

To: All Members of the EXECUTIVE

When calling please ask for:

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Manager

**Policy and Governance**

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Date: 25 May 2018

**Membership of the Executive**

Cllr Julia Potts (Chairman)  
Cllr Ged Hall (Vice Chairman)  
Cllr Andrew Bolton  
Cllr Kevin Deanus  
Cllr Jim Edwards

Cllr Jenny Else  
Cllr Carole King  
Cllr Tom Martin  
Cllr Chris Storey

Dear Councillors

A meeting of the EXECUTIVE will be held as follows:

DATE: TUESDAY, 5 JUNE 2018

TIME: 6.45 PM

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

The Agenda for the Meeting is set out below.

Yours sincerely

ROBIN TAYLOR  
Head of Policy and Governance

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[www.waverley.gov.uk/committees](http://www.waverley.gov.uk/committees)

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## **NOTES FOR MEMBERS**

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

### **AGENDA**

1. **MINUTES**

To confirm the Minutes of the Meeting held on 10 April 2018.

2. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

3. **DECLARATIONS OF INTERESTS**

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

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

The Chairman to respond to any questions received from members of the public for which notice has been given in accordance with Procedure Rule 10.

The deadline for receipt of questions is 5 pm on Tuesday 29 May 2018.

5. **FINANCIAL OUT-TURN REPORT 2017/18 (Pages 7 - 24)**

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

This report provides a summary of the 2017/18 Revenue Outturn against budget for the General Fund and the Housing Revenue Account. The full Statement of Accounts will be presented for approval by the Audit Committee on 24 July 2018.

**Recommendation**

**It is recommended that the Executive:**

1. notes the outturn position on revenue and capital for 2017/18;
  2. recommends to Council that £200,000 of additional investment property income be transferred to a Commercial Property Income Risk Fund;
  3. approves the revenue carry forwards to 2018/19 as detailed in Appendix 2 and paragraph 15;
  4. approves the carry forward to 2018/19 for the WW1 memorial as detailed in paragraph 9; and
  5. approves the capital rescheduling to 2018/19 as detailed in paragraph 18 and Appendix 3, 5 and 6.
6. BOOM CREDIT UNION (Pages 25 - 28)  
[Portfolio Holder: Councillor Ged Hall]  
[Wards Affected: All Waverley Wards]

This report proposes to invest £15,000 from the emergency grants fund in the Boom Credit Union by way of purchasing deferred shares.

Recommendation

**It is recommended that Waverley invests £15,000 from the emergency grants fund in the Boom Credit Union by way of purchasing deferred shares.**

7. FUNDING REQUEST - ALFOLD FOOTBALL CLUB GROUND IMPROVEMENT (Pages 29 - 32)  
[Portfolio Holder: Councillor Ged Hall]  
[Wards Affected: Alfold Cranleigh Rural and Ellens Green]

This report proposes to allocate funding from Waverley's capital receipts towards a project to improve Alfold Football Club.

Recommendation

**It is recommended that subject to the Club securing Football Foundation funding, up to £20,000 is allocated to the project to improve Alfold Football Club's ground and facilities, funded from the capital receipt that Waverley was paid for an easement on land in Alfold, plus £6,000 of PIC funding.**

8. CAPITAL EXPENDITURE PROCESS AND MANAGEMENT REVIEW REPORT (Pages 33 - 58)  
[Portfolio Holder: Councillor Ged Hall]  
[Wards Affected: All Waverley Wards]

At the September 2017 Value for Money and Customer Service Overview and Scrutiny Committee meeting a working group was established to review the process and management of the Council's capital expenditure programme.

After being considered and endorsed by the Value for Money and Customer Service Overview and Scrutiny Committee, this report sets out the findings of the review and the recommendations made to the Executive as a result.

Recommendation

**It is recommended that the Executive consider and approve the recommendations made within the report.**

9. TREASURY MANAGEMENT ACTIVITY 2017/18 (Pages 59 - 66)  
[Portfolio Holder: Councillor Ged Hall]  
[Wards Affected: All Waverley Wards]

The attached report summarises Waverley's Treasury Management activities during 2017/2018.

