **the recharge for energy costs in sheltered accommodation (as appropriate) be increased by 50p/week from April 2017;**
5. **the increases to fees and charges be agreed as set out in Annexe 2;**
6. **the revised HRA Business Plan for 2017/18 to 2019/20 as set out at Annexe 1 be approved;**
7. **the 2017/18 Housing Revenue Account Capital Programmes as shown at Annexe 3 be approved; and**
8. **the financing of the capital programmes be approved in line with the resources shown in Annexe 4.**

8. BUDGET MANAGEMENT REPORT (Pages 95 - 104)

[Portfolio Holder: Councillor Ged Hall]

[Wards Affected: All Waverley Wards]

The report provides a review of the 2016/17 budget for the General Fund and the Housing Revenue Account against forecast to 31 March 2017, based on the latest information available.

Recommendation

It is recommended that the Executive notes the report and

- 1. approves the appointment of a temporary support for the Garden Waste team, and approves the carry forward of savings achieved in the 2016/17 financial year to fund the appointment in 2017/18, as set out in paragraph 4 (iii);**
 - 2. approves the extension of the Emergency Planning and Projects Assistant post until 31 March 2018, as set out in paragraph 4 (IV) from the General Fund forecast underspend;**
 - 3. approves £10,000 from the projected underspend to bring forward the budget growth item to review the options for the future of the building control service as set out in paragraph 5;**
 - 4. approves £50,000 of the underspend in 2016/17 to be transferred to an earmarked reserve for commercial property voids as set out in paragraph 12, subject to sufficient underspend being available at the year end;**
 - 5. recommends to Council to approve the rescheduling of £1,000,000 for Wey Court into 2017/18, as set out in paragraph 22;**
 - 6. recommends to Council to approve the rescheduling of £1,000,000 for Nursery Hill into 2017/18, as set out in paragraph 23; and**
 - 7. recommends to Council to approve the rescheduling of £360,965 for Chilton Close, Alfold into 2017/18, as set out in paragraph 24.**
9. TREASURY MANAGEMENT FRAMEWORK 2017/18 (Pages 105 - 126)
[Portfolio Holder: Councillor Ged Hall]
[Wards Affected: All Waverley Wards]

The report sets out the proposed Treasury Management Framework for 2017/18, comprising:

- revised Treasury Management Policy;
- 2017/18 Treasury Management Strategy;
- 2017/18 Investment Strategy; and
- Prudential Indicators for 2017/18 to 2019/20

Recommendation

It is recommended that the Executive recommends to the Council that

- 1. the proposed Treasury Management Framework for 2017/18 be approved; and**
- 2. the delegation for decisions to borrow to finance capital expenditure to the Executive be approved, as set out in paragraph 8 of the report.**

10. ANNUAL PAY POLICY STATEMENT 2017/18 (Pages 127 - 132)
[Portfolio Holder: Councillor Julia Potts]
[Wards Affected: All Waverley Wards]

The purpose of the report is to advise Members of the Annual Pay Policy Statement for 2017-18.

Recommendation

It is recommended that the Annual Pay Policy Statement for 2017-18 be approved and recommended to the Council for adoption.

11. STRATEGIC REVIEW OF WAVERLEY BOROUGH COUNCIL (Pages 133 - 166)
[Portfolio Holder: Councillor Julia Potts]
[Wards Affected: All Waverley Wards]

The report summarises the findings of the Strategic Review of Waverley Borough Council that was completed in December 2016 and the Council's proposed action plan in response to it. The consultants' report and the Council's proposed action plan are provided in full as Annexes 1 and 2 to the report.

It is recommended that Members note and consider the findings and recommendations within the report provided by Cratus and, subject to any changes they wish to make, recommend the proposed action plan to the Council for approval.

Recommendation

It is recommended that the Executive:

- 1. note and consider the findings and recommended way forward within the Strategic Review report, attached as Annexe 1; and**
- 2. subject to any changes or amendments made by the Executive, recommend the proposed action plan attached as Annexe 2 to the Council for approval.**

12. REVIEW OF WAVERLEY'S SCHEME OF DELEGATION AND CONSTITUTION (Pages 167 - 172)
[Portfolio Holder: Councillor Tom Martin, Councillor Julia Potts]
[Wards Affected: All Waverley Wards]

The report recommends, in light of the findings and recommendations from the 2016 Strategic Review, that the planned review of the Council's Constitution and Scheme of Delegation (action 1.2 of the draft 2017/18 Policy and Governance Service Plan) commences straight away.

Accordingly, the report sets out a number of immediate recommendations for Council approval in respect of financial thresholds for virements and supplementary estimates and the need to gain Council approval for any

change to the Council's staffing establishment.

Beyond this, the report sets out recommended principles for reviewing the Constitution and Scheme of Delegation in all other respects as well as a timetable for doing so. Officers will undertake the initial review and make recommendations for change and options for consideration by the Constitution SIG in the first instance.

Recommendation

It is recommended that the Executive:

- 1. recommends to Council that paragraph 4.01(b) within part 1 of the Constitution be amended so that Council approval is only needed in respect of virements and supplementary estimates, no matter what they relate to, over £100,000 (meaning that the Executive will be able to approve these so long as they are £100,000 or less);**
 - 2. recommends to Council that paragraph 1 of the Scheme of Delegation and the relevant sections of Finance Regulations be updated to reflect these new Executive limits of £100,000 for virements and supplementary estimates;**
 - 3. recommends to Council that paragraph 13.03(b)(i) within part 1 of the Constitution be amended to change the threshold for a key decision to £100,000;**
 - 4. recommends to Council that paragraph 4.02(n) within part 1 and paragraph B.11 of part 3 of the Constitution be amended to state that it will be a function of the Council to approve 'the addition or deletion of posts from the agreed permanent staffing levels where the costs of doing so do not fall within existing controllable expenditure budgets and where the changes have financial implications in excess of the Executive's threshold of up to £100,000'; and**
 - 5. agrees, subject to any amendments they wish to make, the recommended principles and timetable for a wider review of the Council's Constitution set out in sections 3 and 4 respectively.**
13. UPDATING SCHEME OF DELEGATION FOR RESPONDING TO SOCIAL HOUSING TENANCY FRAUD (Pages 173 - 174)

[Portfolio Holder: Councillor Carole King]
[Wards Affected: All Waverley Wards]

The report seeks approval for a proposed addition to the Scheme of Delegation for Housing, to enable legal action to be taken against perpetrators of social housing fraud and in accordance with the Prevention of Social Housing Fraud Act 2013.

Recommendation

It is recommended that the Executive agrees the proposed changes set out in paragraph 5 and recommends to the Council that the Scheme of Delegation be amended accordingly.

14. 2017/18 SERVICE PLANS (Pages 175 - 202)

[Portfolio Holders: All]

[Wards Affected: All Waverley Wards]

The report presents the draft Service Plan objectives for Council's services for 2017/18.

Recommendation

It is recommended that, taking into account any observations from the Joint O and S Committee, the Service Plan Objectives for 2017/18 be approved.

15. CULTURAL STRATEGY ACTION PLAN 2017/18 (Pages 203 - 218)

[Portfolio Holder: Councillor Jenny Else]

[Wards Affected: All Waverley Wards]

The purpose of this report is to summarise progress with the development of the Cultural Strategy since the Community Overview & Scrutiny Committee and Executive in September 2016 and introduce the Cultural Strategy Action Plan 2017/18 for approval.

Recommendation

It is recommended that the priorities and goals as set out in the Cultural Strategy Action Plan be endorsed.

16. HASLEMERE BOWLING CLUB - REQUEST FOR SURRENDER OF EXISTING AND GRANT OF NEW LEASE (Pages 219 - 224)

[Portfolio Holder: Councillor Kevin Deanus, Councillor Tom Martin]

[Wards Affected: Haslemere East and Grayswood]

Haslemere Bowling Club has approached the Council for consent to surrender their existing lease of the Pavillion land and to take a new long lease of both the Pavilion land and the Bowling Green itself.

Recommendation

It is recommended that approval be given to the surrender of the current lease to Haslemere Bowling Club and consent to the simultaneous grant of a new lease on the proposed terms.

17. EXECUTIVE DIRECTOR'S ACTIONS

To note any action taken by the Executive Director after consultation with the Chairman and Vice-Chairman since the last meeting. The Register of Decisions will be laid on the table half an hour before the meeting.

18. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman:-

Recommendation

That, pursuant to Procedure Rule 20, and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item(s) on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified at the meeting in the revised Part 1 of Schedule 12A to the Local Government Act 1972.

19. PROPERTY MATTER - CRANLEIGH (Pages 225 - 228)

To consider the (Exempt) report, attached.

20. PROPERTY MATTER - GODALMING (Pages 229 - 232)

To consider the (Exempt) report, attached.

21. RESTRUCTURE - ELECTIONS (Pages 233 - 238)

To consider the (Exempt) report attached.

22. RESTRUCTURE - HOUSING OPTIONS AND HOMECHOICE (Pages 239 - 246)

To consider the (Exempt) report, attached.

23. ANY OTHER ISSUES TO BE CONSIDERED IN EXEMPT SESSION

To consider matters (if any) relating to aspects of any reports on this agenda which, it is felt, may need to be considered in Exempt session.

**For further information or assistance, please telephone
Emma McQuillan, Democratic Services Manager, on 01483 523351 or
by email at emma.mcquillan@waverley.gov.uk**

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Waverley Borough Council Key Decisions and Forward Programme

This Forward Programme sets out the decisions which the Executive expects to take over forthcoming months and identifies those which are key decisions.

A key decision is a decision to be taken by the Executive which (1) is likely to result in the local authority incurring expenditure or making savings of above £20,000 and/or (2) is significant in terms of its effects on communities living or working in an area comprising two or more wards.

Please direct any enquiries about the Forward Programme to the Democratic Services Manager, Emma McQuillan, at the Council Offices on 01483 523351 or email committees@waverley.gov.uk.

Executive Forward Programme for the period 8 February 2017 onwards

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O AND S
POLICY AND GOVERNANCE, HUMAN RESOURCES, BRIGHTWELLS AND LEP CLLR JULIA POTTS (LEADER)						
1. Performance Management	Quarterly combined performance report	Executive		March 2017	Louise Norie	CORP/COMM
CUSTOMER AND CORPORATE SERVICES – CLLR TOM MARTIN (DEPUTY LEADER)						
1. Age Concern Farncombe	To agree new lease arrangements	Executive		March 2017	Kelvin Mills	CORPORATE
2. Customer Services Review	To review and agree the way forward for Customer Services	Executive and Council	√	July 2017	David Allum	CORPORATE

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O AND S
PLANNING – CLLR BRIAN ADAMS						
1. CIL Preliminary Draft Charging Schedule	To agree for the basis of consultation	Executive		March 2017	Graham Parrott	COMMUNITY
2. Building Control Options Appraisal	To agree the way forward	Executive and possibly Council		March 2017	Elizabeth Sims	CORPORATE
3. Local Plan Part II – Issues and Options	To seek agreement for consultation	Executive	√	March 2017	Graham Parrott	COMMUNITY
4. Dunsfold and Dunsfold Church Conservation Area Appraisal	For adoption	Executive and Council		March 2017	Graham Parrott	COMMUNITY
5. CIL Preliminary Draft Charging Schedule	To agree the next stage	Executive		May 2017	Graham Parrott	COMMUNITY
6. Local Plan Part II – Approval for Regulation 18 Consultation	For approval	Executive and Council		July/August 2017	Graham Parrott	COMMUNITY
ECONOMIC DEVELOPMENT – CLLR ANDREW BOLTON						
COMMUNITY SERVICES AND COMMUNITY SAFETY – CLLR KEVIN DEANUS						
1. 'Prevent' Counter-Terrorism Strategy	To agree a Strategy and Action Plan	Executive		April 2017	Katie Webb	COMMUNITY

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O AND S
2. Safeguarding Policy	To review and adopt the policy	Executive		April 2017	Kelvin Mills	COMMUNITY
ENVIRONMENT – CLLR JIM EDWARDS						
1. Review of Parking Place Order	To provide feedback on consultation on amendments to the Parking Place Order and recommend amendments to Council	Executive and Council		March 2017	Richard Homewood	COMMUNITY
HEALTH, WELLBEING AND CULTURE – CLLR JENNY ELSE						
FINANCE – CLLR GED HALL						
1. Budget Management [E3]	Potential for seeking approval for budget variations	Executive (and possibly Council)	√	Potentially every Executive meeting	Peter Vickers	CORP/COMM
HOUSING – CLLR CAROLE KING						
1. Housing Delivery Board [E3]	Potential to approve and adopt policies and make decisions to assist in the delivery of affordable homes in the Borough	Executive (and possibly Council)	√	Potentially every Executive meeting	Andrew Smith	CORPORATE
2. Implementing requirements of the Housing and Planning Act 2016	Decisions to implement changes resulting from the Act	Executive (and possibly Council)	√	March 2017	Andrew Smith	CORPORATE

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O AND S
3. Review of Housing Maintenance Contracts [E3]	To review the contracts and consider any recommendations	Executive and Council	√	April 2017	Hugh Wagstaff	CORPORATE

Background Information

The agenda for each Executive meeting will be published at least 5 working days before the meeting and will be available for inspection at the Council Offices and on the Council's Website (www.waverley.gov.uk). This programme gives at least 28 days notice of items before they are considered at a meeting of the Executive and consultation will be undertaken with relevant interested parties and stakeholders where necessary.

Exempt Information - whilst the majority of the Executive's business at the meetings listed in this Plan will be open to the public and press, there will inevitably be some business to be considered which contains confidential, commercially sensitive or personal information which will be discussed in exempt session, i.e. with the press and public excluded. These matters are most commonly human resource decisions relating to individuals such as requests for early or flexible retirements and property matters relating to individual transactions. These may relate to key and non-key decisions. If they are not key decisions, 28 days notice of the likely intention to consider the item in exempt needs to be given.

This is formal notice under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that part of any of the Executive meetings listed below may be held in private because the agenda and reports or annexes for that meeting contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended), and that the public interest in withholding the information outweighs the public interest in disclosing it. Where this applies, the letter [E] will appear after the name of the topic, along with an indication of which exempt paragraph(s) applies, most commonly:

[E1 – Information relating to any individual; E2 – Information which is likely to reveal the identity of an individual; E3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information); E5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; E7 – Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime].

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

FINANCIAL STRATEGY 2017/18 – 2019/20

GENERAL FUND BUDGET 2017/18

[Wards Affected: All]

[Portfolio Holder: Cllr Ged Hall]

Summary and purpose:

This report outlines the latest General Fund Budget position for 2017/18. Members are reminded of the need to achieve savings throughout the four-year period covered by the Financial Strategy. Information is provided on the details of the provisional Local Government Finance Settlement 2017/18 and the Council's financial position following this.

The Joint Overview and Scrutiny Committee was requested, in the light of the significant budget shortfall, to consider the cost savings, income generation and growth proposals identified in this report and their observations are set out in the report, including any proposals on how Waverley's Budget can be balanced in 2017/18.

How this report relates to the Council's Corporate Priorities:

The Council could not deliver the Corporate Priorities without a robust Budget-setting process in place and the Capital Programme proposed supports the priorities.

Equality and Diversity Implications:

An Equality Impact Assessment will be carried out to ensure there are no adverse equality implications.

Resource/Value for Money implications:

All decisions made with regard to the Budget will impact on Waverley's resources.

Legal implications:

There are no direct legal implications as a result of the recommendations of this report.

Introduction General Fund Revenue

1. This report presents the Council's Medium Term Financial Strategy and the latest position on the 2017/18 draft General Fund Budget, including an outline of the financial background, key financial and topical issues, and details of Savings and Growth proposals.
2. This report contains the following Annexes:
 - Annexe 1 – updated Medium Term Financial Strategy
 - Annexe 2 – draft General Fund Budget Summary
 - Annexe 3 – summary of key variations from 2016/17 Budget
 - Annexe 4 – income, savings and growth proposals
 - Annexe 5 – draft fees and charges for 2017/18
 - Annexe 6 – schedule of reserves and balances
 - Annexe 7 – draft capital programme

General Fund Background

3. The Annual Finance Seminar was held on 30 November 2016 for all members of the Council. The seminar set out the key aims of the Finance Strategy and the issues and risks for the next four years. The Medium Term Financial Strategy document has been updated and is shown at [Annexe 1](#). This document will be fully reviewed alongside the consideration of the Strategic Review report in the Spring 2017. Significant savings will be required over the next three years in view of ongoing Government Grant reductions and other financial pressures. The Financial Strategy approved in February 2016 forecast a budget shortfall of £1.3m for 2017/18.

Provisional Local Government Finance Settlement

4. Waverley accepted the Government's offer of locking in to a 4-year settlement in order to get certainty in its medium term financial planning. As expected, a further reduction has been applied to Waverley's grant in 2017/18 on top of the very substantial reductions already made. The overall Revenue Support Grant reduction is £705,000, leaving just £60,000 in 2017/18. Waverley's grant has reduced dramatically over the last 5-years from £3.8m in 2012/13.

New Homes Bonus

5. The Finance Seminar reported that there was considerable uncertainty about the future level of payments to be made under the New Homes Bonus (NHB). The Government announced its future plans for the NHB alongside the draft finance settlement on 15 December. The new proposals keep the 2016/17 NHB bonus payment at the expected level of £2.2m, but reduce the 17/18 forecast figure by £650,000 and reduce the forecast figure for the 3-year period 2017-2020 by £3.5million. This is a significant reduction for Waverley and is the result of the Government curtailing payments made in previous years that were promised for 6 years, and from introducing a 'growth threshold' of 0.4% below which NHB is no longer paid.

6. The Financial Strategy currently includes Waverley's policy of New Homes Bonus being earmarked within the Revenue Reserve Fund, to be used for 'Invest-to-Save' schemes, so that the Council does not rely on the New Homes Bonus to support ongoing service provision. Therefore, whilst the reduction in payments to Waverley detailed above will not have a direct impact on services, it does significantly restrict the Council's invest to save funding and will put pressure on the capital programme.

Fees and Charges

7. Fees and charges have been reviewed as part of the budget process. Some fees and charges are statutory but for those determined by Waverley some increases are proposed for 2017/18 where appropriate. Details of the proposed changes to fees and charges from 1 April 2017 are included at Annexe 5. There are proposals for increases to some of Waverley's car park charges detailed in Annexe 4. With regard to the new Farnham Memorial Hall, the proposed charges for the use of this new facility are being developed so are not included in Annexe 5 of this report. In its response to the Government's consultation on the finance settlement, Waverley has asked the Government for freedom to set charges in key statutory areas, including planning with a view to being able to move closer to recovering the true costs of the services.

Inflation

8. The Council's main contracts are indexed to the Consumer Price Index (CPI). An inflationary amount has been assumed for General Fund Budget projections in line with the Government's longer term projections.

Pay Award

9. The cost of any pay award agreed from 1 April 2017 will form part of the Budget proposals to Council in February 2017. The pay award has not yet been agreed so, at this stage, the budget figures presented in this report do not include a specific provision for an increase.

Revenue Contribution to Capital

10. The core funding for the General Fund Capital Programme is from Revenue Contributions via the Revenue Reserve Fund. The Budget proposals include a Contribution to Capital from the Revenue Budget including revenue project costs included in the overall budget and, as explained above; the New Homes Bonus of £1.9m is currently identified to be earmarked in the Revenue Reserve Fund.

2017/18 Draft Revenue Estimates

11. The General Fund Summary is shown at Annexe 2. The current budget shortfall is £1.15m which compares to a shortfall projected in the Financial Strategy of £1.3m. The most significant variations included in this figure are government funding cuts, inflation, reduced interest on investments and waste/recycling net costs. A breakdown of the main changes in the 2017/18 draft budget compared to 2016/17 base budget which total £1.15m is included at Annexe 3. The budget position is summarised in the table below.

Income and funding	Expenditure and transfers to earmarked reserves
£59.415m	£60.57m
Budget shortfall = £1.15million	

12. Heads of Service and spending officers have examined operational and staffing budgets in detail and minor changes have been made to detailed budget lines. The Budget Challenge process has identified some proposals for cost savings, additional income and expenditure growth. These proposals are listed in Annexe 4 and are all subject to consideration by Members. These items have been included in the detailed budget summary at Annexe 2 in total.

Car Parks

13. The savings proposals at Annexe 4 follow a review of car parking which include car park increases to 11 of Waverley's 26 car parks. The increases are between 10p and 20p per hour in the most central shoppers' car parks. There are no increases proposed in the other 15 car parks. Overall, the increases represent a 9.6% increase in income. In developing these proposals the Council wrote to all Chambers of Commerce and the relevant Town and Parish Councils. The matter was also debated in detail by the Joint Overview and Scrutiny Committee on 16 January 2017.

Also within the budget proposals is provision for £1.1m capital investment in car park improvement over the next 3 years plus major upgrade of car park machines, including the installation of cashless meters where customers have flexible payments options and pay only for the period of the stay.

14. The following table summarises the proposals for Members to consider with the detail itemised in Annexe 4:

	£000
Savings proposals – Annexe 4	(£1,036)
Growth proposals – Annexe 4	£55
Council tax increase @£5 band D	(£268)

15. As referred to above, the Financial Strategy identifies budget pressures in each of the next three financial years, 2017/18 to 2019/20. Beyond this period, there is significant uncertainty around business rate and new homes bonus funding. A number of the savings proposals shown above contribute to future years' shortfalls as well as 2017/18. Whilst the focus of this report is balancing the 17/18 budget, the budget challenge process identified a range of solutions to the medium term problem and officers are proposing to develop projects in the following areas to achieve further cost savings and/or additional income with reports back to Members in due course:

Farnham Museum	To investigate options for the future provision of the Farnham Museum service that are cost effective and meet local needs.
Weyhill Car Park, Haslemere	To review the business case for investing in an improved car park facility and introducing charging.
South Street Car	To undertake an appraisal of refurbishment options. The

Park, Farnham	Brightwells regeneration scheme will provide significant investment in the South Street car park, however, due to the delayed commencement resulting from the Judicial Review process, it is necessary to progress with additional Waverley funded improvement works given the current poor condition of the car park for users.
The Edge Sport Centre, Haslemere	Identify invest to save options for the future operation and ownership of the Edge Sports Centre in the light of Waverley's recent major investment in the Haslemere Leisure Centre.
Village Way Car Park, Cranleigh	Develop options for improving the Village Way Car Park including increasing car parking capacity.

Local Government Act 2003 – Financial Administration

16. The Local Government Act 2003 formally introduced a number of specific sections covering:

- a. Budget calculations: report on robustness of estimates;**
- b. Adequacy of reserves; and**
- c. Budget monitoring.**

17 The sections were introduced to ensure sound financial management across all local authorities. Waverley's budget has always complied with best financial management practice. Prudent allowance has always been made for risk and uncertainties in budgets. Budgets are monitored by officers on a monthly basis and reported to Members on a monthly basis supplemented by monthly exception reports. Waverley's financial management continues to receive favourable comments from its external auditors.

a. The Robustness of the Estimates

18. Full account has been taken of potential costs and adequate provision has been made. A prudent assessment of income has been undertaken and only income that has a high level of certainty of being received is included within Waverley's budgets. Waverley's Financial Strategy, together with information presented at the Annual Finance Seminar and subsequent reports, demonstrates the financial challenges to Waverley in the future.

19. The key Financial Strategy issues for the General Fund include:

- Removal of Revenue Support Grant.
- Increased risk from changes in business rate income due to downward valuations and loss of businesses in the Borough; and
- Future of business rate and new homes bonus funding.

20.. In addition to the detailed scrutiny of the Budget by officers, Councillors have taken the opportunity through the Executive and Overview and Scrutiny process to:

- i. Critically examine budget variations
- ii. Consider the outcome of the budget challenge process and reviewed the higher value proposals coming forward

21. In view of the level of awareness amongst Members and the action taken to produce Waverley's Budget in 2017/18, the Section 151 Officer is satisfied with the robustness of the estimates presented. The Section 151 Officer is confident that overall the Budget is prudent especially in view of the track record of achievement of substantial budgeted savings over the past years.

b. Adequacy of Reserves

22. Waverley maintains a number of reserves, which are detailed in the Financial Strategy. Waverley aims to maintain a prudent level of balances to support revenue spending and finance unforeseen events. The two major reserves for General Fund purposes are the General Fund Working Balance and the Revenue Reserve Fund.

23. The Financial Strategy explains the purpose of each fund. The General Fund balance supports fluctuations in normal business, e.g. unexpected changes in inflation or interest rates, higher than anticipated expenditure or loss of income, and spending on unforeseen events. The Revenue Reserve is used to finance capital expenditure (including bridging financing of land purchase as part of the Brightwell's project) and one-off costs. It is essential that adequate balances are available to meet these and unforeseen costs.

24. The General Fund Working Balance and the Revenue Reserve Fund for the four year period is shown on Annexe 6, along with other key balances. It is the view of the Director of Finance and Resources that a level of £3.2m on the General Fund Working Balance, which is effectively 10% of the gross General Fund Budget or equivalent to just over one month's service spending, satisfies the adequacy requirements of the Local Government Act 2003.

25. In the light of the identified future significant pressures, the levels of combined balances as detailed in this report are considered prudent but, in the light of the recent announcement on the cut to Waverley's new homes bonus, there will be significant pressures on the ability to expand capital spending without borrowing.

c. Budget Monitoring

26. It is the view of Waverley's Section 151 Officer that the arrangements for budget monitoring, referred to above, satisfy the requirements of the Local Government Act 2003. Budget Monitoring in 2016/17 shows that the Council has mostly delivered the savings assumed in the Budget and will deliver further savings at the year-end.

Assessment of Key Risks

27. The main key risks affecting Waverley's general fund budget in the next few years, which have previously been raised at the Financial Seminar and in The Financial Strategy are:

- The level of Government Grant/Business Rates Income beyond 2018/19 under the new financial regime
- Continuing levels of fee income

- Failure to ensure adequate levels of balances to meet known and unforeseen pressures in the future, particularly to fund capital investment and asset maintenance in the light of the significant reduction to new homes bonus payments

Council Tax Levels

28. Under the Local Government Finance Act 1992 each billing authority and precepting authority must determine whether its relevant basic amount of council tax for a financial year is excessive. If an authority's relevant basic amount of council tax is excessive a referendum must be held in relation to that amount. For 2017/18, the relevant basic amount of council tax of an authority is excessive if it is 2% or £5 more than the 2016/17 amount, whichever is the greater.
- 29 Waverley's council tax was held at £161.91 for the 6 years between 2010/11 and 2015/16. In the light of the 52% cut to government grant in 2016/17, the Council agreed to increase its proportion of the council tax by £5 for a band D equivalent property. In presenting these significant cuts in grant in 2016/2017, the Government made it clear that it would expect shire district councils to increase their council tax. It is recommended that, given the £1.1m budget shortfall, Waverley's council tax is increased by the maximum allowed £5 per band property in 2017/18. This would generate an additional £268,000 income.

General Fund Capital

30. Each year, the Council reviews its three-year Capital Programme and agrees the provisions to be included within the Budget for the year ahead. The overall parameters for the Capital Programme are set out within the Council's Financial Strategy. The Capital Programme and revenue project proposals for 2017/18, as put forward by the Heads of Service, are presented for consideration.

Draft 2017/2018 Capital Programme

31. The proposed 2017/18 Capital Programme amounts to £3.3million as shown at Annexe 7 to this report. It should be noted that the draft capital programme has been scaled back in the light of the revenue budget pressure and the loss of New Homes Bonus. This scaling back includes the proposed removal of the urgent schemes budget in 2017/18 previously held at £150,000. It is also proposed that, due to the loss in New Homes Bonus, progress on other major capital schemes that don't appear in the draft programme and that do not generate a positive revenue benefit should be suspended at this stage and will be reviewed in the wider budget review in Spring/Summer
32. The Annexe also presents the proposed financing, which shows significant external funding of over £2.2m, £0.9m coming from Waverley's own resources in the Revenue Reserve Fund and £0.2m from Waverley's 'Invest-to-save' fund. Under the IT heading there is a project to implement a new planning and building control system. In the light of the building control review report to the January Corporate Overview and Scrutiny meeting, it is proposed to bring forward £20,000 of the capital budget into 2016/17 to enable the building control element to be progressed as soon as possible.

33 Certain capital schemes as identified by an asterisk or a # on the schedule will be included within the overall Programme, but specific approval under delegation will be required before they proceed because further information is needed in support of these schemes. Once Council has approved the Budget, it is proposed that authority to proceed in these cases is delegated to the Director of Finance and Resources in conjunction with the Finance Portfolio Holder.

Joint Overview and Scrutiny Committee

34. The Joint Overview and Scrutiny Committee met on 16 January 2017 to review this report and made the following observations. These have been supplemented by officer comments in response:

- The Committee requested that officers review the Waverley Training Services budget realignment ahead of the Executive meeting in light of their improving position going forward in order to establish whether there would be any scope to reduce the £100,000 variance.

Officer Comment – Officers reviewed the income earning opportunity and anticipate that with the new apprentice training offering to other authorities the additional cost can be reduced to £60,000. This will be reviewed when more details are published by the Government.

- The Committee expressed concern over the reduction in Building Control turnover and welcomed the report that would be considered by the Corporate O&S Committee on 24 January 2017.

Officer comment – It is proposed to progress the review and seek external expertise to identify the most cost effective delivery model in the future.

- The Committee suggested a review of the waste contract if the increases in collection costs were not able to be met from the additional council tax contributions of new houses. Members noted the upcoming review of the contract for 2019 and recognised that this would not address the 2017/18 budget position

Officer comment - Noted

- The Committee requested additional information from officers on the following points:
 - More information for the implications of the apprenticeship levy.

Officer comment – Some netting off of income already applied. This budget will be reviewed in the Spring when more details are known from the Government's guidance about charging opportunities and demand for Waverley training services.

- More information on the reasons for the changes in staff salary costs.

Officer comment – The additional £137,000 shown in Annexe 3 is the net cost of contractual staff increments paid in accordance with Waverley's Pay Policy. Approximately 45% of Waverley's staff are expected to receive an increment on 1 April 2017.

- More information in regard to the impact of the new minimum wage on contractors and how this was transferred to Waverley.

Officer comment – The total spend on Waverley’s key contracts is greater than £4m pa. A number of contracts allow the contractor to negotiate additional costs arising from new legislation in certain circumstances. In response to this an additional budget of £20,000 has been proposed for the new minimum wage impact.

- An explanation as to why the green waste collection service wasn’t cost neutral.

Officer comment – The green waste income has been reviewed and the green waste collection budget has been adjusted from an increase of £87k to £32k which reflects inflation on the contract cost.

Observations on the proposals for increased income

- There were a range of views expressed in regard to the proposals for increases in parking charges. Some Committee Members spoke in opposition to the proposals and some spoke in support of them.
 - Some Members expressed concern over the proposed increases to parking charges and felt that this could deter shoppers from visiting Waverley’s town centres; a review of the proposed increases was suggested, with a view to rationalising charges so that they did not unduly target shoppers.
 - The Committee felt that the proposed changes would be acceptable if the Executive looked into options for ‘fairer’ systems of payment such as pay on exit or smaller increments of charging time. The Committee acknowledged and welcomed the upcoming pay on exit trial.
 - The Committee noted that the charges in 15 car parks would not be increased. Members added that there were car parks a short walk from town centres that were more economical for workers and commuters.
 - The Committee also noted that the last parking charge increase in 2015 had not resulted in a reduction in usage, and indeed the numbers had increased.
 - Some Members felt that a 20p increase in Cranleigh was too large and suggested this be reviewed.
 - Some Members felt that it was important for the car parks to generate a good income so that Council Tax payers were not subsidising car park users.
 - A suggestion was made to reduce the capital spend on car parks so as to offset the need for increasing charges.

Officer comment – The Joint Overview and Scrutiny Committee acknowledged the extremely challenging financial pressures facing the Council in 2017/18 and, whilst no specific alternative suggestions were agreed by the Committee for car parking charges, officers have now revisited the proposals and some scaling back has been applied. Details are shown in Annexe 4.

- The committee was generally supportive of the proposed increases to the garden waste subscription and felt that this was preferable to reducing the collections to monthly.

- The Committee suggested that the Executive investigate the potential for shared services in areas such as Waste Collection and Building Control which would result in cost savings and potentially reduce the size of the corporate centre.
- Members acknowledged that the Council Tax levels could not be increased beyond £5 as this would trigger a referendum.

Observations on the proposals for costs savings

- The Committee noted that there were no staff cost savings proposed within the report. The Director of Finance responded that the budget had been produced on the basis of no cuts to service and therefore no staff cuts had been included.
- The Committee proposed removing the Saturday garden waste collections from the bring sites at Haslemere and Godalming altogether which would save a further £13,000, making £26,000 in total. Members also noted that this would remove the competition with Waverley's brown bin system.

Officer comment – In the light of the O & S comments, and the general sentiment expressed to have more equity for all residents the savings schedule in Annexe 4 now proposes termination of this service.

- The Committee suggested that officers review the options for 'Your Waverley' such as including more advertising to meet the print costs; electronic distribution with a limited number of hard copies available at each locality; reducing the number of issues; or stopping circulation altogether.

Officer comment – Will review in 2017.

- One member asked for clarification on how the means-tested disabled parking charges would work in practicality.

Officer comment – Proposal is to issue permits if the blue badge holder applies and is able to provide evidence of an eligible means tested benefit. Otherwise normal charges will apply in the car parks. The arrangements for reviewing evidence of income related benefits will be clarified as part of the implementation process.

- There was a suggestion to introduce fines for developers who delayed in implementing planning permissions; however officers advised that this would not be possible under the current legislative framework.
- The Committee asked officers to consider in future how a breakdown of statutory and discretionary services could be provided.

Officer comment – Included in current published budget book, officers to consider future analysis.

- A comment was made in regard to compensatory and transitional grants for parish councils, and it was felt that further reductions would put pressure on central services in Cranleigh.

Observations on Capital Programme and Fees and Charges

- The Committee requested that in future, officers be encouraged to liaise with ward members in regard to capital projects within their wards.

Officer comment – Noted, will action.

- The Committee felt that it would be useful to have an indication of the demand for each service, so that they could gain a better understanding of how much income the fees and charges were likely to generate.

Officer comment – Noted, will action.

Recommendation

It is recommended that the Executive, after considering comments from the Joint Overview and Scrutiny Committee, makes the following recommendations to Council, to:

1. agree a £5 per band D equivalent increase for Waverley's element of Council Tax for 2017/2018;
2. implement the income and cost saving proposals as shown at Annexe 4, including any staffing changes;
3. implement the growth proposals as shown at Annexe 4, including any staffing changes;
4. approve the changes to Fees and Charges as shown at Annexe 5 and agree to delegate the setting of charges for the use of the new Memorial Hall to the Strategic Director of Operations in consultation with the Leader;
5. request officers to progress the projects identified in paragraph 15 that will achieve cost savings and/or generate additional income;
6. approve the General Fund Budget for 2017/18, as amended by the above changes;
7. approve the updated Financial Strategy, as set out at Annexe 1;
8. agree that the Executive carries out a review of the Medium Term Financial Strategy and General Fund Budget in the Spring/Summer 2017 and takes any appropriate action in the light of the position at that time;
9. approve the 2017/18 General Fund Capital Programme and financing proposals totalling £3.3m, as shown at Annexe 7, and the bringing forward of £20,000 of the new building control system budget into 2016/17;
10. suspend, in the light of the significant cut to Waverley's New Homes Bonus, the progression of all other major capital schemes that do not appear in the capital programme and that do not generate a positive revenue benefit, with this position being reviewed in the Spring/Summer 2017; and

11. agree that the budgets for capital schemes marked with an asterisk on the schedules be approved, but spending on these projects to be subject to the agreement of the Director of Finance and Resources and Finance Portfolio Holder or the Executive, if appropriate.

Background Papers

Provisional Local Government Finance Settlement 2017/18; Financial Strategy 2016/17 – 2018/19; Revenue Budget 2016/17.

CONTACT OFFICERS:

Name:	Graeme Clark	Telephone: 01483 523099 Email: graeme.clark@waverley.gov.uk
Name:	Peter Vickers	Telephone: 01483 523539 Email: peter.vickers@waverley.gov.uk
Name:	Walter Stockdale	Telephone: 01483 523106 Email: walter.stockdale@waverley.gov.uk



MEDIUM TERM FINANCIAL STRATEGY

UPDATE – February 2017

**To be revised following agreed action plan
arising from Strategic Review**

2016/17 – 2019/20

FINANCIAL STRATEGY 2016/17 – 2019/20 WAVERLEY BOROUGH COUNCIL

Introduction

The Medium Term Financial Strategy (MTFS) is Waverley's key financial planning document which takes account of all the various factors and influences that may impact on Waverley for the next few years. These factors include economic conditions, Government spending plans, current expenditure patterns, inflation, planned changes to service delivery, changing demand for services, sources of income etc. It also includes an assessment of the risks faced by Waverley.

The MTFS includes a forward look over the next four years to anticipate the spending pressures faced by Waverley. Planning now to meet known changes in the future provides greater opportunity to phase in the impact of the changes. Planning for the future will mean that Waverley can ensure sufficient funds are held in balances to be in a position to react swiftly to changing demands and emergencies as priorities or policy demands changes. Anticipating forward pressures at an early stage, help ensure that limited financial resources are targeted to Waverley's residents' highest priorities.

Purpose

The purpose of this Strategy is to:

- Provide a framework for managing resources in medium term.
- Demonstrate that sufficient resources will be available to meet Waverley's objectives and priorities, particularly in the delivery of value for money.
- Look ahead to the longer term to protect and help plan sustainable services within an extremely challenging external economic and funding environment.
- Strengthen Waverley's financial resilience and manage volatility and risk, including maintaining an adequate level of reserves.
- Secure, maintain and develop Waverley's capital assets consistent with the Asset Management Plan.
- Anticipate financial pressures and identify potential ways to balance Waverley's budget including through efficiency measures and increased income

Delivering The Council's Priorities

The Council's Vision for 2016 -19 is:

To make Waverley a better place to live and work

The role of the council's financial planning process is to support the achievement of Waverley's Strategic Priorities and Corporate Plan.

Waverley has four main priorities that respond to residents' concerns and to ensure the delivery of high quality, cost effective services:

- Customer Service
- Community and Wellbeing
- Environment
- Value for Money

National Context

The problems of demography and caring for an increasing elderly population are well known as are increasing costs of pensions. Further significant reductions in public spending means that this period will continue to be extremely challenging for Waverley. Now, more than ever, Waverley needs to be clear about the priorities and focus on them to guide its decision making process.

