

To: All Members of the Council

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Manager

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Calls may be recorded for training or monitoring

Date: 10 February 2017

Dear Councillor

COUNCIL MEETING - TUESDAY, 21 FEBRUARY 2017

A MEETING of the WAVERLEY BOROUGH COUNCIL will be held in the COUNCIL CHAMBER, COUNCIL OFFICES, THE BURYS, GODALMING on **TUESDAY, 21 FEBRUARY 2017** at **7.00 pm** and you are hereby summoned to attend this meeting.

The Agenda for the Meeting is set out below.

Yours sincerely

ROBIN TAYLOR

Head of Policy and Governance

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AGENDA

1. MINUTES (Pages 5 - 8)

To confirm the Minutes of the Council meeting held on 13 December 2016 (herewith).

2. APOLOGIES FOR ABSENCE

The Mayor to report apologies for absence.

3. DECLARATIONS OF INTEREST

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. MAYOR'S ANNOUNCEMENTS

5. QUESTIONS FROM MEMBERS OF THE PUBLIC

To answer any questions from members of the public, received in accordance with Procedure Rule 10.

The deadline for receipt of questions for this meeting is 5pm on Tuesday 14 February 2017.

6. QUESTION TIME

To answer any questions received in accordance with Procedure Rule 11.2.

7. MOTIONS

To receive any motions submitted in accordance with Procedure Rule 12.1.

8. BUDGET 2017/2018

To receive the reports of the Executive in respect of the 2017/2018 budget.

8.a Financial Strategy 2017/18 - 2019/20: General Fund Budget 2017/18 (Pages 9 - 76)

8.b Housing Revenue Account Business Plan, Revenue Budget and Capital Programme 2017/18 (Pages 77 - 92)

8.c Council Tax Setting 2017/2018 and Pay Award - to consider the report To Follow (including any information received since the meeting of the Executive)

9. MINUTES OF THE EXECUTIVE

To receive the minutes of the meetings of the Executive (coloured grey), held on:-

- 9.a 10 January 2017 (Pages 93 - 110)
- 9.b 7 February 2017 (Pages 111 - 182)
10. MINUTES OF THE LICENSING AND REGULATORY COMMITTEE (Pages 183 - 186)

To receive the minutes of the meeting of the Licensing and Regulatory Committee (coloured bright green), held on 26 January 2017.

11. LOCAL GOVERNMENT AND HOUSING ACT 1989
LOCAL GOVERNMENT (COMMITTEES AND POLITICAL GROUPS)
REGULATIONS 1990 (Pages 187 - 190)

To consider the allocation of seats on principal Committees following the recent changes to the political composition of the Council, as attached.

12. EXCLUSION OF PRESS AND PUBLIC

To consider the following motion, to be moved by the Mayor, where appropriate:-

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 any matter on this agenda 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 the item(s), there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in the appropriate paragraph(s) of the revised Part I of Schedule 12A of the Local Government Act 1972 (to be identified at the meeting).

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Agenda Item 1.

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MINUTES of the WAVERLEY
BOROUGH COUNCIL held in
the Council Chamber, Council
Offices, The Burys, Godalming
on 13 December 2016 at 7.00
pm

Present

Cllr Chris Storey (Mayor)	Cllr Carole King
Cllr Simon Inchbald (Deputy Mayor)	Cllr Robert Knowles
Cllr Andrew Bolton	Cllr Denise Le Gal
Cllr Maurice Byham	Cllr Denis Leigh
Cllr Carole Cockburn	Cllr Andy MacLeod
Cllr Kevin Deanus	Cllr Peter Martin
Cllr Jim Edwards	Cllr Tom Martin
Cllr Patricia Ellis	Cllr Kika Mirylees
Cllr Jenny Else	Cllr Stephen Mulliner
Cllr Mary Foryszewski	Cllr Nabeel Nasir
Cllr John Fraser	Cllr Julia Potts
Cllr Pat Frost	Cllr Wyatt Ramsdale
Cllr Michael Goodridge	Cllr Stefan Reynolds
Cllr Tony Gordon-Smith	Cllr David Round
Cllr John Gray	Cllr Richard Seaborne
Cllr Ged Hall	Cllr Jeanette Stennett
Cllr Val Henry	Cllr Stewart Stennett
Cllr Christiaan Hesse	Cllr Ross Welland
Cllr Stephen Hill	Cllr Liz Wheatley
Cllr Mike Hodge	Cllr Nick Williams
Cllr Jerry Hyman	Cllr John Williamson
Cllr Peter Isherwood	

Apologies

Cllr Brian Adams, Cllr Mike Band, Cllr David Else, Cllr Jill Hargreaves, Cllr Nicholas Holder, Cllr David Hunter, Cllr Anna James, Cllr Libby Piper, Cllr Sam Pritchard, Cllr Simon Thornton and Cllr Bob Upton

Prior to the commencement of the meeting, prayers were led by the Reverend Alan Crawley

42/16 MINUTES (Agenda item 1.)

The Minutes of the Meeting of the Council held on 18 October 2016 were confirmed and signed.

A point of clarification was raised with regard to the Minutes of the Extraordinary Council Meeting held on 29 November 2016 and it was noted that there was an omission relating to an amendment which had been moved at the meeting. The amendment added the following words to the end of the substantive recommendation:

“...including phasing necessary to ensure compliance with the habitats directive and circular 06/2005, and with air quality legislation.”

The amendment was LOST, with Cllrs John Fraser, Jerry Hyman, Andy MacLeod, John Ward and John Williamson asking for their votes in support of the amendment to be recorded.

It was noted that the minutes of the Extraordinary meeting would be amended accordingly.

43/16 APOLOGIES FOR ABSENCE (Agenda item 2.)

Apologies for absence were received from Cllrs Brian Adams, Mike Band, David Else, Jill Hargreaves, Nicholas Holder, David Hunter, Anna James, Libby Piper, Sam Pritchard, Simon Thornton, Bob Upton and John Ward.

44/16 DECLARATIONS OF INTEREST (Agenda item 3.)

There were no interests declared under this heading.

45/16 MAYOR'S ANNOUNCEMENTS (Agenda item 4.)

The Mayor thanked councillors for supporting his Christmas Fayre which had been a great success and raised approximately £400 for his charities, in particular Cllrs Band and Wheatley who had helped to run some of the stalls.

In the lead up to Christmas, the Mayor reported that he was busy attending carol concerts, pantomimes and visits to old people's homes and that it was very enjoyable to be involved.

46/16 MINUTES OF THE EXECUTIVE - 11 AND 29 NOVEMBER 2016 (Agenda item 8.)

It was moved by the Chairman of the Executive, duly seconded and

RESOLVED that the Minutes of the Meetings of the Executive held on 1 and 29 November 2016 be approved and the recommendations contained therein adopted.

47/16 MINUTES OF THE SPECIAL EXECUTIVE - 13 DECEMBER 2016 (Agenda item 8.c)

The minutes of the Special Executive Meeting held earlier in the evening were tabled. It was then moved by the Chairman of the Executive, duly seconded and

RESOLVED that the Minutes of the Special Meeting of the Executive held on 13 December 2016 be approved and the recommendations contained therein adopted.

During consideration of the minutes, at 7.43pm it was

RESOLVED 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 item 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 the item, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in paragraph 3 of the revised Part 1 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).

The meeting resumed in open session at 7.51pm when the recommendations were approved.

48/16 MINUTES OF THE AUDIT COMMITTEE (Agenda item 9.)

It was moved by the Chairman of the Committee, duly seconded and

RESOLVED that the Minutes of the Meeting of the Audit Committee held on 15 November 2016 be approved and the recommendations contained therein adopted.

49/16 MINUTES OF THE LICENSING AND REGULATORY COMMITTEE (Agenda item 10.)

It was moved by the Chairman of the Committee, duly seconded and

RESOLVED that the Minutes of the Licensing and Regulatory Committee held on 24 November 2016 be approved and the recommendations contained therein adopted.

The meeting concluded at 7.59 pm

Mayor

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WAVERLEY BOROUGH COUNCIL

COUNCIL – 21 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. The Council is 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 Executive has made recommendations to the Council regarding Waverley's Budget and its element of the Council Tax for 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](#). The Licensing and Regulatory Committee has approved its charge proposals. 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 £1.059m 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 £1.059m 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	£60.474m
Budget shortfall = £1.059million	

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.