Recommendation

**That the Executive notes the investment activity and performance in 2017/18 and notes and endorses performance.**

10. APPOINTMENT TO EMPLOYER'S NEGOTIATING TEAM 2018/2019

To appoint the Members of the Employer's Negotiating Team whose role is to conduct negotiations with the staff through the Waverley Joint Negotiating Committee for Pay and Conditions and all matters concerning local pay and conditions of service. The meetings of the Joint Negotiating Committee are usually held in November/December each year. The Employer's Negotiating Team comprises 6 councillors and the proposed membership is as follows:

Cllr Julia Potts (Leader)  
Cllr Kevin Deanus  
Cllr Michael Goodridge

Cllr Ged Hall (Deputy Leader)  
Cllr Jim Edwards  
Cllr Peter Isherwood

Recommendation

**It is recommended that the appointments to the Employer's Negotiating Team for 2018/2019 be agreed.**

11. EXCLUSION OF PRESS AND PUBLIC

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

Recommendation

That, pursuant to Procedure Rule 20, and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item 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 in the revised Part 1 of Schedule 12A to the Local Government Act 1972, namely:

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

12. PROPERTY ACQUISITION OPPORTUNITY (Pages 67 - 74)

[Portfolio Holder: Councillor Ged Hall]

[Wards Affected: All Waverley Wards]

To consider the EXEMPT report, attached.

Recommendation

**That the recommendations set out in the attached EXEMPT report are agreed.**

13. ANY OTHER ISSUES TO BE CONSIDERED IN EXEMPT SESSION

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

**For further information or assistance, please telephone  
Fiona Cameron, Democratic Services Manager, on 01483 523226 or  
by email at [fiona.cameron@waverley.gov.uk](mailto:fiona.cameron@waverley.gov.uk)**

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## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

5 JUNE 2018

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#### Title:

### **FINANCIAL OUTTURN REPORT 2017/18**

**[Portfolio Holder: Cllr Ged Hall]  
Wards Affected: All]**

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#### Summary and purpose:

This report provides a summary of the 2017/18 Revenue Outturn against budget for the General Fund and the Housing Revenue Account. The full Statement of Accounts will be presented for approval by the Audit Committee on 24 July 2018.

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

The monitoring and management of the Council's budgets ensures there is financial control over the services that contribute to the Corporate Priorities.

#### Resource/Value for Money implications:

This report reviews the position against the budget for the General Fund, the Housing Revenue Account and Capital Programmes. It reviews the progress made on service delivery against the 2017/18 budget.

#### Legal Implications:

There are no direct legal implications relating to this report.

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#### Introduction

1. This report provides a summary of the 2017/18 General Fund and Housing Revenue Account outturn position and details any major variations from the budget. This report is the final budget monitoring report for the 2017/18 year and builds on the position previously reported to Members through the Budget Management Process.
2. Explanations for variations have been provided in the previous budget management reports. Where a new significant variation has appeared in the outturn, an explanation is provided in this report.

#### General Fund

3. The **General Fund** outturn for 2017/18 shows an initial **surplus** of **£246,000** (-1.8%) on a net budget of £13.4m. A summary of the major variations to budget is provided in Appendix 1, most of which have been explained in previous monitoring reports to Members.