Financial Strategy Key Risks

- Continued Government grant cuts – 52% reduction in Revenue Support Grant in 2016/17 and almost complete withdrawal in 2017/18 with negative grant beyond this.
- Funding uncertainty and impact of Comprehensive Spending Review – Waverley's core resource of business rates is being reviewed – early indications are that Waverley's resources will be cut further and additional risk transferred. New Homes Bonus has been significantly reduced under Government reforms
- Government proposals for Housing – 1% rent cut for 4 years and high value forced home sell offs will take £300million from forecast resources.
- How to focus resources on Corporate Plan objectives and priorities without impacting on other services.
- Responding to service demands, residents' and tenants' needs and Government legislation eg Homelessness.
- How to achieve further efficiency gains and generate additional income from grants and charging.

- Government restriction on council tax levels and key income streams.

Financial Projection – General Fund

The latest financial projections for the General Fund are shown in the table below which show a projected accumulative budget shortfall of £3m over the next 3 years after 2016/17.

	Original 2017/2018	Latest 2017/2018	2018/2019	2019/2020	Total over 3-years
	Variance from 2016/2017 Base	Variance from 2016/2017 Base	Variance from 2017/2018 Base	Variance from 2018/2019 Base	Variance from 2016/2017 Base
	£000	£000	£000	£000	£000
External matters:					
Inflation - non-pay	150	50	150	200	400
Pension review	200	32			32
Government grant reduction	760	705	212	800	1,717
Benefit admin grant	50	14	50	50	114
Supporting people return to HRA	50				
Apprenticeship levy	70	70			70
New minimum wage (contractors)	20	20	10	10	40
Waste and recycling	50	104	50	50	204
Surrey County Council reduced waste funding		125			125
Interest on investments		92	100		192
Internal matters:					
16/17 Star Chamber savings not implemented		28			28
New O&S Post		35			35
Business as usual budget realignments		(120)	50	70	
Pay award - £120k per 1%		?	?	?	?
Total budget shortfall (before pay award)	1,350	1,155	622	1,180	2,957

Reserves and Balances

Waverley holds a number of balances and reserves for a range of specific and general purposes. These amounts must be used for their intended purpose and support Waverley's key objectives.

General Fund and HRA Balance – These balances are to cover variations in budgeted income & spending due to:

- Unexpected price increases
- Unbudgeted calls for spending e.g. major one-off inquiry
- Loss of income if offsetting savings can't be found
- Increased demand for services e.g. homelessness

In the light of major changes to the HRA by the Government which have a significant financial impact on Waverley's business plan, a comprehensive review was undertaken in 2016. The Council agreed a range of measures to balance the HRA revenue and capital budgets in the medium term and these have now been incorporated in the Business Plan.

Key policies are as follows:

- General Fund balances will be maintained at a prudent level of at least £ 3.2 million – This represents approximately 10% of running costs.
- The Housing Revenue Account balance will be maintained at a prudent level of at least £2.0 million.
- Business rate equalisation fund to balance the impact of fluctuations and between-year adjustments on the General Fund.
- The Revenue Reserve will be the principal funding source for the General Fund Capital programme, invest to save schemes and one-off items of revenue and capital expenditure.
- No dependency on reserves or one off uncertain funding sources to fund ongoing services.
- New Homes Bonus will be used to fund one off revenue projects and to support invest-to-save projects.
- Implement and maintain Community Infrastructure Levy in conjunction with the new Local Plan to provide capital infrastructure funding.

Key Actions 2017/18

- Continue the budget challenge process and the Foresight Programme to ensure budgets deliver good value for money and are aligned to Corporate Plan priorities.
- Cross cutting efficiency programme to be developed.
- Maximise income from fees and charges and property
- Develop borrowing strategy for General Fund Capital investment.
- Optimising return on cash surplus in times of low interest rates, balancing security, liquidity and return.

- Utilise General Fund and HRA asset strategies including disposals and acquisitions, including the Investment Advisory Board programme.
- Maximise invest to save opportunities to generate income, improve processes and/or make savings.
- Identify further efficiencies under the 'Foresight' Efficiency Plan including from reconfiguring IT systems procurement.
- Assess the benefit of accepting a 4 year grant settlement from Government.
- Secure new funding opportunities to help deliver priority services and projects.
- Model and monitor sensitivities on key budget areas e.g. inflation and interest.
- Rigorously test all capital proposals for relevance, timeliness and deliverability.
- Review procurement methods and contracts to identify efficiencies and cost savings including agency staff.
- Achieve social inclusion and providing accessible, affordable services for the Borough's most vulnerable residents.
- Support Service Managers to manage finances effectively.

Equality Impact Assessment

Waverley's Medium Term Financial Strategy aims to ensure that the Council can deliver all its services and target its resources on priority areas. These priorities were developed having regard to the Council's approved Equality and Diversity policy. This Strategy recognises Waverley's diverse population and its unique geography and is intended to have a positive impact on the most disadvantaged and vulnerable citizens by focusing resources on providing affordable and accessible services throughout the Borough.

Waverley Borough Council		
Ref	2016/2017	2017/2018
No	Actual (1)	Budget (2)
General Fund Revenue Account		
Budget Summary 2017/2018		
1	3,033,820 Community	3,066,767
2	(850,960) Customer and Corporate Services	(728,054)
3	247,080 Electoral Services	256,405
4	1,765,470 Environmental Services	1,598,394
5	1,376,560 Finance	1,371,022
6	929,850 General Fund Housing	981,467
7	1,950,450 Planning	1,979,511
8	2,183,950 Policy and Governance	2,396,708
9	(200,000) Staff Vacancy Savings	(200,000)
10	120,000 Inflation Provision	320,000
11	10,556,220	11,042,220
	Movement in Reserves - Contribution (from)/to:	
12	1,140,000 Revenue Contribution to Capital and Projects	990,580
13	2,080,580 New Homes Bonus to invest to save reserve	1,854,000
14	80,000 Local Plan - contribution to reserve	80,000
15	20,000 Borough Election reserve	20,000
16	5,000 Insurance reserve	5,000
17	390,200 Business Rates Equalisation Reserve	390,200
18	Growth Items - Annexe 4	55,000
19	Savings and Income Proposals - Annexe 4	(1,036,000)
20	14,272,000 Waverley Spending Requirement	13,401,000
	Financed by :-	
21	(9,124,000) Council Tax	(9,066,000)
22	Council Tax Increase of £5.00 at band D	(268,000)
23	(765,000) Revenue Support Grant	(60,000)
24	(1,833,000) Retained Business Rates	(1,870,000)
25	(168,000) Business rates in excess of Government Baseline	(131,000)
26	(2,230,000) New Homes Bonus	(1,854,000)
27	(152,000) Transition Grant	(152,000)
28	(14,272,000) Grand Total	(13,401,000)

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Summary of key variations from 2016/17 budget

2017/2018

Variance from
2016/2017 Base

Ref:	£000
1 Reduction in Revenue Settlement Grant received from government	705
2 Net change in staff salary cost due to increment increases and staff turnover	137
3 Surrey County Council reduced waste funding	125
4 Waste and recycling collection cost increase due to volume	104
5 Interest on investments reduced due to decrease in interest rates	92
6 Apprenticeship levy introduced by government	70
7 Reduction in Building Control turnover due to approved inspector competition	65
8 Waverley Training Services budget alignment based on 2015/16 outturn	60
9 Contractual Inflation uplift estimate for external service contracts	50
10 Memorial Hall operating budget for new facility to be offset by income in future years	50
11 New O&S Post approved by Council July 2016 to support the revised O&S structure	35
12 Veolia green waste contract realigned to 16/17 actual cost due to service growth	32
13 Actuarial triennial valuation of pension fund liability, increased annual contribution	32
14 16/17 Star Chamber savings not implemented	28
15 Decrease in income from Exercise and Mobility now delivered by Places for People	22
16 Impact of new minimum wage (contractors)	20
17 Reduction in Benefit administration grant received annually	14
18 Remove one off Farncome Day Centre from 2016/17 base budget	(13)
19 Additional income from events in the Borough's parks	(34)
20 Careline subscriptions projected volume increase	(112)
21 Car Parking income budget realigned to 2015/16 outturn	(323)
22 Leisure Centre profit share increase due to higher than planned performance	(100)
23 Budget shortfall	1,059

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	£'000	Impact Assessment
Increased Income:		
Proposal is to rationalise and simplify the charges in car parks to achieve greater consistency while ensuring that there is sufficient funding available to deliver a four-fold increase in investment in car park improvements to reflect customer feedback. i.e. £430,000 investment in 2017/18 plus the planned upgrading of parking machines across all car parks which will offer more payment options for customers. See attached sheet for detailed charging proposals.	(388)	The intention is that the charges would not increase again in these car parks until 2019 (subject to any unforeseen circumstances) For 15 car parks, the car parking charges would remain unchanged Average increase on car park income 9.6%
Increase Garden Waste Subscription by £10 to £60 per annum	(105)	Growing demand for this service, price increase will ensure service recovers costs
Introduce means tested support to continue free car parking for drivers with a disability	(75)	Free car parking in bays for drivers with a disability to be maintained for means tested applicants. Normal charges apply to all other drivers.
Revised Building Control fee model	(69)	Building control fees have not increased for a significant time. The trading service is required to be cost neutral. Proposal to increase in 2017/2018 based on review of service.
Investment Advisory Board Income	(50)	Commercial property rate of return is higher than projected interest rates on money market investments
Increase Car Parking Season ticket charges by 10%	(30)	Over subscription for season tickets
Additional Careline income inline with demand	(20)	Increase in client base will support an increase in rates
Introduce additional parking spaces in Meadow car park	(10)	Lorry and coach parking under utilised, will increase car parking capacity
Event Income	(5)	Introduction of an administration fee for event applications
High Lane Lease	(5)	Currently under utilised as a facility.
Potential additional income from property acquisition estimated at £150k	TBC	Subject to due diligence - will confirm early February
Total Income	(757)	

	£'000	Impact Assessment
Cost Savings:		
Close two public conveniences - Crown Court, Godalming and High Street, Haslemere.	(50)	Possibly let out buildings on a lease and negotiate alternative public use of local establishment facilities.
The Edge leisure centre: half year saving	(40)	Review transfer options now that the Haslemere leisure centre is established. There will be significant one-off costs.
Parks signage - suspend programme in 17/18	(20)	Longer term roll out of signage renewal
Orchard Club service level agreement renegotiations following revised service provided.	(20)	Reduced service subject to agreement
Town and Parish grants reduced annually	(14)	Sufficient notice given, reduction is offset partially with Council Tax base growth
Termination of Saturday bulk garden waste collections from Haslemere and Godalming rather than weekly.	(26)	Alternatives are to subscribe to the green waste service or the County recycling depot.
Business rates equalisation	(100)	Required reserve is based on a risk assessment of change in the overall rateable value of business property
Reduce number of 'Your Waverley' from 3 to 2 per year	(9)	No impact identified, alternative communication available via social media and web site
Total Saving	(279)	
Total Income/savings identified	(1,036)	

Head of Service Growth Proposals for 2017/18	£'000	Head of Service Justification	Officer Proposal
Increase in number of ditches being maintained under contract	50	Additional ditch maintenance identified post	Include in budget to reflect this high priority area
2x Planning Officers funded by existing career funding (supporting resilience)	5	Top up of existing funding to cover full cost	Include in 2017/18 budget
1x Planning Technician (aspirational growth to support resilience) - £25,000	0	Additional staff resource to meet demand and performance targets	Don't include in 2017/18 budget and review in the Spring 2017 following a wider budget review.
1 x Principal Planning Officer (aspirational growth to support resilience) - £50,000	0	Additional staff resource to meet demand and performance targets	Don't include in 2017/18 budget and review in the Spring 2017 following a wider budget review.
Procurement Resource to be employed - £40,000 to be offset by income and cost savings	0	Coordination of procurment process and challenge spending across all services to generate efficiencies and value for money on current spend.	Include as cost neutral initially and should generate net savings in future years.
Consultancy fees and legal advice for new Building Control model - £20,000	0	Enable Building Control to respond to external competition and recruitment challenge	Don't include in the budget and fund in 2016/17 in conjunction with the review of the Building Control Service.
Total growth requested	55		

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Car Parking Review - Proposed Parking Charges 2017-18

	New 1		New 2		New 3		New 4		New 5		New 6		New 7		New 8		New 9		New 10		New 10.5		Additional		
	Hour	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Hours	Current	Income		
Premium Sites																									
South Street Godalming	£1.00	£0.90	£2.00	£1.80	£3.50	£3.30	£4.70	£4.40	£6.60	£6.60	£8.80	£8.80	£11.00	£11.00	£13.20	£13.20	£15.40	£15.40	£17.60	£17.60	£18.70	£18.70	£18.70	£8,033	
Mint Street Godalming	£0.90	£0.90	£1.80	£1.80	£3.30	£3.30	£4.70	£4.40	£6.60	£6.60	£8.80	£8.80	£11.00	£11.00	£13.20	£13.20	£15.40	£15.40	£17.60	£17.60	£18.70	£18.70	£18.70	£0	
Lower Hart Farnham	£1.00	£0.90	£2.00	£1.80	£3.50	£3.30	£4.70	£4.40	£6.60	£6.60	£8.80	£8.80	£11.00	£11.00	£13.20	£13.20	£15.40	£15.40	£17.60	£17.60	£18.70	£18.70	£18.70	£27,711	
Central Farnham	£1.00	£0.90	£2.00	£1.80	£3.50	£3.10	£4.70	£4.20	£6.00	£5.30	£7.10	£6.40	£8.50	£7.50	£9.80	£8.60	£11.00	£9.70	£12.50	£10.80	£13.00	£11.40	£11.40	£41,846	
Mill Lane Godalming	£1.00	£0.90	£2.00	£1.80	£3.50	£3.10	£4.70	£4.20	£6.00	£5.30	£7.10	£6.40	£8.50	£7.50	£9.80	£8.60	£11.00	£9.70	£12.50	£10.80	£13.00	£11.40	£11.40	£309	
High Street Haslemere	£1.00	£0.90	£2.00	£1.80	£3.50	£3.10	£4.70	£4.20	£6.00	£5.30	£7.10	£6.40	£8.50	£7.50	£9.80	£8.60	£11.00	£9.70	£12.50	£10.80	£13.00	£11.40	£11.40	£21,971	
Crown Court Godalming	£0.90	£0.70	£1.80	£1.40	£2.70	£2.00	£3.60	£2.70	£6.00	£3.80	£6.00	£4.90	£7.00	£6.00	£8.00	£7.00	£9.00	£8.00	£10.00	£9.00	£10.50	£9.50	£9.50	£103,826	
Stocklund Square Cranleigh	£0.80	£0.60	£1.60	£1.20	£2.40	£1.80	£3.20	£2.40	£4.00	£3.00	£4.80	£3.60	£5.60	£4.20	£6.40	£4.80	£7.20	£5.40	£8.00	£6.00	£8.40	£6.30	£6.30	£55,633	
Village Way Cranleigh	£0.80	£0.60	£1.60	£1.20	£2.40	£1.80	£3.20	£2.40	£4.00	£3.00	£4.80	£3.60	£5.60	£4.20	£6.40	£4.20	£7.20	£4.20	£8.00	£4.20	£8.40	£4.20	£4.20	£70,423	
Chestnut Avenue Haslemere	£0.80	£0.60	£1.60	£1.20	£2.40	£1.80	£3.20	£2.40	£4.00	£3.00	£4.80	£3.60	£5.60	£4.20	£6.40	£4.80	£7.20	£5.40	£8.00	£6.00	£8.40	£6.30	£6.30	£37,508	
Council Offices (Sat only)	£0.80	£0.60	£1.60	£1.00	£4.20	£4.20	£4.20	£4.20	£5.00	£4.20	£6.00	£4.20	£7.00	£4.20	£8.00	£4.20	£9.00	£4.20	£10.00	£4.20	£10.50	£4.20	£4.20	£6,738	
Medium Stay (Visitor)																									
Waggon Yard Farnham	£0.70	£0.70	£1.40	£1.40	£2.00	£2.00	£2.70	£2.70	£3.30	£3.30	£4.00	£4.00	£4.60	£4.60	£5.30	£5.30	£6.00	£6.00	£6.60	£6.60	£6.90	£6.90	£6.90	£0	
Queen Street Godalming	£0.70	£0.70	£1.40	£1.40	£2.00	£2.00	£2.70	£2.70	£3.30	£3.30	£4.00	£4.00	£4.60	£4.60	£5.30	£5.30	£6.00	£6.00	£6.60	£6.60	£6.90	£6.90	£6.90	£0	
South Street Farnham	£0.70	£0.70	£1.40	£1.40	£2.00	£2.00	£2.70	£2.70	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	£0	
Croft Road Godalming	£0.60	£0.60	£1.20	£1.20	£1.80	£1.80	£2.40	£2.40	£3.00	£3.00	£3.60	£3.60	£4.20	£4.20	£4.80	£4.80	£5.40	£5.40	£6.00	£6.00	£6.30	£6.30	£6.30	£0	
Dogflud Farnham	£0.60	£0.60	£1.20	£1.20	£1.80	£1.80	£2.40	£2.40	£3.00	£3.00	£3.60	£3.60	£4.20	£4.20	£4.80	£4.80	£5.40	£5.40	£6.00	£6.00	£6.30	£6.30	£6.30	£0	
Upper Hart Farnham	£0.60	£0.60	£1.20	£1.20	£1.80	£1.80	£2.40	£2.40	£3.00	£3.00	£3.60	£3.60	£4.20	£4.20	£4.80	£4.80	£5.40	£5.40	£6.00	£6.00	£6.30	£6.30	£6.30	£0	
Long Stay (Premium) (with short stay option)																									
North Street Farncombe (M-F)	£0.60	£0.60	£1.00	£1.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£0	
North Street Farncombe (Sat)	£0.60	£0.60	£1.00	£1.00	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£0	
Weydown Road Haslemere (M-F)	£0.60	£0.60	£1.00	£1.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£0	
Weydown Road Haslemere (Sat)	£0.60	£0.60	£1.00	£1.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£3.00	£0	
Tanners Lane Haslemere	£0.60	£0.60	£1.00	£1.00	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£0
St James Farnham	£0.70	£0.70	£1.00	£1.00	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£4.20	£0
Riverside 1 Farnham	£0.70	£0.70	£1.00	£1.00	£3.50	£3.50	£3.50	£3.50	£3.50	£3.50	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£0
Riverside 2 Farnham	£0.70	£0.70	£1.00	£1.00	£3.50	£3.50	£3.50	£3.50	£3.50	£3.50	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£0
Riverside 3 Farnham	£0.70	£0.70	£1.00	£1.00	£3.50	£3.50	£3.50	£3.50	£3.50	£3.50	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£4.00	£0
Meadow Godalming	£0.60	£0.60	£0.60	£0.60	£2.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£4.00	£2.00	£2.00	£2.00	£14,002
Out of Town Car Parks																									
Milford	£0.10	£0.10	£0.10	£0.10	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£1.50	£0	
Leisure Centres																									
Leisure Centre Farnham	£0.70	£0.70	£0.70	£0.70	£1.70	£1.70	£3.30	£3.30	£4.40	£4.40	£6.60	£6.60	£8.80	£8.80	£11.00	£11.00	£13.20	£13.20	£15.40	£15.40	£16.50	£16.50	£16.50	£0	
																								£388,000	

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Fees and Charges
2017/2018

Elections

Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £
Register of Electors				These are Statutory Charges
1	Electronic Data Per 1,000 names or part thereof on each register	OO	20.00	20.00
		OO	1.50	1.50 (A flat rate fee is charged plus a charge per 1,000
2	Paper Data Per 1,000 names or part thereof on each register	OO	10.00	10.00 names on each register.)
		OO	5.00	5.00

Vat Indicator: OS = Standard
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Policy & Governance
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
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Democratic Representation

Annual Charges for supply of Committee Agendas

1	Meetings of Full Council	Per Copy	OZ	43.00	44.00	2.3%
2	Area Planning Committees (All)	Per Copy	OZ	98.00	101.00	3.1%
3	Individual Area Planning Committee	Per Copy	OZ	33.00	34.00	3.0%
4	Executive	Per Copy	OZ	65.00	67.00	3.1%
5	Others	Per Copy	OZ	33.00	34.00	3.0%

Other Charges

6	Photocopying (A4/A3) (Print Room Only)	Per Copy	OS	0.20	0.20	0.0%
7	Copies of Committee Documents (including webcasts on DVD)	Per Copy	OS	9.00	9.00	0.0%

Policy & Governance
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	
Land Charges						
1	LLC1 Official Search	Per Search	OO	41.00	42.00	2.4%
2	LLC1 additional parcel of land	Per Parcel	OO	5.00	5.00	
3	Con29R (inc SCC)	Per Search	OS	192.00	237.60	23.8%
4	Full Land Charges Search (inc. SCC)	Per Search	OO	233.00	272.00	16.7%
Printed Part II						
5	- Enquiries Con29O listed	per Enquiry	OS	18.00	18.00	0.0%
6	- Each Additional Enquiry	per Enquiry	OO	21.00	22.00	4.8%
7	Search single part of Register	per Enquiry	OO	4.00	4.00	0.0%
8	Con 29R	per Question	OO	3.00	3.00	0.0%
9	Search and Photocopying Legal Agreements, Searches etc.	Minimum Charge based upon 15-minute unit	OS	10.00	10.00	0.0%
10	Search and Photocopying A1 Plans/ Dyeline Copies	Per Copy	OS	10.00	10.00	0.0%

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Policy & Governance
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	
Legal Expenses						
1	Data Protection Subject Access	Per Enquiry	OO	10.00	10.00	0.0%
2	Freedom of Information/ Environmental Information Regulations	Per Enquiry	OO	By Arrangement		
3	Proof of Life Certificates		OO	36.00	37.00	2.8%

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Policy and Governance
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £
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Corporate Management

1	Sale of Annual Financial Report	Per Copy	OZ	10.00	10.00
2	Sale of Annual Budget	Per Copy	OZ	10.00	10.00

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Planning Service
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Charge £	% Increase	
Development Control						
1	Various	OO	Various			
2	Supply of Weekly Lists of Planning Applications	Per Annum	100.00	120.00	20.0%	
<u>Search and Photocopying</u>						
3	Copies of documents (general)	First page £1.00 20p/sheet thereafter	OS	1.00	1.00	0.0%
4	Decision notices and other standard documents		OO	6.00	6.00	0.0%
5	A1 Plans / Dyeline Copies	Per Copy	OS	6.00	6.00	0.0%
6	Requests for information requiring research	Minimum Charge	OS	30.00	30.00	0.0%
7	High Hedges	Per Property (Minimum Charge)	OO	500.00	500.00	0.0%
Pre-Application Charges <i>(charges shown inclusive of VAT)</i>						
8	Planning Surgeries -Householder		OS	50.00	60.00	20.0%
9	-Householder		OS	75.00	95.00	26.7%
10	-One dwelling & other development		OS	150.00	200.00	33.3%
	-2-5 dwellings		OS	450.00	500.00	11.1%
	-6-10 dwellings		OS	800.00	900.00	12.5%
	-10-25 dwellings		OS	1,500.00	2,500.00	66.7%
	-26+ dwellings		OS	3,000.00	5,000.00	66.7%
11	Commercial Floor space					
	- 150m2 - 500m2		OS	450.00	500.00	11.1%
	- 501m2 - 1,000m2		OS	1,500.00	2,500.00	66.7%
	- 1,000+ m2		OS	3,000.00	3,500.00	16.7%
12	Development Control Consultative Forum		OS	4,000.00	4,000.00	0.0%
13	Research Fee		OS	40.00	50.00	25.0%
14	Validation Checks		OS	30.00	45.00	50.0%
15	Listed Building & Conservation Area Advice		OS	100.00	150.00	50.0%
16	Tree Advice		OS	25.00	35.00	40.0%

Planning Service
Schedule of Fees and Charges for 2017/2018

Ref. No.		Unit of Charge	VAT Indicator	Existing Charge	Charge £	% Increase
Other Planning Services						
17	Waverley Borough Local Plan					
	- Waverley residents & organisations	Per Copy	OZ	25.00	35.00	40.0%
	- Non-Waverley residents & organisations	Per Copy	OZ	40.00	50.00	25.0%
18	Local Plan - Maps					
	- Waverley residents & organisations	Per Copy	OZ	15.00	20.00	33.3%
	- Non-Waverley residents & organisations	Per Copy	OZ	25.00	30.00	20.0%
House Name Changes						
19	House Name Change	per House	OS	35.00	40.00	14.3%

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Planning Service
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Charge £	% Increase
Building Control					
1	Building Control Fees	Various	OS	Locally determined fees in accordance with LGA Building Regulations Scheme	
2	<u>Search and Photocopying Enquiries</u> (Building Control)	Minimum Charge	OS	40.00	40.00 0.0%
3	Copy Building Control certificate		OO	6.00	6.00 0.0%

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Customer and Corporate Services
Schedule of Fees and Charges 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Charge £	% Increase
Property and Development Services					
Surveyor's Fees					
1	Request from owners/occupiers to purchase additional land	Per Request	OS	325.00	350.00 7.7%
2	Request from owners/occupiers for the grant of a permanent easement	Per Request	OS	325.00	350.00 7.7%
3	Request for access/drainage rights	Per Request	OS	325.00	350.00 7.7%
4	Request for assignment of leases (where lease allows)	Per Request	OS	see below	
	Residential Premises		OS	155.00	160.00 3.2%
	Commercial Tenancies		OS	360.00	365.00 1.4%
5	Request for landlord's consent for change of use/sub-letting/alterations etc. (where lease allows)	Per Request	OS	see below	
	Residential Premises		OS	155.00	160.00 3.2%
	Commercial Tenancies		OS	360.00	365.00 1.4%
6	Grant of licence to use land or accessway	Per Request	OS	165.00	170.00 3.0%
7	Request for a tenant's reference	Per Request	OS	110.00	115.00 4.5%
8	Discharge of a covenant	Per Request	OS	320.00	325.00 1.6%
9	Request for Wayleave	Per Request	OS	165.00	170.00 3.0%
10	Grant/renewal of lease (where appropriate)	Per Request	OS	see below	
	Commercial		OS	360.00	365.00 1.4%
	Sports Clubs/Community Groups etc		OS	155.00	160.00 3.2%

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Finance
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
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Cost of Collection

Summons Costs

1	Council Tax				
	on issue of summons	Per Summons			
	on granting of liability order (further charge)	OO	105.00	105.00	0.0%
		OO	3.00	3.00	0.0%
2	Business Rates				
	on issue of summons	Per Summons			
	on granting of liability order (further charge)	OO	120.00	130.00	8.3%
		OO	3.00	3.00	0.0%

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Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.		Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes
Event and Filming Administration Fees							
Administration Fees		All events and filming request will be subject to an administration charge to cover the costs of event admin, checking of documentation and any site visits required					
1	Local Community / Charity / School Event	Per Event	OS		50.00		
2	Commercial Event / Filming Admin Fee	Per Event	OS		100.00		
3	Town & parish Council fee per annum for organising events on WBC land to cover admin required	Per Annum	OS		100.00		
Events							
4	Fairs - Operational day	Day	OE	556.00	600.00	7.9%	} plus 500 refundable deposit
5	Fairs - Setting up / down	Day	OE	150.00	155.00	3.3%	
6	Small Fetes / Village Shows	Day	OE	100.00	100.00	0.0%	} plus 200 refundable deposit
	Large Fetes / Village Shows	Day	OE		150.00		
7	Car Boot Sales	Day	OE	163.00	200.00	22.7%	} plus 500 refundable deposit
8	Caravan Rallies - Per Unit	Night	OS	8.00	8.00	0.0%	
9	Tilford Camp Site - Per Head	Night	OS	5.00	5.00	0.0%	
10	Grazing Rights				By Negotiation		
11	Frensham Common	Parking	Car /Day	OS	4.00	4.00	} 0.0%
			Coach / Day	OS		16.00	
			Motor Homes / Day	OS		8.00	
			Horse box / Day	OS		12.00	
12	Balloon launches	per launch	OE	71.00	75.00	5.6%	} Exclusive right per site
		Annual fee	OE		1,000.00		
13	Allotments	5 rod plot	per plot	OE	57.00	60.00	5.3%
		10 rod plot	per plot	OE	114.00	120.00	5.3%
14	Forest Schools	Session	OE	30.00	35.00	16.7%	
15	Professional Dog Walking	Session	OE	11.00	15.00	36.4%	} 1 person with 4 dogs on WBC sites
		Annual licence	OE		150.00		
16	Bonfires	Event	OE	100.00	102.00	2.0%	} plus 500 refundable deposit
17	Ice Cream Vans	6 months one off's	OE	1,500.00	1,550.00	3.3%	} plus 500 refundable deposit
			OE		50.00		
18	Mobile Catering	per month	OE	500.00	510.00	2.0%	} plus 500 refundable deposit
19	Bouncy Castle (use of land)	Session	OE	50.00	51.00	2.0%	
17	Blessings (eg Frensham Pond)	Event	OS		50.00		
18	Wedding Events on Open Spaces		OS		150.00		} plus 200 refundable deposit
19	Farnham Castle use of Farnham park for extra parking for castle events		OS		1,000.00		
20	Officer call outs for site visits / meetings / utility meetings	Hour	OE	100.00	110.00	10.0%	
Still Photography							
21	Advertising	Per Day	OS		By Negotiation		} }
22	Books or Magazines	(or part thereof)	OS		By Negotiation		
Filming							
23	Feature film or Advertising film	Per Day	OS		By Negotiation		} }
24	Set up and clear up days	(or	OS		By Negotiation		
25	Television Drama or Comedy	part	OS		By Negotiation		} }

Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes
26	Small scale filming thereof)	OS	50.00	51.00	2.0%	}
27	Educational/Student requests	OS		Free		}
	University of creative arts - student filming requests	Annual fee OS		500.00		}
	Music					}
28	Recording or video Per Day (or part thereof)	OS		By Negotiation		}

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Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes
Recreational Open Space						
Football						
With Pavilion						
1	Full size pitch U15 - over 18's, 11v11	Match	OS	80.00	82.00	2.5% }
2	Full size pitch U13 - U14, 11v11	Match	OS	50.00	51.00	2.0% }
3	Junior pitch U11-U12's, 9v9	Match	OS	42.00	43.00	0.0% }
4	Colleges/Businesses Seniors	Match	OS	92.00	94.00	2.2% }
}						
Without Pavilion						
5	Full size pitch U15 - over 18's, 11v11	Match	OS	66.00	70.00	6.1% }
6	Full size pitch U13 - U14, 11v11	Match	OS	40.00	41.00	2.5% }
7	Junior pitch U11-U12's, 9v9	Match	OS	36.00	37.00	2.8% }
8	Mini pitch U7-U10, 5v5 ad 7v7	Match	OS	33.00	34.00	3.0% }
9	Colleges/Businesses Seniors	Match	OS	80.00	82.00	2.5% }
Rugby						
10	Seniors	Match	OS	80.00	82.00	2.5% }
11	Mini Rugby	Match	OS	40.00	41.00	2.5% }
12	Junior (u18)	Match	OS		50.00	
13	Colleges/Businesses Seniors	Match	OS	92.00	94.00	2.2% }
Training						
14	Football - no pitch use	Session	OS		25.00	
15	Rugby - no pitch use	Session	OS		27.00	
16	Football - pitch use	Session	OS		70.00	
17	Rugby - pitch use	Session	OS		82.00	
Cricket - with pavilion						
18	Seniors	Match	OS	91.00	93.00	2.2% }
19	Seniors (artificial wicket)	Match	OS	77.00	79.00	2.6% }
20	Colts	Match	OS	38.00	39.00	2.6% }
21	Colts (artificial wicket)	Match	OS	33.00	34.00	3.0% }
22	Colleges/Businesses Seniors	Match	OS	102.00	102.00	0.0% }
}						
Cricket - without pavilion						
23	Seniors	Match	OS	75.00	77.00	2.7% }
24	Seniors (artificial wicket)	Match	OS	63.00	64.00	1.6% }
25	Colts	Match	OS	34.00	35.00	2.9% }
26	Colts (artificial wicket)	Match	OS	29.00	30.00	3.4% }
27	Colleges/Businesses Seniors	Match	OS	88.00	90.00	2.3% }
28	Broadwater Changing rooms	Match	OS		18.00	eg FCC cricket matches
Note:						
VAT is not chargeable on certain block/seasonal bookings of sports facilities.						
Tennis						
29	Seniors Per Court	Hour	OS	8.00	8.00	0.0% }
30	Juniors Per Court (Up to 6pm Monday to Friday)	Hour	OS	5.00	5.00	0.0% }
31	Colleges/Businesses Seniors	Hour	OS	10.00	10.00	0.0% }
Bowls Club						
32	Per Green	Year	OE	5,000.00	6,000.00	20.0%
Athletics						
33	Athletics at Woolmer Hill Sports Ground, Haslemere	Year	OE	694.00	708.00	2.0% Artificial track provided and maintained by Athletics Club

Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes
Outdoor Keep Fit Groups						
34	One off use	Session	OS	11.00	11.00	0.0%
35	Once a week, 1-2-1 tuition	Annual Charge	OS	50.00	51.00	2.0%
36	Multiple sessions each week, 1-2-1 tuition	Annual Charge	OS	100.00	102.00	2.0%
37	Once a week, group tuition	Annual Charge	OS	100.00	102.00	2.0%
38	Multiple sessions each week, group tuition	Annual Charge	OS	200.00	204.00	2.0%
Outdoor Fitness Camp Note:						
39	Reinstatement fees may be charged if damaged is caused by training on the sports pitches.	Per Incident				Dependent on amount of litter/damage
40	Littering/Vandalism Charge Should sports clubs/trainers etc litter or damage our facilities, they may be liable for costs associated with rectifying issues	Per Incident				Dependent on amount of litter/damage

Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes
Sunvale Cemetery, Haslemere						
Interment Fees - Earth Grave						
1	First Burial in Grave Space - 8ft)	OO	800.00	816.00	2.0%	
2	Subsequent Burials)	OO	700.00	714.00	2.0%	
3	Child - 0-16 years) per Grave	OO	200.00	No Charge		
4	Ashes)	OO	350.00	357.00	2.0%	
5	Ashes - Child 0-16 years)	OO	0.00	No Charge		
6	Non-Residents of the Parish)	OO		Fees + 100%		
Exclusive Right of Burial						
Purchase of Grave Space						
7	Earth Grave)	OO	1,000.00	1,500.00	50.0%	
8	Earth Grave - child 0-16 years)	OO	500.00	510.00	2.0%	
9	Cremation Section)	OO	500.00	510.00	2.0%	
10	Non-Residents of the Parish)	OO		Fees + 100%		
11	Transfer of exclusive grant of right of burial)	OO	50.00	60.00	20.0%	
Memorial Rights						
(Grave Space must be purchased)						
12	Head Stone (maximum height 5'))	OO	140.00	150.00	7.1%	
13	Kerb Stone (maximum 7'x 3'6"))	OO	200.00	204.00	2.0%	
	cross or other monument not over)					
	2' high x 1'6")					
14	Added Inscription after first)	OO	100.00	102.00	2.0%	
15	Non-Residents of the Parish)	OO		Fees + 100%		
Administration						
16	Discretionary Fee	OO	53.00	60.00	13.2%	To be charged where excessive time spent and no other fee charged.

Vat Indicator: OS = Standard
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OO = Outside Scope

Community Services
Schedule of Fees and Charges 2017/2018

Ref. No.		Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase		
Borough Hall, Godalming								
Casual Use								
Main Hall								
1	Monday - Friday	9am - 6pm	Per Hour	OE	43.00	44.00	2.3%	
2	Monday - Thursday	6pm - Midnight	Per Hour	OE	51.00	52.00	2.0%	
Court Room								
3	Monday - Friday	9am - 6pm	Per Hour	OE	34.00	35.00	2.9%	
4	Monday - Thursday	6pm - Midnight	Per Hour	OE	43.00	44.00	2.3%	
Borough Hall Complex - Block Bookings								
5	Monday - Thursday		Per Day	OE	200.00	200.00	0.0%	
Borough Hall Complex								
6	Friday	4pm - 6pm	Per Hour	OE	48.00	49.00	2.1%	
7		6pm - 2am	Per Hour	OE	57.00	59.00	3.5%	
8	Saturday	9am - 6pm	Per Hour	OE	48.00	49.00	2.1%	
9	Childrens Party	2:30pm - 5.30pm	Per Hour	OE	38.00	39.00	2.6%	New charge excludes Bar
10		6pm - 2am	Per Hour	OE	57.00	59.00	3.5%	
11	Sunday	9am - 1pm	Per Hour	OE	48.00	49.00	2.1%	
12		1pm - 6pm	Per Hour	OE	48.00	49.00	2.1%	
13	Childrens Party	2:30pm - 5.30pm	Per Hour	OE	38.00	39.00	2.6%	New charge excludes Bar
14		6pm - 2am	Per Hour	OE	57.00	59.00	3.5%	
Extra Staff Member (Tiered seating, bar staff, support)								
15		9am - 6pm	Per Hour	OE	15.00	15.00	0.0%	New charges reflect pay levels and customer resistance.
16		6pm - midnight	Per Hour	OE	17.00	17.00	0.0%	
17		Midnight - 2am	Per Hour	OE	22.00	23.00	4.5%	
18		10pm - 2am	Set Rate	OE	76.00	78.00	2.6%	
Other								
19	Kitchen		Per Session		65.00	67.00	3.1%	
20	Mobile ovens				33.00	34.00	3.0%	
21	Tiered seating				105.00	105.00	0.0%	

Community Services

Schedule of Fees and Charges 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
Regular Use					
Main Hall					
22	Monday - Friday 9am - 6pm	Per Hour	OE	15.00	15.00 0.0%
23	Monday - Thursday 6pm - Midnight 1 Hour	Per Hour	OE	23.00	24.00 4.3%
24	Monday - Thursday 6pm - Midnight 2 Hours	Per Hour	OE	21.00	22.00 4.8%
25	Monday - Thursday 6pm - Midnight 3 Hours	Per Hour	OE	19.00	20.00 5.3%
Court Room/Bar					
26	Monday - Friday 9am - 6pm	Per Hour	OE	12.00	12.00 0.0%
27	Monday - Thursday 6pm - Midnight 1 Hour	Per Hour	OE	17.00	17.00 0.0%
	Monday - Thursday 6pm - Midnight 2 Hours	Per Hour	OE	16.00	16.00 0.0%
	Monday - Thursday 6pm - Midnight 3 Hours	Per Hour	OE	15.00	15.00 0.0%
Borough Hall Complex - Block Bookings					
28	Monday - Friday	Per Day	OE	68.00	68.00 0.0%
Borough Hall Complex					
29	Friday, Saturdays & Sundays	Weekly user	OE	20% off	20% off
30		Monthly user	OE	15% off	15% off
31		Occasional (over 4)	OE	10% off	10% off
32		2 bookings per year	OE	5% off	5% off
33		Overnight (no staff)	OE	50% off	50% off

Notes:

- i) The court room, when used as a bar for social functions, will be closed at 11pm and cleared by 11.30pm.
- ii) The above schedule excludes the Cinema which is shown below.
- iii) Nursery School: to be agreed.
- iv) Cancellation of a Casual Booking will incur a loss of the deposit paid. Cancellation of a booking within 28 days of the booked date will incur total cost of the booking to be levied.
- v) A cash deposit of £1,000 will be secured on any public function and an insurance indemnity of £2,000,000 required. An insurance indemnity certificate of £1,000,000 is required on all bookings.
- vi) A negotiation of rates chargeable can be made in circumstances beneficial to the Council and the client especially on regular use.
- vii) Bar facilities from 7pm - 11pm are part of the bookings for our clients if required. Clients are not allowed to operate their own bar unless special permission and conditions apply
- viii) The premises must be cleared by the client and their guests by midnight.
- ix) Catering for large social functions will not be allowed to be carried out by the client unless special permission and conditions apply.
- x) The Borough Hall complex is a non-smoking area.
- xi) Regular Hirers will be charged for all pre-confirmed dates within the financial year, any cancellations by the Hirer will not be refunded.
- xii) In the event of adverse weather, the Borough Hall Management reserves the right to cancel bookings at short notice
- xiii) Regular Bookings cancelled by Management will be refunded at the end of the financial year

Cinema

34	Adult	OS	7.50	7.50	0.0%
35	Senior	OS	6.50	6.50	0.0%
36	Child	OS	3.50	3.50	0.0%
37	Student	OS	6.50	6.50	0.0%
38	Sat Childrens Film	OS	3.00	3.00	0.0%
39	Group (10 or more)	OS	6.00	6.00	0.0%

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Community Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £		
Careline						
1	- Careline Customers: (£4.40 plus vat)	Per Week	OS	5.43	5.43	} Additional fee of £2 per } additional invoice generated } for new customers not } paying by Direct Debit
2	- Housing Associations	Contracts and pricing individually agreed				

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Environment Services
Schedule of Fees and Charges 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Charge £	% Increase	
Special Refuse Collection						
Standard Charge						
1	1 Item	Per Visit	OO	42.00	43.00	2.4%
2	2 Items	Per Visit	OO	49.00	51.00	4.1%
3	3 Items	Per Visit	OO	56.00	59.00	5.4%
4	4 Items	Per Visit	OO	64.00	67.00	4.7%
5	5 Items	Per Visit	OO	71.00	75.00	5.6%
6	6 - 9 Items	Per Visit	OO	87.00	90.00	3.4%

Standard charges are designed to achieve overall full recovery of the cost of the service to the Council.