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 Park, Farnham	To undertake an appraisal of refurbishment options. The 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 £10,000 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

The Executive, having considered the comments from the Joint Overview and Scrutiny Committee, RECOMMENDS that

1. a £5 per band D equivalent increase for Waverley's element of Council Tax for 2017/2018 be approved;
2. the income and cost saving proposals as shown at Annexe 4 be implemented, including any staffing changes;
3. the growth proposals as shown at Annexe 4 be implemented, including any staffing changes;
4. the changes to Fees and Charges as shown at Annexe 5 be approved and the setting of charges for the use of the new Memorial Hall be delegated to the Strategic Director of Front Line Services in consultation with the Leader of the Council;
5. officers be requested to progress the projects identified in paragraph 15 that will achieve cost savings and/or generate additional income;
6. the General Fund Budget for 2017/18 be approved, as amended by the above changes;
7. the updated Financial Strategy be approved, as set out at Annexe 1;
8. 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. the 2017/18 General Fund Capital Programme and financing proposals totalling £3.3m be approved, as shown at Annexe 7, and the bringing forward of £10,000 of the new building control system budget into 2016/17;
10. in the light of the significant cut to Waverley's New Homes Bonus, the progression of all other capital schemes that do not generate a positive revenue benefit be suspended, with this position being reviewed in the Spring/Summer 2017; and
11. the budgets for capital schemes marked with an asterisk on the schedules be approved, but spending on these projects be subject to the agreement of the Strategic 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.

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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
2	Paper Data Per 1,000 names or part thereof on each register	OO	10.00	10.00 per 1,000 names on
		OO	5.00	5.00 each register.)

Vat Indicator: OS = Standard
 OE = Exempt
 OZ = Zero Rated
 OO = Outside Scope

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

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
Licences					
1	Breeding Establishments	Annual	280.00	290.00	3.6%
2	Riding Establishments - 1 to 8 Horses	Annual	292.00	300.00	2.7%
3	Riding Establishments - 9 to 15 Horses	Annual	437.00	450.00	3.0%
4	Riding Establishments - Over 15 Horses	Annual	580.00	600.00	3.4%
5	Animal Boarding Establishments				
	a) Non-home Boarding	Annual	258.00	270.00	4.7%
	b) Home Boarding	Annual	181.00	190.00	5.0%
6	Dangerous Wild Animals	2-yearly	190.00	200.00	5.3%
7	Zoos (2016/2017 -3 year licence)	4-yearly	255.00	1,100.00	223.5%
8	Pet Shops	Annual	208.00	210.00	1.0%
9	Cosmetic Piercing, Electrolysis, Acupuncture	per premise	182.00	190.00	4.4%
10	Cosmetic Piercing, Electrolysis, Acupuncture	per person	182.00	190.00	4.4%
11	Cosmetic Piercing, Electrolysis, Acupuncture	combined fee for premises and personal licence	269.00	280.00	4.1%
12	Tattooing	per premise	206.00	210.00	1.9%
13	Tattooing	per person	206.00	210.00	1.9%
14	Tattooing	combined fee for premises and personal licence	292.00	300.00	2.7%
15	Semi-permanent skin colouring	per premises	206.00	210.00	1.9%
16	Semi-permanent skin colouring	per person	206.00	210.00	1.9%
17	Semi-permanent skin colouring	combined fee for premises and personal licence	292.00	300.00	2.7%
18	Street Trading				
	a) Sole Trader	Annual	270.00	280.00	3.7%
	b) Schedule 2 event - up to 50 traders	Annual	280.00	290.00	3.6%
	c) Schedule 2 event - 51 or more traders	Annual	212.00	220.00	3.8%
	d) Schedule 2 event - up to 50 traders	Single Event	140.00	140.00	0.0%
	e) Schedule 2 event - 51 or more traders	Single Event	150.00	150.00	0.0%
19	Scrap Metal Dealers Licence				
	a) Site - new application		450.00	460.00	2.2%
	b) Site - renewal		254.00	260.00	2.4%
	c) Site to collectors - variation		387.00	400.00	3.4%
	d) Collectors - new application		410.00	420.00	2.4%
	e) Collectors - renewal		213.00	220.00	3.3%
	f) Collectors to Site - variation		450.00	460.00	2.2%

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

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
20	Hackney Carriage - Vehicles (not adapted)				
	- less than 5 years old	Annual	284.00	284.00	0.0%
	- 5 years old and over - first 6 months		284.00	284.00	0.0%
	- 5 years old and over - second 6 months		82.00	82.00	0.0%
21	Hackney Carriage - Vehicles (adapted)				
	- under 5 years old	Annual	102.00	102.00	0.0%
	- 5 years old and over - first 6 months		102.00	102.00	0.0%
	- 5 years old and over - second 6 months		82.00	82.00	0.0%
22	Missed Appointments (Vehicle Test)	Per Test	70.00	70.00	0.0%
23	Re-testing of vehicles following failure	Per Test	70.00	70.00	0.0%
24	Hackney Carriage - Drivers renewal	Annual	69.00	69.00	0.0%
25	Private Hire - Operators				
	- Operators - renewal (5 vehicles and less)	5 years	184.00	125.00	-32.1%
	- Operators - renewal (more than 5 vehicles)	5 years		171.00	
	- New Operators (5 vehicles and less)	5 years		146.00	
	- New Operators (more than 5 vehicles)	5 years		192.00	
	- New Operators (5 vehicles and less)	5 years		215.00	
	- New Operators (more than 5 vehicles)	5 years		261.00	
26	Private Hire - Vehicles (not adapted)	Annual			
	- under 5 years old	Annual	284.00	284.00	0.0%
	- 5 years and over - first 6 months		281.00	281.00	0.0%
	- 5 years and over - second 6 months		82.00	82.00	0.0%
27	Private Hire - Vehicles (adapted)				
	- under 5 years old	Annual	102.00	102.00	0.0%
	- 5 years and over - first 6 months		101.00	102.00	1.0%
	- 5 years and over - second 6 months		82.00	82.00	0.0%
28	Hackney carriage / private hire				
	- New driver	3 years	150.00	262.00	74.7%
	- licence renewal	3 years		170.00	
	- New driver	1 year		108.00	
	- licence renewal	1 year		69.00	
29	Private Hire only				
	- New driver	3 years	150.00	262.00	74.7%
	- licence renewal	3 years		170.00	
	- New driver	1 year		108.00	
	- licence renewal	1 year		69.00	
30	New Driver Application		108.00	108.00	0.0%
32	Knowledge test	Per Test	35.00	70.00	100.0%
33	Resit / non-attendance fee for Knowledge test	Per Test	35.00	70.00	100.0%
34	Surrender and replacement of Hackney Carriage / Private Hire Licence		83.00	82.00	-1.2%
35	6 Month test (vehicles over 5 years)	Per Test	83.00	83.00	0.0%

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

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
36	Hackney Carriage and Private Hire				
	- Replacement plate bracket	OS	10.00	10.00	0.0%
	- New/Replacement plate & window disc	OS	16.00	20.00	25.0%
	- Replacement lanyard	OS		10.00	
	- Replacement driver's badge			1.00	
	- Change of address	OS		10.00	
37	New Plate / Licence for seating alteration	OO	20.00	20.00	0.0%
38	Transfer of P/H to H/C (new badge, knowledge test and admin)	OO		90.00	
39	Gambling Act 2005 - Including lotteries, permits, premises, etc	Various	Please see website for individual fees		
Licensing Act 2003					
40	- Personal	New	37.00	37.00	0.0%
41	- Premises	Initial/Variation	Various depending on rateable value		
42	- Premises: Sex Establishment	from -according to RV	4,690.00	4,690.00	0.0%
43	- Premises	Annual Fee			
44	- Premises	DPS Variations, etc	23.00	23.00	0.0%
45	- Temporary Event Notice	Per Event	21.00	21.00	0.0%
Search and Photocopying					
46	Copies of documents (general)	First page £1.00 20p per sheet thereafter	1.00	1.00	0.0%
47	Data Barring Service (previously CRB)	Per Applicant	50.00	50.00	0.0%

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OO = Outside Scope

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	10.00	10.00	0.0%
2	Freedom of Information/ Environmental Information Regulations	Per Enquiry	By Arrangement		
3	Proof of Life Certificates		36.00	37.00	2.8%
Vat Indicator: OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope					

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

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	
Corporate Management						
1	Sale of Annual Financial Report	Per Copy	OZ	10.00	10.00	0.0%
2	Sale of Annual Budget	Per Copy	OZ	10.00	10.00	0.0%

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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	Planning Application Fees	Various	OO	Various	
2	Supply of Weekly Lists of Planning Applications	Per Annum	OZ	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%

Vat Indicator: OS = Standard
OE = Exempt

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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OO = Outside Scope

Finance

Schedule of Fees and Charges for 2017/2018

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase
Cost of Collection					
Summons Costs					
1	Council Tax				
	Per Summons				
	on issue of summons	OO	105.00	105.00	0.0%
	on granting of liability order (further charge)	OO	3.00	3.00	0.0%
2	Business Rates				
	Per Summons				
	on issue of summons	OO	120.00	130.00	8.3%
	on granting of liability order (further charge)	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	7.9%	} plus 500 refundable deposit	
5	Fairs - Setting up / down	Day	OE	150.00	3.3%		
6	Small Fetes / Village Shows	Day	OE	100.00	0.0%	} plus 200 refundable deposit	
	Large Fetes / Village Shows	Day	OE	150.00			
7	Car Boot Sales	Day	OE	163.00	22.7%	} plus 500 refundable deposit	
8	Caravan Rallies - Per Unit	Night	OS	8.00	0.0%		
9	Tilford Camp Site - Per Head	Night	OS	5.00	0.0%		
10	Grazing Rights			By Negotiation			
11	Frensham Common	Parking	Car / Day	OS	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	5.6%	} Exclusive right per site	
	Annual fee	OE		1,000.00			
13	Allotments	5 rod plot	per plot	OE	57.00	5.3%	}
		10 rod plot	per plot	OE	114.00	5.3%	
14	Forest Schools	Session	OE	30.00	16.7%		
15	Professional Dog Walking	Session	OE	11.00	36.4%	} 1 person with 4 dogs on WBC sites	
		Annual licence	OE		150.00		
16	Bonfires	Event	OE	100.00	2.0%	} plus 500 refundable deposit	
17	Ice Cream Vans	6 months	OE	1,500.00	3.3%	} plus 500 refundable deposit	
		one off's	OE		50.00		
18	Mobile Catering	per month	OE	500.00	2.0%	} plus 500 refundable deposit	
19	Bouncy Castle (use of land)	Session	OE	50.00	2.0%		
17	Blessings (eg Frensham Pond)	Event	OS	50.00			
19	Wedding Events on Open Spaces		OS	150.00		} plus 200 refundable deposit	
20	Farnham Castle use of Farnham park for extra parking for castle events		OS	1,000.00			
21	Officer call outs for site visits / meetings / utility meetings	Hour	OE	100.00	10.0%		
Still Photography							
22	Advertising	Per Day (or part thereof)	OS	By Negotiation		}	
23	Books or Magazines		OS	By Negotiation		}	
Filming							
24	Feature film or Advertising film	Per Day	OS	By Negotiation		}	
25	Set up and clear up days	(or	OS	By Negotiation		}	
26	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
27	Small scale filming thereof)	OS	50.00	51.00	2.0%	}
28	Educational/Student requests	OS		Free		}
	University of creative arts - student filming requests	Annual fee		500.00		}
Music						
29	Recording or video	Per Day (or part thereof)		By Negotiation		}
Vat Indicator:		OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope				

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	
Vat Indicator:						
OS = Standard						
OE = Exempt						
OZ = Zero Rated						
OO = Outside Scope						

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")) cross or other monument not over) 2' high x 1'6")	OO	200.00	204.00	2.0%	
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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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.
- 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%

Vat Indicator: OS = Standard
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OO = Outside Scope

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				

Vat Indicator: OS = Standard
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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%	Standard charges are designed to achieve overall full recovery of the cost of the service to the Council.
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%	

Reduced Charge							
1	1 Item	Per Visit	OO	21.00	22.00	4.8%	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
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%	

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%	

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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%	
Private Water Supply						
1	Risk Assessments		155.00	160.00	3.2%	Subject to a statutory maximum of £500 per risk assessment
	+ Per Hour		55.60	55.60	0.0%	
2	Sampling		56.00	58.00	3.6%	Subject to a statutory maximum of £100 per visit
	+Per Hour		50.66	50.66	0.0%	
3	Investigations		56.00	58.00	3.6%	Subject to a statutory maximum of £100 per investigation
4	Authorisations		100.00	100.00	0.0%	Subject to a statutory maximum of £100 per authorisation granted
	+ Per Hour		50.66	50.66	0.0%	
5	Analysis		20.00	20.00	0.0%	Subject to statutory maxima: £25 for Regulation 10 analyses £100 for check monitoring analyses £500 for audit monitoring analyses
			+ laboratory fees			
Vat Indicator: OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope						

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	Meadow, 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	25.00	
46		- If paid after 14 days	OS	50.00	50.00	
47		- After issue of charge certificate	OS	75.00	75.00	
Expired ticket in correct charging period						
48		- If paid within 14 days	OS	25.00	25.00	
49		- If paid after 14 days	OS	50.00	50.00	
50		- After issue of charge certificate	OS	75.00	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	35.00	
52		- If paid after 14 days	OS	70.00	70.00	
53		- After issue of charge certificate	OS	105.00	105.00	
Parked beyond the bay markings/other lower level contraventions						
54		- If paid within 14 days	OS	25.00	25.00	
55		- If paid after 14 days	OS	50.00	50.00	
56		- After issue of charge certificate	OS	75.00	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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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)	OO	560.00	565.00	0.9%	
2	Five yearly - per property (renewal)	OO	405.00	495.00	22.2%	
Caravan Site Licence Fees						
3	Site Licence Applications	OO				
	No. of pitches 1 - 5		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	OO				
	No. of pitches 1 - 5		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	OS	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 OO	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 OO	60.00	60.00	0.0%	Statutory - where the Council takes enforcement action following a preliminary notice of intent

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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

COUNCIL – 21 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. The Executive has made recommendations to Council regarding Waverley's HRA budget and Business Plan for 2017/18.

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

The Executive, having considered the comments from the Joint Overview and Scrutiny Committee, RECOMMENDS 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.

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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

MINUTES OF THE EXECUTIVE - 10 JANUARY 2017

SUBMITTED TO THE COUNCIL MEETING – 21 FEBRUARY 2017

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

Present

Cllr Julia Potts (Chairman)	Cllr Jim Edwards
Cllr Tom Martin (Vice Chairman)	Cllr Jenny Else
Cllr Brian Adams	Cllr Ged Hall
Cllr Andrew Bolton	Cllr Carole King
Cllr Kevin Deanus	

Also Present

Councillor Jerry Hyman

120. MINUTES (Agenda item 1)

The Minutes of the Meeting held on 29 November and of the Special Meeting held on 13 December 2016 were confirmed and signed as a correct record.

121. DECLARATIONS OF INTERESTS (Agenda item 3)

There were no declarations of interest raised under this heading.

122. QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 4)

The Executive received the following question from Mr Michael Hyman of Farnham in accordance with Procedure Rule 10:

“In the 29 December edition of the Farnham Herald, the Chairman of the SCC-WBC Local (Transport) Committee announced that an “exciting” new proposal, backed by our MP, is about to be unveiled to solve the town’s traffic, pedestrian and air quality problems.

However, it is evident that the traffic modelling for the new ‘solution’ does not include modelling of Crest Nicholson / Sainsbury’s East Street pedestrianisation proposals, and given that SCC cannot be claiming that they intend to implement both Crest’s and Mr Hunt’s plans separately and in isolation, this indicates that SCC Highways accept that they can no longer support or implement CNS’ impractical and discredited road scheme.

Such a major shift in SCC’s position would require a significant redesign of the Brightwells project, and as Waverley’s existing AQAP and Local Plan are both founded upon an assumption that Crest’s scheme will be installed, I ask that you provide a definitive statement of the Executive’s position in respect of whether or not it is still your intention that Crest’s traffic/pedestrianisation proposals will be implemented.”

The response to the question which was delivered by the Leader of the Council was as follows:-

“Surrey County Council as Highway Authority has confirmed that any future town centre highway schemes for Farnham will also need to work in connection with the approved Brightwells development. The scheme is extant and capable of implementation.”

PART I - RECOMMENDATIONS TO THE COUNCIL

Background Papers

Unless specified under an individual item, there are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to the reports in Part I of these minutes.

123. BUDGET MANAGEMENT REPORT (Agenda item 7)

The Executive considered and noted the report reviewing the 2016/17 budget for the General Fund and Housing Revenue Account against the forecast to 31 March 2017 and

RESOLVED to approve

1. the rescheduling of Development Control RTP1 training budget into 2017/18 budget, as set out in paragraph 5 (i);
2. the rescheduling of £12,300 for Agresso works into 2017/18, as set out in paragraph 18 (ii);
3. a virement of £10,000 from the Provision for Urgent Schemes for Bus Shelter Replacement, as set out in paragraph 20 (i);
4. a virement of £3,400 from General Fund Capital Savings for a Vending machine for the Borough Hall, as set out in paragraph 20 (ii);
5. a virement of £11,000 from General Fund Capital Savings for an IT hardware upgrade for Waverley Training Services, as set out in paragraph 20 (iv);
6. a virement from General Fund Capital Savings and usage of PIC funding, totalling £15,000, for the Shamley Green Parking scheme, as set out in paragraph 20 (v);
7. the rescheduling of £40,000 for Waverley Training Services classroom works into 2017/18; and
8. the rescheduling of £40,000 for Continuity works into 2017/18.