Reduced Charge

1	1 Item	Per Visit	OO	21.00	22.00	4.8%
2	2 Items	Per Visit	OO	25.00	26.00	4.0%
3	3 Items	Per Visit	OO	28.00	30.00	7.1%
4	4 Items	Per Visit	OO	32.00	34.00	6.3%
5	5 Items	Per Visit	OO	36.00	38.00	5.6%
6	6 - 9 Items	Per Visit	OO	44.00	45.00	2.3%
1	Cancellation Fee		OO	10.00	10.00	0.0%

Reduced charges are based on 50% of the standard charge and apply to persons in receipt of benefit, ie
Supplementary Benefit
Income Support
Housing Benefit
Council Tax Support
Family Tax Credit

Waste Recycling

1 Green Waste Collection

Standard Charge:

1 bin	per Annum	OO	45.00	50.00	11.1%
Purchase of bin	per Item	OO	20.00	20.00	0.0%

Reduced Charge:

2 Sacks	per Annum	OO			#DIV/0!
4 Sacks	per Annum	OO			#DIV/0!

Reduced charges are based on 50% of the standard charge and apply to persons in receipt of benefit, ie
Supplementary Benefit
Income Support
Housing Benefit
Council Tax Support
Family Tax Credit

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Environment Services
Schedule of Fees and Charges 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Charge £	% Increase	
Environmental Health						
Food						
1	Surrender Certificates for Unfit Food	OS	165.00	170.00	3.0%	Food certificates, if only issued by LAs and if required to issue them by statute, are outside the scope of VAT. Food certificates are provided on request to assist with private legal cases, usually in relation to accident investigations.
2	Export Certificates for Food	OS	165.00	170.00	3.0%	
3	Statement of Fact	OS	165.00	170.00	3.0%	
4	Contaminated Land Enquiries	per hour				#DIV/0!
Private Water Supply						
1	Risk Assessments	Per Request + Per Hour	155.00 55.60	160.00 55.60	3.2% 0.0%	Subject to a statutory maximum of £500 per risk assessment
2	Sampling	Per Request	56.00 50.66	58.00 50.66	3.6% 0.0%	
3	Investigations	Per Hour	56.00	58.00	3.6%	Subject to a statutory maximum of £100 per investigation
4	Authorisations	Per Request + Per Hour	100.00 50.66	100.00 50.66	0.0% 0.0%	Subject to a statutory maximum of £100 per authorisation granted
5	Analysis	Per Request	20.00 + laboratory fees	20.00	0.0%	Subject to statutory maxima: £25 for Regulation 10 analyses £100 for check monitoring analyses £500 for audit monitoring analyses

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Environment Services
Schedule of Fees and Charges 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Charge £	% Increase		
Animal Control							
1	Stray Dogs	Per Occasion	OO	25.00	25.00	0.0%	Statutory fee plus kennelling and vet's costs extra
<u>Rats and Mice</u>							
2	Domestic #	Per Treatment	OS	66.30	70.00	5.6%	Rodent treatments are for a single domestic property, including immediate gardens and grounds, occupied by one family. Additional charges may be made if: the property is occupied by more than one family, or if further visits are required, or if outbuildings, stables or land where domestic pets or livestock are present.
3	Domestic - Call out		OS	33.40	35.00	4.8%	
4	Reduced Charge *		OS	33.40	35.00	4.8%	
5	Reduced Charge Call out *		OS	16.70	17.50	4.8%	
6	Commercial	Per Hour	OS	66.30	70.00	5.6%	
7	Commercial - Call out		OS	33.40	35.00	4.8%	
<u>Wasps</u>							
8	Domestic	Per Visit	OS	58.20	60.00	3.1%	Additional nests at the same time, +50% for each nest
9	Domestic - Call out		OS	27.80	30.00	7.9%	
10	Reduced Charge *	Per Visit	OS	29.30	30.00	2.4%	
11	Reduced Charge Call out *		OS	13.90	15.00	7.9%	
12	Commercial	Per Hour	OS	58.20	60.00	3.1%	
13	Commercial - Call out		OS	27.80	30.00	7.9%	
<u>Casual Treatments / Other Insects</u> (Including Fleas)							
14	Fleas	Per Visit	OS	70.80	75.00	5.9%	Charges are for up to a standard 3 bedroom house. Additional rooms are charged at £17.50 each.
15	Reduced charge*	Per Visit	OS	35.40	37.50	5.9%	
16	Bed Bugs	Per Visit	OS	70.80	75.00	5.9%	
17	Reduced charge*	Per Visit	OS	35.40	37.50	5.9%	
18	Cockroaches	Per Visit	OS	70.80	75.00	5.9%	
19	Reduced charge*	Per Visit	OS	35.40	37.50	5.9%	
20	Cluster Flies	Per Visit	OS	100.20	104.00	3.8%	
21	Reduced charge*	Per Visit	OS	50.10	52.00	3.8%	
22	Carpet Moths	Per Visit	OS	100.20	104.00	3.8%	
23	Reduced charge*	Per Visit	OS	50.10	52.00	3.8%	
24	Advice visits or callout charge for missed appointments	Per Visit	OS	33.40	35.00	4.8%	
25	Pharoah's Ants	Per Visit	OS	Price subject to survey			
<u>Squirrels</u>							
26	Squirrels		OS	111.20	115.00	3.4%	

* The reduced charge will apply to those who can demonstrate to be in receipt of Income Support, Housing Benefit, Council Tax Relief (other than sole occupancy relief) or Disability Working Allowance or Disability Living Allowance.

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Environment Service
Schedule of Fees and Charges For 2017/2018

Ref. No.	Number of Spaces	Unit of Charge	VAT Indicator	2016/2017 Charge £	2017/2018 Charge £	Details
Car Parks						
Cranleigh						
1	Village Way	324	Per hour	OS	0.60	
			All day	OS	4.20	
2	Stocklund Square	231	Per hour	OS	0.60	
Farnham						
3	Central	275	First hour	OS	0.90	
			Up to 2 hours	OS	1.80	
			Up to 3 hours	OS	3.10	
			Per hour thereafter	OS	1.10	
4	Lower Hart	242	First hour	OS	0.90	
			Up to 2 hours	OS	1.80	
			Up to 3 hours	OS	3.30	
			Up to 4 hours	OS	4.40	
			Per hour thereafter	OS	2.20	
5	South Street *	224	Per hour	OS	0.70	* Maximum stay 4 hours
6	Dogflud	215	Per hour	OS	0.60	
7	Waggon Yard	246	Per hour	OS	0.70	
8	Upper Hart	335	Per hour	OS	0.60	
9	St James	83	Up to 2 hours	OS	1.00	
			Over 2 hours	OS	3.50	
10	Riverside 1	59	Up to 2 hours	OS	1.00	
			Over 2 hours	OS	3.50	
11	Riverside 2	100	Up to 2 hours	OS	1.00	
			Over 2 hours	OS	3.50	
12	Leisure Centre	50	Up to 2 hours	OS	0.70	
			Up to 3 hours	OS	1.70	
			Up to 4 hours	OS	3.30	
			Up to 5 hours	OS	4.40	
			Per hour thereafter	OS	2.20	

Environment Service
Schedule of Fees and Charges For 2017/2018

Ref. No.	Number of Spaces	Unit of Charge	VAT Indicator	2016/2017 Charge £	2017/2018 Charge £	Details
Godalming						
13	Crown Court	325	Per hour	OS		
			First hour	OS	0.70	
			Second hour	OS	0.70	
			Third hour	OS	0.60	
			Fourth hour	OS	0.70	
			Per hour thereafter	OS	1.10	
14	South Street	60	First hour	OS	0.90	}
			Up to 2 hours	OS	1.80	}
15	Mint Street	32	Up to 3 hours	OS	3.30	}
			Up to 4 hours	OS	4.40	}
			Per hour thereafter	OS	2.20	}
16	Mill Lane	32	First hour	OS	0.90	
			Up to 2 hours	OS	1.80	
			Up to 3 hours	OS	3.10	
			Per hour thereafter	OS	1.10	
17	Council Offices - Saturday Only	125	Up to 2 hours	OS	1.00	
			Over 2 hours	OS	4.20	
18	Croft Road	60	Per hour	OS	0.60	
19	Queen Street	55	Per hour	OS	0.70	
20	Meadrow, Farncombe	51	Up to 2 hours	OS	0.60	
			Over 2 hours	OS	2.00	
21	North Street, Farncombe	36	Monday-Friday			
			Up to 2 hours	OS	1.00	
			Over 2 hours	OS	5.00	
			Saturday			
			Up to 2 hours	OS	1.00	
			Over 2 hours	OS	1.50	
22	Station Lane, Milford	32	Up to 2 hours	OS	0.10	
			Over 2 hours	OS	1.50	
Haslemere						
23	High Street	151	Per hour	OS		
			First hour	OS	0.90	
			Second hour	OS		
			Up to 2 hours	OS	1.80	
			Third hour	OS		
			Fourth hour	OS		
			Up to 3 hours	OS	3.10	
			Per hour thereafter	OS	1.10	
24	Chestnut Avenue	134	Per hour	OS	0.60	
			All day	OS		}

Environment Service
Schedule of Fees and Charges For 2017/2018

Ref. No.	Number of Spaces	Unit of Charge	VAT Indicator	2016/2017 Charge £	2017/2018 Charge £	Details	
25 Weydown Road	169	Monday - Friday					
		Up to 2 hours	OS	1.00			
		Over 2 hours	OS	5.00			
		Saturday					
		Up to 2 hours	OS	1.00			
		Over 2 hours	OS	3.00			
26 Tanners Lane	50	Up to 2 hours	OS	1.00			
		Over 2 hours	OS	4.20			

Environment Service
Schedule of Fees and Charges For 2017/2018

Ref. No.	Number of Spaces	Unit of Charge	VAT Indicator	2016/2017 Charge £	2017/2018 Charge £	Details
Season Tickets						
<u>Godalming</u>						
27		Crown Court	OS	1,161.00		
28		Croft Road	OS	1,041.00		
29		Queen Street	OS	1,161.00		
30		Meadrow	OS	347.00		
31		North Street	OS	925.00		
32		Station Lane	OS	347.00		
		Station Lane (local employees only)	OS	92.00		
<u>Farnham</u>						
33		Waggon Yard	OS	1,161.00		
34		Upper Hart	OS	1,145.00		
35		Dogflud	OS	1,041.00		
36		St James	OS	809.00		
37		Riverside 1	OS	693.00		
38		Riverside 2	OS	693.00		
<u>Haslemere</u>						
39		Chestnut Avenue	OS	1,041.00		
40		Tanners Lane	OS	809.00		
41		Weydown Road	OS	925.00		
<u>Cranleigh</u>						
42		Stocklund Square	OS	1,041.00		
43		Village Way	OS	809.00		
44		Residents' Parking Season Ticket	Annual	OS	269.00	Includes Saturdays

Note:

Half-yearly season tickets available, subject to 10% addition to cover administration costs etc.

Monthly season tickets available, subject to 15% addition to cover administration costs etc.

Environment Service
Schedule of Fees and Charges For 2017/2018

Ref. No.	Number of Spaces	Unit of Charge	VAT Indicator	2016/2017 Charge £	2017/2018 Charge £	Details
Penalty Charges						
No Ticket Displayed						
45	- If paid within 14 days		OS	25.00		
46	- If paid after 14 days		OS	50.00		
47	- After issue of charge certificate		OS	75.00		
Expired ticket in correct charging period						
48	- If paid within 14 days		OS	25.00		
49	- If paid after 14 days		OS	50.00		
50	- After issue of charge certificate		OS	75.00		
Parked causing an obstruction/parked in a restricted area/ parked in a space designated for disabled people						
51	- If paid within 14 days		OS	35.00		
52	- If paid after 14 days		OS	70.00		
53	- After issue of charge certificate		OS	105.00		
Parked beyond the bay markings/other lower level contraventions						
54	- If paid within 14 days		OS	25.00		
55	- If paid after 14 days		OS	50.00		
56	- After issue of charge certificate		OS	75.00		

Contract Parking

<u>Farnham</u>						
57	R/O Locality Office	Year	OS	1,065.00		Mon to Sat
58	Upper Hart	Year	OS	1,065.00		Mon to Sat

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 OS = Outside Scope

Housing Services

Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Charge £	% Increase	
General Fund Housing						
Houses in Multiple Occupation (HMO)						
1	Five yearly - per property (new application)		560.00	565.00	0.9%	
2	Five yearly - per property (renewal)		405.00	495.00	22.2%	
Caravan Site Licence Fees						
3	Site Licence Applications					
	No. of pitches					
	1 - 5	OO	450.00	460.00	2.2%	
	6 - 24		472.60	483.00	2.2%	
	25 - 99		518.40	528.00	1.9%	
4	Annual Fee					
	No. of pitches					
	1 - 5	OO	50.00	50.00	0.0%	
	6 - 24		100.00	110.00	10.0%	
	25 - 99		200.00	220.00	10.0%	
Property Inspections						
5	Property Inspections for Immigration/ Foreign Office/Visa Application purposes		160.00	160.00	0.0%	This is a non-mandatory service where a report is required to support an application.
6	Officer time for works in default (Subject to Statutory maximum charge of £300)	Per Hour	60.00	60.00	0.0%	Statutory - where notice recipient fails to do the work and the Council does the work and recharges it.
7	Officer time for Housing Act enforcement (Subject to Statutory maximum charge of £300)	Per Hour	60.00	60.00	0.0%	Statutory - where the Council takes enforcement action following a preliminary notice of intent

Schedule of Reserves and Balances - Actual and Projected

General Fund	31/3/2016	2016/17		2017/18			2018/19			2019/20			
	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000
General Fund Working Balance	3,200			3,200			3,200			3,200			3,200
Non-Earmarked Capital Reserves													
Revenue Reserve Fund (inc NHB) (1)	1,524	3,221	(3,183)	1,562	2,601	(4,163)	0	2,280	(2,280)	0	2,222	(2,222)	0
General Fund Capital Receipts (2)	2,051	330	(2,381)	0	700	(700)	0	?		0	?		0
Investment Advisory Board (3)		2,000	(2,000)	0	1,000	?	1,000	1,000	?	2,000	1,000	?	3,000
	3,575	5,551	(7,564)	1,562	4,301	(4,863)	1,000	3,280	(2,280)	2,000	3,222	(2,222)	3,000
Earmarked Reserves													
Asset Development Reserve	2,000		(2,000)	0			0			0			0
Memorial Hall Reserve (1)	1,300		(700)	600		(600)	0			0			0
Potential SANG site acquisitions	1,000			1,000			1,000		(1,000)	0			0
Renewals Fund (to replace vehicles and equipment)	79		(5)	74		(40)	34			34			34
Insurance Fund (to meet potential historical liabilities)	303			303			303			303			303
Insurance Reserve	188			188			188			188			188
	4,870	0	(2,705)	2,165	0	(640)	1,525	0	(1,000)	525	0	0	525
General Fund Total	11,645	5,551	(10,269)	6,927	4,301	(5,503)	5,725	3,280	(3,280)	5,725	3,222	(2,222)	6,725

1 The Memorial Hall project will need to draw £1.5million from the Revenue Reserve Fund in 2017/18 pending receipt of contributions from CNS and sale proceeds of the Pump House, Farnham.

2 Capital Receipts expected in 2017/18 up to £3million for Brightwells disposal.

3 Takes account of property acquisition in Farnham

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General Fund Capital Programme											
Project Title	2017/18 Programme - Proposed £	2017/18 Funding								2018/19 Estimate £	2019/20 Estimate £
		Revenue Reserve Fund £	Repairs & Renewals Fund £	Housing Revenue Account £	New Homes Bonus £	SANG £	S106 Funding £	Capital Receipts £	External Funding £		
		General Fund Summary									
Urgent Schemes Budget	0	0	0	0	0	0	0	0	0	150,000	150,000
Customer & Corporate Services	201,000	181,000	10,000	0	0	0	0	0	10,000	225,000	0
Community Services	1,962,834	470,422	30,000	10,000	50,000	30,000	86,500	1,175,000	110,911	777,000	397,000
General Fund Housing Services	605,000	0	0	0	0	0	0	0	605,000	400,000	400,000
Environmental Services	499,156	248,156	0	0	203,000	0	0	0	48,000	551,500	290,500
Total	£3,267,990	£899,578	£40,000	£10,000	£253,000	£30,000	£86,500	£1,175,000	£773,911	£2,103,500	£1,237,500

General Fund Capital Programme											
Project Title	2017/18 Programme - Proposed £	2017/18 Funding								2018/19 Estimate £	2019/20 Estimate £
		Revenue Reserve Fund £	Repairs & Renewals Fund £	Housing Revenue Account £	New Homes Bonus £	SANG	S106 Funding £	Capital Receipts	External Funding £		
Customer & Corporate Services											
IT											
Upgrade from Lync 2013 to Skype for business	7,000	7,000									
Desktop and Server upgrade	25,000	25,000									
Forward programme and legislative change	10,000								10,000		
Mobile Working solutions	30,000	30,000									
Network upgrade and Flexible Working	10,000	10,000									
Replacement of Planning, Building Control, Gazetteer and Land Charges Software	79,000	79,000									
Other											
Memorial Hall Generator	30,000	30,000									
Acquisition of Vehicle	10,000		10,000								
Council chamber - upgrade of broadcast equipment										75,000	
Customer Services Project										150,000	
Total Customer and Office Services	£201,000	£181,000	£10,000	£0	£0	£0	£0	£0	£10,000	£225,000	£0

General Fund Capital Programme											
Project Title	2017/18 Programme - Proposed £	2017/18 Funding								2018/19 Estimate £	2019/20 Estimate £
		Revenue Reserve Fund	Repairs & Renewals Fund	Housing Revenue Account	New Homes Bonus	SANG	S106 Funding	Capital Receipts	External Funding		
		£	£	£	£		£		£		
Community Services											
Countryside											
Ranger Vehicle Replacement Programme	30,000		30,000							30,000	30,000
Car park repairs - Commons	12,000						12,000			5,000	5,000
Pond Management - Ongoing restorations	10,000	10,000								12,000	12,000
Farnham Park Golf Club/Café - Sewerage treatment plant upgrade	15,000	15,000									
Ditch Renovation Programme										40,000	
Alderbrook Stream, Guildford Road, Cranleigh - watercourse erosion control measure	100,000	100,000								55,000	
Frensham Common - Site Facilities Re-development project										25,000	
Farnham Park Nadder stream - Bridge replacements	10,800					10,000			800		
Farnham Park - Entrance surface improvements	20,000					20,000					
HLS/Capital Works 2017/18	169,534	90,000							79,534		
Pro Active Woodland Management Works	25,000	25,000									
Control and Management of Oak Processionary Moth and Ash Dieback	49,000	39,000		10,000						50,000	
Recreation											
Broadwater Park Improvement Project	44,500	20,000					24,500			100,000	40,000
Greenspace Infrastructure & DDA Improvements	61,000	32,364							28,636	120,000	120,000
Playground Refurbishments	70,000	68,058							1,942	120,000	120,000
Pavilions - Improving energy efficiency and condition	50,000			50,000						30,000	30,000
Aarons Hill Skate Park Refurbishment	20,000	20,000								150,000	
* (1) Dunsfold Play Area Regeneration scheme	80,000						50,000	30,000			
* (1) Dunsfold Tennis Club Lighting	25,000							25,000			
Other											
* (2) Woolmer Hill School, High Lane, Haslemere & other Weyhill site costs	1,000,000							1,000,000			
* (2) Wey Centre, Haslemere	120,000							120,000			
Court Room Ceiling and Lighting & Refresh low level paintwork	11,000	11,000								0	0
Careline	40,000	40,000								40,000	40,000
Total Community Services	£1,962,834	£470,422	£30,000	£10,000	£50,000	£30,000	£86,500	£1,175,000	£110,911	£777,000	£397,000
1 to be funded from easement capital receipts - subject to receipt											
2 subject to progression of Weyhill scheme, to be funded from capital receipt											
* Project requires delgated approval before work can commence											

General Fund Capital Programme											
Project Title	2017/18 Programme - Proposed £	2017/18 Funding								2018/19 Estimate £	2019/20 Estimate £
		Revenue Reserve Fund £	Repairs & Renewals Fund £	Housing Revenue Account £	New Homes Bonus £	SANG	S106 Funding £	Capital Receipts	External Funding £		
Environmental Services											
Handheld upgrade for Parking Services	31,156	31,156								0	0
Virtual Permit System for Parking Services										15,000	
Waste and recycling container replacement - Green bins	48,000								48,000		
Car Parking - Funding for Year 3 of Parking Services asset management plan for car parks	420,000	217,000			203,000					406,000	290,500
# Public convenience refurbishment										130,500	
Total Environmental Services	£499,156	£248,156	£0	£0	£203,000	£0	£0	£0	£48,000	£551,500	£290,500

Indicative budget for refurbishment of Crown Court and High Street Haslemere Sites - subject to Council decisions regarding Waverley Borough Council owned public conveniences

General Fund Capital Programme

Project Title	2017/18 Programme - Proposed £	2017/18 Funding								2018/19 Estimate £	2019/20 Estimate £
		Revenue Reserve Fund	Repairs & Renewals Fund	Housing Revenue Account	New Homes Bonus	SANG	S106 Funding	Capital Receipts	External Funding		
		£	£	£	£		£		£		
General Fund Housing Services											
Warm Home Project (Safe and Warm Grants)	50,000								50,000	50,000	50,000
Disabled Facilities Grant (DFG)	555,000								555,000	350,000	350,000
Total GF Housing Services	£605,000	£0	£0	£0	£0	£0	£0	£0	£605,000	£400,000	£400,000

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

HOUSING REVENUE ACCOUNT BUSINESS PLAN, REVENUE BUDGET AND CAPITAL PROGRAMME 2017/18

[Portfolio Holders: Cllr Carole King and Cllr Ged Hall]
[Wards Affected: All]

Summary and purpose:

This report advises Members of the latest position regarding the Housing Revenue Account (HRA) Revenue Estimates for 2017/18 and the updated 30-year Business Plan.

How this report relates to the Council's Corporate Priorities:

Waverley's landlord service deals with the management and maintenance of existing housing stock and delivering affordable housing which helps to improve lives – two of the Council's five corporate priorities. A viable business plan, which takes account of these priorities, needs to be in place to aid delivery of these priorities.

Equality and Diversity Implications:

Providing more and better affordable housing for residents of the Borough in housing need, particularly the more vulnerable in our society.

Resource/Value for Money Implications:

Resource implications are contained throughout the report.

Legal Implications:

There are no direct legal implications as a result of this report.

Introduction

1. This report outlines the draft budgets to be included within the annual review and update of the HRA 30 year Business Plan and the Budget for the year ahead, including the five-year Capital Programmes. The Business Plan is underpinned by the Council's Financial Strategy and provides the resources to fund the 30-year maintenance forecast and fund proposals for building new affordable homes and investment in stock remodelling.

2. This report contains the following Annexes:

Annexe 1 – Revised Business Plan - 2016/17 to 2020/21

Annexe 2 – Housing Fees and Charges

Annexe 3 – Capital Programme comprising

- Housing Core Programme
- New Affordable Homes Programme
- Stock Remodelling Programme

Annexe 4 – HRA Capital Resources summary

Annexe 5 – HRA Reserves Summary

Business Plan

3. The latest projection for the Business Plan for the four years commencing with 2016/17, is attached at Annexe 1. There has been rigorous scrutiny of HRA budgets throughout 2016 by officers and the Housing and Finance portfolio holders and the table at Annexe 1 incorporates the measures approved by Council in December 2016. These measures balance the Plan in the medium term following the major changes introduced by the Government affecting HRA finances.
4. The Government implemented major changes to HRA finances in 2016 which will lose the HRA around £300million over the 30-year life of the Business Plan compared to the previously projected and approved position. The changes are shown below:
 - Rent reductions of 1% per year for 4 years from 2016/17 (incorporated into Annexe 1)
 - Impact of the sale of high value voids – now from 2018/19
 - Welfare reforms including Universal Credit

Rents

5. Prior to 2016/17 the Council followed a rent setting policy that supports Waverley's Business Plan objectives with broad adherence to the Government's social rent policy. This increase was modelled into the business plan but in 2016/17 the government imposed a 1% per year rent reduction for the next four years. Therefore, Waverley's rent level in 2017/2018 must be set at 1% below its 16/17 level.
6. It is proposed to increase all garage rents by 10%, this equates to an increase of approximately one pound for normal garages and a two pound (plus) increase for the garages at Waggon Yard, Farnham, to reflect their prime town centre location.
7. It is proposed that service charges in sheltered accommodation be increased by 50p/week in 2017/18 and the heating reimbursement charge by the same amount in line with previous energy increases.

8. It is proposed that rents for Temporary Accommodation (TA) and Bed and Breakfast be increased in line with Local Housing Allowance rates when these are announced in due course.

Fees and Charges

9. A proposed schedule of charges for various services to leaseholders and shared owners is given in Annexe 2. Whilst the income from fees and charges are already included in the business Plan, Members are required to approve these annually.

Draft 2017/18 Capital Programme

10. The draft Capital Programmes at Annexe 3 shows the proposals estimated to be spent in 2017/18 and the following years on each of the three elements to the capital programme. The Core programme has been scaled back in the light of the funding reductions as approved by Council in December.
11. The 30-year Business Plan also includes a programme to develop new affordable homes and a programme to remodel some of the existing stock. The major project at Ockford Ridge will be a combination of redevelopment and remodelling existing dwellings. Estimates at this stage are on a very broad basis and will be refined as survey work is carried out.

Financing

12. The financial model in Waverley's Business Plan incorporates the transfer to the HRA Revenue Reserve to support capital expenditure. Annexe 4 shows the Capital Programme proposals against the resources available in the next four years. After taking account of the action approved by Council in December 2016, the table at Annexe 4 shows that latest capital expenditure plans are affordable in the medium term.

Local Government Act 2003 – Financial Administration

13. The Local Government Act 2003 formally introduced a number of specific sections covering:

- a. **Budget calculations: report on robustness of estimates;**
- b. **Adequacy of reserves; and**
- c. **Budget monitoring**

a) Robustness of Estimates

14. Full account has been taken of potential costs and adequate provision has been made. A prudent assessment of income has been undertaken and only income that has a high level of certainty of being received is included within the Council's budgets.

15. The Council's Financial Strategy, together with information presented at the Annual Finance Seminar and subsequent reports demonstrate the financial challenges to Waverley Borough Council and Landlord Service in the future.
16. In view of the level of awareness amongst Members and the action taken to produce the Council's budget in 2017/18, the Director of Finance and Resources is satisfied with the robustness of the estimates presented.

b) Adequacy of reserves

17. Adequate reserves are necessary to meet significant cost that could not reasonably have been foreseen in the preparation of the budget. The levels of the HRA working and repairs fund balances have been reviewed and the working balance maintained at £2m. Annexe 5 shows the schedule of HRA balances and reserves.

c) Budget Monitoring

18. It is the view of Waverley's Section 151 Officer that the arrangements for budget monitoring, referred to above, satisfy the requirements of the Local Government Act 2003. Budget Monitoring in 2016/17 shows that the HRA is staying within budget on capital and revenue overall.

Joint Overview and Scrutiny Committee

19. The Joint Overview and Scrutiny Committee met on 16 January 2017 to make comments and observations to the Executive regarding Waverley's HRA budget and Business Plan for 2017/18. These are set out below:
 - The Committee noted that the HRA presented a balanced position and Members acknowledged the hard work that had been done to achieve this.
 - The Committee expressed concern that housing management costs continued to rise and queried what had caused this. The Committee asked officers to provide proposals for how this could be reduced.

Officer Comment – Officers have challenged every line of budget, however a further review of staff costs, including central recharges, will be undertaken following the council's consideration of the Strategic review and this will be reported to Members in the Spring. In line with previous reports, three posts within Housing have been removed in the 17/18 budget.

Recommendation

It is recommended that the Executive, after considering comments from the Joint Overview and Scrutiny Committee, makes the following recommendations to Council, that:

1. the rent level of Council dwellings be reduced by 1% from the 2016/17 level with effect from April 2017 in compliance with the Welfare Reform and Work Act;
2. the weekly charge for garages rented by both Council and non-Council tenants be increased by 10% from April 2017;
3. the service charge in sheltered accommodation be increased by 50p/week from 7 April 2017;
4. the recharge for energy costs in sheltered accommodation (as appropriate) be increased by 50p/week from April 2017;
5. the increases to fees and charges be agreed as set out in Annexe 2;
6. the revised HRA Business Plan for 2017/18 to 2019/20 as set out at Annexe 1 be approved;
7. the 2017/18 Housing Revenue Account Capital Programmes as shown at Annexe 3 be approved; and
8. the financing of the capital programmes be approved in line with the resources shown in Annexe 4.

Background Papers

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

CONTACT OFFICERS:

Name: Graeme Clark

Telephone: 01483 523099

E-mail: graeme.clark@waverley.gov.uk

Name: Peter Vickers

Telephone: 01483 523539

E-mail: peter.vickers@waverley.gov.uk

Name: Walter Stockdale

Telephone: 01483 523106

E-mail: walter.stockdale@waverley.gov.uk

Name: Hugh Wagstaff

Telephone: 01483 523363

E-mail: hugh.wagstaff@waverley.gov.uk

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HRA Business Plan 2017/18

		2017/18	2018/19	2019/20
	Description	£	£	£
Income				
	Net Dwelling Rent	(28,685,340)	(28,575,974)	(28,287,942)
	Net Garage/Other Rent	(234,300)	(236,643)	(239,009)
	Service Charges	(312,000)	(312,000)	(312,000)
	Costs Recovered	(269,340)	(269,340)	(269,340)
	Other income	(353,600)	(353,600)	(353,600)
	Interest Receipts	(160,000)	(160,000)	(160,000)
Income Total		(30,014,580)	(29,907,557)	(29,621,891)
Costs				
	Housing Management	5,929,485	5,929,485	5,929,485
	Housing Maintenance	5,466,180	5,466,180	5,466,180
	Other costs	735,395	735,395	735,395
	Debt Interest	5,802,050	5,747,935	5,678,019
	Principal Repayment	3,487,000	3,708,000	4,223,000
	Contingency (High Value Asset Levy, unexpected costs, etc.)	996,820	720,561	989,812
Costs Total		22,416,930	22,307,556	23,021,891
Contributions to Reserves				
	Contribution to Core Capital	4,000,000	4,000,000	3,000,000
	Contribution to Core Capital -Salaries	597,650	600,000	600,000
	Contribution to New Build	3,000,000	3,000,000	3,000,000
	Contribution from/to working balance			
Contributions to Reserves Total		7,597,650	7,600,000	6,600,000
Grand Total		0	(0)	(0)

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Housing Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Charge	% Increase	
			£	£		
Housing Revenue Account						
Supervision and Management Special						
1	Guest Rooms - E P Units - Single	Per Night	OS	15.00	16.00	6.7% } }
2	Guest Rooms - E P Units - Double	Per Night	OS	20.00	21.00	5.0% } }
3	Community Rooms - Residents	Session	OE	15.00	16.00	6.7% }) Sessions 10am - 1pm }) 2pm - 5pm
4	Community Rooms - Non Resident	Session	OE	33.00	34.00	3.0% }) 7pm - 10pm
Leaseholder Charges						
The following charges replace the flat rate charge currently in place						
5	Annual practical notes and information to leaseholder. Check of leaseholder account to ensure there are no problems and ground rent invoicing with supporting documentation.	Annual	OO	25.00	26.00	4.0%
6	Annual practical notes and information to shared owners. Check of account to ensure there are no problems, check to see if ground rent payable	Annual	OO	22.50	23.50	4.4% No ground rent payable
7	Annual practical notes and information to shared owners. Check of account to ensure there are no problems, check to see if ground rent payable	Annual	OO	25.00	26.00	4.0% Ground Rent payable
8	Service charge invoicing and supporting documentation non-shared ownership.	Quarterly	OO	2.50	2.50	0.0% Only if repairs/maintenance during quarter
9	Service charge invoicing and supporting documentation non-shared ownership.	Annual	OO	10.00	11.00	10.0% Only if repairs/maintenance during year
10	Service charge invoicing and supporting documentation shared ownership.		OO	25.00	26.00	4.0%
11	Consent to alter		OS	55.00	56.00	1.8%
12	Retrospective/ Complex consent to alter		OS	75.00	76.00	1.3%
13	Consent to underlet		OS	30.00	31.00	3.3%
14	Consent to keep pets		OS	30.00	31.00	3.3%

Housing Services
Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Charge	% Increase
			£	£	
15	Letter to lenders and other third parties	OS	25.00	26.00	4.0%
16	Reminder in relation to arrears with full printout of account	OE	25.00	26.00	4.0%
17	Section 20 management	OE	35.00	36.00	2.9%
18	Obtaining Land Registry document as requested by leaseholder	OS	10.00	11.00	10.0% Plus Land Registry cost
19	Provision of duplicate invoices	OS	2.50	2.50	0.0%
20	Contacting or responding to you in relation to a problem with your flat. Non-complex replies by email will be free	OS	5.50	5.50	0.0%
21	Written contact and liaison with you in relation to statutory requirements, such as fire and asbestos risk assessments	OE	2.50	2.50	0.0%
22	Leasehold enquiry responses	OS	234.00	235.00	0.4%
23	Leasehold (with sinking fund) enquiry responses	OS	246.00	247.00	0.4%
24	Preliminary telephone advice for non-complex issues relating to your leasehold property		FREE	FREE	
25	Changing leaseholder records, leaseholder responsible for advising changes in writing		FREE	FREE	

HRA Core Capital budget			
	2017/18	2018/19	2019/20
	£	£	£
Kitchen & Bathrooms			
Void & One-off Bathrooms	50,000	50,000	50,000
Void & One-off Kitchens	200,000	200,000	200,000
Planned Bathrooms	-	310,000	340,000
Planned Kitchens	-	500,000	500,000
	250,000	1,060,000	1,090,000
Windows & Doors			
Windows & Doors	300,000	300,000	300,000
	300,000	300,000	300,000
Roofing & Associated Works			
Renovation of Drainage	50,000	50,000	50,000
Roofline and Surface Water Renovation (incl. PRE 1945 wks.)	140,000	100,000	100,000
Porches Canopies and Window Head Refurbishment	50,000	50,000	50,000
Roof Covering (incl. PRE 1945 wks.)	390,000	390,000	390,000
	630,000	590,000	590,000
Aids and Adaptions			
Aids and Adaptions	200,000	200,000	200,000
	200,000	200,000	200,000
Structural & Damp works			
Energy Initiatives	50,000	100,000	100,000
Structural Works (incl. PRE 1945 wks.)	180,000	160,000	160,000
Garage Repairs Programme	25,000	25,000	25,000
Extl. Wall finish, Chimney rebuild and finish (incl. PRE 1945 wks.)	230,000	120,000	120,000
Internal Remodelling	440,000	240,000	240,000
	925,000	645,000	645,000
Health & Safety works			
Asbestos Removal (incl. PRE 1945 wks.)	250,000	180,000	180,000
Fire Walls	20,000	20,000	20,000
	270,000	200,000	200,000
Compliance works			
Electrical Upgrade	370,000	344,000	344,000
Lift Refurbishment	86,000	-	-
Communal Gas Heating Replacement	200,000	50,000	20,000
Heating Upgrades	434,000	491,000	491,000
	1,090,000	885,000	855,000
Communal & Estate works			
Removal of Tenants Trees etc. and manage housing woodlands	20,000	10,000	10,000
Car Parking - scheme improvement	135,000	10,000	10,000
Estate Works (incl. PRE 1945 wks.)	40,000	10,000	10,000
Flat Block Communal Area upgrade incl. Doors	40,000	40,000	40,000
	235,000	70,000	70,000
Professional Fees			
Professional Fees	100,000	50,000	50,000
	100,000	50,000	50,000
IT Projects			
Orchard Development	40,000		
Call Management System for Customer Services Team	5,000		
	45,000	45,000	45,000
Target savings		-	1,000,000
Sub Total - Programme	4,045,000	4,045,000	3,045,000
Staff costs	597,650	600,000	600,000
Total Programme	4,642,650	4,645,000	3,645,000

HRA New Build Budget			
	2017/18	2018/19	2019/20
	£	£	£
Staff costs	363,920	400,000	400,000
Pre-development	83,500	83,500	83,500
Committed			
Ockford Ridge - Utility/Highways works		750,000	
Ockford Ridge - Show Homes	12,150		
Ockford Ridge - Site D	1,504,740	1,800,000	152,860
Ockford Ridge - Site A	4,628,440	5,024,080	256,910
Wey Court	2,964,840		
Nursery Hill, Shamley Green	371,030		
75 Sherrydon	347,500		
Total Spend	10,276,120	8,057,580	893,270

HRA Stock Improvement Budget			
	2017/18	2018/19	2019/20
	£	£	£
Former Police Houses Ockford Ridge Refurbishment	9,000		
Ockford Ridge Refurbishment - Phase 2	315,000		
Ockford Ridge Refurbishment - Phase 3		485,000	
Ockford Ridge Refurbishment - Phase 4-8			3,750,000
Cranleigh Day Centre	50,000		
Total	374,000	485,000	3,750,000

HRA Capital Programme Financing Summary

	Balances 01/04/2016 £	Forecast Outturn			
		2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Spend					
Core Capital Programme		8,515,874	4,045,000	4,045,000	3,045,000
Core Capital Salary Allocation			597,650	600,000	600,000
New Build Capital Programme		9,097,596	10,276,120	8,057,580	893,270
Stock Improvement Programme		2,991,307	374,000	485,000	3,750,000
Approved Rescheduling from 2016/17			1,075,000		
Total Spend		20,604,777	16,367,770	13,187,580	8,288,270
Current & New Resources					
Balance carried forward		32,630,778	26,975,111	18,749,991	13,707,411
Major Repairs Reserve	2,723,334				
New Homes Reserve	7,380,768				
Stock Improvement Reserve	8,039,028				
Capital Receipts - New Homes	7,003,746				
Capital Receipts - Other	7,483,901				
Capital Receipts Received in year		500,000	500,000	500,000	500,000
HCA Grant - Wey Court		600,000			
HCA Grant - Starter Homes		100,419			
S106 Monies		52,371			
Core Capital Contribution from Revenue		6,628,320	4,000,000	4,000,000	3,000,000
New Homes Contribution from Revenue		7,068,000	3,000,000	3,000,000	3,000,000
Stock Improvement Contribution from Revenue		-			
Core Capital Salary Contribution from Revenue			597,650	600,000	600,000
IT Contribution from Revenue			45,000	45,000	45,000
Total Resources	32,630,778	47,579,888	35,117,761	26,894,991	20,852,411
Balance of Capital Resources	32,630,778	26,975,111	18,749,991	13,707,411	12,564,141

Schedule of Reserves and Balances - Actual and Projected

Housing Revenue Account	31.3.2016	2016/17		2017/18			2018/19			2019/20			
	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000
Working Balance	2,599		(475)	2,124		(105)	2,019			2,019			2,019
Total Revenue	2,599	0	(475)	2,124	0	(105)	2,019	0	0	2,019	0	0	2,019
Earmarked Reserves													
Revenue Reserve - Core Capital Programme	2,723	6,628	(8,516)	835	4,643	(5,018)	460	4,645	(4,645)	460	3,645	(3,645)	460
Capital Receipts Unapplied	14,488	500	(4,172)	10,816	500	(5,488)	5,828	500	(3,787)	2,541	500	(500)	2,541
New Affordable Homes	7,381	7,068	(4,173)	10,276	3,000	(5,488)	7,788	3,000	(4,271)	6,517	3,000	(393)	9,124
Stock Remodelling	8,039		(2,991)	5,048		(374)	4,674		(485)	4,189		(3,750)	439
HCA/External Grants	152	600	(752)	0			0			0			0
Water Charges		400		400		(400)	0			0			0
Total Earmarked Reserves	32,783	15,196	(20,604)	27,375	8,143	(16,768)	18,750	8,145	(13,188)	13,707	7,145	(8,288)	12,564
Housing Revenue Account Total	35,382	15,196	(21,079)	29,499	8,143	(16,873)	20,769	8,145	(13,188)	15,726	7,145	(8,288)	14,583

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

BUDGET MANAGEMENT REPORT

[Portfolio Holder: Cllr Ged Hall]

[Wards Affected: All]

Summary and purpose:

This report provides a review of the 2016/17 budget for the General Fund and the Housing Revenue Account against forecast to 31 March 2017, based on the latest information available.