The Executive was advised that a number of projects originally planned for 2017/18 could be accelerated due to availability of savings already achieved in the 2016/17 capital programme and through the use of the urgent Schemes Provision. These projects are as follows:-

- i. Bus Shelter replacement in Farnham - £10,000
- ii. Vending Machine purchase for the Borough Hall - £3,400
- iii. Waste & Recycling Container purchase - £42,505
- iv. Waverley Training Services IT hardware upgrade - £11,000
- v. Shamley Green Parking Scheme - £15,000 (£1,733 from PIC funding)

The Executive now

RECOMMENDS that

98. approval be given to a virement of £42,505 from General Fund Capital Savings for Waste and Recycling Containers.

[Reason: to review the 2016/17 budget for the General Fund and Housing Revenue Account against the forecast to 31 March 2017]

124. REPORT OF THE CONSTITUTION SIG (Agenda item 9)

124.1 Following its last report to the Executive on 12 July 2016 recommending changes to the constitution relating to Questions by Members of the Public, the Constitution SIG met again on two occasions to look at Questions by Members and also to propose the structure for the new Overview and Scrutiny arrangements and recommend some principles about how they will operate. The recommendations from the SIG were approved by the Executive, and are now for the Council to consider:

Questions by Members

124.2 The SIG reviewed the section of the Constitution relating to Questions from Members and agreed that where possible it should be consistent with the changes made to the section on Questions by Members of the Public. It therefore recommended that

1. Para 11.3 should be revised to delete '*member of a Committee or Sub-Committee*' and replace with '*any member of the Council*' may ask the Chairman...
2. Para 11.4 (a) should be amended so that members of the Council need to give at least 4 clear working days notice in writing, instead of 7;
3. Para 11.4 (b) add that the question must relate to matters '*that are not already included on the agenda*'.

Overview and Scrutiny Arrangements

Timing

124.3 The SIG gave initial consideration to a number of areas to progress the implementation of the review. The SIG did however agree that it was

important to take time over agreeing what the new structure of Committees and arrangements should look like and so the proposed implementation would be in time for the start of the new Council year 2017/2018. Members were keen that the role of Scrutiny Officer was recruited to straight away so that the postholder could help to advise on and shape the new arrangements. At the last meeting, members were informed that the original recruitment exercise had been unsuccessful and officers were taking steps to readvertise the post as soon as possible with some direct targeting of the advert into relevant professional networks.

Training of Members

124.4 A suite of training events to be facilitated by South East Employers had been arranged that would help launch and deliver the necessary messages about good scrutiny and how it would best operate for Waverley. Specific training for Chairmen and Vice-Chairmen of the Scrutiny Committees was identified as an area to be included. It was proposed by the SIG that each training session should be open to all members and relevant officers to jointly attend. Dates had now been finalised and all members and appropriate officers invited.

Members' Allowances

124.5 The SIG was aware that the Members' Allowances Scheme currently included Special Responsibility Allowances (SRAs) for the Chairman and Vice-Chairman of each Overview and Scrutiny Committee. It was identified that consideration would need to be given to the level of SRA payable in the event that the structure of Committees changed and involved the appointment of more (or less) Chairmen and Vice-Chairmen. Officers would include this as part of the considerations by the Independent Remuneration Panel for Members' Allowances which was due to meet again in 2016/2017 to review the current scheme.

Structure of Committees

124.6 The SIG supported the idea of having a structure of four Overview and Scrutiny Committees aligned to the Corporate Priorities. However, it was agreed that because of the service complexities, there should be a specific Committee to deal with housing-related matters. The proposed structure of the Committees is attached at Annexe 1.

124.7 The SIG discussed the Co-ordinating Group which would meet informally and consist of the Chairmen and Vice-Chairmen of the four O and S Committees. It was agreed that this group should be defined as the Co-ordinating Board, and that it could meet informally on its own or with the Executive and Directors as appropriate.

Terms of Reference

124.8 The suggested Terms of Reference for each Committee are set out at Annexe 2. The SIG supported the breakdown of service areas into the Terms of Reference for each Committee as a good starting point from which

the Committees would operate from 2017/18 onwards, and agreed that it was important to keep the Terms of Reference under constant review, and revisit them after six and twelve months. It was also suggested that the Co-ordinating Board would play a role in deciding where matters which were overarching or relevant to more than one Committee should be considered.

124.9 The Terms of Reference of the Committees are set out in the Council's Constitution and so approval is also sought for any amendments to the Terms of Reference to be delegated to the Co-ordinating Board on the basis that if the need arises, there is flexibility to revise the Terms of Reference swiftly. The Terms of Reference would be included in an annual report from each Committee to the Council – and the constitution would be updated at this point with any changes that had taken place during the year. It is therefore recommended that:

4. the structure of four Overview and Scrutiny Committees, as set out in Annexe 1 be agreed, along with the establishment of the informal Co-ordinating Board whose membership would consist of the Chairmen and Vice-Chairmen of the four Committees;
5. the Terms of Reference for the Overview and Scrutiny Committees, as set out in Annexe 2, be agreed;
6. authority be delegated to the Overview and Scrutiny Co-ordinating Board to keep the Terms of Reference under regular review and revise when necessary, subject to an annual report from each Committee to the Council to endorse any changes and amend the constitution accordingly.

Size of Committees

124.10 Members discussed the number of members who should be appointed to each Committee and, in view of the in-depth work they were expected to pursue, suggested a membership of 9, with the exception of the Housing O and S Committee which would have a membership of 11, two of whom would be Tenants' Panel representatives.

124.11 It was clarified that the system of appointing substitutes for absences would be in operation, and that this provision would also extend to the Tenant's Panel representatives. To facilitate the smooth-running of this process, each Group would provide the Democratic Services Team with a priority order list of which members to call to attend as substitutes to ensure that only those members interested in doing so would be contacted. It is recommended that

7. the four Overview and Scrutiny Committees should consist of 9 Waverley members, and that the Housing Overview and Scrutiny Committee also appoints 2 Tenants Panel Representatives as co-optees.

Timing of Meetings

- 124.12 The SIG agreed that the proposed timing of meetings, six per year, seemed appropriate and that because the Committees would become involved in in-depth review work which may necessitate additional meetings in a short period of time, there should be flexibility to arrange extra meetings when necessary, subject to the agreement of the Chairman and Vice-Chairman. It is recommended that
8. the constitution be amended to enable additional meetings of each O and S committee to be arranged with the agreement of the Chairman and Vice-Chairman.

Chairmanships

- 124.13 The SIG agreed the principle that the Chairman and Vice-Chairman of each Committee should not be from the same political group. The SIG received details about how the Chairmen of Overview and Scrutiny Committees were appointed at other authorities, and agreed that with a single party Executive, it was good practice for Scrutiny Committees to be chaired by the opposition. The SIG discussed this in light of the current political composition of the Council and recognised the restrictions that could be placed on a small opposition group when having to find suitable and willing members to fill the Chairman roles on the Committees.
- 124.14 The SIG agreed that the most important consideration was for the best person to be appointed to the role, and accepted that this may not always be an opposition member. It was noted that, subject to the trigger of 10% being reached, the Chairmen of the Committees would be nominated by the largest minority group. To this end, the constitution does not need to be changed but will be clarified to read as follows (new text shown in bold and italic type):-
- “In the event of a single party Executive, the Chairmen of the Overview and Scrutiny Committees should be nominated by the largest minority political group on the Council (this can include non-members of the largest minority group or members of the majority group), subject to the total number of Opposition members on the Council exceeding 10% of the overall membership (***in the current composition of the Council, this would equate to 6 members***). ***The Vice-Chairman of the Overview and Scrutiny Committee shall not be from the same political group as the Chairman***”.
- 124.15 This gives clarity that the entitlement to the role of Chairmen remains with the largest minority group, but they are not obliged to take them and can agree to appoint a member who is not part of their group, who could also be from the majority group. In the event that this happens, the largest minority group are still entitled to the Vice Chairman position on the Committee to comply with the principle that the Chairman and Vice-Chairman are not from the same political group. It is recommended that

9. the constitution be amended to agree the revised wording set out above regarding chairmanships of the Overview and Scrutiny Committees.

Attendance by Executive Portfolio Holders

- 124.16 The SIG was in agreement that there was a role for Executive Portfolio Holders in attending Overview and Scrutiny Committees, as long as this role was clearly defined within the constitution. It was agreed that O and S Committees could invite Portfolio Holders along as part of their forward work programme to talk about their service areas, but they could also invite them along to help with deliberations. A protocol setting out how this would be managed is attached as Annexe 3. The protocol also covers the Chairman of an Overview and Scrutiny Committee (or, in his or her absence, the Vice-Chairman) attending the Executive to present reports. It is recommended that
10. the protocol for attendance at meetings of the Executive and Overview and Scrutiny Committees, as set out at Annexe 3, be agreed.

Special Interest Groups (SIGs)

- 124.17 The SIG identified that many of the areas of work currently undertaken by SIGs could be better placed as areas of investigation, policy formulation and in-depth review for the Overview and Scrutiny Committees. Whilst there were some concerns about the ability of the Portfolio Holder to be involved in areas affecting their remit if the Overview and Scrutiny Committees were leading, it was agreed that they could be invited to attend meetings on an ad hoc basis. Subject to this, the SIG agreed that Special Interest Groups should be deleted from the Constitution and that the work of the current Constitution SIG could be picked up by the Standards Panel in future. It was further clarified that the appointed Town and Parish Council representatives would not participate in any discussions at the Standards Panel relating to the Waverley constitution. It is recommended that
11. Special Interest Groups be deleted from the establishment, and the role of the Standards Panel be extended to include keeping the constitution under review and making recommendations for revision.

- 124.18 Having the report of the Constitution SIG, the Executive now

RECOMMENDS that, with regard to Questions by Members at meetings,

99. **Para 11.3 should be revised to delete '*member of a Committee or Sub-Committee*' and replace with '*any member of the Council*' may ask the Chairman...**
100. **Para 11.4 (a) should be amended so that members of the Council need to give at least 4 clear working days notice in writing, instead of 7; and**

101. Para 11.4 (b) add that the question must relate to matters '*that are not already included on the agenda*'; and

with regard to Overview and Scrutiny arrangements:-

102. the structure of four Overview and Scrutiny Committees, as set out in Annexe 1 be agreed, along with the establishment of the informal Co-ordinating Board whose membership would consist of the Chairmen and Vice-Chairmen of the four Committees;
103. the Terms of Reference for the Overview and Scrutiny Committees, as set out in Annexe 2, be agreed;
104. authority be delegated to the Overview and Scrutiny Co-ordinating Board to keep the Terms of Reference under regular review and revise when necessary, subject to an annual report from each Committee to the Council to endorse any changes and amend the constitution accordingly;
105. the four Overview and Scrutiny Committees should consist of 9 Waverley members, and that the Housing Overview and Scrutiny Committee also appoints 2 Tenants Panel Representatives as co-optees;
106. the constitution be amended to enable additional meetings of each O and S committee to be arranged with the agreement of the Chairman and Vice-Chairman;
107. the constitution be amended to agree the revised wording set out in the report regarding chairmanships of the Overview and Scrutiny Committees;
108. the protocol for attendance at meetings of the Executive and Overview and Scrutiny Committees, as set out at Annexe 3, be agreed; and
109. Special Interest Groups be deleted from the establishment, and the role of the Standards Panel be extended to include keeping the constitution under review and making recommendations for revision.

[Reason: to agree the principles of the new arrangements relating to Overview and Scrutiny]

125. UPDATING SCHEME OF DELEGATION FOR ENVIRONMENTAL AND ANTISOCIAL BEHAVIOUR ENFORCEMENT (Agenda item 11)

125.1 There has been a raft of changes to legislation in the areas of Environmental and Antisocial Behaviour Enforcement over the years with the Environment Protection Act 1990, Environment Act 1999, Clean Neighbourhoods and Environment Act 2005, Refuse Disposal Amenity Act 1978, CPAA 1989, and the Anti-social Behaviour Crime and Policing Act amongst them.

125.2 The Scheme of Delegation has been amended several times to accommodate these changes in legislation. In seeking to adopt a clearer, corporate approach and engage teams across the Council in this initiative, a review of the current Scheme of Delegation has identified some inconsistencies and omissions to the scheme of delegation which need to be corrected to enable all relevant officers to participate in the initiative and drive forward the Council's vision and priorities.

125.3 The schedule at Annexe 4 therefore proposes a comprehensive update of the Scheme of Delegation as it relates to Environmental and Anti-Social Behaviour enforcement and a simplification of the delegations by delegating most powers to the appropriate Heads of Service, who are then empowered to further delegate selected powers to their teams or individual officers as deemed appropriate and necessary. It is recommended that the attached Schedule of Anti-Social Behaviour and Environmental enforcement powers is added to the Scheme of Delegation.

RECOMMENDS that

110. the proposed changes to the Scheme of Delegation relating to Environmental and Anti-Social Behaviour enforcement, as set out in the attached schedule, be approved.

[Reason: to update the Scheme of Delegation in line with changing legislation]

PART II - MATTERS OF REPORT

The background papers relating to the following items are as set out in the reports included in the original agenda papers.

126. EXECUTIVE FORWARD PROGRAMME (Agenda item 5)

RESOLVED that the Executive Forward Programme be approved, subject to the addition of Safeguarding Policy to the Community Safety portfolio, with an expected date of April 2017.

127. BUDGET 2017/18 - UPDATE (Agenda item 6)

RESOLVED that, in light of the significant budget shortfall, the Executive

1. continue to work with officers to identify options to balance the budget; and
2. ask the Joint Overview and Scrutiny Committee to consider the detailed budget proposals at their January meeting and to make any suggestions back to the Executive to prioritise options to balance budgets.

[Reason: to outline the latest position on the 2017/18 budget and refer it to the O and S Committees for consideration]

128. CUSTOMER SERVICES REVIEW (Agenda item 8)

RESOLVED that the Head of Customer and Corporate Services and the Officer Foresight Group be requested to continue the review of customer services and evaluate/progress the change options specified within the body of the report.

[Reason: to secure the support of the Executive to proceed with the next stage of the Customer Services Review.]

129. CONSULTATION ON REMOVAL OF BT PAYPHONES IN WAVERLEY (Agenda item 10)

RESOLVED that there being no amendments necessary to the initial position of the Council in response to the consultation, the final position be signed off by the Portfolio Holders, taking into account any outstanding representations received between 10 and 20 January, to enable the posting of the final notice by 30 January 2017.

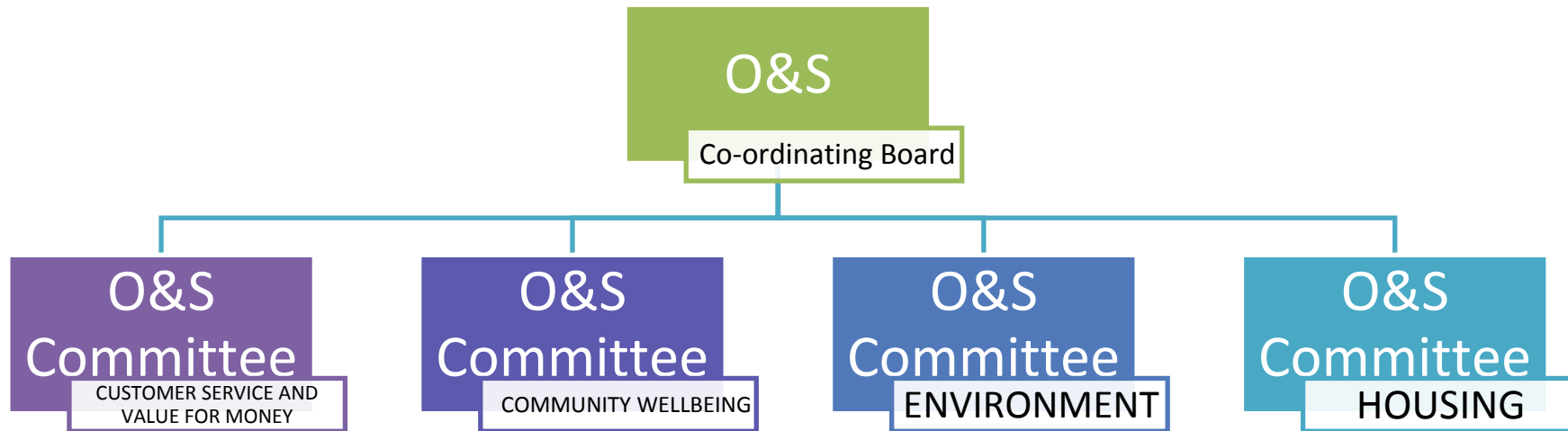
[Reason: to agree the Council's response to the consultation about removal of BT payphones in Waverley]

130. DRAFT CALENDAR OF MEETINGS 2017/2018 (Agenda item 12)

RESOLVED that the Calendar of Meetings for 2017/18 be approved.