How this report relates to the Council's Corporate Priorities:

The monitoring and management of the Council's budgets ensures there is financial control over the services that contribute to the Corporate Priorities. Savings identified can be redirected towards Corporate Priorities or action can be taken to rectify overspends.

Resource/Value for Money implications:

This report reviews the position against the budget to date for the General Fund, the Housing Revenue Account and Capital Programmes. It reviews the progress of service delivery against budget, taking into account 2015/16 outturn implications where necessary, projecting the potential year-end position after the impact of management actions.

Legal Implications:

There are no direct legal implications relating to this report.

Introduction

1. Throughout 2016/17 performance against budget will be monitored on a monthly basis.
2. Financial position reporting will also focus on performance against financial targets such as income, establishment and Star Chamber savings. Financial risk is always inherent in service delivery and service managers will be assisted in the identification, evaluation and mitigation of significant risks and these will be reported throughout budget management as necessary.

General Fund

3. The current budget management report for 2016/17 shows an underspend of £92,000 which is an overspend change of £30,000 on the £122,000 underspend reported previously. The current position with an underspend of £92,000

represents -0.6% of the General Fund net budget of £14.3m. This is detailed in the table below:

Estimated variance against 2016/17 budget at outturn			
Service Variations:	Reported previously at 30/11/16	Current position at 31/12/16	Change since 30/11/16
	(Underspend)/ Overspend	(Underspend)/ Overspend	(Decrease)/ Increase
	£'000	£'000	£'000
Finance			
Council Tax Support – grant income	(36)	(36)	
Business Rates – cost of collection	17	17	
Rent Allowance and Rent Rebates – overpayments recovered	50	50	
Planning			
Building Control – income	120	120	
Development Control – income	80	80	
Development Control – RTP1 training	(15)	(15)	
Communities			
Leisure Centre – income	(186)	(186)	
Environment			
Parking Income	(175)	(175)	
Saturday Garden Waste	6	6	
School parking permits	20	20	
Contaminated Land	(30)	(30)	
Returns on collection of Refuse and Recycling – 4 (i)		23	23
Textile – income – 4 (ii)		7	7
Policy and Governance			
South East Subscription	2	2	
Staffing Establishment			
Establishment Cost - 5	25	25	0
Overspend/(underspend) against budget*	(122)	(92)	30

4. Environment

- i. Return collections for bins missed during the scheduled rounds for refuse and recycling costs in excess of budget.
- ii. Textile income of £7,000 will not be achieved as the price per tonne has fallen during the year due to world market conditions.
- iii. The Garden Waste service experienced a peak in subscription applications in the first few months of the year. It is recommended to approve an additional temporary customer service support post during the initial period of increased demand from March 2017 for a 16 week period at an estimated cost of £10,000 and to be funded from the 2016/17 vacancy savings target.

- iv. Effective delivery of the Emergency Planning and Safety Service remains a statutory duty for the Council. Significant progress has been made implementing changes which now need to be embedded at which point demands on the service will reduce. It is recommended to approve the funding to extend the administrative support to the Emergency Planning Officer for a further year at an estimated cost of £14,000, funded from the 2016/17 General Fund underspend.

5. Building Control

- I. In the light of declining income Corporate O & S Committee has been monitoring the financial position of the building control service for some time and received a report on the future options at its January meeting. It is proposed to allocate £10,000 of the 16/17 projected underspend to undertaking a review of the building control service.

Staffing Establishment

6. Staffing establishment costs are forecast to be on budget for the year, including use of agency staff.

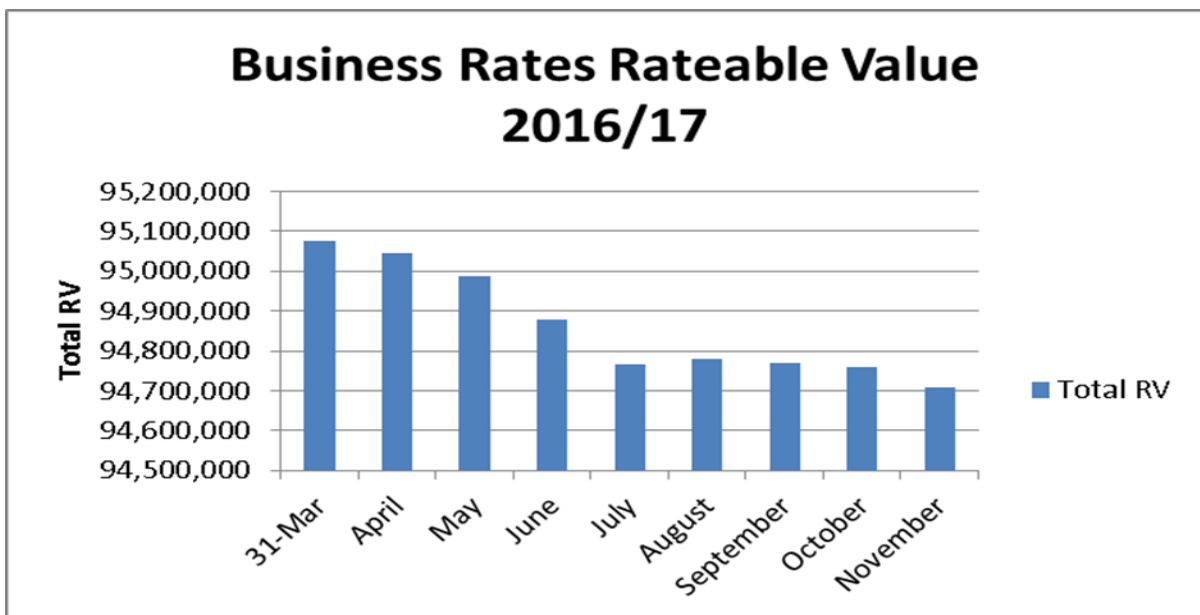
Forecast outturn of establishment cost against 2016/17 budget	
	£'000
2016/17 Establishment Cost Budget:	
2016/17 Staff Budget	13,436
LESS Vacancy Target	(200)
Approved Budget	13,236
2016/17 Establishment Cost Forecast Outturn:	
Permanent Staff Cost	12,322
Agency Staff Cost	939
Forecast Outturn	13,261
Overspend/(underspend) against budget	
	25

Potential Risks

7. Development Control forecasted income is dependent on future applications that cannot be accurately estimated at this time and therefore full year income could be below the current £80,000 shortfall forecast to budget.
8. Parking income during the year so far has been positive but this is subject to seasonality and could change. An updated position on this will be presented in a future budget management report.
9. Housing Benefit Rent Allowances overpayment is increasing due to the success of the government's data matching initiatives. Recovery of overpayments is challenging and will potentially result in a further increase in the provision for unrecoverable overpayment.
10. The Government set the maximum recoverable EU referendum costs at £149,284 and these have been exceeded by £56,320. The shortfall is mainly due to the Government setting its estimate based upon a combined election where

the costs are shared, in addition there was a very high turnout and high number of postal votes. We hope to recover the majority of this overspend and are awaiting the Cabinet Office decision.

11. Business Rates Retention Scheme. Performance is on track; however, the income from Business rates is subject to changes in rateable values (see chart below), appeals and refunds, which can potentially be significant.
12. The Council's new Investment Advisory Board will be proposing property acquisitions to Council in future in addition to the approval already given in December to acquire premises for small/start up businesses in Farnham. Given that a number of these investment proposals will be intended to support economic development objectives, there could be a risk of high tenant turnover/void and a consequential rent loss. In order to mitigate the impact on Waverley's revenue budget and provide greater certainty going forward, it will be prudent to set aside an earmarked reserve from any underspend in 2016/17.



Use of Balances

13. No use of the General Fund working balance was planned within the 2016/17 Budget. Projected movements in 2016/17 are illustrated in the table below. In line with the Financial Strategy the General Fund balance will be maintained at £3.2million.

Forecast General Fund balance movement		General Fund
		£'000
Balance 1 April 2016		3,200
Forecast outturn variation on budget		92
Reduced by Approvals:		
Revenue carry forward from 2015/16		(59)
Supplementary Estimates:		
Local Plan phase 2		(200)
Brightwells Regeneration Scheme Judicial Review		(250)
Legal fees on planning appeals		(40)
Weydon Lane - feasibility study		(50)
New Years Eve Waste Collection		(11)
Leisure Centre options appraisal		(50)
Strategic Review		(12)
Transfer from Revenue Reserve Fund to meet the above demands		580
Forecast balance 31 March 2017		3,200

Supplementary estimates approved this year have put a significant pressure on the Revenue Reserve Fund. Any future request will put pressure on the capital programme as the Revenue Reserve Fund is now fully allocated.

General Fund Capital

14. The General Fund Capital programme is monitored each quarter. The total capital programme budget for 2016/17 is made up as follows:

Capital Programme for 2016/17		£'000
Original budget approved by Council in February 2016		2,588
Carry forward from 2015/16 approved during 2015/16		2,218
Carry forward from 2015/16 approved by Executive in June 2016		972
New schemes and additional budget approved during 2016/17		951
Manfield Park Industrial Units	917	
Other approvals e.g. S106 projects, virements	34	
Carry forward to 2017/18 approved by Council in December 2016		(1,852)
Total General Fund Capital Programme for 2016/17		4,877

15. The table below summarises current performance to date:

Current performance against Capital Programme for 2016/17					
	Current Budget	Forecast Outturn	Reschedule	(Underspend)/ Overspend	Comment
Service	£'000	£'000	£'000	£'000	
Community	1,197	1,197			
Customer & Corporate	530	455		(75)	
Environment	358	358			
Other Projects	396	396			
Memorial Hall	2,177	2,177			
Manfield Industrial Unit	17	17			
Frensham Common	69	69			
Urgent schemes budget	124	124			
Total programme	4,868	4,793		(75)	

Housing Revenue Account (HRA)

16. A summary of progress against revenue budget for the HRA is given in the table below. The HRA contains the day to day running cost of managing the Housing Service such as staff costs and repairs, contributions to the capital programmes and financing costs. The forecast outturn on the HRA is £133,000 overspend against budget and represents 1.0% of the net HRA budget of £13.6m. This is detailed in the table below.

Estimated variance against 2016/17 budget at outturn			
Service Variations:	Reported previously at 30/11/16 (Underspend)/ Overspend £'000	Current position at 31/12/16 (Underspend)/ Overspend £'000	Change since 30/11/16 (Decrease)/ Increase £'000
INCOME			
Dwelling Rent			
Gross Dwelling Rent income	178	178	
Voids income loss	(26)	(26)	
Garage Rent			
Gross Garage rents	(47)	(47)	
Voids income loss	70	70	
Other Income			
Family Support service	(32)	(32)	
COSTS			
Other Costs			
EasyMove Service	(10)	(10)	
Overspend/(underspend) against budget	133	133	

17. Responsive Repairs

The responsive repairs budget continues to be under great pressure. Officers have implemented additional controls when placing orders and are working to minimise spend in this area. It is anticipated that through implementing these additional controls the activity for the rest of the year will be contained within approved budgets.

HRA Capital

Core Capital

18. The total capital programme approved budget for 2016/17 is made up as follows:

Approved Budget for 2016/17		£'000
Original budget approved by Council in February 2016		8,619
Carry forward from 2015/16 approved during 2015/16		810
Carry forward from 2015/16 approved by Executive in June 2016		800
Virements approved in 2016/17 approved by Executive in November 2016		(535)
Carry forward to 2017/18 approved by Executive in November 2016		(25)
Carry forward to 2017/18 approved by Council in December 2016		(720)
Total		8,949

19. The table below summarises current performance to date:

Work Stream	Approved Budget as at 15/12/16 for 2016/17	Forecast Outturn	Reschedule	(Underspend)/ Overspend	Comment
	£'000	£'000	£'000	£'000	
Kitchens & Bathrooms	3,327	3,327			
Windows & Doors	572	512		(60)	
Roofing & Associated Work	1,024	604		(420)	
Aids & Adaptions	200	200			
Structural & Damp Work	619	569		(50)	
Health & Safety	550	515		(35)	
Building Services	2,427	2,427			
Communal & Estate Work	265	230		(35)	
Professional Fees & Miscellaneous	165	132		(33)	
Target Savings Core Capital Programme	(200)			200	
Grand Total	8949	8516	0	(433)	

Stock Remodelling

20. The total stock remodelling capital programme approved budget for 2016/17 is made up as follows:

Work Stream	Approved Budget 2016/17 as at 30/12/16	Forecast Outturn as at 31/12/16	Reschedule	(Underspend)/ Overspend	Comment
	£'000	£'000	£'000	£'000	
Approved Schemes	2,253	2,253			
Potential Schemes	1,319	738		(581)	
Total	3,572	2,991		(581)	

New Build

21. The New Build capital programme approved budget for 2016/17 is made up as follows:

Work Stream	Approved Budget 2016/17	Forecast Outturn	Reschedule	(Underspend)/ Overspend	Comment
	as at 31/12/16	as at 31/12/16			
	£'000	£'000	£'000	£'000	
Project management	400	400			
Pre-development expenditure	184	184			
Committed schemes	7,831	5,475	2,000	(356)	See para 22. & 23. below
Proposed schemes	557	196	361		See para 24. below
Land and asset purchase	1,182	1,182			
Total	10,154	7,437	2,361	(356)	

22. Works at Wey Court are underway and progressing, however it is expected that a proportion of the project spend will be incurred in the next financial year. It is therefore requested that £1,000,000 is moved into 2017/18 to enable the completion of these works.
23. Due to a longer than expected tendering process for the Nursery Hill project the works will not have progressed as far as estimated earlier in the year. Therefore it is requested that £1,000,000 is rescheduled into 2017/18.
24. The Chilton Close, Alfold project is currently on hold. This is due to planning considerations and other site considerations. It is therefore requested that this budget of £360,695 is rescheduled into the next financial year.

Recommendations

It is recommended that the Executive notes the report and

1. approves the appointment of a temporary support for the Garden Waste team, and approves the carry forward of savings achieved in the 2016/17 financial year to fund the appointment in 2017/18, as set out in paragraph 4 (iii);
2. approves the extension of the Emergency Planning and Projects Assistant post until 31 March 2018, as set out in paragraph 4 (IV) from the General Fund forecast underspend;
3. approves £10,000 from the projected underspend to bring forward the budget growth item to review the options for the future of the building control service as set out in paragraph 5;
4. approves £50,000 of the underspend in 2016/17 to be transferred to an earmarked reserve for commercial property voids as set out in paragraph 12, subject to sufficient underspend being available at the year end;
5. recommends to Council to approve the rescheduling of £1,000,000 for Wey Court into 2017/18, as set out in paragraph 22;

6. recommends to Council to approve the rescheduling of £1,000,000 for Nursery Hill into 2017/18, as set out in paragraph 23;and
7. recommends to Council to approve the rescheduling of £360,965 for Chilton Close, Alfold into 2017/18, as set out in paragraph 24.

Background Papers

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

CONTACT OFFICERS:

Name:	Peter Vickers	Telephone:	01483 523539
		E-mail:	peter.vickers@waverley.gov.uk
Name:	Walter Stockdale	Telephone:	01483 523106
		E-mail:	walter.stockdale@waverley.gov.uk

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 07 FEBRUARY 2017

Title:

TREASURY MANAGEMENT FRAMEWORK 2017/18

[Portfolio Holder: Cllr Ged Hall]

[Wards Affected: All]

Summary and purpose:

This report sets out the proposed Treasury Management Framework for 2017/18, comprising:

- revised Treasury Management Policy;
 - 2017/18 Treasury Management Strategy;
 - 2017/18 Investment Strategy; and
 - Prudential Indicators for 2017/18 to 2019/20
-

How this report relates to the Council's Corporate Priorities:

An effective treasury management function is critical to all Council services in that it ensures financial resources are available at the right time to deliver the Council's priorities and services. It supports the Council's Value for Money priority and is a key element in the management of Waverley's financial resources.

Equality and Diversity Implications:

Treasury management provides financial resources to support all services including those which promote equality and diversity.

Financial implications:

A sound treasury management policy which achieves an appropriate balance between risk and return is essential to support service provision.

Legal Implications:

The current Code of Practice on Treasury Management (the Code) produced by CIPFA supports the provisions of the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) Regulations 2003 and it is expected that local authorities will apply the Code to their individual circumstances.

Introduction

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. The Treasury Management Framework for 2017/18 contains only minor changes to the existing framework.

2. For Waverley Borough Council this means collecting around £130m per annum and managing a similar amount of revenue expenditure together with an average investment of around £65m each day invested in financial markets and, with the introduction of HRA Self-financing in 2012/13, it now also includes borrowing of £192m.
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. These changes were incorporated in Waverley's Policy and originally approved in February 2012.
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.

Purpose of the Code

5. 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 over-riding 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.

Treasury Management Statements

6. The key documents in line with the requirements of the Code are approved by Council annually as follows:
 - Treasury Management Policy Statement is included at Annexe 1 and sets out the headline objectives of the Treasury Management function.
 - Treasury Management Strategy 2017/18 is included at Annexe 2 and 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 2017/18 is included at Annexe 3 and 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.

Borrowing

7. With the creation of the Investment Advisory Board and the Government's significant reduction in Waverley's New Homes Bonus funding, it is likely that Waverley will need to borrow in 2017/18 and subsequent years to develop and/or acquire property assets in order to develop the local economy and generate revenue for the General Fund budget.
8. In order to respond quickly to opportunities that arise and ensure flexibility in the capital financing arrangements, it is proposed to delegate the decision to borrow to finance capital expenditure to the Executive, subject to the limits within this report and provided that the annual revenue cost of the borrowing is within the Executive's authorised spending limit for each transaction.

Prudential Indicators to 2018/19

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 their investment and borrowing activities. Waverley's Prudential Indicators are in line with the requirements of the Code and the current conditions which are included at Annexe 4. The prudential indicators are intended to support decision-making and are ways of targeting and measuring performance.

Recommendation

It is recommended that the Executive recommends to the Council that

1. the proposed Treasury Management Framework for 2017/18 be approved; and
2. the delegation for decisions to borrow to finance capital expenditure to the Executive be approved, as set out in paragraph 8 above.

Background Papers

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

CONTACT OFFICER:

Name: Peter Vickers

Telephone: 01483 523539

E-mail: peter.vickers@waverley.gov.uk

STATEMENT OF TREASURY MANAGEMENT POLICY

Overview

The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code. The full Code is available for Members on request and identifies 3 key principles which organisations should apply:

- 1) formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of treasury management activities should be in place.
- 2) effective management and control of risk are the prime objectives of Treasury Management and are the responsibility of the Council. Waverley's Treasury Management Strategy must make clear its appetite for risk, the use of which financial instruments are allowed for the prudent management of those risks and that priority be given first to security, then to liquidity and last to yield.
- 3) treasury management policies and practices should reflect that the pursuit of value for money is, nevertheless, important and performance measures are important and valid tools to be used in support of this.

Accordingly, the Council will create and maintain, as the cornerstones for effective Treasury Management:

- A treasury management policy stating the policies, objectives and approach to risk management of its treasury management activities.
- A treasury management strategy on at least an annual basis, including approved treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve its policy objectives and prescribing how it will manage and control those activities.

The content of the policy, strategy and TMPs will follow the recommendations contained in the Code, subject only to amendment where necessary to reflect the particular circumstances of this Council. Such amendments will not result in the organisation materially deviating from the Code's key principles.

The Council will receive reports on its treasury management policy and practices and the Executive will receive reports on treasury activities and performance, including, as a minimum, the annual strategy in advance of the year, regular monitoring reports during the year and an annual report after its close, in the form prescribed in its TMPs.

The Council delegates responsibility for the regular monitoring of its Treasury Management Policy and practices to the Executive, and for the execution and administration of day-to-day treasury management decisions to the Director of Finance and Resources (Section 151 Officer) who will act in accordance with the Waverley's Policy, Strategy and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

The Council nominates the Corporate Overview and Scrutiny Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Overall policy:

Waverley Borough Council defines its treasury management objectives as:

The effective 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 in order to ensure that financial resources are available at the right time to deliver the Council's service priorities.

Risk:

Waverley regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation and any financial instruments entered into to manage these risks.

Value for money:

Waverley acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives and is therefore committed to the principles of achieving value for money in treasury management and to employing suitable performance monitoring arrangements within the context of effective risk management.

Borrowing:

The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should ensure the Council is transparent and has flexibility and control over its debt.

Investment:

Waverley's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yield earned on investments remain important but are secondary considerations.

Treasury Management Strategy Statement 2017/18 **(incorporating Treasury Management Practice statements)**

Overall policy:

The major objective of managing daily cash balances to meet cash flow commitments remains the priority.

Investments:

Waverley's policy is to give security of investment a higher priority than rate of return/yield. Waverley's strategy and day-to-day practice, therefore, continue to be refined, within the boundaries agreed in the Annual Investment Strategy, in response to market conditions.

Risk:

Waverley acknowledges that no treasury management activity is without risk. The major area of risk is identified as investment risk. Investment risk will be mitigated in a number of ways as set out in accordance with the specified Treasury Management Practices and Annual Investment Strategy. The cornerstones of current investment strategy are:

- to lend only to those institutions which fit the Council's policy in terms of financial standing, credit ratings etc;
- generally to restrict lending to terms of one year or less or to cover precept dates or known expenditure commitments, except where the Director of Finance and Resources or Head of Finance agree to an investment within Waverley's criteria over a longer period if interest rates are favourable;
- to identify financial limits for each counterparty institution depending on the quality of its financial ratings;
- to make all cash investments in GBP sterling thus avoiding exchange rate risk;
- that Waverley's general preference is for fixed rate investments for budgetary certainty and the avoidance of yield risk and
- to consider other forms of investment, such as property acquisitions, on a case by case basis subject to a comprehensive business case being presented to Members including analysis of risk and viability.

The Council is also committed to using available market intelligence to aid investment and borrowing decision making.

Value for money:

Waverley is committed to the pursuit of value for money in its Treasury Management function and to use performance methodology in support of that aim. This will be achieved through the formal reporting process set out in the Treasury Management Practices as well as the use of comparative performance indicators (including Prudential Indicators) for its investment returns and costs.

Borrowing:

Waverley borrowed £192m in March 2012, £5m of which was borrowed internally, for the purposes of HRA self-financing implementation. The Council adopted a flexible approach to this borrowing in consultation with treasury management advisers and in accordance with the approved HRA Financing Strategy approved by Council on 21st February 2012.

The following issues will be considered prior to undertaking any external borrowing:

- Affordability
- Maturity profile of existing debt
- Interest rate and refinancing risk
- Borrowing source

It may be advantageous in future, as the HRA Business Plan is developed, to reschedule some of the HRA debt. Waverley's debt portfolio can, potentially, be restructured in order to achieve a reduction in risk, savings in interest costs and/or to meet changing cash demands. The rationale for undertaking any future HRA debt rescheduling would be one or more of the following:

- Changing the maturity profile of the debt portfolio
- Interest rate savings and premiums
- Rebalancing the interest rate structure of the debt portfolio

With the creation of the Investment Advisory Board and the Government's significant reduction in Waverley's New Homes Bonus funding, it is likely that Waverley will need to borrow in 2017/18 and subsequent years to develop and/or acquire property assets in order to develop the local economy and generate revenue for the General Fund budget.

In addition, temporary borrowing for the purposes of financing day-to-day expenditure commitments is allowed for short periods if economic on the day. All borrowing activity will be reported to the Executive.

Overall, borrowing will be managed within the Authorised Limit for External Debt (See Prudential Indicator 5) and the HRA debt will not exceed the specified statutory cap.

Minimum Revenue Provision (MRP) Annual Policy Statement - The scheme of Minimum Revenue Provision (MRP) requires Local Authorities to set aside some of their revenues as provision for debt each year of an amount considered to be 'prudent'. Prudent provision should ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.

Following the implementation of International Financial Reporting Standards, finance leases may also be subject to the requirements of MRP. However, borrowing to finance capital expenditure on housing assets is not subject to MRP.

Guidance on MRP has been issued by the Department of Communities and Local Government. The guidance sets out options for making a prudent provision for MRP. If the Council undertakes borrowing requiring an MRP provision, it will apply the most appropriate option having regard to the guidance. A more detailed statement on the MRP policy adopted will then be submitted to Council.

TREASURY MANAGEMENT PRACTICES (TMP)

TMP1 RISK MANAGEMENT

General Statement

The Director of Finance and Resources, (Section 151 Officer) will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and report as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6 *Reporting requirements and management information arrangements*. In respect of each of the following risks, detailed arrangements, which seek to ensure compliance with these objectives, are set out in 'Additional Information' schedules.

Credit and Counterparty Risk Management

The key risk in Waverley Borough Council's treasury management activities is the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved instruments methods and techniques.

Liquidity Risk Management

Waverley Borough Council will ensure it has adequate cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

Waverley Borough Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current approved capital programme or to finance future debt maturities.

Interest Rate Risk Management

Waverley Borough Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements, as revised, in accordance with TMP6 *Reporting requirements and management information arrangements*. It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be subject to the consideration and, if required, approval of any policy or budgetary implications considered by the Executive as appropriate.

Exchange Rate Risk Management

Waverley Borough Council's current approved policy allows cash investments solely in GBP sterling because other currency deals expose Waverley to an additional level of risk. Accordingly, Waverley does not have an exchange rate risk management strategy at this time. Should market conditions change such that foreign currency deals become appropriate, this Treasury Management Practice will be developed to cover this and approval for such a policy change will be sought.

Refinancing Risk Management

Waverley Borough Council will ensure that its borrowing is structured and documented, and the maturity profile of the debt is managed with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to Waverley as can reasonably be achieved in the light of market conditions prevailing at the time.

Legal and Regulatory Risk Management

Waverley Borough Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its TMP1[1] *credit and counterparty risk management*, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with Waverley, particularly with regard to duty of care and fees charged.

Waverley Borough Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the Council.

Fraud, Error and Corruption, and Contingency Management

Waverley Borough Council will ensure that it has identified the circumstances, which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Market Risk Management

Waverley Borough Council will ensure that its stated treasury management policies and objectives do not expose the Council to the risk of adverse market fluctuations in the value of the principal cash sums it invests and will accordingly protect itself from the effects of such fluctuations.

TMP2 PERFORMANCE MEASUREMENT

Waverley Borough Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. The performance of the treasury management function is included in the budget monitoring process, and periodic reports to the Executive and Corporate O&S Committee.

TMP3 DECISION-MAKING AND ANALYSIS

Waverley Borough Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

Waverley Borough Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the Treasury Management Strategy and Annual Investment Strategy, and within the limits and parameters defined in TMP1 *Risk management*.

Should Waverley decide in future to use derivative instruments for the management of risks, these will be limited to those set out in its annual treasury management strategy. The organisation will seek proper advice and will consider that advice when entering into arrangements to use such products to ensure that it fully understands those products

TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

Waverley Borough Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decision and the audit and review of the treasury management function.

If the Council has to depart from these principles, the Director of Finance and Resources will ensure that the reasons are properly reported in accordance with TMP6 *Reporting requirements and management information arrangements* and the implications properly considered and evaluated.

The Director of Finance and Resources will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management and the arrangements for absence cover. The responsible officer will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements have been agreed with the Portfolio Holder for Finance and the Director of Finance and Resources in March 2010 as included in the Additional Guidance document.

The delegations to the Director of Finance and Resources in respect of treasury management have been agreed with the Portfolio Holder for Finance and the Director of Finance and Resources in March 2010 as included in the Additional Guidance document. The Director of Finance and Resources will fulfil all such responsibilities in accordance with the Council's policy statement and TMPs and CIPFA's *Standard of Professional Practice on Treasury Management*.

TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

Waverley Borough Council will ensure that regular reports are prepared and considered on:

- the implementation of its treasury management policies
- the effects of decisions taken and transactions executed in pursuit of those policies
- the implications of changes, particularly budgetary, resulting from regulatory economic, market or other factors affecting its treasury management activities
- the performance of the treasury management function.

As a minimum:

The Executive will receive:

- An annual report on the strategy to be pursued in the coming year;
- Regular monitoring reports during the year on treasury management activities and risks;
- An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's treasury management policy statement and TMPs.

The Corporate Overview and Scrutiny Committee will have responsibility for the scrutiny of treasury management policies and practices and will receive the annual strategy documents for comment and periodic performance reports.

TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

The Director of Finance and Resources will prepare, and the Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at a minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 *Risk management*, TMP2 *Performance measurement* and TMP6 *Approved instruments, methods and techniques*. The Director of Finance and Resources will exercise effective controls

over this budget and will report upon and recommend any changes required in accordance with *TMP6 Reporting requirements and management information arrangements*.

The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.

TMP8 CASH AND CASH FLOW MANAGEMENT

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Director of Finance and Resources, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis and the Director of Finance and Resources will ensure that these are adequate for the purposes of monitoring compliance with TMP1[1] liquidity risk management.

TMP9 MONEY LAUNDERING

Waverley Borough Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, the Council will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made have been agreed by the Audit Committee.

TMP10 TRAINING AND QUALIFICATIONS

Waverley Borough Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Director of Finance and Resources will recommend and implement the necessary arrangements.

The Director of Finance and Resources will ensure that Members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

TMP11 USE OF EXTERNAL SERVICE PROVIDERS

Waverley Borough Council recognises that responsibility for treasury management decisions remains with the Council at all times. The Council recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons, which have been submitted to a full evaluation of the costs and benefits. The Council will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly

agreed and documented, and subjected to regular review. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Director of Finance and Resources.

TMP12 CORPORATE GOVERNANCE

Waverley Borough Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Council has adopted and has implemented the key principles of the Code. This action, together with the other arrangements detailed in this document, are considered vital to the achievement of proper corporate governance in treasury management, and the Director of Finance and Resources will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Annual Investment Strategy 2017/18

The Annual Investment Strategy is required under the Treasury Management code of Practice and statutory Investment Guidance issued by the Department of Communities and Local Government. Waverley's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments and the yields earned on investments are important but secondary considerations.

The 2017/18 Strategy is framed against the backdrop of current market conditions. On a local level, the Strategy also recognises the significant levels of cash accumulated by Waverley, mainly due to the accumulated HRA funds which will be spent on delivering the HRA capital programmes.

The capital finance regulations require the Council to determine a number of limits and guidelines for its investment activity including 'specified' and 'non-specified' investments. Specified investments are those held in sterling with a maturity of no more than a year and must be with the UK Government, UK local authorities or "high" credit rated institutions. Non-specified investments are any investments that do not meet the above criteria.

To meet the requirements of the Regulations it is proposed that the following policy and limits apply to all of Waverley's investment activity in 2017/18:

- Cash investments only with UK Local Authorities and the UK Government and institutions assessed as having a 'high credit quality'
- 'High credit quality' means having AAA rating for sterling money market funds or a minimum rating of A- for any banks and building societies, and being considered to have high credit credentials after taking account of the factors listed below.
- Waverley will not make any non-specified cash investments, other than when the investment is non-specified by virtue of it being for a period of more than one year, subject to it being an approved counterparty and an assessment of risk.
- £10million is the maximum investment in any single specified organisation at any one time.
- £20m is the total investment with any group - £10m the maximum with any single member of that group (this change was approved by the Executive on 1/11/16)
- Up to date information gathered by officers, together with specialist advice if appropriate, will be used to ensure compliance with the strategy
- Every investment will have a ratings check on the day of the investment and a list of potential counterparties will be prepared and approved by the S151 Officer before 1st April each year and updated throughout the year
- The maximum total investment at any one time that can prudently be committed for more than one year is £10 million.
- If cashflow certainty can be demonstrated over a longer term, Waverley will consider investing in property provided that a business case is presented to Members including a risk and viability assessment.
- The Director of Finance and Resources can seek the approval of the Executive to change the above limits during the year if necessary, provided that it is in the best interests of the Council to do so.

In practice, the continuing market conditions mean that day-to-day controls are actually tighter, but still within the bounds of the approved policy, in order to create as much security as possible for Waverley's investment portfolio. These measures include:

- The major objective of managing daily cash balances to meet cash flow commitments remains the priority although it is recognised that, to some extent, some stability has been evident so longer term investment decisions are potentially possible subject to consideration of capital spending plans
- In addition to the thresholds above, the maximum amount invested in any single specified organisation will generally be restricted to no more than 20% of the overall total external investments at that time
- Lending terms of 1 year or less remains judged to generate the best balance of return to risk generally, and most of Waverley's investment will fall into this category. Opportunities in the yield curve with longer term investments may be taken as above. However, the recent environment of institutional stability but significantly reduced interest rates is likely to result in more of Waverley's investments being within the 9 months to 1 year category in order to take advantage of the higher rates within that term
- Investments are also monitored on a sector basis and judgments made as to the appropriate level within each sector taking into account appropriate treasury management information
- General Market information is also used to enable some targeting of investment partners and the objective views of the credit agencies still have a value and are monitored more regularly.
- Close monitoring of credit ratings at the point of transaction including consideration of the 'future outlook' assessment.
- Increased frequency of updating the list of preferred organisations for investment with reduced working maximum limits for lower rated counterparties.

A major problem in the current environment is acknowledged as finding a sufficient number of investment counterparties providing acceptable levels of counterparty risk. In order to diversify an investment portfolio largely invested in cash, investments will be placed with a range of approved investment counterparties in order to achieve a diversified portfolio of prudent counterparties, investment periods and rates of return. Maximum investment levels with each counterparty within the limits set out in this Strategy will be set to ensure prudent diversification is achieved. Introductions to new counterparties (within the allowed criteria) will be sought where appropriate.

In order to continually review the Council's counterparty list and to make a judgement about whether a counterparty has a 'high credit quality', officers will gather and consider information such as:

- Credit rating 'future outlook' assessments
- Published credit ratings for financial institutions
- Economic fundamentals (for example Net Debt as a percentage of GDP)
- Share Prices
- Corporate developments, news, articles, markets sentiment and momentum

Banking - Waverley banks with HSBC. At the current time, HSBC meets the minimum credit criteria of 'A' long term. The Council continues to monitor the credit rating of HSBC and would report to Members if any major concerns emerged. If the credit rating falls below the Authority's minimum criteria HSBC would have to be used in the short term for business continuity and liquidity requirements.

However, in practice, it would be impossible to restrict the Council's own bank, HSBC, to the same £limits as other investment counterparties because there are many instances when cash in excess of £10m is moving through the Council's HSBC bank accounts. Given also that it is likely that there will often be occasions when Waverley has more cash than the total of its approved counterparty limits, it is therefore necessary to specifically exclude HSBC's banking activities from the £10m limit. It should be noted that existing HSBC bank accounts are all instant access.

Training - CIPFA's Code of Practice requires the *responsible officer* to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities. Waverley's approach to training is set out in the schedule supporting Treasury Management Practice (TMP) 10.