The meeting commenced at 6.45 pm and concluded at 7.22 pm

Chairman



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REMIT OF EACH OVERVIEW AND SCRUTINY COMMITTEE

Corporate Priorities:

Priority 1: to deliver excellent and accessible services which meet the needs of our residents

Priority 2: to support the wellbeing and vitality of Waverley communities

Priority 3: to protect and enhance the environment of Waverley

Priority 4: to provide excellent value for money that reflects the needs of our residents

Overview and Scrutiny Committee	Services and Areas of Responsibility Covered
<p>1. Customer Service and Value for Money</p> <p>To provide effective scrutiny of the achievement of the Council's Corporate Priorities 1 and 4</p>	<ul style="list-style-type: none"> ➤ Corporate Plan ➤ Customer Services ➤ Communications and Public Relations ➤ Democratic Services ➤ Elections ➤ Complaints ➤ Corporate Finance ➤ Revenues and Benefits ➤ Economic Development ➤ Business Liaison ➤ Property ➤ IT ➤ Procurement and Commissioning ➤ HR and Recruitment
<p>2. Community Wellbeing</p> <p>To provide effective scrutiny of the achievement of the Council's Corporate Priority 2</p>	<ul style="list-style-type: none"> ➤ Health and Wellbeing ➤ Leisure and Sport ➤ Arts, Culture and Museums ➤ Youth and Young People ➤ Waverley Training Services ➤ Community Services ➤ Day Centres ➤ Provision for Older People in the Community ➤ Community Safety ➤ Grants ➤ Licensing <p>This Committee will act as the designated Crime</p>

	and Disorder Committee for the purposes of Section 19 of the Police and Justice Act 2006.
3. Environment To provide effective scrutiny of the achievement of the Council's Corporate Priority 3	<ul style="list-style-type: none"> ➤ Planning and Major Developments ➤ Building Control ➤ Refuse, Recycling, Food Waste Collection ➤ Car Parking ➤ Street Cleaning ➤ Parks, Countryside and Open Spaces ➤ Rural Issues ➤ Land Drainage and Flooding ➤ Sustainability ➤ Environmental Health
4. Housing To provide effective scrutiny of the Council's housing function	<ul style="list-style-type: none"> ➤ HRA Business Plan ➤ Housing Development ➤ Provision of Housing Services ➤ HRA Asset Management ➤ Homelessness ➤ Housing Allocation ➤ Sheltered Housing ➤ Tenancy and Estates

The Overview and Scrutiny Committees may meet jointly, in any combination, to consider matters of mutual interest. This will be agreed by the Co-ordinating Board. The appointment of the Chairman and Vice-Chairman of any Joint Committee will be decided by the Co-ordinating Board.

The Co-ordinating Board is also able to decide the most appropriate Committee to consider those matters which do not clearly fall into the remit of one Committee or which may be of interest to more than one.

The Terms of Reference will remain under regular review, and the Co-ordinating Board will be able to revise or amend them mid-year, as necessary.

PROTOCOL FOR ATTENDANCE BY EXECUTIVE PORTFOLIO HOLDERS AT OVERVIEW AND SCRUTINY COMMITTEES

An Executive Portfolio Holder can attend a meeting of an Overview and Scrutiny Committee to **observe**, and may **speak** if the required notice has been given in accordance with the Council's Constitution.

If an Executive Portfolio Holder is **invited** to attend an Overview and Scrutiny Committee, either to provide an update on their portfolio, to assist with work programming or to be questioned on matters within their remit, the Chairman of the Committee will specify in advance how the meeting will be managed and what their level of involvement will be.

The Head of Policy and Governance will notify the Executive Portfolio Holder at least 10 working days in advance of the meeting at which he/she is required to attend.

PROTOCOL FOR ATTENDANCE BY OVERVIEW AND SCRUTINY COMMITTEE CHAIRMEN AT THE EXECUTIVE

A Chairman of an Overview and Scrutiny Committee can attend a meeting of the Executive to **observe**, and may **speak** if the required notice has been given in accordance with the Council's Constitution.

If the Chairman (or in his or her absence the Vice-Chairman) is **invited** to attend an Executive meeting, perhaps to present the findings of the Committee following an in-depth review, or to explain the observations of the Committee made on a particular report, the Leader of the Council will specify in advance how the meeting will be managed and what their level of involvement will be.

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WAVERLEY BOROUGH COUNCILEXTRACTS FROM SCHEME OF DELEGATION TO OFFICERS

Where it is proposed that the Scheme of Delegation needs to be amended, the relevant pages are set out below, with the changes shown in red type or struck through.

Any changes to numbering as a consequence of the changes will be picked up by officers and amended at a later date before publishing the revised Scheme on the website.

EXECUTIVE - GENERAL POWERSENVIRONMENT

- | | | |
|-----|--|---|
| 38. | Authority to serve litter Abatement Notices and street litter control notices and to institute summary proceedings where appropriate under Part IV of the Environmental Protection Act 1990 (or as may be modified, amended or re-enacted). | Head of Environmental Health, Head of Environmental Services. |
| 52. | Enforcement of the relevant provisions of the Clean Neighbourhoods and Environment Act 2005 | Officers nominated by the relevant Heads of Service in accordance with the schedule attached at Annex 1.
<u>See Anti Social Behaviour and Environmental Enforcement schedule.</u> |

ENVIRONMENTAL HEALTH SERVICE SCHEME OF DELEGATION**Clean Neighbourhoods and Environment Act 2005**

1. Environmental Health Manager to be able to take action and authorise appropriately qualified and competent Officers to take action to deal with noise nuisance and nuisances in respect of light pollution and insects.
2. Environmental Health Manager to be able to issue fixed penalty notices, and to authorise appropriately qualified and competent Officers, and take enforcement action in respect of noise, and dogs under sections 4, 18 to 20, 23 to 27, 33, 35, 36, 40, 41, 42, 43, 44, 53, ~~59, 60, 61~~, 83 and 105, including the amendments made by the above sections to the Environmental Protection Act 1990 and other primary and secondary legislation.
3. Environmental Health Manager to be able to authorise officers to exercise powers of entry in relation to alarms under sections 77 to 80
- ~~4. Environmental Health Manager to be able to authorise appropriately qualified and competent Officers to exercise powers to investigate and take enforcement action for offences concerning the selling and repairing of vehicles on a road under sections 3 and 4. See Anti Social Behaviour and Environmental Enforcement schedule.~~

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WAVERLEY BOROUGH COUNCIL

MINUTES OF THE EXECUTIVE - 7 FEBRUARY 2017

SUBMITTED TO THE COUNCIL MEETING – 21 FEBRUARY 2017

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

Present

Cllr Julia Potts (Chairman)	Cllr Jim Edwards
Cllr Tom Martin (Vice Chairman)	Cllr Jenny Else
Cllr Brian Adams	Cllr Ged Hall
Cllr Andrew Bolton	Cllr Carole King
Cllr Kevin Deanus	

Also Present

Councillor Jerry Hyman (to speak on Agenda Items 6, 9, 10, 11, 14, 15, 19, 21 and 22)
and Councillor David Round (to speak on Agenda Item 6)

131. MINUTES (Agenda item 1)

The Minutes of the Meeting held on 10 January 2017 were confirmed and signed as a correct record.

132. DECLARATIONS OF INTERESTS (Agenda item 3)

Cllr Kevin Deanus declared an interest in Agenda Item 8 relating to the budget management report because there was a specific recommendation relating to expenditure for development in the village of Alfold. There was no specific discussion relating to Alfold and therefore Cllr Deanus remained in the Chamber for this item.

PART I - RECOMMENDATIONS TO THE COUNCIL

Background Papers

Unless specified under an individual item, there are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to the reports in Part I of these minutes.

133. WAVERLEY FINANCIAL STRATEGY 2017/18 - 2019/20 (Agenda item 6)

The reports from the Executive in respect of the 2017/18 budget are set out at Agenda Item 8 to the Council agenda, incorporating:-

- 8a. General Fund Budget Revenue and Capital – 2017/18
- 8b. Housing Revenue Account Business Plan, Revenue Budget and Capital Programme 2017/18
- 8c. Council Tax Setting 2017/18 and Pay Award.

These reports have been dealt with at Agenda Item 8 of the Council agenda.

134. TREASURY MANAGEMENT FRAMEWORK 2017/18 (Agenda item 9)

134.1 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.

134.2 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.

134.3 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.

134.4 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. 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.

134.5 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.

134.6 With the creation of the Council's 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.

134.7 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.

134.8 The Local Government Act 2003 requires local authorities to comply with CIPFA's Prudential Borrowing Code. This in turn requires local authorities to agree a specified set of prudential indicators relating to their investment and

borrowing activities. 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.

134.9 The Executive now

RECOMMENDS that

111. the proposed Treasury Management Framework for 2017/18 be approved; and

112. authority for decisions to borrow to finance capital expenditure be delegated to the Executive, as set out in paragraph 134.7 of the report.

[Reason: to agree the proposed treasury management framework for 2017/18]

135. BUDGET MANAGEMENT REPORT (Agenda item 8)

135.1 The Executive considered and noted the report reviewing the 2016/17 budget for the General Fund and Housing Revenue Account against the forecast to 31 March 2017 and

RESOLVED to approve

1. the appointment of a temporary support for the Garden Waste team, and approved 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. 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. £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; and
4. £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.

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

Work Stream	Approved Budget 2016/17 as at 31/12/16 £'000	Forecast Outturn as at 31/12/16 £'000	Reschedule £'000	(Underspend)/ Overspend £'000	Comment
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)	

135.3 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.

135.4 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.

135.5 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.

135.6 The Executive therefore

RECOMMENDS that

113. the rescheduling of £1,000,000 for Wey Court into 2017/18 be approved, as set out above;

114. the rescheduling of £1,000,000 for Nursery Hill into 2017/18 be approved, as set out above; and

115. the rescheduling of £360,965 for Chilton Close, Alfold into 2017/18 be approved, as set out above.

[Reason: to provide a review of the 2016/17 budget based on the latest information available]

136. ANNUAL PAY POLICY STATEMENT 2017/18 (Agenda item 10)

136.1 The Localism Act 2011 requires all public authorities to publish Annual Pay Policy Statements. The Council is required to adopt the Annual Pay Policy Statement each year and the Council is not legally permitted to depart from the policies set out in that statement when it considers actual decisions in relation to individuals' remuneration, including redundancy and/or severance.

136.2 There have been no changes to the Annual Pay Policy for 2017-18, attached as Annexe 5. The Executive now

RECOMMENDS that

116. the Annual Pay Policy Statement for 2017-18, as set out at Annexe 5, be approved.

[Reason: to approve the updated Annual Pay Policy Statement]

137. STRATEGIC REVIEW OF WAVERLEY BOROUGH COUNCIL (Agenda item 11)

137.1 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. 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.

137.2 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.

137.3 Waverley Borough Council’s current vision statement was agreed by the 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.

137.4 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.

137.5 In December 2013, the 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.

- 137.6 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).
- 137.7 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.
- 137.8 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.
- 137.9 The consultants' findings are set out in full in their report at Annexe 6, at within this report. In summary, they found that:

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.

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.

137.10 The consultants' recommendations in terms of the way forward are set out in full in their report (Annexe 6) and in this report. In summary, they suggested that:

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.

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.

137.11 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.

137.12 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.

137.13 Accordingly, Annexe 7 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.

137.14 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.

137.15 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 the Council. The Executive noted and considered the findings and recommended way forward within the Strategic Review report and delegated authority to the Leader of the Council, in consultation with the Head of Policy and Governance, to make any final textual amendments to the action plan, which is now attached at Annexe 7. The Executive now

RECOMMENDS that

117. the proposed action plan attached as Annexe 7, be approved.

[Reason: to agree the Council's response and way forward as a result of the Strategic Review].

138. REVIEW OF WAVERLEY'S SCHEME OF DELEGATION AND CONSTITUTION
(Agenda item 12)

138.1 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.

138.2 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)

138.3 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.'

138.4 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.

138.5 Some recommendations for immediate change (quick wins) are set out below:

Financial thresholds

138.6 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.

138.7 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.

- 138.8 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. 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

- 138.9 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.
- 138.10 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, 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. 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.
- 138.11 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.
- 138.12 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.

Principles of a revised constitution and scheme of delegation

138.13 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?

138.14 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).

138.15 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.

138.16 The recommended timetable for the proposed changes is set out below:

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	February 2017
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	February / March

for consideration by the Constitution Special Interest Group (SIG).	
Prepare briefing and options analysis in respect of individual executive authority for consideration by the Constitution Special Interest Group (SIG).	February / March
Constitution SIG	6 March 2017
Executive	4 April 2017
Council	25 April 2017

138.17 The Executive has agreed the recommended principles and timetable for a wider review of the Council's Constitution set out in sections 3 and 4 respectively and

RECOMMENDS that

- 118. 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);**
- 119. 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;**
- 120. Paragraph 13.03(b)(i) within Part 1 of the Constitution be amended to change the threshold for a key decision to £100,000; and**
- 121. 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'.**

[Reason: to seek approval to amend the scheme of delegation and constitution as soon as possible and agree some immediate changes]

139. UPDATING SCHEME OF DELEGATION FOR RESPONDING TO SOCIAL HOUSING TENANCY FRAUD (Agenda item 13)

139.1 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. 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.

139.2 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. 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.

139.3 It is proposed that the Scheme of Delegation be amended as follows to include this provision :

“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.”

139.4 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. The Executive set out in paragraph 139.3 and

RECOMMENDS that

122. the proposed changes set out in paragraph 139.3 be approved and the Scheme of Delegation be amended accordingly.

[Reason: to approve an addition to the Scheme of Delegation in accordance with legislation]

140. EXCLUSION OF PRESS AND PUBLIC (Agenda item 18)

At 8.05 pm it was

RESOLVED 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 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 this item, 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:-

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (paragraph 3).

141. PROPERTY MATTER - GODALMING (Agenda item 20)

The Executive has considered a report on this matter, attached as (Exempt) Annexe 8 and

RECOMMENDS that

123. the recommendations set out in (Exempt) Annexe 8 be approved.

[Reason: to deal with property matters in the Borough]

PART II - MATTERS OF REPORT

The background papers relating to the following items are as set out in the reports included in the original agenda papers.

142. EXECUTIVE FORWARD PROGRAMME (Agenda item 5)

RESOLVED that the Forward Programme be approved, subject to the addition of the Joint Enforcement Team (JET) project under the Community Safety portfolio.

143. 2017/18 SERVICE PLANS (Agenda item 14)

RESOLVED that, having taken into account the observations from the Joint Overview and Scrutiny Committee, the Service Plan Objectives for 2017/18 be approved.

[Reason: to set out the strategic objectives for each service to deliver the Council's corporate priorities]

144. CULTURAL STRATEGY ACTION PLAN 2017/18 (Agenda item 15)

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

[Reason: to seek approval for the action plan priorities and goals]

145. HASLEMERE BOWLING CLUB - REQUEST FOR SURRENDER OF EXISTING AND GRANT OF NEW LEASE (Agenda item 16)

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

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

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

[Reason: to consider the property-related matter]

146. PROPERTY MATTER - CRANLEIGH (Agenda item 19)

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

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

RESOLVED that the recommendation set out in the (Exempt) Annexe to these minutes be approved.

147. RESTRUCTURE - ELECTIONS (Agenda item 21)

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

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

RESOLVED that the recommendation set out in the (Exempt) Annexe to these minutes be approved.

148. RESTRUCTURE - HOUSING OPTIONS AND HOMECHOICE (Agenda item 22)

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

Information relating to an individual.]

RESOLVED that the recommendation set out in the (Exempt) Annexe to these minutes be approved.

The meeting commenced at 6.45 pm and concluded at 8.24 pm

Chairman

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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.

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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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



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STRATEGIC REVIEW –ACTION PLAN

ANNEXE 7

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, 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. 	Develop an updated analysis of key economic drivers and re-cast the strategy to be more ambitious.	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, including Towns and Parishes 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 casework A single point of contact for all Members to receive a timely response to case work enquiries. 	<p>Provide a single point of contact for all member enquiries</p> <p>Establish a working protocol for the management of all member enquiries with agreed response times.</p>	April 2017	Cllr Potts and Cllr Martin	Paul Wenham

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
	<ul style="list-style-type: none"> Appropriate and consistently applied officer response times to Members. 				
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. 	Establish informal officer / member working group to review member accommodation, facilities and IT support and make proposals for change.	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
2.7	<p>Improving communications with members in respect of projects, issues and incidents</p> <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

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
2	B. More efficient day to day working practices				
2.8	<p>Review and update the Council's Constitution and Scheme of Delegation to speed up decision making.</p> <p>Scheme of delegation and constitution</p> <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 • Preserve the quality, integrity, accountability and transparency of the council's democratic processes. • Are endorsed by both officers and members. 	<p>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.</p> <p>Review Waverley's constitution and scheme of delegation against best practice examples and make recommendations for simplification and improvement.</p> <p>Analyse options for individual Executive Member delegations</p>	April 2017	Cllr Potts	Paul Wenham
2.9	<p>Strategic focus from Directors.</p> <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. 	<p>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.</p> <p>Greater degree of professional networking and external focus by Directors.</p> <p>Corporate Management Team to be renamed and relaunched as Management Board.</p>	February 2017.	Cllr Potts	All Directors
2.10	<p>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.</p> <p>A planning service that</p> <ul style="list-style-type: none"> • Shapes Waverley as a place • Is customer-focused • 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. 	<p>Arrange facilitated discussions to explore key pressures and issues facing the planning service.</p> <p>Undertake a fundamental and comprehensive review the Planning Service and develop proposals for change.</p> <p>Develop and embed a support and improvement plan for the Planning Service.</p>	Review to commence in February 2017.	Cllr Potts Cllr Adams	Paul Wenham