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Prudential Indicators

To fulfil the requirements of the Prudential Code, the Council must produce and maintain a specified set of 'Prudential Indicators'. In setting and revising these indicators, and more importantly in any decision on borrowing, the Council must take into account affordability, eg implications for Council Tax and housing rents and prudence and sustainability, eg implications for external borrowing. All of the required Prudential Indicators are included below. Explanatory text is included where necessary.

The prudential indicators are there to support decision-making and are not designed to be comparative performance indicators with other councils. The indicators which require future forecasts are rolling scenarios, not fixed for the three-year period. They can be reviewed at any time by the S151 Officer, subject to Council approval. The S151 Officer must monitor performance against each indicator during the year.

There are other major decisions for the Council in the next few years that may have a significant impact on capital financing decisions, such as the ongoing development of the HRA Business Plan and the Brightwells development. As these details become available, the indicators will be reviewed and, if necessary, reconsidered by Members.

Indicator 1 - Estimates of capital expenditure

	2015-16 £000 Actual	2016-17 £000 Latest Estimate	2017-18 £000 Estimate	2018-19 £000 Estimate	2019-20 £000 Estimate
General Fund	1,111	4,710	5,165	1,954	1,088
HRA	11,554	20,205	15,876	16,503	8,243
Total	12,665	26,125	21,441	25,989	10,337

These estimates are as included in the capital programme report and, in the case of the previous year's actuals, as shown in the Statement of Accounts.

Indicator 2 - Estimates of the ratio of financing costs to net revenue stream

	2015-16 Actual	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
General Fund	-2.69%	-2.59%	-2.50%	-2.36%	-2.21%
HRA	18.66%	19.27%	18.86%	18.77%	18.75%

The net revenue stream is the total net expenditure to be met from Government grant and local taxpayers or, in the case of the HRA, the net amount to be met from rent income. Financing costs are the net of any interest on borrowing, interest earned on investments and any amounts made as revenue provision to repay debt.

The estimates of financing costs include current commitments and the proposals in the budget report. At 31st March 2016, investments totalling £51.5 million were held, much of which represented balances and reserves, with the balance being held for cash flow purposes. The projected reduction in the General Fund ratio reflects estimates of the overall draw on capital receipts and other internal resources to fund the capital

programme. The HRA figures are determined by Regulations and reflect the external borrowing rate on the self-financing debt.

Indicator 3 - Capital financing requirement

	2015-16 £000 Actual	2016-17 £000 Estimate	2017-18 £000 Estimate	2018-19 £000 Estimate	2019-20 £000 Estimate
General Fund	0	0	0	0	0
HRA	192,187	192,187	192,187	192,187	192,187
Total	192,187	192,187	192,187	192,187	192,187

This indicator is a measure of the underlying need to borrow for capital purposes, it is not the level of actual borrowing held or required or of the actual level of other capital resources held. The requirement increases as capital expenditure is incurred or planned, and reduces when financing from capital receipts, grants or revenue is applied. The HRA self-financing debt is deemed to be capital expenditure under the regulations. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing.

Waverley intends to finance most of its General Fund routine capital programme from existing resources in the medium term. The programme will be reviewed as part of each year's General Fund budget setting process to match planned expenditure to the level of resources available.

Indicator 4 - Actual External Debt

Actual External Debt as at 31/03/2016	£m
Borrowing	187.0
Other Long-term Liabilities	0
Total	187.0

This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit. The HRA self-financing transaction included internal borrowing of £5m from the General Fund which is not included in the prudential indicators.

Indicator 5 - Authorised limit for external debt

	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
General Fund	£5m	£5m	£50m	£50m	£50m
HRA	£188m	£188m	£188m	£188m	£188m
Total	£193m	£193m	£238m	£238m	£238m

The Authorised Limit sets the maximum level of external borrowing on a gross basis (ie not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet ie long and short term borrowing, overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases.

Whilst cash flows are currently managed using the investment portfolio, it is possible that short-term borrowing may be necessary. As the indicators in this report show, other than the £187m self-financing external debt on the HRA, a significant amount of borrowing for capital purposes is not currently expected to be necessary in the short term. However, it is sensible to have in place an authorised borrowing limit at a prudent level to enable treasury activity if necessary. In approving this limit, the Council is approving the limit as required under section 3(1) of the Local Government Act 2003.

The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

Indicator 6 - Operational boundary for external debt

	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
General Fund	£5m	£5m	£50m	£50m	£50m
HRA	£188m	£188m	£188m	£188m	£188m
Total	£193m	£193m	£238m	£238m	£238m

The operational boundary for external debt is the most likely, prudent but not worst-case scenario, without the additional headroom allowed for in the authorised limit to allow for unusual cash movements. As the authorised limit for external debt is currently intended to cover mainly cash flow movements and the £187m HRA self-financing external borrowing, it is not necessary to set the operational boundary at a lower level. If a greater degree of borrowing for capital purposes is required in the future, both indicators will be reviewed.

Indicator 7 - Incremental impact of current capital investment decisions on the council tax

	2016-17 £000 Estimate	2017-18 £000 Estimate	2018-19 £000 Estimate	2019-20 £000 Estimate
For Band D Council Tax	Nil	Nil	Nil	Nil
For average weekly housing rents	Nil	Nil	Nil	Nil

This indicator shows the impact of the capital investment decisions on the Council Tax and rent levels. It allows the totality of the Council’s plans to be considered at budget setting time. Whilst this is an indicator that Members must consider when taking decisions on borrowing, it doesn’t necessarily follow that council tax or rent has actually been increased by the amount shown in the indicator.

In reality, due to the pressures on Waverley’s budget, any net cost of borrowing will have to be offset by savings in other budgets, therefore the impact on the council taxpayer in cash terms would be zero. This is currently the intention with any future borrowing for General Fund capital schemes. The self-financing debt on the HRA does not impact adversely on housing rents as the HRA 30-year business plan is modelled to meet interest and principal repayments from the cessation of negative housing subsidy payments. If this position changes in the future, this indicator will be revised and reported to Members for approval.

Indicator 8 – Limits on Investments

	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
The upper limit on fixed rate investments as a % of net outstanding principal sums	100%	100%	100%	100%
The upper limit on variable rate investments as a % of net outstanding principal sums*	10%	10%	10%	10%

*Excludes money held in call or instant access deposit accounts

These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The Council calculates these limits on net principal outstanding sums. The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate reductions which could adversely impact on the revenue budget.

Indicator 9 – Maturity Structure of Borrowing

The maturity structure of borrowing (as % of overall projected fixed rate borrowing)	2017-18 Estimate		2018-19 Estimate		2019-20 Estimate	
	Upper	Lower	Upper	Lower	Upper	Lower
-under 12 months	100%	90%	100%	90%	100%	90%
-between 1 and 30 years	100%	100%	100%	100%	100%	100%

This indicator highlights the existence of any large concentrations of fixed rate debt and is intended to help protect against excessive exposures to interest rate changes in any one period. All borrowing related to the HRA.

Indicator 10 – Upper Limits on Investments >364 days

	2016-17 Estimate	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
The upper limit of principal sums invested for periods of more than 364 days	£10m	£10m	£10m	£10m

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

Indicator 11 – Gross debt and the Capital Financing Requirement

	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
Gross debt (Indicator 4)	£187m	£187m	£187m
Capital Financing Requirement (Indicator 3)	£193m	£193m	£193m

In order to ensure that over the medium term debt will only be for a capital purpose, external debt should not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. Based on the definition of this indicator, Waverley's figures are showing a prudent position.

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 07/02/2017

Title:

ANNUAL PAY POLICY STATEMENT 2017/18

[Portfolio Holder: Cllr Julia Potts]

[Wards Affected: All]

Summary and purpose:

The purpose of this report is to advise Members of the Annual Pay Policy Statement for 2017-18.

How this report relates to the Council's Corporate Priorities:

Value for Money: the pay policy supports Waverley's strategic aim to ensure that the Council is equipped to provide excellent services to local people and strong community leadership by creating a high performing staff team and operating first class policies and practices.

Financial Implications:

The pay policy supports the strategic aim to ensure that all spending delivers value for money.

Legal Implications:

The policy meets the requirements of the Localism Act 2011 and all other relevant legislation.

Introduction

1. The Localism Act 2011 requires all public authorities to publish Annual Pay Policy Statements.
2. 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.
3. There have been no changes to the Annual Pay Policy Statement for 2017-18.

Recommendation

It is recommended that the Annual Pay Policy Statement for 2017-18 be approved and recommended to the Council for adoption.

Background Papers

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

CONTACT OFFICER:

Name: Wendy Gane

Telephone: 01483 523382

E-mail: wendy.gane@waverley.gov.uk

Date of Policy: January 2017

Review Date: Annual review and approval
by Council

Date uploaded to website:

WAVERLEY PAY POLICY 2017/18

PUBLISHED AS AN ANNUAL STATEMENT FROM 2012/13

In line with the Government's principles of pay accountability set out in the Localism Act 2011, Waverley has an open and transparent approach to the salaries and payments of all our staff. The Council publishes the salaries of the Executive Director, Directors and Heads of Service with a description of each role and responsibility within the authority. This means that all our senior salaries are easily accessible by members of the public who can see exactly what is paid for particular roles and responsibilities. Full Council will vote on any new appointment with a salary package of £100,000 or more. 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, has been published on the website.

The Council's organisational structures are also published on its website with the job descriptions for our senior staff. We are committed to ensuring that our salaries and payments are subject to the principles of fairness, openness and consistency and these can be tested against value for money and equal pay. The salary structure is published on our website and this shows that salaries are linked to particular grades. Grades are determined by job evaluation giving each job description a relative value. The current salary structure was agreed by the full Council in December 2010 after consultation with staff representatives through the Council's Joint Negotiating Committee (JNC), this was last updated in April 2015 and continues to apply the the UK Living Wage as the minimum evaluated salary grade . The Joint Negotiating Committee meets annually to review the salary structure. If a pay award is agreed, it is applied to the salary structure with effect from 1 April.

The grading structure covers a wide range of jobs. The differentials between the salary grades for these jobs is objectively justified by our job evaluation system which takes account of equal pay for work of equal value and evaluates each job based on the level of skills, knowledge, problem solving and accountability required. The pay multiple (ratio between the Executive Director's salary and the median salary of the authority's workforce) is 1:4.

More details can be found at www.waverley.gov.uk/spend.

The Council has tight controls on workforce costs including salaries and payments. Any newly appointed or promoted staff start at the bottom of the grade (the "starting salary"). In exceptional circumstances, where salary benchmarking and recruitment experience demonstrates the impact of salary competitiveness on the ability to recruit suitably qualified staff, the Corporate Management Team may authorise recruitment to a higher point within the grade and/or additional payments to support the recruitment process. Except in exceptional circumstances, Waverley is also committed to 'clean pay' for newly recruited staff and only pays staff an allowance where it is absolutely necessary such as for election duties or when overtime needs to be worked, and the Council no longer pays any market supplement or responsibility allowance to newly appointed staff.

The role of Returning Officer is a separate responsibility and is remunerated separately after each election in accordance with the appropriate Statutory Fees and Charges Order.

The Council does not have performance related pay or bonuses. The Council does not employ any staff through personal service companies, except in exceptional circumstances agreed by the Executive Director and Portfolio Holder for Strategic HR.

The Council has 12 grades on the pay scales, plus the grades for the Directors and Executive Director. Each has 5 salary increments which progressively go up from the lowest pay point to the highest, except for that of Executive Director which is a spot salary. The Council has also approved, from November 2013, a professional planners salary scale with 5 grades and 5 salary increments. This incremental progression applies to all staff on the pay grades until they reach the top pay point. The progression is dependent on satisfactory performance and would normally be applied in April each year.

As a result of careful financial management and budgetary planning, the Council endeavours to avoid making compulsory redundancies and our policy is to minimise any job loss wherever possible. We only consider applications for early retirement and voluntary redundancy if there is a business case which can be justified under the principles of public interest and value for money. If a redundancy is necessary, the Council's policy is to pay at a rate of 1.5 weeks for each completed year of service. In accordance with this policy, in exceptional circumstances, the Council may decide to make a one-off termination payment in the interests of the efficiency of the Council's services. This will normally be no more than the person concerned would have received under the redundancy policy. Any proposal to make a termination payment of £95,000 or more would only be proposed if it complied with any Government regulations in place at that time and would need approval by full Council, with a detailed breakdown of the components of the package (for example pay in lieu of notice, redundancy, pension, outstanding holiday) provided to Councillors.

The Council's flexible retirement policy can allow a smoother transition between work and retirement and as a way of transferring skills and knowledge within the workforce and supporting succession planning. This applies where there is no financial or service detriment for Waverley. Requests for early retirement, for example in the interests of the efficiency of the service, are considered on a case by case basis by the Executive. If the request balances the needs of the service, tax payer and individual then it may be granted.

The Council's usual policy is not to re-employ staff who have left the Council's employment on the basis of redundancy or early retirement or for some other reason and receives compensation will not normally be re-engaged in any capacity, including as consultants or agency staff, for a period of **two years** from their leaving date. Any re-employment within the two year period will be determined by the Executive Director, in partnership with the Strategic HR Manager, on an exceptional basis and will comply with all Government regulations in place at that time.

The Council continues to invest in successful apprenticeship and Graduate trainee schemes. We also invest in the learning and development identified through the appraisal process of all our managers and staff so that we can continuously improve the quality of service to Council Tax payers and customers.

Waverley has held Investors in People accreditation since 2004 and has again been awarded the Investors in People standard following a rigorous assessment. Waverley demonstrates key features of a "High Performing Workplace" such as the development of a

high performing, highly engaged staff team, a clear appraisal system linked to structured service plans and a measurement and celebration of individual and service success.

Investors in People is a national award which recognises organisations that improve performance through the effective management and development of their people.

The Council considers that everyone should be able to understand how this Pay Policy applies in practice and therefore the salary and staff information will be updated when changes occur and at the start of each financial year following approval by full Council.

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE- 7 FEBRUARY 2017

Title:

STRATEGIC REVIEW OF WAVERLEY BOROUGH COUNCIL

[Portfolio Holder: Cllr Julia Potts]

[Wards Affected: All]

Summary and purpose:

This report summarises the findings of the Strategic Review of Waverley Borough Council that was completed in December 2016 and the Council's proposed action plan in response to it. The consultants' report and the Council's proposed action plan are provided in full as Annexes 1 and 2 to the report.

It is recommended that Members note and consider the findings and recommendations within the report provided by Cratus and, subject to any changes they wish to make, recommend the proposed action plan to the Council for approval.

How this report relates to the Council's Corporate Priorities:

The December 2016 Strategic Review considered the Council's existing strategic vision as well as its ways of working and in this respect the findings of the Strategic Review have a bearing on all of the Council's existing Corporate Priorities and will shape and influence the Council's Corporate Priorities (and underpin plans for delivering these) going forward.

Financial Implications:

A number of the proposed actions have potential financial implications. Any additional expenditure required to implement the proposals would be subject to the normal approval process.

Legal Implications:

There is scope for the Council to review and update both its Constitution and the Scheme of Delegation in order to support a number of the proposed actions within the Action Plan set out at Annexe 2. In doing so the Council must ensure that its democratic processes remain robust, transparent and ensures probity of governance at all times. The Council's Legal Services team has already advised Officers and Members that the Scheme of Delegation can be modernised in order to make it more flexible, and that advice remains the same in the light of the subsequent recommendations within the Strategic Review.

1. Introduction

- 1.1 The way that local government is funded is changing and the Council recognises that it cannot continue to operate in the same way if services are to be protected.
- 1.2 The implications of reduced funding, coupled with the need to deliver high quality services, require the Council to think differently about how service delivery is sustained and supported so that it meets the needs of our communities. It is also essential that the Council continues to remain positive and ambitious so it is able to plan for the future.
- 1.3 The Executive therefore agreed in November 2016 to fund a Strategic Review of Waverley Borough Council and, following a procurement exercise, Cratus Communications were appointed to undertake the review. The review commenced on 21 November 2016 and concluded on 15 December 2016. The work was neither an inspection nor a peer review of a council in difficulties but was rather a strategic review intended to be a catalyst for Waverley to develop a more ambitious strategic vision and improved ways of working. These two areas of focus – ‘strategic vision’ and ‘how the council works’ – underpinned the structure and methodology of the consultants’ review, its findings and its recommendations for a way forward.

2. Background

Current Strategic Vision

- 2.1 Waverley Borough Council’s current vision statement was agreed by Full Council when the new Corporate Plan 2016-2019 was agreed in February 2016. It is to ‘make Waverley a better place to live and Work’. The plan agreed at that time included four corporate priorities: ‘Customer service’; ‘Community wellbeing’; ‘Environment’ and ‘Value for money’. There was no formally agreed vision statement in the Council’s previous corporate plan.

How the Council currently works

- 2.2 There are numerous factors that have shaped and defined how Waverley currently works as an organisation. However, in respect of the structure, culture and arrangements relating to the Council’s senior management team, the principal driver is the outcome of the 2013 senior management review.
- 2.3 In December 2013, Full Council agreed, in order to reduce its support costs, to make a number of changes to the staffing structures in respect of the Council’s senior management team. The post of Chief Executive was deleted and the post of Deputy Chief Executive was redesignated as Executive Director (who would also fulfil the statutory function of Head of Paid Service). It was agreed that the civic duties previously undertaken by the Chief Executive would be undertaken by the Mayor, other Council members and other officers as appropriate.

- 2.4 The 2013 review aimed to respond to the need to make budget savings but also to respond to the wish articulated by elected members at that time to refocus management responsibility to a greater degree on operational service delivery, performance and customer service and to a lesser degree on strategy, partnership working and non-statutory activity. A number of other changes were agreed in line with this, including the redesignation of the 'Strategic Director' as the 'Director of Operations' and the removal of two heads of service (with their functions being absorbed by the remaining structure).

Reshaping strategy and operations to respond to changing member expectations

- 2.5 In terms of both strategic vision and how the council works, senior officers have a responsibility to provide their professional advice to members but also to respond to the steer provided by Waverley's councillors as the elected representatives of Waverley's communities and in particular the Leader and Executive. The Executive Director has, accordingly, shaped and managed the Council's existing strategic vision and organisational arrangements in line with the steer previously provided by members.
- 2.6 However, the findings and recommendations within the Strategic Review coupled with clear requests by the Council Leader and Executive for a change of approach, both strategically and operationally, mark a clear change in member expectations and political leadership. That change must be matched by an equally clear change in how the Council is led and managed by its senior management team. The aim of this report is to welcome that imperative and set out the Executive Director's plans for responding to it.

3. Summary of consultants' findings

- 3.1 The consultants' findings are set out in full in their report (annexe 1) at paragraphs 9 to 13 (strategic vision) and at paragraphs 20 to 30 (how the council works). In summary, they found that:

3.2 Strategic Vision

- i. There are insufficient linkages between the Corporate Plan, Economic Strategy and Medium Term Financial Strategy.
- ii. The existing Corporate Plan is too narrowly defined and lacks specific targets and actions.
- iii. The Economic Strategy is non-specific and sets no framework for how the Council will support existing businesses, promote future economic activity or support the viability of its town centres and high streets.
- iv. The Council has good financial standing and has been prudently managed.
- v. Many members and staff acknowledged the need for a more strategic vision and high expectations that the new Council leadership will set a new and ambitious agenda.

3.3 How the Council Works

- i. Members and officers share a pride in and loyalty towards Waverley and a determination to provide good services to residents.
- ii. There is both talent and capability amongst Members, senior managers and within the wider workforce.
- iii. Attitudes and working relationships between members and officers are not always as they should be.
- iv. Managerial Leadership is not sufficiently visible to the workforce.
- v. Services tend to work in their individual silos and the Council does not have a strong corporate ethos.
- vi. Recruitment is located in finance, strategic HR reports to the Executive Director and staff development sit with the Head of Policy and Governance. As a consequence no one takes ownership of the need for an alternative approach to recruitment and retention.
- vii. Formal decision-making processes to member level bodies seem to be slow, cumbersome and require an unnecessary number of reports for further decisions on minor matters of implementation.
- viii. Decision-making within the officer structure is protracted and it appears that levels of delegation are not sufficient.
- ix. Insufficient delegation and a focus on operational matters prevents Corporate Management Team from having capacity for strategic matters and the pace of change and scope for innovation are stifled.
- x. The Council's working environment seems old fashioned and not all of the Council's business processes are modernised
- xi. Several Members cited Planning Services and HR as the services they were most concerned about.
- xii. There is a lack of appropriate support for Members to undertake their role including the absence of any dedicated administrative support and a lack of separate and private meeting spaces for the majority group and opposition group.

4. **Summary of consultants' suggested way forward**

4.1 The consultants' recommendations in terms of the way forward are set out in full in their report (Annexe 1) at paragraphs 14 to 19 (strategic vision) and at paragraphs 31 to 41 (how the council works). In summary, they suggested that:

4.2 Strategic Vision

- i. The Executive needs to articulate a strategic vision and priorities for the Council which, whilst including the existing priorities of customer service, community wellbeing, environment and value for money, also incorporates the development of the Council's place-shaping role.
- ii. Develop a new Economic Development Plan and master plans for some or all of Waverley's town centres.
- iii. The new Medium Term Financial Strategy needs to move away from an annualised budget process, needs to incorporate a crosscutting efficiency programme and modernisation of council business processes and needs a focus on growing the income base.

- iv. Waverley needs to broaden its approach to partnership working and establish a wide range of alliances.
- v. Consider its future viability as an organisation and consider, in the context of national and regional moves towards devolution, whether and how to partner with others so that it takes control of its own destiny as far as it can.

4.3 How the Council works

- i. Improve working relationships and attitudes between Members and officers and establish clarity on the political direction the Council wishes to set. For example through: Portfolio Holder / Director workshops; visible leadership of the Leader and Executive Director; improved support to Overview and Scrutiny (implementing the proposals already agreed); and improved arrangements for responses to ward members' casework.
- ii. Ongoing use of existing Portfolio Holder / Director briefing meetings to co-develop policy, monitor progress and ease the path of decision-making reports.
- iii. Scheme of delegation to be reviewed to improve speed of decision-making, particularly on implementation matters where the substantive matter has already been approved and has the necessary budget provision.
- iv. Review the delegation arrangements to senior managers to free up time for strategic matters and speed up the pace of operational decisions by placing them at the right level.
- v. All external partnership forums should be identified and appropriate attendance agreed.
- vi. Greater explicit use of cross cutting themes and working building on what is already in place via the Foresight Groups.
- vii. Approaches to customer care and service should be reviewed to improve attitudes towards residents, responsiveness to complaints, access arrangements by phone and in person and use of the web-site for service delivery.
- viii. Identify and establish a robust efficiency savings programme to support the new Medium Term Financial Strategy and to streamline business systems and ways of working.
- ix. Improve facilities and support for elected members.
- x. Access national support networks (for example the LGA) to ensure the Council's approach is informed by best practice.
- xi. Ensure the Council is fit for purpose in terms of structure, change management, project management, negotiation and partnership skills.
- xii. Give consideration to bringing the different aspects of the HR Service together and putting in place an improvement plan.
- xiii. Give consideration to drawing up an improvement plan for Planning so that the need for support to the service and explicit attention to the key concerns can be progressed.

5. **Conclusion and proposed action plan**

- 5.1 The Executive Director and the senior management welcome the catalyst and mandate this review provides to look afresh at the strategic direction and

modus operandi of Waverley Borough Council and to drive forward change and improvement in respect of both.

- 5.2 Each of the findings and recommendations within the consultants' report has been carefully examined and consideration has been given to what action Waverley Borough Council should take as a result. Whilst there is no requirement to take on board every finding put forward or to undertake every action recommended by the consultants, having voluntarily commissioned the Strategic Review to identify opportunities and to be a catalyst for change and improvement, the Executive Director's starting point has been to do exactly that.
- 5.3 Accordingly, Annexe 2 sets out, in detail, Waverley's proposed action plan in response to the Strategic Review report. A three phase approach is recommended. Where it is possible for changes to be made in the very short term / with immediate effect, this will be done straight away. Actions requiring more time will be completed by the end of April. Actions requiring a more fundamental review of structures and budgets will commence in May when early attention will be given to the proposed budget for 2018/19.
- 5.4 Four key priorities for improvement

The table below provides an Executive summary of the proposed action plan. Actions 1, 2, 6 and 7, highlighted in bold below, have been identified by the Leader and Executive Director as being of the highest priority for change and improvement. These relate to:

- **Strategic focus from Directors;**
- **The Council's Strategic ambitions;**
- **Supporting and improving the Council's Planning Service; and**
- **Supporting and improving the Council's HR functions.**

Summary of Waverley's proposed action plan

Strategic Vision

- 1) Directors to lead a programme of cultural change and improvement within the organisation, to refocus their own efforts primarily on strategic rather than operational matters and to delegate more to facilitate this new approach.**
- 2) Refresh the Council's Strategic ambitions and its Corporate Plan, focusing to a greater degree on place-shaping; economic development and income generation.**
- 3) Develop a new Medium Term Financial Strategy, Economic Strategy, and series of Town Centre Master Plans.
- 4) Strengthening and growing the council's partnerships with others for the benefit of Waverley's residents.

- 5) Consider, define and articulate Waverley's strategic position and intent in respect of any future local government reorganisations.

How the Council Works

- 6) **Undertake a fundamental and comprehensive review of Waverley's HR functions to ensure there is clear ownership and accountability for HR matters and that measurable results are delivered. Review and reshape the council's HR staffing structures and processes to ensure they are proportionate, rational and ready to meet the organisation's present and future needs strategic and operational needs.**
- 7) **Undertake a fundamental and comprehensive review of Waverley's Planning Service to ensure it is fit for the future and responsive to changing strategic challenges and increasing customer needs and expectations. Develop a support and improvement plan to ensure the service takes a holistic approach, actively shapes Waverley as a place, is resilient and able to cope with unprecedented levels of demand, is able to deal with major site allocations and delivers measurable results for the borough.**
- 8) Provide more support for member casework and better accommodation and facilities for both majority and opposition members.
- 9) Provide robust support for overview and scrutiny by seeing through all of the recommendations from the scrutiny review.
- 10) Update formal delegation arrangements by reviewing and streamlining the Council's constitution and scheme of delegation.
- 11) Update informal delegation arrangements by increasing the strategic capacity of Directors and ensuring they delegate more to Heads of Service and others.
- 12) Take forward plans for improving customer service.
- 13) Ensure both Members and Officers tap into national and local professional networks and learning and development opportunities to keep their knowledge, networks, skills and experience up to date.
- 14) Do more to celebrate successes at Waverley.

- 5.4 The proposed action plan clearly goes to the heart of the Council's strategy and operations and will shape its budget and policy framework. For this reason, it is proposed that it be considered and adopted by Full Council. If the

Executive agree recommendation 2 below, the plan will be considered at the February Council meeting.

Recommendation

It is recommended that the Executive:

1. note and consider the findings and recommended way forward within the Strategic Review report, attached as Annexe 1; and
2. subject to any changes or amendments made by the Executive, recommend the proposed action plan attached as Annexe 2 to the Council for approval.

Background Papers

- Agenda papers relating to the 2013 Senior Management Restructure (see Full Council agenda, 10 December 2013
<https://modgov.waverley.gov.uk/CeListDocuments.aspx?Committeeld=130&MeetingId=1311&DF=10%2f12%2f2013&Ver=2>)
- Report to the 1 November 2016 Executive – ‘Strategic Review 2016/17’
<https://modgov.waverley.gov.uk/ieListDocuments.aspx?CId=132&MIId=1834&Ver=4>
- Waverley Corporate Plan 2016-19
http://www.waverley.gov.uk/info/200009/performance/524/waverleys_corporate_plan_2012_to_2015
- Waverley Medium term Financial Strategy 2016
http://www.waverley.gov.uk/downloads/file/5036/medium_term_financial_strategy_february_2016
- Waverley Economic Strategy 2015-2020
http://www.waverley.gov.uk/downloads/file/2240/economic_development_strategy_2007-2012

CONTACT OFFICER:

Name: Paul Wenham

Telephone: 01483 523238

E-mail: paul.wenham@waverley.gov.uk



December 2016

Strategic Review of Waverley Borough Council

Prepared by Cratus Communications

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The Review Methodology

1. Cratus Communications was appointed by Waverley Borough Council to undertake a strategic review of the Council, its effectiveness and culture, to act as a catalyst for improving the Council's strategic vision and functioning. The Council specifically asked the review to:
 - Identify and articulate the strategic opportunities, which the Council may wish to pursue.
 - Analyse the challenges and issues for Waverley Borough Council in achieving these opportunities including organisational, partnership, resources, skills and culture.
 - Produce a statement setting out the Council's strategic ambition and key priorities for discussion by the Executive and Directors.
2. The Council wished the work to be concluded and reported back to them by mid December 2016, consequently a programme was determined which worked to this deadline and comprised the following activity:
 - Review of key council documents and performance information
 - Meetings with the Leader and all members of the Executive
 - Meeting with the Leader of the Opposition
 - Meeting with a group of backbenchers including those involved in Scrutiny
 - Meeting with the Executive Director, Directors and all Heads of Service
 - Meeting with a group of staff including a staff-side representative
 - Tour of the Borough
 - Evidence received from 8 councillors who submitted email comments
 - Telephone conversation with the Chief Executive of Surrey County Council to obtain an external partner perspective.

In addition, expert opinion and analysis of the Council's financial position was undertaken and is reported back at Appendix A to this report.

3. It is important to note that this was not an inspection nor a peer review, nor a review in the context of a council in difficulties. This was rather a strategic review to act as a catalyst for the council to develop a more ambitious agenda for its place and to explore the role of the council in keeping Waverley successful and prosperous. The methodology therefore drew on the experience and expertise of the Cratus team to provide insight and stimulus for the dialogue the Council wishes to initiate.
4. Initial verbal feedback was given individually to both the Leader and Executive Director at the end of Phase 1: Fieldwork. A workshop will be held for the Executive and Directors at which our findings will be presented and we will begin a dialogue whereby the Council Leadership can start to determine the actions it wishes to pursue. This report sets out in greater detail the findings of the review and a menu of actions and opportunities for Waverley Borough Council to consider.
5. During Phase 1 various detailed and specific issues were raised with the Cratus team. In the time available it was not possible to undertake deep dive analysis and respond fully to these specifics, but the wider lessons have been taken into account.

6. This review was an intensive piece of work undertaken to a tight schedule and the Cratus team are very grateful for the assistance provided by all elected members and Council staff. The team was impressed by the willingness of participants to contribute to the review and by the frank and thoughtful nature of their comments. Special thanks to Dee Garnett who coped admirably with the not inconsiderable diary and logistical requirements and to Louise Norie for the extensive sourcing of key documentation for the review.
7. The Cratus team comprised the following roles and individuals:

Team on site:

Mary Ney

Project Lead. Commissioner Rotherham MBC and former Chief Executive of the Royal Borough of Greenwich

Katharine Marriott

Executive Director Strategic, Cratus

Off-site support:

Lauren Bennie

Director, Cratus

Chris Perry

Financial expert, former Section 151 officer with 33 years' experience

Cratus' unique capability is to offer experience from local government politicians as part of their approach, this was provided by Sir Merrick Cockell and Chris Roberts, Chairman and Deputy Chairman of Cratus and both long serving Council Leaders. In addition to their advice to the project team, Sir Merrick Cockell participated in a telephone discussion with the Leader.

Waverley

8. Waverley is situated in south west Surrey and is predominantly rural with much land designated as green belt or as areas of outstanding natural beauty and with four distinct town centres in Godalming, Farnham, Haslemere and Cranleigh. The borough population is around 121,000 and is overall relatively affluent with low levels of deprivation and unemployment. The Council provides the usual range of services at district level including management of housing stock of some 4580 units as well as some services for vulnerable people. The Council employs around 450 staff and has a gross revenue budget spend of £14.3 million. Council tax has been frozen for 9 years.

The political composition of the Council is:



There is one vacancy at present. The Council operates a leader and executive style of governance. A new Council Leader was appointed in May 2016 together with an executive of 9 members with a mix of experienced and new members. All out elections will next be held in the Borough in May 2019.

Strategic Vision

Findings

9. The Council has a Corporate Plan 2016-2019, an Economic Strategy 2015-2020 and a Medium Term Financial Strategy (MTFS) 2016/17 – 2019/20 and is progressing the approval of its Local Plan. There are service plans and other strategy and policy statements for various areas of activity, however those are the three key documents in setting the strategic vision for the Council. There is insufficient linkage between these strategies and a widely held view amongst members and officers that they require revision. The changing funding climate for local councils makes it imperative that the MTFS has regard for the impact on business rate income arising from the economic prospects of the borough; the impact on council tax collection and new homes bonus from new housing and the ability of the Council to intervene to achieve increased income streams, as well as direct sources of commercial income to support its revenue spending on services.
10. The Corporate Plan sets out the Council's values and priorities but is too narrowly defined and lacks specific targets and actions. It reflects the historical focus of the Council on good delivery of basic, statutory services. Vital though this is, there is an equally important need to set out the Council's ambitions in terms of its place-shaping role. Overall, this failure to do so leads to an organisation with low ambition, a lack of targets, unclear priorities and a lack of organisational pace and stretch.
11. Similarly, the Economic Strategy is non-specific and sets no framework for how the Council will support existing businesses, promote future economic activity or support the viability of its town centres and high streets. Whilst the Council has pursued various projects these tend to be parochial and not purposefully set within any strategic context. An example of this is the capital project to provide improved facilities at Frensham Ponds. This is narrowly viewed as an important project but not seen as part of any visitor economy strategy with the wider purpose of increasing benefits for the local economy and traders.
12. The Council has good financial standing and has been prudently managed. A full report on the Council's financial position and strategy is attached at Appendix A. This analysis identifies the strengths of the MTFS but also sets out the need to improve on the current strategy, linking it to the corporate plan and the wider strategic ambitions for the borough; including a more expansive efficiency programme; focusing on generating income and making provision for investment including the scope and role for borrowing.
13. This review did find that many members and staff acknowledged the need for a more strategic vision and high expectations that the new Council leadership will set a new and ambitious agenda. We found there is both talent and capability amongst members and officers to deliver on this. In addition to its sound financial standing, the Council can show a track record in taking forward projects which required particular learning and skills, such as investment in leisure and community facilities as well as house building, and which all demonstrate certain skills and achievements in project management; the mixed use development in Farnham which shows the Council's 'pulling power' in terms of inward investment and the Troubled Families Project which provides an example of partnership working. This will be crucial in the future direction of the Council and its ability to achieve more ambitious goals.

Strategic Vision

Way Forward

14. The Executive needs to articulate a strategic vision and priorities for the Council which, whilst including the existing priorities of customer service, community wellbeing, environment and value for money, also incorporates the development of the Council's place-shaping role. Waverley is blessed with outstanding natural assets and affluence valued by all. The new strategy needs to have as its cornerstone the Council's commitment to its duty to provide good stewardship of Waverley, to value and secure those assets and to balance that with the need to promote the economy. No doubt the Council may encounter some opposition to its proposals. To prevent this being overwhelming it will be important to explain to residents the link between economic growth and the sustainability of the Council's finances and basic service delivery, as well as the viability of the Council as a democratic entity. Residents express great allegiance to the four individual towns which make up Waverley and the Council could articulate its vision based on its priorities for each town centre - to ensure they maintain vibrancy and viability for retail traders at a time when high street businesses generally are experiencing decline, which Waverley will not be immune from.
15. Having progressed the Local Plan, the Council might wish to consider the need to develop in tandem a new Economic Development Plan and master plans for some or all of its town centres. The master planning process will ensure there is wide engagement with and consultation of all stakeholders about the future of their towns and an opportunity for this dialogue to take place without the pressure of specific planning applications. It should also assist developers in understanding local aspirations for the area and the need to bring forward proposals which are sympathetic to those concerns. More broadly it will allow purposeful and more creative dialogue with residents, parishes and town councils across the borough.
16. Such a process could also help to inform the new Economic Development Plan, particularly regarding how best to ensure the vibrancy of town centres, the role they may play in the visitor economy and how best to support small businesses and traders. The Plan will need to discuss the potential for business and jobs growth, identify target business sectors, skills required, the demand for commercial space and what impact there may be on housing need.
17. An ambitious vision needs to be underpinned by a sound MTFS so that the Council has the ability to intervene and invest alongside provision of good basic services. The issues needing to be addressed in developing the new MTFS are set out in greater detail in the analysis at Appendix A and so are not repeated here. In summary though the new MTFS needs to move away from an annualised budget process, needs to incorporate a cross-cutting efficiency programme and modernisation of council business processes and needs a focus on growing the income base, including income generation and targeted investment proposals which are in synergy with the new Economic Development Plan.
18. In developing these plans and building its ambitions the Council needs to broaden its approach to partnership working and establish a wide range of alliances with the chambers of commerce, local businesses and traders, the University of the Creative Arts, potential investors, RSLs as well as other districts and the County Council. Such collaboration will not only assist the Council in developing ideas and opportunities but will expand the community of interest, understanding and support of the Council's approach. For instance, the University will be producing graduates in various aspects of the creative arts who will be looking to develop start-ups, small businesses and pop-ups. Such activity can contribute to jobs growth, vitality and diversity of the local cultural offer making a dynamic contribution which the Council may be able to capture for the advantage of Waverley. Similarly, engagement with other parts of the public sector will ensure the Council is better understood and will mean opportunities for joint working, shared budgets and services can be more easily pursued.
19. Finally, in developing its strategic direction the Council does need to discuss its approach to the future viability of the Council and whether and how to partner with others so that it takes control of its own destiny as far as it can.