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
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. 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>	<p>Review to commence in February 2017 with the aim of implementing an agreed solution by May 2017.</p>	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 programme)</p> <p>Design a communication plan to support, facilitate and launch the approach to Customer Services</p>	July 2017	Cllr Martin	Graeme Clark
2.13	<p>Streamline business systems</p> <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. 	<p>Undertake joint work with leading councils in the field of business process redesign to apply a thorough systems thinking approach in Waverley.</p>	<p>Review outcomes of pilot project in April 2017</p> <p>Prepare proposals for wider rollout across other key Council activities by June 2017.</p>	Cllr Martin	Graeme Clark

Ref	Aim	Action	Deadline	Lead Member	Responsible Officer
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. 	<p>Regularly apply for regional and national awards.</p> <p>Identify the most appropriate communication channel to promote Waverley's key successes to all members.</p> <p>Officers regularly contributing case studies, presentations etc to regional and national events.</p> <p>Officers regularly working in collaboration with national organisations to shape policy and practice.</p> <p>Adopt a consistent approach to celebrating success internally.</p>	From April 2017	All Executive Members	All Directors

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of the Local Government Act 1972.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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WAVERLEY BOROUGH COUNCIL

MINUTES OF THE LICENSING AND REGULATORY COMMITTEE - 26 JANUARY 2017

SUBMITTED TO THE COUNCIL MEETING – 21 FEBRUARY 2017

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

Present

Cllr Simon Inchbald (Chairman)
Cllr Patricia Ellis (Vice Chairman)
Cllr Maurice Byham
Cllr Peter Isherwood
Cllr Carole King

Cllr Anna James
Cllr Robert Knowles
Cllr Libby Piper
Cllr Bob Upton

Apologies

Cllr John Fraser, Cllr Tony Gordon-Smith and Cllr Mike Hodge

21. MINUTES (Agenda item 1.)

The minutes of the meeting which took place on 24 November 2016 were confirmed and signed.

22. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS (Agenda item 2.)

Apologies for absence were received from Councillors John Fraser, Tony Gordon-Smith and Mike Hodge.

23. DECLARATIONS OF INTEREST (Agenda item 3.)

There were no declarations of interest.

LICENSING ACT 2003 ITEMS

There were no items to report under this heading.

OTHER LICENSING ITEMS

PART I - RECOMMENDATIONS TO THE COUNCIL

There were no matters falling within this category.

PART II - MATTERS OF REPORT

The background papers relating to the following items are as set out in the reports included in the original agenda papers.

24. **FINANCIAL STRATEGY - LICENSING FEES AND CHARGES 2017/18** (Agenda item 6.)

The Committee received a report seeking its approval for the schedule of Licensing and Regulatory Fees and Charges for 2017/18 as part of the budget process. The Committee was advised that in most years the proposed increases to taxi licences were less than the guideline of 3.5% but for this year, there was no clear percentage increase. A comprehensive review had been carried out to ensure that every fee could be broken down and justified as a true reflection of the time and processes required to administer each of the licences.

The Committee was reminded that the taxi and private hire licensing fees for 2017/18 were considered at its last meeting on 24 November 2016, and had since been advertised in the local press. The intention of undertaking this earlier in the process was to enable the new fees and charges to be implemented on 1 April 2017. Members noted that no representations were received to the advertisement.

The Committee received a schedule of the proposed Licensing fees and charges from 1 April 2017. For taxi and private hire licensing, there were a number of new fees that have been introduced which covered areas where there had not previously been a charge but where there was quite a demand for the service, such as change of address and reissuing of licences. In addition, it was proposed that the charging structure for Operator licences should be more fairly applied depending on the size of the business and the number of vehicles they operate. There were a number of different fees payable dependent upon the size of the operation, split between 1-5 vehicles and then greater than 5. There was also a distinction between an application for a new operator licence from someone who was not currently licensed as a driver because the usual checks for fitness and propriety would not have been carried out and it was proposed that the fee reflected this.

The Committee was reminded that the charges for Liquor Licences were set under the Licensing Act 2003 and remain imposed by statute. However, there had been indications that the Government may empower Licensing Authorities to determine local charges based on cost-recovery based on the same format and justification used for taxi licensing, but this had not yet come to fruition

The Committee was advised that the Environmental Health (EH) Service was responsible for a number of regulatory functions which incorporate Licences, Registrations, Consents or Permits. Many of these required applicants to pay a fee – some of which were set in primary legislation or by Regulations whilst others were at the discretion of the Council. Basic rules of accountability and transparency applied when licence and other fees were set and, where discretion were available, there was case law and guidance about what levels were reasonable and the elements that may or may not be recovered.

The Committee considered the recommendation in the report and RESOLVED that the level of Fees and Charges for 2017/18 for Licensing in accordance with the schedule at Annexe 1 of the agenda report be approved.

[NB. The fees and charges would be recommended to the Council for approval as part of the budget-setting process]

25. MINUTES OF THE LICENSING (GENERAL PURPOSES) SUB-COMMITTEE
(Agenda item 7.)

The minutes of the Licensing (General Purposes) Sub-Committee which took place on 24 November 2016 were noted.

The meeting commenced at 10.00 am and concluded at 10.10 am

Chairman

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WAVERLEY BOROUGH COUNCIL

COUNCIL MEETING – 21 FEBRUARY 2017

LOCAL GOVERNMENT AND HOUSING ACT 1989

LOCAL GOVERNMENT (COMMITTEES AND POLITICAL GROUPS) REGULATIONS 1990

1. The Council is under a duty to review the allocation of seats on the principal Committees, namely the two Overview and Scrutiny Committees and the Regulatory Committees, i.e. the Licensing and Regulatory Committee and the Joint Planning Committee, at, or as soon as practicable after, any change to the political composition of the Council. Calculations giving the allocation of seats are set out below.

2. Following the sad death of Cllr Brian Ellis and the resulting by-election for the Cranleigh West Ward, Cllr Liz Townsend has been elected to the Council as a member of the Conservative Group. The Conservative and Farnham Residents Groups are both registered under the provisions of the Local Government and Housing Act 1989. There is one Independent Member of the Council.

The political breakdown of the Council is now:-

Conservative Group	Farnham Residents	Independent
51	5	1

3. To calculate the allocation of seats on principal committees, it is necessary to proceed as follows:-

- (i) Total number of seats on all relevant committees – 72

- (ii) Proportion that each registered political group forms of the total membership of the Authority in accordance with the above registration:-

Conservative Group	Farnham Residents	Independent
89.474 %	8.772 %	1.754 %

- (iii) Apply proportions to the relevant Committees to arrive at a total share of seats:-

Conservative Group	Farnham Residents	Independent
64 (by rounding)	7 (by rounding)	1 (by rounding)

- (iv) Apply proportions to each principal committee to give a provisional entitlement:-

Committee	No. of Seats	Conservative Group	Farnham Residents	Independent
Overview and Scrutiny:				
1. Corporate	15	13	2	0
2. Community	15	13	1	1
Others:				
3. Licensing & Regulatory Committee	12	11	1	0
4. Joint Planning Committee	23	21	2	0
5. Audit	7	6	1	0
	<u>72</u>	<u>64</u>	<u>7</u>	<u>1</u>
Standards Panel	8 (+1)	8	1	

4. The additional seat for the Conservative Group resulting from the revised proportions after the by-election equates to the outstanding vacancy on the Joint Planning Committee. However, an appointment will not be made to the Committee until the Annual Council Meeting in May 2017 and the vacancy will continue for the remainder of the current Council year.
5. There are no other amendments to the principal Committees and therefore no need to reappoint them at this stage.

Eastern Area Planning Committee

6. As a result of the by-election, Councillor Liz Townsend will be appointed to fill the vacancy on the Eastern Area Planning Committee as the second councillor for Cranleigh West ward. NB. The Eastern Area Planning Committee consists of all ward councillors for the Eastern area. The membership of the Committee will then be as follows:-

Cllr Mike Band
 Cllr Maurice Byham (Vice-Chairman)
 Cllr Kevin Deanus
 Cllr Patricia Ellis
 Cllr David Else (Chairman)
 Cllr Mary Forszewski
 Cllr Michael Goodridge
 Cllr John Gray
 Cllr Val Henry
 Cllr Richard Seaborne
 Cllr Jeanette Stennett
 Cllr Stewart Stennett
 Cllr Liz Townsend

Recommendation

It is recommended that

- 1. the political proportions and allocation of seats to the principal Committees for the remainder of the current Council year be agreed, as set out at paragraph 3 above; and**
- 2. Cllr Liz Townsend be appointed to the Eastern Area Planning Committee with effect from 22 February 2017.**

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