How the Council Works

Findings

20. The review found both members and officers shared a pride in and loyalty towards Waverley and a determination to provide good services to residents. There is both talent and capability amongst both members and senior officers as well as within the wider workforce. There is a general recognition of the wish of the Executive to set an ambitious vision and that the changes needing to be implemented so as to deliver a more ambitious vision will be challenging and will require adjustments to the way the Council works and to the skills and capabilities it needs to deploy.
21. Whilst the Council does have the capacity to deliver on ambitious goals, the review found a number of aspects in the way the Council works which would need to change if the Council is to have the cultural ethos, visible leadership and pace of decision-making needed.
22. The review found that attitudes and working relationships between members and officers was not always as it should be. Executive members and Heads of Service work together well on their individual portfolios, but there is insufficient dialogue and joint development of policy between the member and officer leadership teams. Some officer attitudes to members showed insufficient empathy for their role as democratically elected representatives. This results in feelings of mistrust on both side, some confrontational experiences and a feeling that officers are inappropriately blocking implementation of member decisions. Examples the review heard include the way in which ward casework is progressed, this is sometimes protracted and members are not always up-to-date on progress. The failure as yet to appoint to the new scrutiny support post, which was agreed by the Executive in July 2016 and with no interim solution in place, is perceived, rightly or wrongly, as officers blocking member decisions.
23. Managerial Leadership is not sufficiently visible to the workforce and there are few opportunities for member leadership to directly address managers and employees to explain their priorities and thinking.
24. Although there are a number of council-wide officer groupings and forums, in the main, services tend to work in their individual silos and the Council does not have a strong corporate ethos. This can lead to a lack of ownership of issues. For instance, the review heard a number of examples of difficulties in recruitment with posts being advertised 3, 4 or even 5 times without success. The Council is slow to recognise the need to pause and look for alternative solutions. Recruitment is located in finance, strategic HR reports to the Executive Director and staff development sit with the Head of Policy. As a consequence no one takes ownership of the need for an alternative approach to recruitment and retention.
25. Formal decision-making processes to member level bodies seem to be slow, cumbersome and require an unnecessary number of reports for further decisions on minor matters of implementation. For example, the report of the review into scrutiny which was finalised earlier in 2016, was reported to the Executive Board in June 2016, a further report back was required from officers to consider the requirement for a dedicated officer to support scrutiny. This was reported back and agreed in July 2016 and the process to prepare a job description, grade the post and move to recruitment then commenced. At the time of the review no appointment had been made and no interim arrangements were in place. It should have been possible for officers to write a covering report to the Executive for the June 2016 meeting and have the work required to establish the post in hand thus saving the need for further reports. An interim option should have been found so that the outcome of the review could be progressed. The length of the process resulted in members' proposals being delayed leading to a feeling amongst members that officers are deliberately thwarting executive decisions.

26. Decision-making within the officer structure is also protracted and it appears that levels of delegation are not sufficient. The review was told that permission to recruit to a vacant post needed to be agreed by the Corporate Management Team (CMT) and needed the submission of a report two weeks before the meeting. In addition, all reports which are to be submitted to the Executive are considered first by the CMT after going through both Legal and HR. If the CMT has issues to raise and defers the report it seems that on occasion no explanation is given to the relevant Executive Member which leads to suspicion of the motives of CMT and a questioning of their role.
27. As a consequence of these requirements and insufficient delegation to managers, CMT does not have capacity for strategic matters and the pace of change and scope for innovation are stifled. The unusual phrase 'keeping Waverley safe' was often used but it should be possible to provide good standards of governance on decisions at member and officer level without such excessive controls.
28. The Council's working environment seems old fashioned and not all of the Council's business processes are modernised. For example, a review of the customer services arrangements commenced a year ago as a cross cutting project involving staff from across the Council. The initial scoping of suggestions was supported by the Executive member but senior managers had concerns about the proposals for a contact centre. Although the matter had since been considered by the Executive Briefing and Scrutiny, there seemed some confusion over whether the Council was taking the review of its customer services forward.
29. Several members cited Planning Services and HR as the services they were most concerned about. Whilst members acknowledged that Planning Services staff were working hard there were concerns about workload pressures, recent losses of experienced staff, the quality and accuracy of reports, the quality of pre-planning advice, the need to ensure applicants understand the Council's design standards, keeping members briefed on ward matters, the need to consider external expert advice, including legal advice. The concerns for the functioning of HR matters have been referred to above.
30. Although not raised by members, the review identified a lack of appropriate support for members to undertake their role including the absence of any dedicated administrative support and a lack of separate and private meeting spaces for the majority group and opposition group. It was felt that the absence of support to members to pursue case work, including no target times for reply and the need for members to chase up replies themselves, could be a contributory factor in some of the tensions between members and officers.

How the Council Works

Way Forward

31. It is important to address the cultural issues to improve working relationships and attitudes between members and officers and to establish clarity on the political direction the Council wishes to set. It is suggested that this could be tackled in a number of ways, such as:
- The Executive and CMT working together to articulate the new strategic vision and priorities, using away days, workshops and external facilitation
 - Ongoing use of the Executive Briefing as a forum for co-development of policy, monitoring of progress and unblocking of barriers upstream of decision making reports
 - Visible leadership of the Leader and Executive Director to the workforce and other stakeholders e.g. through occasional joint attendance at manager forums, undertaking staff roadshows, celebrating success and staff induction sessions
 - Improved support to Overview and Scrutiny implementing the proposals already agreed and by ensuring senior officer attendance, as required, at scrutiny meetings
 - Improved arrangements for responses to ward members' casework including administrative support to progress, chase, set target response times and sample monitoring quality of responses
 - Critical Incident Reporting Protocol put in place to ensure all staff are aware of issues which require the Leader or Cabinet Member to be notified to support a 'no surprises' ethos
 - Identifying the need for mentoring or coaching for officers and members
32. The Leader's Scheme of Delegation should be reviewed to improve speed of decision-making particularly on implementation matters where the substantive matter has already been approved and has the necessary budget provision. Delegation could be to officers in consultation with their Executive Member or directly to Executive Members. If the Council decides to pursue the latter it will be necessary to set up normal good governance arrangements for dealing with such matters including notice of decisions, officer reports, making of representations and call-in.
33. CMT should review the delegation arrangements to senior managers to free up time for strategic matters and speed up the pace of operational decisions by placing them at the right level. This needs to include budget holding responsibility, staff establishment management and recruitment decisions.
34. All external partnership forums should be identified and appropriate attendance agreed. Arrangements for accountability should be put in place to ensure transparency and clarity of political leadership and direction, and the opportunities to be pursued.
35. Greater explicit use of cross cutting themes and working building on what is already in place via the Foresight Groups. This will assist in breaking down silos and encourage the promotion of a corporate ethos. Employing regular staff communications from the Executive Director will ensure widespread understanding of the new strategic vision and its implementation.
36. Approaches to customer care and service should be reviewed to improve attitudes towards residents, responsiveness to complaints, access arrangements by phone and in person and use of the web-site for service delivery. It is expected that the outcome could result in improved service and produce efficiency savings.

37. The CMT should identify and establish a robust efficiency savings programme to support the new MTFS and to streamline business systems and ways of working. The scope to work in partnership with other neighbouring councils or provide a modern working environment should be explored. This may be particularly applicable for services which are under pressure, where the Council finds difficulty in recruiting and retaining staff or where others are known to provide best practice services.
38. The facilities to support members require some improvement. For instance, the Leader should have an office which provides some confidentiality and a dedicated PA who could possibly also support executive members. The Opposition Group should have a separate members room from the Conservative Group room.
39. The Council, officers and members should ensure that all opportunities are pursued to learn about best practice and service developments from others, for instance via the Local Government Association's programme for members and seminars, as well as directly from other councils and networks.
40. If Waverley Borough Council decides to embark on a new strategic vision and the modernisation of its service delivery, it must ensure that the Council is fit for purpose in terms of structure, change management, project management, negotiation and partnership skills. The CMT should ensure that skills and capacity gaps are identified so that agreed change can progress at pace. Services which appear to be struggling most i.e. Planning and staff recruitment and retention, will need particular attention to identify the best way to support improvement. This may need to include consideration of some structural amendments e.g.
- Bringing the deferent aspects of the HR Service together and putting in place an improvement plan
 - Drawing up an improvement plan for Planning so that the need for support to the service and explicit attention to the key concerns can be progressed.
41. The need to build capacity, skills and focus effort may warrant a collective realignment of those key services to delivering the new agenda e.g. Planning, Economic Development, Major Projects and Strategic Housing.

Summary

42. This review has identified the scope for Waverley Borough Council to develop its strategic vision to expand the Council's role as place-maker. A range of political choices could be made which could be carried forward via a new Corporate Plan, Economic Development Plan and Medium Term Financial Strategy. The Council has stewardship of some outstanding natural assets and it can build into its strategies the security, protection and promotion of those assets. It has a sound financial base on which to build and talent and enthusiasm amongst both officers and members. The extent to which the Council, both officers and members, will need to change its culture and working arrangements should not be underestimated. However, it is achievable with appropriate support, learning and sharing with others, including other councils with a similar experience and agenda. This report serves to provide a beneficial insight and stimulus and can act as a catalyst to assist Waverley Borough Council on this journey.

Appendix A - Confidential Review: Financial Position & Strategy

Methodology

1. Desktop review of key documents
2. Feedback from observations and evidence gathered by Cratus Project Team
3. Review based on 3-pronged focus- quantitative, management, strategic.

The comments below are for use by the Project Team, to be incorporated or further tested and explored as appropriate. They are based upon the evidence available and have been framed on the basis that these are lines of enquiry.

Overall Observation

Waverley can take some comfort in that, although it faces financial challenges, those it faces are similar to many other Local Authorities, particularly District Councils. Nothing emerges from the Financial Accounts, nor from the Budget Strategy and Council Tax setting reports that indicate the Council is in a fundamentally risky financial position compared to other Local Authorities. The Balance Sheet is sound, and the revenue performance against budget, and issues such as pensions liabilities, levels of cash, and debt levels to assets all indicate that generally it is prudently managed. Notwithstanding this it is clear however that the on-going financial strategy requires more specific measures to address the withdrawal of grant, and the need to reach a broadly self-sustaining position by 2020. Although recognised, these measures are not explicitly addressed beyond broad intentions. This is understandable given the uncertain financial prospects, however there is a need for a more developed set of targeted, strategically led, accountable proposals for the MTFS.

The setting of 2016/17 Council Tax with the first increase in 10 years (1.95%) indicates there is a recognition of the need to re-position the previous strategy to achieve financial sustainability. The future projections of budget gap should specifically include assumed future Council Tax projections to demonstrate this. The strategy now needs to be developed into a concerted growth-oriented approach, fully exploring the impact of potential re-generation and commercially informed proposals. These must sit alongside the usual financial "good house-keeping" but this should not diminish capacity for growth.

The capital financing position is prudent, but a further exploration of options is required, particularly in regards to funding non-HRA investments. It would appear that borrowing for General Fund initiatives is not currently used as a financing option (it is believed the Treasury Management Strategy has a £5m borrowing limit for General Fund). Borrowing should not be seen as an initial limiting factor. Projects should be developed, and then subsequent financing options, including borrowing, could be explored and structured.

The balance and incidence of expenditure and income is not significantly skewed compared to expectations and broad comparators. "Best in Class" bench-marking is unlikely to unlock sufficient efficiencies to justify the organisational effort involved. However some assurance is needed that service expenditure levels are led by strategic imperatives rather than operational inertia. Therefore some challenge and healthy tension should be practiced, and it is expected that this approach is already embedded within the established Star Chamber process, or if not it needs to be introduced.

Although universal “dumb targets” should be avoided, some degree of quantifiable driver should be considered, linking priorities to resource shifts. The objective being a strategy-led budget and MTFs linking to a more focused Corporate Plan. Creating “headroom” in the current financial climate is very difficult, but not impossible given that the budget will need to be balanced in the longer term in any case; therefore consideration should be given to timing the phasing of efficiencies, and reflect this in the MTFs together with a longer term financial prospects element, which will provide a longer term more strategic backdrop for the Corporate Plan (and the Local Plan), and will also serve to show the impact of growth and development initiatives in supporting future sustainability.

Specific Lines of Enquiry to Pursue

- The overall budget shortfall, although substantial is not insurmountable through a combination of strong budgetary discipline, and a focused approach on sustainable growth.
- It is noted that the Local Plan is currently under consultation. The financial strategy should be flexed to demonstrate the relative effect of growth proposals and projections on both business rates and tax-base. The balance between a shrinking base budget and the need for local self-sustainability needs to be presented. This is necessarily complex, growth invariably brings demand as well as additional revenue. In addition there is the uncertainty of government funding intentions into the medium term. This is recognised to some extent in the adjustment for growth in the tax-base, however a more explicit presentation of this effect can help understanding of the positive effect of growth. The necessary stimuli the Council can apply need to be considered. Without this there is a danger of a shrinkage to a core set of sustainable services, significantly reducing the Council’s capacity to serve as a place shaper and community leader.
- The level of balances appear healthy, providing some options. The General Fund balances, together with the Revenue Reserve Fund provide assurance together with some flexibility to address unplanned budget stress. In addition the new Asset Development Reserve is an immediately recognisable source of funding (£2m), overseen by the Investment Advisory Board. It is anticipated that this will increase through New Homes Bonus.
- Setting up an Investment Fund is a very positive step, however setting up a fund does not necessarily trigger its use. Therefore from both a management and strategic perspective, stimulating the demand and ideas for the fund will be critical. The governance around the fund appears robust, however for it to succeed investment ideas will need to be identified, and driven through proactive management, particularly in regards to income generation and stimulating economic growth. Investment ideas will need to be based upon strong business cases, and this is well understood by the Council. However the financing options for each case will also need to be considered, not necessarily just a call on the Asset Development Reserve, but using other options such as borrowing (such as MRP reflecting an investment class of asset rather than an operational one).
- It is clear that the Council is prudently managed. This is reflected in the approach to prudential borrowing, and the prioritisation of the use of cash reserves and balances to support investment. The documents reviewed recognise that prudential borrowing is an option, the position on this will need to be dynamically re-visited, particularly if proposals materialise which exceed current cash based affordability, but would prove viable in the longer term. This is recognised in the documents reviewed, however the underlying approach and appetite for borrowing to support investment needs to be fully tested and discussed to establish a strategic preference.
- The use of a Star Chamber process is recognised, and this is generally good practice. However, as an observation, it appears that its net effect upon the budget gap was minimal. Largely this appears to be due to be growth pressures (Planning). It is understandable that reviews have effectively funded growth pressures from efficiencies. However it is considered that a more challenging stance should be adopted, with a higher level of net efficiencies being generated through this process.

- A key action identified in the MTFS is to maximise investing to save opportunities and make savings. This needs to be developed more, into a specific delivery programme with sufficient detail to drive proactive delivery and accountability. Joining the dots from this overall aim into specific management activity would help develop organisational focus and expectations. It is fruitless to pursue a detailed MTFS beyond a medium term horizon. However the Financial Strategy should signal “Financial Prospects”. It is fully understood that the future is extremely uncertain. However there will be a range of projects, initiatives and other activities where there will be a longer term view or ambitions. For example capital projects, assets, and assumptions about service continuity and demographics, will have validity beyond a 4 year horizon. Therefore, these assumptions should be played in and potentially reflected into the Corporate Plan and Local Plan, helping to inform and develop longer term growth and investment decisions.
- The balance between General Fund and HRA activity is not unexpected, however the Council needs to ensure that it recognises a substantial element of its service & finances relates to Housing. Although there are obvious issues around ring-fencing and the requirement for financial separation, it is clear that the HRA has a significant impact on the Council’s balance sheet, in regards to both its asset holding and its debt. Not unexpectedly it is not possible to specifically comment on how creatively HRA/GF synergy has been explored, as the financial documents reviewed understandably comply with regulation. However it may be worth self-challenge to see if more options can be identified. This can be cross-referenced to the action in the MTFS to undertake a fundamental review of HRA budgets and asset strategies.
- The MTFS incorporates a procurement review. A danger is that the identification of “contracted” goods and services leads to a view that there is a smaller controllable base budget, with corresponding pressure on in-house costs rather than those of contractors. Also, a focus on minor spend items is likely to yield limited efficiencies. Therefore a robust stance on negotiations against existing contracts is advocated. It is understood that these may be currently committed, however this can sometimes help stimulate re-negotiation. In particular the use of apprenticeships, mutual training, secondments and joint initiatives are increasingly emerging as negotiated “added-value” from procurement exercises.
- In addition, a Procurement Review should be considered as part of a strong commercial stance to be adopted by the Council. Smart buying is a key aspect of commercial activity. However so too is smart selling, therefore a procurement review should not be done in isolation of a review of what services are/could be sold. The budget papers refer to a review of fees and charges, and these are constrained in some cases by law (it is noted the Council has responded to consultation by seeking more charging freedoms). The Council therefore recognises that income streams such as car-parking already form a key element in the budget; a continued pro-active and commercial approach to income generation needs to be supported, possibly with stimulating targets considered where appropriate.
- The version of the MTFS projections reviewed only included a “?” for pay increases. Given the uncertainty it is understood why, but this could substantially understate the gap, and Members & Officers may need to recognise the overall pressure on the bottom line, particularly from a key element of expenditure.
- Although not explicitly within the documentation reviewed, the role and relationship with County, together with other public sector services, is a factor. Many activities will inevitably have cross-organisational boundary implications. Therefore planning for the potential effect of proposals (particularly County and NHS) is critical. The MTFS does not explicitly explore these aspects, and generally there seems to be an expectation that demand and resources are likely to create problems of shunting across public sector bodies, however this need not necessarily be the case. A range of opportunities and examples are in place across several Local Authorities for collaboration. Shared services, shared accommodation, shared management teams and procurement are examples. It is fully understood that these are well developed ideas, and likely to already be in place, however a review of the overall “collaborative” stance may be useful. Other initiatives such as joint developments, public health initiatives, skills and inward investment are areas to explore with public sector partners, and could well be supported through the property investment strategy.

- In discussions in regards to partnerships, including with other Local Authorities, the Council needs to be mindful that its balance sheet, and its balances, will be a key factor. In short, those balances need to either be secured/ applied under local control, and not lost into other organisational bodies.
- In regards to public sector positioning, the Council should express the view that it is a significant generator of public sector resources, particularly with a projected negative RSG position and rate tariffs. Although not a unique position, it may be worth emphasising that point during lobbying and consultation exercises.

Closing Comments

Waverley Borough Council has firm financial standing, and the Council clearly understands the withdrawal of grant will substantially undermine this position. The way in which it is addressed needs to balance economy with investment. Therefore a fundamental message of change around the Council's finances is required. This message need to be managed, and presented as a response based upon strengths, and not a trigger for a headlong dash into reductions. The basic messages around growth and commercial thinking are evidenced in the documents, but they need to be raised in regards to prominence, worked through into detail and targets.

The next steps should be to push for some specific initiatives, not necessarily finance-led but definitely finance supported. These initiatives will need to demonstrate strategic as well as financial sense, and align with the Corporate Plan. There is sufficient background financial strength and stability to support initiatives, and although these may be on a longer timescale than short-term budgetary responses, the financial capacity exists to manage the short-term, whilst seeking medium term growth.

Headline Financial Indicators

Tax and Grants

Council Tax base		54187
Current Band D Council Tax	Borough Element	£166.91
	Preceptors -	
	County	£1268.28
	Police	£220.19
	Parishes – wide variations	Vary ranging £4 - £86
	Treat with caution – broad average due to Parishes.	Average Band D c£1700 pa
Council Tax in Base 2016/17	Total Revenue CT	£9124k
	Rates	£2001
	New Homes Bonus	£2230k
	RSG (incl Transitional Grant) Last year was £1574k	£917k

Budget

Service expenditure		£11292k
Other Revenue Items	Inflation & revenue projects	£658k
Transfers to Reserves	Support to capital & building reserves	£2322k
Total Budget Spend		£14272k
Financed by:		
Council Tax		£9124k
Rates		£2001k
Grants		£3147k
		£14272k

Balance Sheet

Assets	Property Plant & Machinery (incls HRA)	£470m
HRA stock	4580 dwellings	£377m
Cash		£12.8m
Investments		£35.6m
Reserves	GF Working Reserve	£3.2m
	Revenue Reserve	£1.5m
	Earmarked Reserves – includes Insurance Fund £741k, Asset Development £2000k, “SANG” -Suitable Alternative Natural Greenspace £1000k	£9.3m
	HRA working Balance	£2.6m
	HRA Affordable Housing Reserve	£7.4m
Borrowing	No borrowing in 2015/16 Borrowing is HRA. No GF debt	£187m
	External GF Debt Limit (currently no borrowing)	£5m
Other Assets	750+ garages, 28 car parks, Museum, Art Gallery, 21 recreation Areas etc.	

Appendix B - List of key documents from Phase 1 fieldwork received and reviewed

1. Medium Term Financial Strategy 2016/17-2019/20– Update February 2016
2. Annual Budget 2016-17
3. Annual Financial Report 2015-16
4. Audit Committee Paper – Statement of Accounts 2015-16
5. Annual Financial Report 2015-16 Paper – Annex 2
6. Grant Thornton Financial Statement Letter 13.09.16
7. Grant Thornton Audit Findings Paper for year end 31 March 2016 - September 2016
8. Grant Thornton Annual Audit Letter for year end 31 March 2016
9. Waverley Economic Strategy 2015-20
10. Joint Overview & Scrutiny Committee Paper – Local Plan Part 1
11. Corporate Overview & Scrutiny Committee Paper – Budget Management Mid-Year Budget Review
12. Corporate Overview & Scrutiny Committee Paper – General Fund Property Investment Strategy
13. Corporate Overview & Scrutiny Committee Paper – Housing Revenue Account (HRA) Business Plan Review
14. Corporate Overview & Scrutiny Committee Paper – Treasury Management Activity 2016/17
15. Community Overview & Scrutiny Committee Paper – Performance Management Report Q2 2016/17
16. Community Overview & Scrutiny Committee Paper – Performance Management Infographics
17. Corporate Overview & Scrutiny Committee Paper – Performance Management Report Q2 2016/17
18. Corporate Overview & Scrutiny Committee Paper – Performance Management Infographics 2015
19. Regional benchmarking indicators for Q1 and Q2
20. Annual Governance Statement 2015/16
21. Corporate Plan 2016-19
22. Service Plans 2016-17 Master, V.2
23. Strategic HR Service Plan for 2015-16
24. Policy & Governance Service Plan 2016-17
25. Executive Paper – Senior Management Restructure – December 2013
26. 2016 Waverley Staff Survey – October 2016
27. Investors in People 2014 Assessment Report, V.5



Address West Wing
25 Lavington Street
London, SE1 0NZ

Phone 020 3198 5790

Email team@cratus.co.uk

Web www.cratus.co.uk

Company Number - 06796481

Registered in England and Wales

Registered Address - 124 Finchley Road, London NW3 5JS

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STRATEGIC REVIEW –ACTION PLAN

ANNEXE 2

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
1	Strategic Vision and Priorities				
1.1	An ambitious strategic agenda for Waverley <ul style="list-style-type: none"> An ambitious, strategic and outwardly focused agenda for Waverley Stewardship of natural assets Clear and specific targets Pace and stretch in delivering our objectives Recognition of and respect for the unique character of each of the main towns and villages. 	<p>Hold place-shaping member/officer workshops to develop Waverley’s approach to place-shaping and to develop priorities and detailed outcomes for next 4 years.</p> <p>Directors and Executive Members to explore future strategic issues and opportunities for the Council.</p>	March 2017	Cllr Potts	Paul Wenham
1.2	Shaping the future of Waverley as a great place to live and work <ul style="list-style-type: none"> A proactive and co-ordinated approach to shaping Waverley for those who live, work and visit here A clear sense of direction in terms of economic development, planning, community wellbeing and local identity Maximising the wider benefits and infrastructure opportunities of major developments in the borough. 	<p>Create a new Place Shaping Board to bring an integrated approach to the Council’s priorities and key documents, including: the Corporate Plan; Local Plan; Housing and the Environment; major projects; Economic Development; and planning.</p> <p>Deliver the planned Joint Enforcement Team initiative for Waverley to ensure our residents benefit from coordinated enforcement activities and a more joined up and a visible approach within the community.</p> <p>Commission a series of master plans in collaboration with relevant Town and Parish Councils, Local Chambers of Commerce, and in consultation with other local stakeholders, following the completion of each Neighbourhood Plan.</p>	<p>March 2017</p> <p>April 2017</p> <p>From 2017/18</p>	<p>All Executive Members</p> <p>Cllr Deanus</p> <p>Cllr Adams</p>	<p>Paul Wenham</p> <p>Damian Roberts</p> <p>Paul Wenham</p>
1.3	A comprehensive Corporate Plan with a specific action plan for delivery <ul style="list-style-type: none"> A corporate plan that reflects the strategic ambitions of the organisation An action plan for delivering corporate objectives that is specific, measurable, achievable, realistic and timely (‘SMART’) 	<p>Build on the foundations of the current Corporate Plan to include a greater focus on place-shaping and economic development.</p> <p>Include a SMART action plan for delivering corporate plan objectives .</p>	Draft – March 2017	Cllr Potts	Paul Wenham
1.3	A new 4 year Medium Term Financial Strategy <ul style="list-style-type: none"> A financial strategy that is less focused on the annual process and reflects a changed funding context including business rates and new homes bonus, and Council Tax income from a growing base 	<p>Prepare a new 4 year Medium Term Financial Strategy to reflect the new priorities and actions in the Corporate Plan</p> <p>Develop a new programme of cross-cutting efficiency proposals for Waverley</p>	April 2017 onwards with Spring Budget Review feeding into July 2017 Council.	Cllr Hall	Graeme Clark

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
	<ul style="list-style-type: none"> Utilisation of current and new income streams such as fees and charges and property investments. Provision of funds available to invest alongside delivery of core services. 	A spring budget review to fundamentally review the Council's budget for 2018/19 and beyond.			
1.4	<p>A new Economic Development Strategy that promotes Waverley's future economic prosperity</p> <ul style="list-style-type: none"> A strategy for promoting and shaping economic development that works for Waverley A framework for supporting existing businesses, promoting future economic growth, developing an appropriate visitor economy and developing Waverley as an economically prosperous place Focusing on town and village centres and the right mix of retail and other businesses. Identification of skills needed in the local workforce. Identification of impact on housing need in the borough. 	Develop an updated analysis of key economic drivers and re-cast the strategy to be more ambitious and growth orientated.	May 2017	Cllr Bolton	Damian Roberts
1.5	<p>Strengthening and growing the Council's partnerships with others for the benefit of Waverley's residents</p> <ul style="list-style-type: none"> A fresh approach to partnership working – more productive, more proactive, more positive A Partnership Engagement Plan that sets out the Council's ambitions for partnership working and how this will be achieved. 	<p>Map our current partnership arrangements.</p> <p>Develop a partnership engagement plan to structure and plan our joint working relationships with:</p> <ul style="list-style-type: none"> Other Councils Business community Schools and Universities Police Housing providers Health and Social Care organisations Job Centre Plus/DWP voluntary organisations Local Enterprise Partnerships 	April 2017	All Executive Members	All Directors
1.6	<p>Consider, define and articulate Waverley's strategic position as a place and as a local public service provider</p> <ul style="list-style-type: none"> Identify, where Waverley sees its future and what unique contribution it has to make in the context of structural and functional changes across local government. 	Leader and Executive members to ensure Waverley and the interests of our residents are represented in all relevant partnerships	Ongoing	All Executive Members	All Directors
2	A. More effective Member/Officer working				
2.1	<p>Dedicated support for member case work</p> <ul style="list-style-type: none"> Dedicated officer support on member 	Provide a single point of contact for all member enquiries	April 2017	Cllr Potts and Cllr Martin	Paul Wenham

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
	<p>casework</p> <ul style="list-style-type: none"> A single point of contact for all Members to receive a timely response to case work enquiries. Appropriate and consistently applied officer response times to Members. 	<p>Establish a working protocol for the management of all member enquiries with agreed response times.</p>			
2.2	<p>A positive and effective working relationship between members and officers.</p> <ul style="list-style-type: none"> Executive Members and Directors / Heads of Service develop a culture of joint leadership. Developing a greater understanding between officers and members for their respective roles and responsibilities. 	<p>Joint officer / member workshops to identify what works well, what can be improved and sharing of values and expectations.</p> <p>Mentoring or coaching for members and officers.</p> <p>Away days for senior managers and Executive Members to facilitate effective joint leadership and relationship building.</p>	May 2017	Group Leaders	Paul Wenham / Robin Taylor
2.3	<p>Improved accommodation and facilities for elected members</p> <ul style="list-style-type: none"> Appropriate Leader and Members' accommodation and facilities including separate room for Opposition Members. Improved IT support and facilities, including within the members' room. 	<p>Establish informal officer / member working group to review member accommodation, facilities and IT support and make proposals for change.</p>	February 2017	Members to be nominated.	Officers to be nominated.
2.4	<p>Deliver the scrutiny change programme</p> <ul style="list-style-type: none"> Dedicated officer support New constitutional arrangements Scrutiny training programme A positive and proactive approach to scrutiny 	<p>Scrutiny Policy Officer in post.</p> <p>New Constitutional Arrangements as recommended by the Executive at the January meeting.</p> <p>Scrutiny training programme</p>	<p>February 2017, subject to usual pre-employment checks.</p> <p>From April 2017, subject to Council approval.</p> <p>February and March 2017 (booked)</p>	Executive Members, O&S Chairs	All Directors
2.5	<p>Raise the profile of organisational leadership with staff</p> <ul style="list-style-type: none"> Share the findings of the Strategic Review with staff at all levels (complete) Better understanding by staff at all levels of the role of members and their priorities 	<p>Schedule a series of meetings for staff and managers to meet with the Leader and Executive Director to discuss the findings of the Strategic Review.</p> <p>Develop an ongoing programme of internal opportunities for the Leader and Executive Director to jointly deliver messages and engage with staff, including:</p> <ul style="list-style-type: none"> Induction Staff conferences Staff briefings Staff awards 	<p>8 x 1 hour staff sessions and 1 x 2 hour management briefing ALREADY COMPLETE</p> <p>Induction sessions – 7 March, 13 June, 19 September, 5 December.</p> <p>Other dates TBC</p>	Cllr Potts	Paul Wenham

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
2.7	Improving communications with members in respect of projects, issues and incidents <ul style="list-style-type: none"> Ensuring a 'no surprises' approach Ensuring portfolio holders and local ward members are kept updated on key issues affecting their portfolio / ward 	Meetings and 1-1s with portfolio holders to encourage proactive communication on key issues.	From February 2017.	Cllr Martin	All Directors
2	B. More efficient day to day working practices				
2.8	Review and update the Council's Constitution and Scheme of Delegation to speed up decision making. Scheme of delegation and constitution <ul style="list-style-type: none"> Are shorter, simpler, easier to understand Facilitate quicker decision-making More easily accommodate future national legislative and local policy changes without always necessitating the addition of further specific points At least increase and do not at all decrease the quality, integrity, accountability and transparency of the council's democratic processes. Are endorsed by both officers and members. 	Streamline decision-making in the immediate term by increasing financial thresholds for decision-making and enabling day-to-day staffing establishment changes without Council approval. Review Waverley's constitution and scheme of delegation against best practice examples and make recommendations for simplification and improvement. Analyse options for individual Executive Member delegations	April 2017	Cllr Potts	Paul Wenham
2.9	Strategic focus from Directors. <ul style="list-style-type: none"> Quicker decision making, particularly in respect of recruitment. Leadership of a programme of cultural change and improvement Provide Heads of Service and senior managers with greater management autonomy. 	Senior Management Team to lead a programme of cultural change and improvement within the organisation, to refocus their own efforts primarily on strategic rather than operational matters and to delegate more to facilitate this new approach. Greater degree of professional networking and external focus by Directors. Corporate Management Team to be renamed and relaunched as Management Board.	February 2017.	Cllr Potts	All Directors
2.10	Undertake a fundamental and comprehensive review of Waverley's Planning Service, to ensure it is fit for the future and responsive to changing strategic challenges and increasing customer needs and expectations. A planning service that <ul style="list-style-type: none"> Shapes Waverley as a place Is customer-focused 	Arrange facilitated discussions to explore key pressures and issues facing the planning service. Undertake a fundamental and comprehensive review the Planning Service and develop proposals for change. Develop and embed a support and	Review to commence in February 2017.	Cllr Potts Cllr Adams	Paul Wenham

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
	<ul style="list-style-type: none"> Has the capacity to deal with major site applications Is resilient and able to cope with unprecedented levels of demand Is able to progress the Local Plan and Neighbourhood Plans. Balances housing need and economic development priorities with concerns about quality of life, the environment and respect for the unique character of a local area Delivers measurable results for the borough. 	improvement plan for the Planning Service.			
2.11	<p>Undertake a fundamental and comprehensive review of Waverley's HR functions to ensure there is clear ownership and accountability for HR matters and that measurable results are delivered.</p> <ul style="list-style-type: none"> HR structures and processes that are proportionate, rational and ready to meet the organisation's present and future needs strategic and operational needs. HR structures and processes which are proportionate, rational and ready to meet the organisation's present and future needs. An improvement plan to meet challenges, bridge service gaps and tackle areas of inconsistency and underperformance. 	<p>Undertake a fundamental and comprehensive review of the Council's HR functions (currently split between three separate services).</p> <p>Develop proposals for staffing structures and processes that meet the Council's present and future strategic and operational needs.</p> <p>Develop an improvement plan to take the Council's HR functions forward positively and effectively.</p>	Review to commence in February 2017 with the aim of implementing an agreed solution by May 2017.	Cllr Potts	Paul Wenham
2.12	<p>Provide excellent customer service</p> <ul style="list-style-type: none"> As agreed by the Executive on 10 January, the Head of Customer and Corporate Services and the officer Foresight Group to continue the review and evaluate/progress the change options 	<p>Revise the performance management system to ensure decision makers have a holistic, evidenced diagnosis of how a service is performing</p> <p>Channel shift to encourage customers to make contact in alternative ways</p> <p>Assess options re customer point of contact</p> <p>Assess options re dedicated customer services staff</p> <p>Assess options re the Council's local presence in the community</p> <p>Assess options re customer contact management systems</p> <p>Review strategies, policies and service standards</p> <p>Identify and review operational processes which will drive service improvement</p> <p>Assess options to facilitate a drive of cultural change (including a commensurate training</p>	July 2017	Cllr Martin	Graeme Clark

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
		programme) Design a communication plan to support, facilitate and launch the approach to Customer Services			
2.13	Streamline business systems <ul style="list-style-type: none"> Develop a methodology for transforming business systems to achieve greater efficiency, reduce waste, achieve greater empowerment of staff and improve outcomes for customers. 	Undertake joint work with leading councils in the field of business process redesign to apply a thorough systems thinking approach in Waverley.	Review outcomes of pilot project in April 2017 Prepare proposals for wider rollout across other key Council activities by June 2017.	Cllr Martin	Damian Roberts
3	Being ambitious for Waverley				
3.1	Promote learning and best practice and sharing opportunities. <ul style="list-style-type: none"> Make current and developing practice in this area more transparent. 	Waverley attendance at events and workshops which support the council's ambitions and priorities by providing opportunities to hear about and share best practice.	Ongoing.	Cllr Potts	All Directors
3.2	Developing senior staff knowledge and skills to meet new challenges and expectations <ul style="list-style-type: none"> Project Management Change Management Negotiation and Partnership skills Commissioning (procurement & contract management) Ownership and accountability of service delivery, budgets, recruitment and retention Enterprise and commercial acumen 	A learning and development programme in place for senior staff spanning the year ahead.	From February 2017	Cllr Potts	All Directors
3.3	Raising our game and focusing on Waverley's achievements <ul style="list-style-type: none"> Engaging with other local government and public sector organisations and being proud of what we do. Recognising the learning opportunities that partnership engagement offers and embracing these. Being ready to share what Waverley does well with others. Taking all opportunities to stretch ourselves as an organisation and explore new innovative ways of working. Celebrate Waverley's successes, internally and externally. 	Regularly apply for regional and national awards. Identify the most appropriate communication channel to promote Waverley's key successes to all members. Officers regularly contributing case studies, presentations etc to regional and national events. Officers regularly working in collaboration with national organisations to shape policy and practice. Adopt a consistent approach to celebrating success internally.	From April 2017	All Executive Members	All Directors

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

REVIEW OF WAVERLEY'S SCHEME OF DELEGATION AND CONSTITUTION

[Portfolio Holder: Cllr Julia Potts and Cllr Tom Martin]

[Wards Affected: All]

Summary and purpose:

This report recommends, in light of the findings and recommendations from the 2016 Strategic Review, that the planned review of the Council's Constitution and Scheme of Delegation (action 1.2 of the draft 2017/18 Policy and Governance Service Plan) commences straight away.

Accordingly, this report sets out a number of immediate recommendations for Council approval in respect of financial thresholds for virements and supplementary estimates and the need to gain Council approval for any change to the Council's staffing establishment.

Beyond this, the report sets out recommended principles for reviewing the Constitution and Scheme of Delegation in all other respects as well as a timetable for doing so. Officers will undertake the initial review and make recommendations for change and options for consideration by the Constitution SIG in the first instance.

How this report relates to the Council's Corporate Priorities:

The Council's Constitution and Scheme of Delegation relate to the full spectrum of the Council's activities so changes to it are likely to relate to all of the Council's Corporate Priorities. However, the aim of streamlining and simplifying the decision-making processes by fundamentally reviewing both documents will aim, in particular, to progress the Council's objectives of providing excellent **customer service** and achieving **value for money**.

Financial Implications:

There are no direct financial implications arising from this report. The proposals allow higher value spending decisions to be made by the Executive but expenditure still needs to be controlled within approved budgets.

Legal Implications:

There is scope for the Council to review and update both the Constitution and the Scheme of Delegation in order to support a number of the proposed actions within the Action Plan set out at Annexe 2. In doing so the Council must ensure that its democratic processes remain robust, transparent and ensures probity of governance at all times. The Council's Legal Services team has already advised Officers and Members that the Scheme of Delegation can be modernised in order to make it more

flexible, and that advice remains the same in the light of the subsequent recommendations within the Strategic Review.

1 Background

1.1 Like many local authorities, although Waverley has made incremental changes to the content and structure of its Constitution and Scheme of Delegation over time, it has not fundamentally reviewed either since the Local Government Act 2000 introduced Executive arrangements.

1.2 Officers advise that a fundamental review would be beneficial and for this reason the draft 2017/18 Policy and Governance Service Plan already includes a commitment to

‘Review and update the Council’s Constitution and Scheme of Delegation to promote and facilitate swifter and more responsive decision-making at Waverley, without compromising democratic integrity and accountability, transparency or risk management.’ (action 1.2)

1.3 The 2016 Strategic Review described the Council’s formal decision-making processes as ‘slow’ and ‘cumbersome’ and recommended that the scheme of delegation be ‘reviewed to improve speed of decision-making particularly on implementation matters where the substantive matter has already been approved and has the necessary budget provision.’

1.4 In light of this, it is recommended that the planned review of both the Constitution and the Scheme of Delegation begin earlier than planned. Accordingly, this report sets out a number of recommendations for immediate change in respect of financial thresholds for virements and supplementary estimates and the need to gain Council approval for any change to the Council’s staffing establishment. It also recommends a timetable for a more fundamental review and suggests what the principles of a more streamlined, flexible and simplified constitution and scheme of delegation should be.

2 Recommendations for immediate change (quick wins)

Financial thresholds

2.1 The Constitution currently reserves decisions relating to virements (transferring funds from one budget area to another) exceeding £50,000 and supplementary estimates (additional funds required within the financial year) exceeding £20,000 (or £50,000 if they relate to costs arising from either a civil emergency, a planning appeal or a planning enforcement action) for Council approval. This means that the Executive may currently only approve requests for virements or supplementary estimates if they do not breach these thresholds.

2.2 These thresholds are considered to be too low and, of course, inflation over time has and will continue to gradually increase the number of in-year budget matters that exceed them as the real value of money falls. This has a tangible impact on the Council’s ability to progress vital day-to-day matters swiftly

whilst Council approval is pending. The spirit of a Strong Leader and Executive model of governance is that the day to day decision-making should be handled by the Executive. Having too low a threshold for budget decisions potentially undermines this and also has the effect of inadvertently making items that should be subject to overview and scrutiny exempt from this. It is not unusual for Council's to have significantly higher thresholds for Executive approval.

- 2.3 It is therefore recommended that the thresholds are increased and in the interests of simplicity it is suggested that a new limit of £100,000 be applied in respect of virements and supplementary estimates regardless of why they arise.
- 2.4 The Local Government Act 2000 introduced a requirement to publish a Forward Plan and to identify key decisions. Waverley currently has a financial threshold of £20,000 or above. Again, this is judged to be too low and officers recommend it would be more proportionate and straightforward to also increase this to £100,000 in parallel with the other changes being proposed.

Changes to the staffing structure

- 2.5 Like other councils, Waverley's Constitution reserves the confirmation of Head of Paid Service and Director appointments to Council and this should not change. However, Waverley's constitution also currently requires Council approval for *any* addition or deletion of posts from the established staffing structure, regardless of whether or not the proposals would necessitate any changes to budgets. Again, this is regarded as being overly prescriptive and may lead to situations where day-to-day managerial matters relating to staffing are unnecessarily delayed by the need to seek full Council approval.
- 2.6 It is recommended that a clear distinction be drawn between staffing matters that have budget implications and those that do not and again that where there are budget implications that the proposed Executive threshold for decision-making up to £100,000 should apply so that only the most significant matters be escalated for Council approval.
- 2.7 It is recommended that where staffing changes are proposed that are not contained within existing controllable expenditure budgets and which are above the Executive threshold £100,000, then this should remain a matter for Council consideration.
- 2.8 It is recommended that where there are costs beyond existing agreed controllable budgets but these are £100,000 or less this should be a matter for Executive approval.
- 2.9 It is recommended that where the impact of proposed staffing changes can be contained within existing controllable expenditure budgets, this should not be something that requires Executive or Council approval but can be agreed directly by the relevant Head of Service or Director.

3 Recommended principles to guide a fundamental review of the Constitution and Scheme of Delegation

Principles of a revised constitution and scheme of delegation

3.1 The review will be lead by the Head of Policy and Governance (Monitoring Officer), the Borough Solicitor and the Democratic Services Manager (Deputy Monitoring Officer). Those officers recommend that the revised constitution and scheme of delegation should:

- Be shorter
- Be simpler
- Be easier to understand
- Facilitate quicker decision-making
- More easily accommodate future national legislative and local policy changes without always necessitating the addition of further specific points
- At least increase and not at all decrease the quality, integrity, accountability, transparency of the Council’s democratic processes.
- Be endorsed by both officers and members.

Individual Executive power?

3.2 The Council’s constitution currently states that the Executive ‘will function as a Committee, with collective responsibility for decisions made’ and that ‘Individual Executive Members will not be able to make decisions on behalf of the Council or the Executive.’ This is not the only way of managing Executive arrangements. Many authorities have governance arrangements that allow individual portfolio holders to undertake decisions within certain parameters. The 2016 Strategic Review raised the question of whether more power should be delegated ‘directly to Executive Members’ (Cratus report paragraph 32).

3.3 Whereas, in general, officers will aim to make definitive recommendations to the Constitution SIG and the Executive in respect of changes to the Council’s Constitution and Scheme of Delegation, in respect of this question officers will provide advice and an options analysis in respect of this question and seek the view of members on whether or not they would be interested in pursuing it.

4 Recommended timetable

Recommend changes to Council in respect of financial thresholds for virements and supplementary estimates and the addition and deletion of posts from the staffing establishment	Today (recommendations 1-4 in this report)
Research best practice examples of constitutions and schemes of delegation in place at other authorities.	February / March
Undertake a desktop review of both documents and make definitive recommendations for change for consideration by the Constitution Special Interest Group (SIG).	February / March

Prepare briefing and options analysis in respect of individual executive authority for consideration by the Constitution Special Interest Group (SIG).	February / March
Constitution SIG	Date in March TBC
Executive	4 April
Full Council	25 April

Recommendation

It is recommended that the Executive:

1. recommends to Council that paragraph 4.01(b) within part 1 of the Constitution be amended so that Council approval is only needed in respect of virements and supplementary estimates, no matter what they relate to, over £100,000 (meaning that the Executive will be able to approve these so long as they are £100,000 or less);
2. recommends to Council that paragraph 1 of the Scheme of Delegation and the relevant sections of Finance Regulations be updated to reflect these new Executive limits of £100,000 for virements and supplementary estimates;
3. recommends to Council that paragraph 13.03(b)(i) within part 1 of the Constitution be amended to change the threshold for a key decision to £100,000;
4. recommends to Council that paragraph 4.02(n) within part 1 and paragraph B.11 of part 3 of the Constitution be amended to state that it will be a function of the Council to approve 'the addition or deletion of posts from the agreed permanent staffing levels where the costs of doing so do not fall within existing controllable expenditure budgets and where the changes have financial implications in excess of the Executive's threshold of up to £100,000'; and
5. agrees, subject to any amendments they wish to make, the recommended principles and timetable for a wider review of the Council's Constitution set out in sections 3 and 4 respectively.

Background Papers

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

CONTACT OFFICER:

Name: Robin Taylor

Telephone: 01483 523108

E-mail: robin.taylor@waverley.gov.uk

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WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

UPDATING THE SCHEME OF DELEGATION FOR RESPONDING TO SOCIAL HOUSING TENANCY FRAUD

**[Portfolio Holder: Cllr Carole King]
[Wards Affected: All]**

Summary and purpose:

This report seeks approval for a proposed addition to the Scheme of Delegation for Housing, to enable legal action to be taken against perpetrators of social housing fraud and in accordance with the Prevention of Social Housing Fraud Act 2013.

How this report relates to the Council's Corporate Priorities:

The report contributes to meeting the following Council's Corporate Priorities.

Community Wellbeing: ensuring maximum benefit is made of social housing by confirming those in genuine housing need are occupying council homes.

Value for Money: ensuring maximum benefit is made of social housing by confirming those in genuine housing need are occupying council homes and prevent loss of assets through fraudulent Right to Buy.

Financial Implications:

The implementation of the Policy will be met within existing resources. This includes the approved budget for the Fraud Investigation Officer, funded by the HRA and Surrey Counter Fraud Grant.

Additional financial resource may be required for legal fees if prosecution routes are taken. Each case will be considered separately and if additional funding is required this will be requested through Executive and Council accordingly.

Legal Implications:

The Legal Services team has been involved in the drafting of the additional text and are supportive of the proposal to add the Act to the Scheme of Delegation.

Introduction

1. The Prevention of Social Housing Fraud Act 2013 introduced a range of new powers for housing providers in addition to making it a criminal offence for tenants to sublet or part possession of their socially rented home.

2. The Act gives local authorities the power to prosecute for this new offence. There is no obligation to bring criminal proceedings social housing landlords can decide the most appropriate way forward.
3. The penalties for committing social housing fraud, if convicted, range from a £5,000 fine to up to two years imprisonment and a fine of £50,000.
4. The Corporate Overview and Scrutiny Housing Improvement Sub-Committee received a revised Tenancy Fraud Policy and cover report on 9 January 2017. The Committee supported the Policy and requested the addition of a reference to data protection and expanded the awareness section.

Proposed addition

5. It is proposed that the Scheme of Delegation be amended as follows:

“152A Authority to prosecute persons for offences under the Prevention of Social Housing Fraud Act 2013.

Borough Solicitor upon the recommendation of the Head of Housing Operations.”

and

“152B Authority to seek restitutionary payments in accordance with the Proceeds of Crime Act 2002, and request data sharing with banks, utility, telecommunication companies and any other organisation that information may be required from to tackle and detect tenancy fraud in accordance with the Prevention of Social Housing Fraud Act 2013.

Head of Housing Operations after consultation with the Portfolio Holder for Housing.”

Conclusion

6. The proposed changes to the Scheme of Delegation are intended to give the Housing Service the ability to seek detect, tackle and deter social housing fraud in addition to holding fraudsters to account.

Recommendation

It is recommended that the Executive agrees the proposed changes set out in paragraph 5 and recommends to the Council that the Scheme of Delegation be 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.

CONTACT OFFICER:

Name: Annalisa Howson

Telephone: 01483 523453

E-mail: annalisa.howson@waverley.gov.uk

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

JOINT OVERVIEW AND SCRUTINY COMMITTEE - 16 JANUARY 2017

Title:

2017/18 SERVICE PLANS

**[Portfolio Holder: All]
[Wards Affected: All]**

Summary and purpose:

This report presents the draft Service Plan objectives for Council's services for 2017/18.

How this report relates to the Council's Corporate Priorities:

Waverley's performance management framework helps ensure that Waverley delivers against all of its Corporate Priorities. Service Plans form an important part of this, setting out the business priorities for each service for the coming year, and how they help to deliver the Council's priorities.

Financial Implications:

Draft Service Plans were prepared as part of the budget process and any financial implications are included in the draft budget.

Legal Implications:

There are no specific legal implications arising from this report.

Background

1. Each year Service Plans are produced in order to deliver the Council's service objectives and to provide an important element of the Council's overall Performance Management Framework. Heads of Service work with Portfolio Holders to set out the service objectives for the coming year.
2. Last year the January meeting of the Joint Overview and Scrutiny Committees requested a presentation that focused on the top priorities under each service area and this approach is being followed again this year. During the meeting, each Head of Service will briefly present the key objectives, features and priorities and Members will have the opportunity to ask questions and make any observations to be passed on to the Executive.
3. Annexe 1 to this report sets out the top level objectives for 2017/18 for each service area and the associated actions.

Joint Overview and Scrutiny Committee

5. The Joint Overview and Scrutiny Committee met on 16 January 2017 and considered the top level objectives for each service for 2017/18. The Joint Committee made the following observations:

5.1 General Observations on the Service Plans

- The Committee felt that it would be more appropriate to review the service plans after the budget-setting process had taken place.
- The Committee suggested breaking the consideration of service plans into smaller parts with more detail so as to have a more meaningful discussion.
- In regard to the Corporate Plan, the Committee suggested that officers review discretionary services that did not directly relate to the Corporate Plan objectives.

5.2 Planning

- The Committee acknowledged that the service plans did not include 'business as usual' however, for clarity felt that P/1.1 should include all housing, not just affordable housing.

5.3 Communities

- The Committee suggested that when undertaking C/4.4 (Procure and undertake detailed feasibility study for further investment in the leisure stock) officers give regard to a likely increase in demand for leisure facilities in light of the additional housing numbers set out in the Local Plan.

5.4 Environmental Services

- The Committee noted the upcoming review by Community O&S and felt that this would provide a good opportunity to shape how the waste and recycling service would be delivered.

Recommendation

It is recommended that, taking into account any observations from the Joint O and S Committee, the Service Plan Objectives for 2017/18 be approved.

Background Papers

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

CONTACT OFFICER:

Name: Louise Norie

Telephone: 01483 523464

E-mail: louise.norie@waverley.gov.uk

2017/18 Service Plan Priorities

Service		Planning		Portfolio Holder	Cllr Brian Adams	
Head of Service		Elizabeth Sims				
Director		Paul Wenham				
Priority Objective 1		Increase the supply of housing to meet Waverley's needs including affordable housing				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
P/1.1	To make recommendations on planning applications for housing to secure affordable housing.	In accordance with statutory timescales for determination of planning applications.	Peter Cleveland	Officer time Improved IT system	Community Wellbeing Environment	Affordable housing provided in accordance with Council planning policy on qualifying sites (30%). Evidence of rural exception or cross-subsidy sites approved. Optimum affordable housing on greenfield sites (preferred 40% - Emerging Local Plan 30%). Number of homes granted/allocated sufficient to maintain a five year housing target (rolling target). Performance targets met.
P/1.2	Update planning policy and new sites identified.	Milestones set out in Local Development Scheme	Graham Parrott	Policy development will incur additional costs related primarily to technical evidence, consultation and Part 1 public examination.	Community Wellbeing Environment	Part 1 Local Plan adopted.
P/1.3	Part 1 of Local Plan adopted	September 2017				

	Part 2 of Local Plan.					
P/1.4	Consultation on preferred options and draft policies (Regulation 18)	August/ September 2017		Additional costs for acceleration of Part 2.	Community Wellbeing	Part 2 Local Plan progressed in accordance with Local Development Scheme.
P/1.5	Identifying and assessing issues and options and producing preferred options.	July 2017			Environment	Site Allocations carried out.
P/1.6	Analysis of representations and preparation of pre-submission plan.	March 2018				
P/1.7	Support the preparation of Neighbourhood Plans by Parish Councils:- Farnham, Haslemere, Godalming, Cranleigh, Alfold, Busbridge, Chiddingfold, Dunsfold, Elstead and Weyburn. Ewhurst and Ellens Green, Hascombe. Thursley. Witley	Dependent on timescales of Parish Councils	Graham Parrott	Dependent on number of Neighbourhood Plans instigated by Parish Councils; Government funding available.	Community Wellbeing Environment	100% of Neighbourhood Plans at examination are declared sound and following referenda are made (adopted).
Outcome		Waverley's housing need is met by the provision of new housing.				
Risk of not fulfilling objective		Planning applications refused/dismissed by Council/on appeal. Local Plan found unsound at Examination. Neighbourhood Plans found unsound at Hearing and not supported through referenda.				

Priority Objective 2		Supporting the needs of businesses				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
P/2.1	Update planning policy and new sites identified. Part 1 of Local Plan adopted. Part 2 of Local Plan.	Milestones set out in Local Development Scheme. September 2017	Graham Parrott	Officer time. Policy development will incur additional costs related primarily to technical	Community Wellbeing Environment	Part 1 Local Plan adopted. Part 2 Local Plan progressed in accordance with LDS. Site Allocations carried out. Local Plan employment policies

	<p>Consultation on preferred options and draft policies (Regulation 18).</p> <p>Identifying and assessing issues and options and producing preferred options.</p> <p>Analysis of representations and preparation of pre-submission plan</p>	<p>August/September 2017</p> <p>July 2017</p> <p>March 2018</p>		<p>evidence, consultation and Part 1 public examination.</p> <p>Additional costs for acceleration of Part 2.</p>		supported through examination.
P/2.2	<p>Ensure the planning process is supportive of local businesses.</p> <p>To make recommendations on planning applications for housing to secure employment space (Classes B1a and b).</p>	In accordance with statutory timescales for determination of planning applications.	Peter Cleveland	Officer time (including Economic Development Team).	Community Wellbeing Environment	Amount of new employment floor space permitted (sq m floor area).
P/2.3	<p>Support the preparation of Neighbourhood Plans to deliver locally led growth:- Farnham, Haslemere, Godalming, Cranleigh, Alfold, Busbridge, Chiddingfold, Dunsfold, Elstead and Weyburn. Ewhurst and Ellens Green, Hascombe. Thursley. Witley</p>	Dependent on timescales of parishes.	Graham Parrott	Dependent on number of Neighbourhood Plans instigated by Parish Councils; Government funding available.	Community Wellbeing Environment	100% of Neighbourhood Plans at examination are declared sound and made (adoption).
Outcome		Waverley's business needs are met by the provision of land and buildings.				
Risk of not fulfilling objective		Planning applications refused/dismissed by Council/on appeal. Local Plan found unsound at Examination. Neighbourhood Plans found unsound at Hearing and not supported through referenda.				

Priority Objective 3		To promote and celebrate excellence in design and improve the public realm				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets

P/3.1	Maintain quality of new development.	Ongoing via planning application process.	Peter Cleveland	Officer time	Community Wellbeing Environment	Good feedback from end users of new development. Review of appeal decisions and performance target met. (No more than 30% appeals allowed of all appeals).
P/3.2	Carry out Conservation Area appraisals (CAA) in accordance with programme. For 2017 : Shepherd and Flock CAA.	In line with Project Plan	Graham Parrott	Officer time (Projects Team Leader on maternity leave)	Community Wellbeing Environment	Number of Conservation Area Reviews completed: One reviewed annually and adopted by Council.
P/3.3	Tree Preservation Orders kept under review.	Ongoing	Andy Clout	Officer time	Community Wellbeing Environment	TPOs review and completions. Target : 10 per year.
P/3.4	Preparation and agreement of Buildings of Local Merit (BLM).	Dependent on timescale of local groups.	Graham Parrott	Officer time and community involvement.	Community Wellbeing Environment	Number of BLMs designated.
Outcome		Waverley's new development exhibits high quality design.				
Risk of not fulfilling objective		Statutory duties and other higher priority work (e.g. major applications) divert officer time away from these non-statutory lower priority areas to mean targets not achieved.				

Priority Objective 4		Put in place adequate infrastructure to support new development				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
P/4.1	Secure adequate infrastructure to support development on applicable applications (in kind or on schemes in excess of 10 dwellings) through legal agreement and legal involvement.	Ongoing via planning application process	Peter Cleveland	Officer time	Community Wellbeing Environment	Evidence of infrastructure delivered on implementation of all planning permissions where infrastructure has been a requirement.

P/4.2	Community Infrastructure Levy (CIL).	Timescales subject to progress on Local Plan.	Graham Parrott	Officer time and some consultants/ examination costs	Community Wellbeing Environment	CIL adopted January 2018. Executive approval to consult on Draft Preliminary Charging Schedule February 2017. Consultation on Draft Charging Schedule carried out June 2017. Submission for Examination September 2017
Outcome		Development is supported by adequate infrastructure.				
Risk of not fulfilling objective		Planning permission refused/dismissed on infrastructure. CIL fails examination.				

Priority Objective 5		Secure resilient Building Control Team				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
P/5.1	Provide a self sufficient statutory Building Control Service.	August 2017	Jane Clement	Officer time.	Community Wellbeing Environment Value for money	Budget will break even March 2018.
P/5.2	Agree a Business Model for delivering a resilient service in the long term.	March 2018	Jane Clement	Officer time Consultation cost for Options Appraisal.	Community Wellbeing Environment Value for money	Strategic outcomes explored May 2017. Identify preferred option and implement.
Outcome		Waverley's Building Control service will demonstrate a budget neutral position.				
Risk of not fulfilling objective		Further loss of market share to Approved Inspectors (income). Resilient future model not agreed by Council.				

Service		Policy and Governance		Portfolio Holder	Cllr Julia Potts - Corporate Strategy, Policy and Governance	
Head of Service		Robin Taylor			Cllr Tom Martin - Democratic Services and Communications and PR	
Director		Paul Wenham				
Priority Objective 1		Make Waverley's service planning, policy development, decision-making and performance management smarter.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
PG/1.1	Refresh and republish Waverley's Corporate Plan, underpinned by SMART targets and actions.	April 2017	Louise Norie	Within existing budget.	ALL	A new Corporate Plan has been published, setting out exactly how the Council's vision and priority objectives will be delivered. All actions and targets in the new plan are Specific, Measurable, Achievable, Realistic, Time-bound ('SMART'). New Corporate Plan agreed at July 2017 Full Council meeting
PG/1.2	Review and update the Council's Constitution and Scheme of Delegation to promote and facilitate swifter and more responsive decision-making at Waverley, without compromising democratic integrity and accountability, transparency or risk management.	Dec 2017	Robin Taylor, Daniel Bainbridge, Emma McQuillan		ALL	Revised Constitution and Scheme of Delegation agreed by December Full Council meeting
PG/1.3	Deliver Waverley's Scrutiny Change programme, putting Scrutiny at the heart of the Council's governance processes and ensuring it makes a real difference.	March 2018	Emma McQuillan, Louise Norie		ALL	New structure of Scrutiny Committees implemented and supported Agreed scrutiny training programme has been delivered. The work of Scrutiny Committees is guided by a robust and focused programme of in depth service reviews and policy development projects, agreed in advance by the coordinating board

Outcome	The council allocates its resources and energies wisely. Plans are evidence-based and well thought through. Straightforward and measurable performance management processes promote democratic accountability.
Risk of not fulfilling objective	If we don't achieve this objective, Waverley's decision-making and service delivery will be slower, of lesser quality and less transparent.

Priority Objective 2		Ensure Policy and Governance front line and support service functions are responsive, value-for-money and customer friendly.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
PG/2.1	Develop and implement phase 2 of Waverley's digital strategy to ensure the Council keeps pace with swiftly changing customer expectations and drives a channel shift to engagement via web and key social media platforms.	March 2018	Michelle Morley	Within existing budget.	Customer Service Value for Money	<p>100% of the Council's online forms have been reviewed, user-tested and updated to ensure they are customer-friendly</p> <p>Failure demand from unnecessary telephone and face-to-face customer engagements is reduced</p> <p>The number of people subscribing to the Council's social media channels is increased by 10%.</p> <p>The needs of those residents and customers who do not wish to access services online continue to be met through non-digital channels (face-to-face and telephone)</p> <p>The Council continues its programme of run usability tests to ensure Waverley's public website is user-friendly and easy to view and navigate on any device (desktop PC, mobile device or tablet).</p>
PG/2.2	Utilise the functionality of our IKEN legal service case management system to provide consistent communication with internal customers and to meet agreed targets for acting on instructions and providing legal advice.	March 2018	Daniel Bainbridge	Within existing budget.	Customer Service Value for Money	<p>Receipt of instructions are acknowledged within 48 hours</p> <p>Internal customers are advised who will provide their legal advice and when</p> <p>Instructions are responded to within the agreed timescales</p>

PG/2.3	Monitor and improve the quality of committee reports, minutes and agendas.	March 2018	Emma McQuillan		Customer Service Value for Money	Number of errors by Democratic Services, Print Room and Post Room decreases.
PG/2.4	Reduce spending on printing committee agenda papers by encouraging greater use of paperless technologies provided by existing software	March 2018	Emma McQuillan		Customer Service Value for Money	The printing budget (which has been reduced) is not overspent at year end. All Executive Members using paperless solutions. Roll out to the wider management group (Waverley Managers Group).
PG/2.5	Continue to strengthen the performance, resilience and efficiency of the Licensing Service by delivering phase 1 of the Licensing Process and Service Re-design programme.	March 2018	Emma McQuillan		Community Wellbeing Customer Service Value for Money	Temporary Event Notice (TEN) application process re-designed and implemented Taxi driver application and processing service re-designed and implemented Vehicle licences process re-designed and implemented Renewals processes (for vehicle and taxi driver) re-designed and implemented Service delivery model re-designed and implemented to focus on self-serve and automation wherever possible.
Outcome		Customer satisfaction improves because processes are cheaper, clearer, simpler and easier to navigate.				
Risk of not fulfilling objective		If we don't achieve this objective, we will get the job done but not in the most efficient way and not in the way that suits our customers best.				

Priority Objective 3		Ensure that all aspects of Waverley's brand are professionally, positively and consistently communicated to residents and customers.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
PG/3.1	Complete, publish and adhere to Communications and PR standards across all channels of	March 2018	Michelle Morley		ALL	Agree, publish and ensure consistent adherence to:

communication and PR, including Waverley's letters, stationery, advertising, publications, uniforms, signs, public notices, web pages, social media content, buildings and vehicle livery and recruitment documentation.					<ul style="list-style-type: none"> • Brand guidelines • Logo Guide Sheet • Communications Handbook • Photography Guide • Social Media Etiquette.
Outcome	Waverley Borough Council is recognised, understood, trusted and respected by those who pay for its services.				
Risk of not fulfilling objective	If we don't achieve this objective, we will fail to promote civic pride in our borough, fail to celebrate what makes Waverley special, and fail to meet high public expectations in respect of customer service.				

Service	Strategic HR				Portfolio Holder	Cllr Julia Potts
Service Manager	Wendy Gane					
Director	Paul Wenham					
Priority Objective 1		To address key staffing gaps in the organisation (e.g. Professional Planning Staff, Surveyors, IT and property related and roles)				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
SHR/1.1	Support Heads of Service to address all current and emerging recruitment and retention challenges.	Dec 2017	Wendy Gane/Jenny Deaves	Staff time	ALL	A tailored action plan agreed and delivered with the relevant Heads of Service. The optimum recruitment channels for these posts are identified and utilised.
SHR/1.2	Increase Waverley's visibility and attractiveness in the job market as a high quality employer.	Dec 2017	Wendy Gane			All advertised vacancies attract at least 1 high quality applicant.
SHR/1.3	Utilise new electronic channels to communicate the Council's "Offer" and brand to prospective candidates in key skills groups.	Sep 2017	Wendy Gane			

Outcome	All services are fully staffed and the long term use of agency staff is reduced, resulting in lower turnover, improved service delivery and reduction in staff cost.
Risk of not fulfilling objective	More vacancies, higher numbers of agency staff, higher staff turnover, negative impact on service performance

Priority Objective 2		Deliver workforce developments arising from the Strategic Review				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
SHR/2	Support the delivery of the outcomes from the Strategic Review.	June 2017	Wendy Gane		ALL	Managers and staff have the skills necessary to deliver the Council's new agenda.
Outcome		Clear framework to measure managers' ownership and accountability for the delivery of the Council's new agenda.				
Risk of not fulfilling objective		Failing to deliver the opportunities offered by the Strategic Review. Failing to maximise service improvements and accountability.				

Service	Communities	Portfolio Holders	Cllr Julia Potts – Major Projects			
Head of Service	Kelvin Mills		Cllr Kevin Deanus – Parks & Countryside, Community Safety & Waverley			
Director	Damian Roberts		Training Services			
			Cllr Jenny Else – Leisure, Culture & Older People's Services			
			Cllr Andrew Bolton – Economic Development, Grants & Income Generation			
Priority Objective 1		To successfully complete the Memorial Hall refurbishment creating a new multi-use community facility for Farnham and a new home for the Gostrey Centre and Waverley Training Services.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
C/1.1	Management of Refurbishment project.	Apr – Oct 17	Kelvin Mills	Capital Funds Secured £3m	Customer Service	Weekly project management meetings and monthly progress monitoring against project plan timelines achieved.
C/1.2	Completion of works / snagging.	Sept 17	Katie Webb	External Consultant Support Appointed	Community Wellbeing	Weekly Site Reports completed and monthly financial monitoring reports received.
C/1.3	Internal Fixtures & Fittings installed.	Sept 17				
C/1.4	New Centre opens.	Oct 17				
C/1.5	New users successfully moved into centre.	Oct 17		Contractor Appointed	Value for Money	Works completed on time. Centre opens Oct 17.

Outcome	Gostrey Centre & Waverley Training Services successfully relocated and awareness and usage of the Memorial Hall increases to meet demand and need.
Risk of not fulfilling objective	Community groups do not move and the Memorial Hall remains underused.

Priority Objective 2		To increase Waverley Training Services provision to offer increased apprenticeship opportunities and help young adults into employment or further education.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
C/2.1	Review the management structure of the Waverley Training Services team.	Jan – Apr 17	Kelvin Mills	Communications Team	Customer Service	Review completed and structure adopted.
C/2.2	Embed new operating processes for Levy Funding Stream.	Feb – May 17	Adele O' Sullivan		Community Wellbeing	New operating processes in place.
C/2.3	Implement new charging structure for employers and sub-contractors.	Apr 17			Value for Money	Business Plan written and adopted by Council.
C/2.4	Write and implement new Business Plan.	Jan – Mar 17				Marketing Plan completed and launched.
C/2.5	Write and implement new marketing plan.	Jan – May 17				Monthly profiling of contract delivery monitored.
C/2.6	Deliver Contract Funding Sum.	Sept 16 – Aug 17				Contract sum delivered
C/2.7	Increase direct delivery maximising income from the apprenticeship levy.	Apr – Aug 17				Direct Delivery increased by 20% compared to last year.
Outcome		Waverley Training services continues to successfully help young people into education and employment fulfilling the national objective of increasing opportunities for this group.				
Risk of not fulfilling objective		Failure to improve operating systems and model will limit the ability to help young people into employment and education.				

Priority Objective 3		Increased use of Waverley's Careline service to help more vulnerable adults in our community				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
C/3.1	Write and implement new Business Plan to increase use of the service.	Feb – Apr 17	Kelvin Mills	Communications Team	Customer Service	5% increase in client numbers year on year.
C/3.2	Write and implement new marketing plan to raise awareness and increase use of the service.	Mar – May 17	Careline Manager		Community wellbeing	
Outcome		An increased number of vulnerable adults are supported to live independently at home.				
Risk of not fulfilling objective		Failure to market the service could allow market share to be lost to other providers which could affect the viability of the service in the future.				

Priority Objective 4		Maximise the usage and offering provided by our leisure centres by ensuring that residents are happy with the service and facilities offered by Waverley.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
C/4.1	Implement a more focused, efficient contract management system.	Apr 17	Kelvin Mills	Property Team	Customer Service	Trialling new contract management system Dec 2016.
C/4.2	Work closely with Places for People to ensure their leisure management approach offers a high level of service for our residents and value for money.	Ongoing	Leisure Services Manager	Legal Team External Surveyors	Community Wellbeing Value for Money	
C/4.3	Tender for, and undertake detailed condition and structural surveys of our centres to inform and understand future lifecycle costs.	Apr – June 17				Meet monthly with contractors to evaluate key health & safety, contractual and financial performance.
C/4.4	Procure and undertake detailed feasibility study for further investment in the leisure stock.	Feb – July 17	Kelvin Mills Leisure	Property Team Legal Team	Customer Service	Lifecycle costs clearly identified to feed into feasibility study.

C/4.5	Findings presented to Portfolio Holders for analysis.	Aug 17	Services Manager	External Consultants	Community Wellbeing	Feasibility study completed and options are presented for consideration by Executive.
C/4.6	Options presented for consideration of Executive.	Oct 17			Value for Money	
Outcome	High quality leisure facilities provided for residents which are well managed by our leisure management contractor increasing usage and the health & wellbeing of Waverley's population.					
Risk of not fulfilling objective	<p>Failure to carry out condition/structural surveys will make financial and service planning difficult and could result in the centres having to shut as a consequence of unidentified issues.</p> <p>An inefficient contract management system creates work for staff and increases the chances of poor performance being missed and negatively affecting customer service and therefore usage.</p>					

Priority Objective 5		Regeneration of the East Street area of Farnham through the delivery of the Brightwells Scheme				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
C/5.1	Enter into Development Agreement with Crest Nicholson.	Mar – Apr 17	Kelvin Mills	Budget secured	Customer Service	Development Agreement signed.
C/5.2	Review pre-commencement planning conditions and create monitoring regime.	May 17	External legal support		Community Wellbeing	Pre-commencement conditions clarified, monitoring process agreed and conditions signed off.
C/5.3	Pre-commencement works start onsite (bat house/ sewage works / bridge construction).	July – Dec 17			Value for Money	Pre-commencement works start onsite.
C/5.4	Site fully hoarded and main scheme starts onsite.	Jan 18				Pre-commencement works completed.
Outcome	Work can start on the Brightwells regeneration scheme creating jobs, 239 new homes and a rejuvenated East Street area.					

Risk of not fulfilling objective	Significant negative impact on available housing in Farnham and on Waverley house building targets overall, placing pressure on other areas of the borough and an important area of Farnham is left undeveloped for a longer period.
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Service	Housing	Portfolio Holder	Cllr Carole King
Head of Service	Andrew Smith and Hugh Wagstaff		
Director	Damian Roberts		

Priority Objective 1	To publish a Housing Strategy 2018 – 2022 to set out how the Council will deliver homes for local people in housing need. (Note: to link with Planning Priority Objective 1: Increase the supply of housing to meet Waverley’s needs including affordable housing)
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Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
H/1.1	To draft a new strategy to include: <ul style="list-style-type: none"> Meeting housing need in the Borough New models of development Response to Housing and Planning Act Response to Homelessness Reduction Act Private rented sector 	March 2018	Andrew Smith	Housing Strategy and Enabling Team	Community Wellbeing	Project plan confirmed by 31 May 2017. At least three models of development identified by September 2017.
H/1.2	To consult with stakeholders	December 2017	Andrew Smith	Consultation costs (revenue £1,000) Communication Team	Community Wellbeing	Facilitate online consultation by 31 December 2017.
H/1.3	Council to adopt strategy	February 2018	Andrew Smith	Committees	Community Wellbeing	Strategy adopted by February 2018.
H/1.4	To publish Housing Strategy online	March 2018	Andrew Smith	Communication Team	Community Wellbeing	Adopted strategy published on Waverley website by 31 March 2018.
Outcome		To have published a Housing Strategy stating how the Council will deliver homes for those in housing need.				

Risk of not fulfilling objective	<p>Increase in homelessness and temporary accommodation costs.</p> <p>Ad hoc development of schemes not maximising potential or value for money.</p> <p>Unsuitable housing portfolio to meet local housing need.</p> <p>Increased unmet need for housing.</p> <p>Failure to meet new legislative requirements could result in legal challenge.</p>
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Priority Objective 2		To review tenancy agreement(s) to ensure effective management of homes and tenancies				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
H/2.1	To identify the issues and/or concerns regarding the current tenancy agreement and review; suggesting improvements to ensure fair, legal and appropriate.	June 2017	Rachel White	Housing Service teams	Customer Care	Issues and/or concerns and mitigations are identified by June 2017.
H/2.2	To scope review to ensure agreement reflects recent legislation regarding: <ul style="list-style-type: none"> • Localism • Housing and Planning Act • Equality Act • Unfair terms 	September 2017	Rachel White	Legal team	Community Wellbeing	Report produced identifying how tenancy agreement meets legislative requirements by 30 September 2017.
H/2.3	To make recommendations to Corporate Overview and Scrutiny Committee on outcomes of reviews.	October 2017	Rachel White	Housing Service		Robust tenancy agreement are in place to effectively manage homes and tenancies.
Outcome		To be able to effectively manage tenancies by having a confirmed, fit for purpose tenancy agreement in place.				
Risk of not fulfilling objective		<p>Tenancy agreement not reflecting statutory changes is at potential risk of legal challenge.</p> <p>Unable to enforce tenancy agreement terms.</p> <p>Not maximising use of social housing by failure to consider change in succession and secure tenancy rules.</p>				

Priority Objective 3		Improve customer service by increasing range of customer contact options. To deliver preferred method of communication through website development, new telephone system for Customer Service Team and expand texting service.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets

H/3.1	Identify key transactional services that can be delivered online.	May 2017	Annalisa Howson	Housing Service teams	Customer Service	Ten service transactions to be developed and project plan by 31 May 2017.
H/3.2	Create online forms and workflow process for identified services.	March 2018	Annalisa Howson	Service Improvement Team, Communication Team and IT	Customer Service	Create at least eight online transaction processes by 31 March 2018
H/3.3	Publicise and refer tenants to online forms.	March 2018	Annalisa Howson	Service Improvement Team, Communication Team and IT	Customer Service	Processes online and advertised through tenant communications (newsletter or rent statement) by 31 March 2018 Increase take up of online options month on month. Increased satisfaction with ease of contact.
H/3.4	Implement new call handling telephone system for Customer Service Team.	March 2018	Tony Johnson	Property Service and IT	Customer Service	Effective management of calls to achieve target of <3% lost calls to provide responsive service. Accurate reporting on number, duration, waiting time and lost calls to facilitate appropriate staffing levels at peak periods. Increased satisfaction with ease of contact.
H/3.5	Increase texting service to range of transactions and promote to tenants.	March 2018	Carl Lewis	Rents and IT	Customer Service	Five new texting service transactions in place. Reducing number of phone calls/. Texting advertised through tenant communications (newsletter or rent statement) by 31 March 2018 Increase take up in texting options month on month Increased satisfaction with ease of contact

Outcome	Increased customer satisfaction.
Risk of not fulfilling objective	Dissatisfaction with service due to limited options for service requests. Increased costs of service demands and personal contact. Dissatisfaction due to difficulties in contacting service. Increased number of missed calls leading to dissatisfaction, reduced reporting of repairs and issues, impacting ability to manage homes (reducing asset value) and tenancies (increased costs if issues are not tackled early)

Priority Objective 4		Implement Executive recommendations regarding the housing maintenance contract procurement to ensure a long term, robust and financially efficient contract				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
H/4.1	Retender OR renegotiate maintenance contracts.	January 2018	Tony Johnson	Resources available in budget	Community Wellbeing	Sealed contract. Contract KPIs achieved.
H/4.2	Meet project milestones.	April 2017- January 2018	Tony Johnson	Resources available in budget	Community Wellbeing	Project milestone targets achieved.
Outcome		To have long term, robust and financially efficient housing maintenance contracts.				
Risk of not fulfilling objective		Expensive, inefficient maintenance service. Tenant dissatisfaction. Increased costs with no added value. Disrepair of homes and reduced value of assets.				

Priority Objective 5		Implement a Vulnerable Persons Resettlement Scheme to assist in the Government's Syrian Refugee Resettlement Programme within Waverley				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
H/5.1	Support the resettlement of five families into Waverley over five years.	31 March 2021	Damian Roberts	Central government funding	Community Wellbeing	At least one family maintaining a tenancy in Private Rented Sector.

H/5.2	Identify and secure suitable accommodation in the Private Rented Sector.	31 March 2018	Michael Rivers	Family Support Team Housing Options Team		Adults of family in employment or training. Children of family in preschool, education or training. Family registered with doctor, dentist and other health professional as required. At least one family integrated to place of work and/or local charities by March 2018.
H/5.3	Resettlement process developed to support work with further families in 2018/19.	31 March 2018	Julie Shaw	Central government Housing Options Team funding Family Support Team	Community Wellbeing	At least one family secured tenancy in Private Rented Sector Handbook developed for Family Support Team to roll out to other families by March 2018.
Outcome		A Vulnerable Persons Resettlement Scheme is established to assist Syrian refugees.				
Risk of not fulfilling objective		Waverley unable to support vulnerable people – complex needs, health needs, social isolation. Reputation risk. Community disharmony.				

Service	Environmental Services		Portfolio Holder	Cllr Jim Edwards		
Head of Service	Richard Homewood					
Director	Damian Roberts					
Priority Objective 1	Implement measures to ensure long term improvements in refuse collection, recycling and street cleansing.					
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
ES/1	Conduct a strategic review of options for the future arrangements for waste, recycling and street cleaning services. Including analysis of implications if	March 2018	Richard Homewood/ Jennifer Carson-Paice	Officer time	Customer Service Environment	Options are considered, developed, costed, appraised and presented to Members by March 2018.

	Waverley Borough Council joined Surrey Waste Partnership joint contract.				Value for Money	
Outcome		Improved, efficient and value for money refuse collection, recycling and street cleansing services				
Risk of not fulfilling objective		Failure to ensure value for money in the provision of waste and street cleansing services. Loss of some control of service if part of joint contract with other local authorities.				

Priority Objective 2		Implement a Joint Enforcement Initiative to deliver reductions in Environmental Crime and Anti-Social Behaviour				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
ES/2	Develop and deliver a Joint Enforcement Initiative to ensure effective partnership working and coordination of action against Environmental Crime and Anti-social behaviour.	April 2017	Jennifer Carson-Paice/ Matt Nicholls	Officer time Potential income from Fixed Penalty Notices	Customer Service Environment Community Well-being	Reduction in incidents of fly-tipping, graffiti, dog fouling and litter. Fixed Penalty Notices issued where evidence is sufficient. Funding from Police and Crime Commissioner fully utilised, including purchasing vehicles and uniforms.
Outcome		Reduced levels of environmental crime and anti-social behaviour within the borough.				
Risk of not fulfilling objective		Increased environmental crime causing damage to the environment and increasing costs for the council. Increased nuisance and adverse impact on the quality of life of residents of the borough				

Priority Objective 3		Invest in a car parking service improvement programme using new technologies to create a modern, cost-effective, customer-friendly and high quality parking service.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
ES/3.1	Upgrade existing payment technology and introduce an expanded range of payment options for customers.	March 2018	Jennifer Carson-Paice/ Matt Nicholls	Officer time Small budget for publicity	Customer Service Value for Money	10%-15% of transactions taking place via Ring-go by March 2018 (Oct 2016: 9%) 20%-30% of income is generated

						through Ring-go. Broader range of payments options trialled and evaluated.. Impact on cash collection reviewed. Virtual Permits evaluated.
ES/3.2	Implement car park improvements identified in year 2 of the new Waverley Borough Council 10-year Car Park Maintenance and Improvement Programme.	March 2018	Jennifer Carson-Paice/ Matt Nicholls	Officer time Capital budget of £376,000 required to deliver all identified projects	Customer Service Value for Money Community Well-being	Identified projects delivered on time and on budget as identified in 10-year Car Parks Asset Management Plan.
Outcome		Increased customer satisfaction and improved customer experience, wider range of payment options available to customers, Increased use of car parks and footfall in town centres.				
Risk of not fulfilling objective		Customer dissatisfaction, increased risk if injury and damage claims. Reduced use of car parks.				

Priority Objective 4		Introduce environmentally sustainable energy resources for Waverley BC				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
ES/4	Develop proposals and programme for installing Photo Voltaic (PV) panels on Waverley Sheltered Housing Units	September 2017	Fotini Vickers	Officer Time Capital Programme funding	Environment Value for money	Proposals for PV arrays evaluated by September 2017. Programme for installation agreed by November 2017. Installation of panels commenced by March 2018.

Outcome	Reduced energy costs and expenditure, income stream generated after payback period.
Risk of not fulfilling objective	Failure to deliver value for money and reduce greenhouse gas emissions.

Service	Finance Portfolio	Portfolio Holder	Cllr Ged Hall
Head of Service	Peter Vickers		
Director	Graeme Clarke		

Priority Objective 1	Complete a process review of the Benefit Service to identify and adopt best practice in response to the increasing demand on the capacity of the service from the government's data matching agenda and Universal Credit.
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Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets	
F/1.1	Agree a project plan with Rushmoor Council's experienced in house process review team (engaged to provide expert guidance).	End of December 2017	Nicky Harvey	Back fill existing Benefit service staff engaged in the project in order to maintain service capacity	Value for Money	Performance indicator ' <i>time taken to process Housing Benefit and Council Tax Support new claims and changes in circumstances</i> ' consistently remains within target days and at or below previous quarter performance.	
F/1.2	Identify team resources and back fill capacity.	End of January 2017			Customer Service		
F/1.3	Implement project plan.	End of December 2017		Expertise and guidance on the review methodology from Rushmoor Council's in house process review team	Community Wellbeing		New information streams are assimilated and targets defined for processing new sources of inbound information.
F/1.4	Complete a post implementation review.	End of March 2018		Costs will be contained within existing resources			Financial performance is maintained at the current level of achievement and service delivery is contained within existing capacity.

Outcome	Increased responsiveness of the Benefit Service and improved capacity to deliver service.
Risk of not fulfilling objective	Increased demand on the team's capacity will adversely impact upon customer and financial performance of the service.

Priority Objective 2		Enhance the Council's financial governance by implementing a single electronic purchase ordering process (a recently procured functionality within the Councils financial system) that will standardise purchasing authorisation, scrutiny and compliance with the Financial Regulations.				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
F/2.1	Agree and produce a project implementation plan in consultation with software provider and senior management.	End of March 2017	Systems Accountant	None, budget already in place	Value for Money	All services use Agresso to raise purchase orders.
	Identify project resources and assimilate onto the project working group.	End of March 2017	Head of Finance	Internal resources from Finance team and services, budget already in place	Customer Service	All purchase orders are scrutinised and authorised in line with the requirements of the scheme of delegation and authorised signatories limits with segregation of responsibilities.
	Implement project plan and roll out across the Council.	April – March 2018	Financial Services Manager	None		Paper and spreadsheet based systems of purchase order record keeping within services are no longer used freeing up service resources.
	Set up a Finance systems user group and service champion network.	April 2017	Systems Accountant	None		All budget holders and managers have a complete real time access to expenditure across the transaction cycle
	Conduct a post implementation review		Financial Services Manager			
Outcome		Improved financial administration process reducing burden on services.				
Risk of not fulfilling objective		It is not possible to realise service financial administration efficiencies or enable the financial management system to work more effectively for the Council without this process. Financial governance cannot be enhanced efficiently without a single electronic system that enforces the key governance financial checks and balances.				

Service		Customer and Corporate Services			Portfolio Holder	Cllr Tom Martin	
Head of Service		David Allum					
Director		Graeme Clark					
Priority Objective 1		Deliver a change programme leading to improved customer satisfaction					
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets	
CCS/1.1	Complete the customer services review, identify the direction of travel required corporately and develop an action plan to respond to the agreed improvements.	June 2017	David Allum	Depending on the review outcomes capital investment will be required. It is anticipated that this will lead to revenue savings.	Customer Service Value for Money	Review completed and action plan agreed. The 2016 Citizens Panel Survey showed that 75% of people scored services at 7 out of 10 or higher. Once any changes are implemented (2018) we should be looking to increase this figure to 80%.	
CCS/1.2	Take an active participatory role in the Surrey Customer Care Group.	April 2017	David Allum	Minor revenue costs to host and attend meetings and to participate in shared activity will be required. It is anticipated that these can be met from existing budgets.	Customer Service	Improved service offer to customers leading to a satisfaction figure of 80%. Benefits from learning/networking and potential participation in joint ventures.	
CCS/1.3	Effectively lead the internal Foresight Customer Service Group	April 2017	David Allum	Costs will be mainly limited to staff time.	Customer Service	Ongoing engagement and commitment of staff representatives. This will be crucial if change is to be achieved and the target satisfaction level of 80% attained(although this may vary within service specific offers).	
Outcome		Increased customer satisfaction ratings.					
Risk of not fulfilling objective		Risks are mainly reputational. Customer Service is a key corporate priority and it is vital that the Council responds to customer aspirations.					

Priority Objective 2		Ensure the Council has an appropriate asset portfolio to provide an ongoing income stream to support and fund activity				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
CCS/2.1	Servicing and advising the Investment Advisory Board and ensure that the objectives and aims of the Board are realised.	The Investment Advisory Board will be fully functional in April 2017	Estates and Valuations Manager	Met by existing budgets except when specialist technical advice is required.	Value for Money	Acquisitions made and revenue generated. The success of the Board will ultimately be judged by the amount of revenue generated. One of the tasks for the Board will be to set targets in this regard.
CCS/2.2	Identify acquisition opportunities leading to economic development opportunities and/or revenue generation.	Assets to be acquired by end of March 2018	Estates and Valuations Manager	Very significant resources will be required. In all cases it will be part of the business case that a suitable yield is realised.	Value for Money	Delivery of successful acquisitions per annum.
CCS/2.3	Ensure the commercial portfolio delivers the maximum return.	To be assessed annually with the assessment due in December 2017	David Allum/ Estates and Valuations Manager	Management of the portfolio can generally be met by existing budgets. There may be some exceptions depending on the numbers and complexity of rent reviews required.	Value for Money	Although ideally we would see income increase year on year there are variables to consider. External market forces can impact on occupancy rates and we are bound by existing leases when it comes to rent reviews and levels. It is important to assess annually what the maximum projected income might be and as the asset base increases so this will increase also.
Outcome		Increased revenue from the portfolio.				
Risk of not fulfilling objective		Income derived from corporate assets can be a key contributor to the Council's overall financial position. If there is a failure to deliver this will increase pressure on existing budgets.				

Priority Objective 3		Maintaining and improving the IT infrastructure, services and systems which support the daily activity of the Council to meet its priorities				
Ref	Action(s)	By When?	Lead Officer	Resource Needed/ implications	Corporate Plan Priority	Performance Measures/ Targets
CCS/3.1	Deliver the 2017/18 Work Programme in line with the targets.	Target dates set out in work programme 2017/2018	Linda Frame/ Martin Wilson	Delivery of the Work Programme will generally be met by existing budgets but individual projects within the work programme may require additional resources as set out within individual business cases	Customer Service Value for Money	Minimum of 90% of projects be delivered on time and within budget.
CCS/3.2	Ensure Public Sector Network (PSN) accreditation is maintained.	In place by April 2017	Linda Frame	Costs of the exercise will be met by existing budgets unless unexpected investment requirements are identified during the process or preparation period.	Customer Service	Accreditation is achieved. The Council cannot continue to transact its business if this is not the case.
CCS/3.3	Successful delivery of the Planning System Project.	In place by December 2017	Linda Frame	The existing system is no longer fit for purpose. There will be a capital cost of £80k and an ongoing revenue cost of £28k.	Customer Service	Outcomes will be reflected by improved service delivery within the Planning Team.
Outcome		The successful performance of the IT infrastructure to ensure uninterrupted use of IT systems.				
Risk of not fulfilling objective		The IT systems are critical to the efficacy of almost all operational activity. We need to maintain optimum service delivery within the budget available to us.				

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WAVERLEY BOROUGH COUNCIL

COMMUNITY OVERVIEW & SCRUTINY COMMITTEE - 17 JANUARY 2017

EXECUTIVE – 7 FEBRUARY 2017

Title:

CULTURAL STRATEGY ACTION PLAN 2017/18

**[Portfolio Holder: Cllr Jenny Else]
[Wards Affected: All]**

Summary and purpose:

The purpose of this report is to summarise progress with the development of the Cultural Strategy since the Community Overview & Scrutiny Committee and Executive in September 2016 and introduce the Cultural Strategy Action Plan 2017/18 for approval.

How this report relates to the Council's Corporate Priorities:

The priorities and objectives of the Cultural Strategy Action Plan are aligned to the Council's Corporate Priorities of Community Wellbeing, Environment and Value for Money.

Financial Implications:

The Cultural Strategy Action Plan will be resourced from budgets already identified for cultural services within the Council's budget book.

In addition, the Council will seek to maximise investment in culture by using the strategy to build new relationships with national funding bodies. Where new development is planned in the Borough, the Council will also harness the opportunities of CIL and S106 planning obligations to enable culture to play a meaningful role in creative placemaking and community development.

Legal Implications:

There are no legal implications associated with this report. Cultural services are discretionary services provided by the Council and therefore there are no specific statutory requirements that need to be met in relation to their provision.

Background

1. At the Community Overview & Scrutiny Committee on 12 September 2016 Members were asked to comment on the Cultural Strategy report, the Culture Outcomes Framework and the supplementary evidence base. In response, it was recommended that the Council adopts phase one of the Cultural Strategy incorporating the evidence report and that Officers hold a consultative workshop to assist the development of annual Action Plan.
2. The workshop took place at the Museum of Farnham on 11 November 2016, and was attended by 35 individuals, representing a wide range of cultural organisations in the Borough.

3. The findings of the evidence report and the workshop discussions have contributed to the formation of the Action Plan in Annexe 1.

The Action Plan

4. The Action Plan represents the culmination of extensive research, consultation and analysis of the needs identified in the evidence report. It has been developed around three clear priorities and a series of goals and actions. While the Council will use its leadership and influence to drive the delivery of many of the actions, partnership working with a range of local and national organisations will be vital to the success of the strategy. The advantages of partnership working include; increased resources and capacity to deliver culture, a wider cultural offering available for the local community, diversity of provision to meet the diversity of demand and the strengthening of ties between communities and organisations. Supporting the cultural sector to thrive will therefore enable the Council to draw on a wider resource base for culture than would be possible through its own efforts.
5. The priorities and goals are as follows:

Priority 1: Culture contributes to the wellbeing of all our communities

- Goal 1: Children and young people are able to learn new skills through cultural participation
- Goal 2: Older adults have the opportunity to participate in cultural activity
- Goal 3: Everyone feels welcome and supported when visiting cultural spaces or taking part in cultural activity
- Goal 4: People are able to see and make more art within their own communities

Priority 2: Culture contributes to the quality of the communities of Waverley as places to live and work

- Goal 5: Creative graduates and emerging artists can access support in the early stages of their career development
- Goal 6: Culture contributes to the development of distinctive places and provides opportunities for community participation
- Goal 7: Culture enhances the attractiveness and vitality of the town centres and attracts visitors to the Borough

Priority 3: The cultural Sector is thriving and plays a key role in delivering community priorities

- Goal 8: The Council's cultural assets are managed effectively
- Goal 9: Culture delivers a maximum return on public investment through partnership, leverage and income generation
- Goal 10: Cultural organisations understand and support the communities they serve
- Goal 11: All residents are able to enjoy a strong local cultural offer

An Executive Summary version of the Cultural Strategy

6. Once the cultural strategy priorities and action plan have been approved by Members a short summary version will be produced and presented on the Council's website. Its purpose will be to provide a clear statement of the Council's support for culture and the focus for delivery over the strategy's lifetime. It will include a definition of culture, an introduction to cultural life in the Borough, an info graphic culture map and the priorities and action plan.

Comments from Community Overview & Scrutiny Committee

7. Community Overview & Scrutiny Committee reviewed the priorities and action plan at their meeting on 14 January 2017. The Committee discussed the role of cultural activities in promoting well-being, and whether the Cultural Strategy should focus on a more narrow definition of 'culture'. However, the Committee was generally supportive of the action plan, and felt that the priorities and goals were focused and clear, and supported and complemented the Well-being Strategy.
8. The Committee suggested that some of the Milestones in the action plan could be described more precisely; and there could be more clarity about Waverley's budget for delivering the cultural action plan, and the reliance on partnership working to achieve milestones. In delivering the action plan, the Committee suggested that that there was scope for better engagement with Town and Parish Councils, and liaison with the Mayor's Secretary might identify voluntary groups and projects with whom Waverley might engage.

Recommendation

It is recommended that the priorities and goals as set out in the Cultural Strategy Action Plan be endorsed.

Background Papers

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

CONTACT OFFICER:

Name: Charlotte Hall

Telephone: 01483 523390

E-mail: charlotte.hall@waverley.gov.uk

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PRIORITY 1: CULTURE CONTRIBUTES TO THE WELLBEING OF ALL OUR COMMUNITIES

Goal 1: Children and young people are able to learn new skills through cultural participation

- o Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
1.1	Children and young people are able to access high quality theatre at an affordable price	<p>Enable more 5-7 year olds to experience theatre within their schools</p> <p>Encourage Farnham Maltings to enable more children and young people to experience theatre through their school delivery programme</p>	<p>WBC Theatre companies schools Farnham Maltings Artswork Arts Council England</p>	<p>Number of primary schools booking theatre</p> <p>number of children and young people: -attending theatre at Farnham Maltings -achieving Arts Award -attending youth theatres</p>
1.2	Increase vocal and music provision in Waverley schools	Support the activities of the Surrey Music Hub through regular meetings	<p>WBC Surrey Arts Arts Partnership Surrey Rhythmix</p>	<p>2017 establish baseline for: number of: -music sessions delivered in Waverley schools children participating in: -youth training choirs -school festivals</p>
1.3	Pilot a 'Singing Picnic' on the Burys Field aimed at primary schools with low music engagement	<p>Establish working group to deliver the event</p> <p>Evaluate the model and build in 2018</p>	<p>WBC Arts Partnership Surrey Surrey Arts Schools</p>	Number of school children participating in singing activities from low engagement schools
1.4	Support Waverley museums in evolving their in-and-out of school learning provision in response to changing curriculum and community needs	<p>Encourage museums to implement 'learning on your doorstep' training</p> <p>Explore the value of producing a promotional leaflet, which joins- up Waverley's 'learning offer'</p> <p>Contribute to the development of a Surrey-wide Cultural Education Partnership</p>	<p>WBC Godalming Museum Farnham Museum Haslemere Museum Rural Life Centre</p>	<p>quarterly figures show increase in on and off-site learning activities</p> <p>number of children and families attending museum initiatives</p>

1.5	Work with Farnham Maltings to support the development of SPARK, an annual Waverley-wide festival celebrating young people's creativity	Support Farnham Maltings in the delivery of the 2017 SPARK festival Apply for core funding for 2018 to develop a longer participatory programme	Farnham Maltings WBC Surrey Young carers The Bungalow Step by Step Youth Service Uniform groups Surrey Youth Service Community Foundation Surrey	Increased engagement of young people from disadvantaged communities and/or in challenging circumstances Increased audience for exhibitions, workshops and showcase More young people gain new skills
1.6	Set up a networking event to bring youth workers, cultural organisations and artists together to explore ways of working together	Organise and host a networking event in 2017	WBC Youth Service Surrey Arts Farnham Maltings Creative practitioners	Number of artists and youth practitioners attending Increased range of creative activities for young people
1.7	Enable more young people to have improved physical health through participation in dance	Meet with Stop Gap and the Dance Movement to consider options Assist Stopgap in securing funding to support the Farnham Youth Dance Company Support The Dance Movement to deliver dance sessions in infant and primary schools Raise the profile of both companies	WBC Stopgap Dance The Dance Movement Public Health Schools	Number of children and young people participating in dance

Goal 2: Older adults have the opportunity to participate in cultural activity

o Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
2.1	Deliver a series of projects aimed at older adults living in rural communities and evaluate the impact of the programme	Evaluate the Ladywell Convent and Bungalow projects Assist Cranleigh Arts Centre in the launch of their Men in Sheds project – June 2017 Identify new partners and projects - 2017 provide match funding to support a major bid submitted by Farnham Maltings to the Arts Council's 'Celebrating Age' strategic funding programme	WBC New Ashgate Gallery Artists Voluntary sector groups Cultural organisations Private care providers Adult Social Care Centres for older people	Increased number of: -sessions held -older adults attending -males of all ages engaging -Improvement in wellbeing
2.2	Work with local authority partners and Public Health to shape a major county-wide arts programme aimed at improving mental health and emotional wellbeing	Work with partners to research and develop the programme and apply for external funding implement programme 2017/18	Arts Partnership Surrey Surrey Public Health Surrey Health and Wellbeing Leads group Adult Social Care Private care homes Voluntary sector Artists Funding bodies	Participants have: -Improved emotional health and wellbeing -learn new skills -Increased awareness and understanding of mental health issues
2.3	Support Farnham Maltings in delivering a health and wellbeing programme	Quarterly monitoring through the 2015-18 SLA	Farnham Maltings Right at Home Care Care homes Farnham Making Connections Farnham Road Hospital	Number of: -wellbeing sessions -attendances -new partnerships created -Improvement in wellbeing through participation in cultural activity
2.4	Support Cranleigh Arts Centre in hosting a wide range of groups who use the venue to provide health and wellbeing activities	Quarterly monitoring through the 2015-18 SLA	Cranleigh Arts Centre Alzheimer's Society Creative Response Community and voluntary sector groups	Number of: -wellbeing sessions -attendances -new partnerships created -Improvement in wellbeing through participation in activities.

Goal 3: Everyone feels welcome and supported when visiting cultural spaces or taking part in cultural activity

- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
3.1	Sign post cultural organisations to the support and training available to achieve Dementia Friendly status	<p>Encourage Age Friendly venues to share good practice</p> <p>Encourage venues to use self assessments produced by Alzheimer's Society</p> <p>Consider value of a joined up PR campaign with People for Places</p> <p>Encourage venues to take up offer of specialist access guidance for disabled performers offered by the Disability Arts in Surrey consortium</p>	<p>WBC Leisure</p> <p>Alzheimer's Society</p> <p>Cultural organisations</p> <p>People for Places</p> <p>Dementia Friendly</p> <p>Godalming</p> <p>DAISY organisations</p>	<p>Every venue has an access strategy by 2018</p>
3.2	Work with Public Health colleagues to develop a comprehensive understanding of mental health needs and consider a range of cultural initiatives in response to areas in Waverley that have a higher than average incidence of mental health issues	<p>Research need/resources on Surrey i</p> <p>Support the work of Creative Response in delivering outreach art therapy</p> <p>Consider the value of promoting a mental health awareness month</p> <p>Work with partners to support initiatives</p>	<p>WBC</p> <p>Public Health</p> <p>Farnham & North East</p> <p>Hants Clinical</p> <p>Commissioning Group (Recovery Clinics)</p> <p>Creative Response</p> <p>Oakleaf</p> <p>The Wellcome Project</p> <p>Welcome to Volunteering</p> <p>Creative practitioners</p>	<p>Number of people:</p> <ul style="list-style-type: none"> -Attending singing for wellbeing sessions -Attending Meet me at the Maltings craft group -Accessing the services provided by Creative Response -New initiatives established
3.3	Work with partners in health and cultural organisations to explore how GP referrals to cultural activities can be increased across the Borough	<p>Research social prescribing models and hold a half day networking event bringing cultural organisations and health professionals together</p> <p>Pilot approaches in Farnham and Cranleigh, linking with Time Banking and Farnham Making Connections</p>	<p>WBC</p> <p>Public Health</p> <p>Clinical Commissioning Groups</p> <p>Cultural organisations</p>	<ul style="list-style-type: none"> -Increased GP awareness of activities on offer -Achieve more arts and health referrals

Goal 4: People are able to see and make more art within their own communities

- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
4.1	Encourage more rural communities to present touring theatre in non-theatre spaces such as community halls	Work with the Farnham Maltings Tour Coordinator to publicise the rural touring scheme, including holding an informal event for parish councils and village hall committees to promote the opportunities available to them Promote Autumn 2017 tour	Farnham Maltings WBC Arts Council Parish Council and community halls	-Increased network of community venues participating in the scheme -more people attending theatre within their own communities
4.2	Research the breadth and scale of informal cultural activity happening across the Borough to gain a better understanding of the contribution these groups make to community life in Waverley	work with Councillors and Town and Parish Councils to identify community groups and produce a simple survey to assess needs produce a directory of groups and non arts spaces to be published on the Council's website audit parish and neighbourhood plans to identify their local cultural ambitions	WBC Councillors and Officers Town and Parish Councils	Increased awareness of informal cultural activity happening in the Borough
4.3	Work with cultural partners to explore the potential of developing community arts outreach programmes in under utilised cultural premises and non arts spaces	use the cultural strategy culture maps to identify arts and non arts spaces work with cultural organisations and voluntary groups to review activity that can be outreached	WBC Parish Councils Community Halls Libraries Cultural providers	Greater community awareness of: -cultural activity in rural areas -the contribution of the voluntary arts sector to community life

PRIORITY 2: CULTURE CONTRIBUTES TO THE QUALITY OF THE COMMUNITIES OF WAVERLEY AS PLACES TO LIVE AND WORK

Goal 5: Creative graduates and emerging artists can access support in the early stages of their career development

- Environment

No:	Action	Milestones	Lead and key Partners	Measures of success
5.1	Work with the University for the Creative Arts to enable more cultural sector graduates to develop their creative careers within Waverley	<p>Set up a series of meetings with the Strategic Lead for Enterprise at UCA</p> <p>review existing support on offer by cultural organisations and business support agencies including Enterprise First</p> <p>establish the needs of graduates including access to affordable housing</p>	<p>University for the Creative Arts</p> <p>WBC Economic Development team</p> <p>Cultural organisations</p> <p>Enterprise First</p> <p>Business support agencies</p> <p>Job Centre Plus</p> <p>Arts Council England</p>	<p>Pattern of regular meetings established</p> <p>Report produced identifying current support available, gaps in provision and solution proposals</p> <p>Organisations identified who can support via work placements, internships, project based commissions, networking and young entrepreneur schemes</p>
5.2	Work with strategic partners and internal council teams to look at the opportunities for affordable studio and incubator spaces	<p>Set up initial meeting with internal and external partners</p> <p>Map potential council and non-council premises initially targeting the Farnham area and broker conversations with potential providers</p> <p>Review best practice and report findings 2017/78</p>	<p>University for the Creative Arts</p> <p>Relevant cultural organisations</p> <p>WBC property, economic development, housing and planning teams</p>	<p>Affordable studio/incubator spaces are identified within the Waverley area</p>
5.3	Explore the role the Council can play in enabling the University for the Creative Arts to address the lack of student accommodation in Farnham including the use of private landlord accommodation	<p>Meet with UCA to better understand the problem and any existing plans they have to meet shortfall</p> <p>Facilitate a meeting between relevant Waverley teams</p> <p>Produce a report to present options</p>	<p>WBC Housing and Property teams</p> <p>University for the Creative Arts</p>	<p>More housing options identified for students</p>

Goal 6: Culture contributes to the development of distinctive places and also provides opportunities for community participation

- Environment
- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
6.1	Work with the Planning Team to explore the value of producing a public art strategy that responds to the opportunities arising from local development	<p>Work with the Planning Team to discuss the benefits of public art within large developments and establish an effective on-going relationship</p> <p>Maintain a proactive interest in the Brightwells and Dunsfold Aerodrome schemes</p> <p>Apply the national benchmarks for negotiating arts and museum facilities within S106 agreements</p> <p>Identify possible sites and schemes of interest</p> <p>Develop protocols around the involvement of cultural organisations and local communities</p> <p>Identify public art training offered by IXIA</p>	<p>WBC Crest Nicholson Developers University for the Creative Arts Farnham Maltings New Ashgate Gallery Farnham Public Art Trust Cultural organisations Artists Arts Council England Funding bodies</p>	<p>More S106 agreements include provision for arts and heritage initiatives</p>
6.2	Highlight the place-making benefits of embedding cultural facilities and programmes within new housing developments	<p>Work with the Planning Team to highlight the value that cultural programmes bring to new developments</p> <p>Work with local cultural providers to develop revenue funded activity programmes</p> <p>Seek to pilot the role Cranleigh Arts Centre can play within the Dunsfold development and other proposed schemes in the east of the Borough</p>	<p>WBC Developers Cranleigh Arts Centre Cultural organisations</p>	<p>Share Cranleigh Arts Centre proposal with Planning Jan 2017</p> <p>On-going</p>
6.3	Support Surrey Hills AONB in developing a Walking for Health arts engagement project to complement the public art commissions situated along the Greensand Way	<p>Work with the Surrey Hills visual arts officer to make links with partners in health and the voluntary sector</p> <p>Arts and walks programme delivered 2017/18</p>	<p>Surrey Hills AONB WBC Communities and Countryside teams Funding bodies</p>	<p>Greater awareness of public art in rural settings</p> <p>Non arts participants engaging with the arts</p>

Goal 7: Culture enhances the attractiveness and vitality of the town centres and attracts visitors to the Borough

- Environment
- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
7.1	Continue to encourage culture-led collaborations and town initiatives	Recognise the value of culture-led town initiatives such as Farnham Craft Town, Cranleigh Literary Festival, Haslemere Fringe and Godalming Music Festival and contribute to their development where possible	Town councils Cultural organisations Heritage organisations Libraries Local societies and community groups Visit Surrey Media partners	Culture is more visible Number of: -new relationships between arts and non arts groups -non arts participants engaged in arts activity Increased awareness of the value of culture-led initiatives to the local economy
7.2	Enhance the Borough's cultural tourism offer by exploring the potential of producing borough-wide leaflets on cultural heritage themes	Assess level of interest and value of producing borough wide trails/literature by 2017/18 Work with volunteers, history societies and museums to collate content Obtain design and print costs	WBC Museums Town Councils Local history societies Visit Surrey	Increased interest in Waverley's cultural heritage

PRIORITY 3: THE CULTURAL SECTOR IS THRIVING AND PLAYS A KEY ROLE IN DELIVERING COMMUNITY PRIORITIES

Goal 8: The Council's cultural assets are managed effectively

- Value for money

No:	Action	Milestones	Lead and key Partners	Measures of success
8.1	Devolve the building and management of Godalming Museum to Godalming Town Council	Hold negotiations with Godalming Town Council agree contractual Heads of Terms draw up legal agreements covering staff, property and service delivery	WBC Godalming Town Council Museum Trust	Transfer achieved June 2017
8.2	Implement a new management structure for Farnham Memorial Hall prior to the re-opening in 2017	Work up the management option recommended in the operational planning workshop in Nov 16 create a job description for venue manager post Contribute to management structure and business plan Establish KPIs to enable financial sustainability in years 3-5	WBC Members and Officers	Council approves operational budget Feb 2017 Recruitment May 2017 Position filled July 2017
8.3	Agree 2018-21 Management Contract for the Museum of Farnham with Farnham Maltings	Establish ambitions for 2018-21 SLA in April 2017 as part of the Annual Review Council agrees contract sum and terms for SLA and Museum Management Contract	WBC Farnham Maltings	Agreement April 2018 Implementation 2018-21
8.4	Ensure that cultural organisations occupying council buildings maintain them effectively	Hold regular meetings with cultural tenants to ensure Waverley's cultural assets are well managed and maintained in accordance with their lease agreements	WBC Property Team New Ashgate Gallery Cranleigh Arts Centre Farnham Museum Godalming Museum	On-going
8.5	Appraise future property options for the Museum of Farnham	Report findings and recommendations of property options review	WBC – consult legal, property and planning teams Farnham Maltings SCC	Initial report April 2017

8.6	Increase awareness of the Borough Hall cinema and facilities for hire	<p>Evaluate the success of the Crafty Cinema and explore options to make it self-sustaining</p> <p>Work with the Communications Team to implement communications plan</p> <p>Support local initiatives such as the Staycation</p> <p>Develop targeted initiatives to attract new users</p>	WBC Borough Hall and Communications Team	<p>Increased number of:</p> <ul style="list-style-type: none"> -children and families attending cinema -hirers -community awareness and satisfaction of Borough Hall
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Goal 9: Culture delivers a maximum return on public investment through partnership, leverage and income generation

- Value for money

No:	Action	Milestones	Lead and key Partners	Measures of success
9.1	Develop a funding strategy that identifies sources of funding for key capital and revenue projects	<p>Identify capital projects for CIL/S106 funding</p> <p>put forward major cultural schemes for the Infrastructure Delivery Plan</p> <p>research external funding sources in alignment with priorities</p> <p>provide match funding for the 'Celebrating Older People' strategic funding bid to the Arts Council</p>	<p>WBC Officers Planners</p> <p>Trusts and foundations</p> <p>cultural organisations</p> <p>ACE</p> <p>Farnham Maltings</p>	<p>Income achieved from external funding sources</p>
9.2	Assist the sector in applying to a wide range of funding sources and provide up to date knowledge on a diversity of fundraising and income generation approaches	<p>Hold a funding surgery in 2017</p> <p>encourage organisations with a successful fundraising track record to share best practice</p>	<p>WBC</p> <p>Arts Council, Heritage Lottery, Community Foundation Surrey</p> <p>Farnham Maltings</p> <p>UCA</p> <p>Haslemere Museum</p> <p>Cranleigh Arts Centre</p> <p>Watts Gallery</p>	<p>Number of:</p> <ul style="list-style-type: none"> -Funding applications submitted/supported -organisations actively fundraising
9.3	Continue to play a lead role in shaping Arts Partnership Surrey programmes that benefit our communities	<p>Maintain a proactive position on the steering group</p> <p>Influence the development of the annual activity programme to ensure delivery against Waverley's objectives</p>	<p>WBC</p> <p>Surrey Arts</p> <p>Farnham Maltings</p> <p>Tandridge Leisure Trust</p> <p>Districts and boroughs</p>	<p>Annual activity Plan agreed April 2017</p> <p>Amount of leverage on subscription</p> <p>Numbers participating / attending</p>

Goal 10: Cultural organisations understand and support the communities they serve

- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
10.1	Work with partners to deliver a series of themed networking events that encourage collaboration and information sharing	<p>Hold 2 networking events per year focusing on</p> <ul style="list-style-type: none"> • Local and national funding opportunities • accessing the preventative health agenda <p>Invite local and national funding bodies to participate in a funding surgery</p> <p>Provide update on the opportunities arising from the prevention stream of Strategic Transformation Plans</p> <p>Work with the Surrey Health and Wellbeing Leads</p> <p>Continue to advocate the benefits of cultural participation to health</p>	<p>WBC cultural organisations Arts Council, Heritage Lottery, Community Foundation Surrey, Trusts & Foundations</p> <p>Public Health, Clinical Commissioning Groups public and voluntary sector partners, centres for older people, Surrey Health and Wellbeing Leads Group, Time Banking and community initiatives</p>	<p>Attendance at networking sessions</p> <p>Number of -funding applications supported -health and wellbeing projects initiated</p>
10.2	Sign post artists in Waverley to professional development opportunities supported by Arts Partnership Surrey and Farnham Maltings	Training delivered June 2017	WBC Officers Farnham Maltings Arts Partnership Surrey Surrey Arts	<p>Number of Waverley artists attending training sessions</p> <p>Impact of training e.g. number of new projects initiated</p>
10.3	Provide training in the interpretation and use of audience segmentation data to gain a better understanding of local communities	<p>Training delivered in 2017</p> <p>Develop a series of profiles for Waverley's towns, larger rural settlements and areas of low engagement</p>	WBC The Audience Agency cultural organisations	Increase in annual footfall of cultural venues
10.4	Volunteers feel valued for the contribution they make to the cultural life of the Borough	<p>Survey cultural organisations to assess the extent of the challenge in recruiting and retaining volunteers</p> <p>On-going support of initiatives which reward and motivate volunteers e.g. mayors reception, awards, recruitment campaigns</p>	WBC Voluntary Action South West Surrey Welcome to Volunteering Cultural organisations	More people volunteering and contributing to community life

Goal 11: All residents are able to enjoy a strong local cultural offer

- Community wellbeing

No:	Action	Milestones	Lead and key Partners	Measures of success
11.1	Establish a Communications Plan that raises the profile and visibility of the cultural sector	Publish cultural strategy priorities on Council website April 2017 Produce Communications Plan June 2017 Work with cultural partners to develop seasonal campaigns aimed at children and families	WBC Communications Cultural providers	Increased presence on the Council's website and in publications Increase in social media activity, good news stories and PR More people attending cultural activities supported by Waverley
11.2	Investigate the cost and practicalities of producing a regular arts E-bulletin that includes an events diary	Develop the business case for a cultural E bulletin	WBC Communications	Review options by 2018

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

HASLEMERE BOWLING CLUB - REQUEST FOR SURRENDER OF EXISTING AND GRANT OF NEW LEASE

[Portfolio Holders: Cllrs Tom Martin and Kevin Deanus]

[Wards Affected: Haslemere East and Grayswood]

Note pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report 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 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).

Summary and purpose:

Haslemere Bowling Club has approached the Council for consent to surrender their existing lease of the Pavillion land and to take a new long lease of both the Pavilion land and the Bowling Green itself.

How this report relates to the Council's Corporate Priorities:

The proposal contained within this report supports the Corporate priority of Value for Money. It also supports the corporate priority of Community Wellbeing by providing a leisure and recreational facility.

Financial Implications:

The proposal for the bowling club to take responsibility for the whole site reduces the Council's committed expenditure (green maintenance provided by Glendale) by more than the lost income (from green rental). During the five year hand over period the irrigation system maintenance commitment is also reduced by 50%, and completely there after.

Legal Implications:

Haslemere Bowling Club currently has a lease of the pavilion for a term of 75 years from 1st May 1994 (lease dated 3rd April 1996 "Original Lease"). It does not have a formal lease of the bowling green. However, the Bowling Club may have a protected tenancy if it has been in exclusive occupation paying a "rent" for an appropriate period of time.

Waverley BC holds a freehold interest in both the pavilion and the bowling green and therefore can grant a lease of both to the Bowling Club. A Deed of Surrender will need to be completed and a new lease granted.

Prior to granting the new lease to the Bowling Club consent from Fields in Trust will need to be obtained in accordance with the terms of the Deed of Dedication dated 17th April 2015.

Introduction

1. Haslemere Bowling Club currently 'lease' the land from us on which their Pavilion building sits at a 'rent' and they 'hire' through Leisure, the bowling green for an annual fee, both of which are detailed in the (Exempt) Annexe.
2. The Pavilion is maintained by the Bowling Club. The Bowling green and it's surrounding hedges are maintained by way of a contract between Waverley BC and Glendale. The irrigation system is also maintained by the Council. In total, the maintenance costs incurred by Waverley BC exceed the revenue received, resulting in an annual net shortfall, as set out in the Exempt Annexe.
3. Under the current financial predictions that the Council faces, pressure will be put on budgets and whilst these cannot yet be quantified, is likely all non-discretionary services and the operation of them will have to be reviewed. So in order to minimise shortfalls such as this, the Green fee charges to the Bowling Club would have to be increase annually until Waverley is in a cost neutral position. This is further detailed in the Exempt Annexe.
4. This is something the Bowling Club are aware of and as such, they wish to have more certainty and control over their annual outgoings. In order to facilitate this, the Club wishes to take a new lease to cover the whole of the Bowling Green area and also to take over the Green maintenance themselves by appointing their own contractor. This arrangement is considered to be beneficial to Waverley in that it will ensure that the management and maintenance of the green and the majority of its associated costs will be passed to the Bowling Club under a proper tenancy arrangement.
5. Outline terms have therefore been agreed for a simultaneous surrender of the existing lease of the Pavilion land, and the grant of a new 30 year lease encompassing the pavilion land and bowling green, at a rent which is detailed in the Exempt Annexe.
6. As the Club does not wish to be exposed to the full cost of repairing and/or replacing the irrigation system, negotiations have concluded with the agreement that Waverley Borough Council will ensure the irrigation system is fully functioning at the start of the lease (anticipated in April 2017) by repairing or replacing parts where necessary. Waverley Borough Council will also contribute towards the cost of replacement of major items (tank, pump, control panel etc.) during the first five years of the lease and details of this are provided in the Exempt Annex.

Conclusion

7. The transaction that consent is being sought for offers financial and management benefits to both Waverley Borough Council and Haslemere Bowling Club and it is proposed to structure a new lease that reflects the way the Club and land is used.

Recommendation

It is recommended that approval be given to the surrender of the current lease to Haslemere Bowling Club and consent to the simultaneous grant of a new lease on the proposed terms.

Background Papers

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

CONTACT OFFICER:

Name: Liz Giddens

Telephone: 01483 523236

E-mail: liz.giddens@waverley.gov.uk

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