4. A large proportion of this surplus is due to achievement of investment property income. In light of this, it is proposed that £200,000 of this income is transferred to a Commercial Property Risk Fund to protect against future income risk.
5. Explanations of material new or additional variations to budget emerging at outturn are provided below:
  - i. Grounds Maintenance (£25,000)  
This budget has been underspent in year through officers controlling spend on works additional to the core contract.
  - ii. Car Park Income (£49,000)  
This reflects a 1.02% improvement on the £4.79m budget. This is due to improved performance on car parking income following overly prudent estimates regarding adverse weather previously reported.
  - iii. Assisted Burials £12,000  
Statutory service which doesn't always achieve reimbursement dependant on estate of deceased.
  - iv. Building Control Income £97,000  
Further underachievement of income due to Industry-wide experience of reduced income in January-March period. This is partially offset by cost savings of £33,000.
  - v. Development Control Appeals £13,000  
High level of planning appeals experienced in 2017/18.
  - vi. Apprentice Levy (£65,000)  
Previously reported surplus of £20,000, however low usage of apprentice levy fund in first year of levy.
  - vii. Land Charges income (£23,000)  
Slightly better performance on land charges income over year than originally budgeted.
  - viii. General Data Protection Rules (GDPR) (£36,000)  
Works on GDPR preparation are still ongoing as legislation goes live 25<sup>th</sup> May 2018.
  - ix. Interest on Investments (£105,000)  
Additional income of £40,000 achieved in year due to improved interest achieved in year and lower than forecast spending on capital projects.
6. Services have requested a number of revenue carry forwards listed below. Further details can be found at [Appendix 2](#):
  - i. Internal audit - £8,020
  - ii. Waste Contract Procurement - £30,000
  - iii. Air quality analysers - £11,000
  - iv. ITrent single sign-in - £4,000
  - v. General Data Protection Regulations (GDPR) - £36,400
  - vi. Mayoral Budget - £4,300
  - vii. Social Media Sign-In Software - £5,000

### **General Fund Capital**

7. After rescheduling requests the **General Fund Capital** programme shows a **saving of £456,000** on a budget of £16.4m.



8. A number of projects have not yet reached completion and therefore it is requested that **£2.8m** is to be **rescheduled** into 2018/19. A summary on the projects to be rescheduled is shown in Appendix 3.
9. In addition, it is requested that a carry forward of £10,000 of the saving on General Fund capital is approved to enable a project to create a new war memorial at Milford Common. The memorial will commemorate 100 years from the end of World War I (WWI) and the contribution of the Canadian soldiers, some of which were based at Milford/Witley Common during WWI.

### **Housing Revenue Account (HRA)**

10. The HRA outturn shows a position surplus of £1.5m, which was mainly achieved in the responsive repairs and voids (maintenance) budget (£1.1m). The total spend on repairs and voids was £2.5m.
11. The maintenance service has been going through a transformation programme for the last four years resulting in high customer satisfaction. The programme has also delivered considerable efficiencies which are reflected in the saving figure. The savings were achieved despite the main contract negotiating higher overhead fees. The savings are a considerable achievement – the mild winter and a lower number of void properties than expected in the year helped.
12. £1.3m was spent on cyclical repairs to ensure our homes were maintained and safe. There was a saving of £183,000 on the external decoration programme. Efficiency savings were made in other areas of the budget. Total savings £447,000. All safety cyclical programmes were completed.
13. The other efficiencies achieved to highlight:
  - i. Effective letting of garages resulted in £55,000 extra revenue
  - ii. Effective letting of homes resulted in a £100,000 saving in council tax payments
  - iii. The Government subsidy limitation top up in 2017/18 was a saving (£50,000) due to the average rents charged during the year being nearer to the Government maximum
14. A summary of variations to budget is provided in Appendix 4, most of which have been explained in previous monitoring reports to Members.
15. Services have requested a number of revenue carry forwards listed below:
  - i. The publication of Homes and People, a newsletter that focuses on customer care, has been postponed whilst the digital platform is completed - £4,000
  - ii. The purchase of the newly developed Orchard Income Analytics has been delayed due to an options appraisal - £21,000
  - iii. Repairs and Maintenance Contract OJEU procurement cost - £24,000

## **HRA Capital**

### **Core Capital**

16. The total spend on the Core Capital Programme was £4.3m – thus ensuring our homes are safe, warm and desirable. The Budget Management Report in November 2017 reported potential savings of £1.8m with detailed explanations – the final savings outturn figure is £2.5m.
17. A high percentage of the Core Capital Programme is demand led, which makes budget setting a challenge. Looking forward Officers will focus on effective budget setting and the delivery of the planned element of the Core Capital Programme.
18. A sewerage plan replacement could not commence due to access difficulties and it is therefore requested that £20,000 be rescheduled into 2018/19 to enable to replacement of the sewerage plant.

### **Stock Remodelling**

19. The **HRA Stock Remodelling Capital** programme has a saving of **£1.1m** on a budget of £2.0m.
20. A number of projects have not yet reached completion and therefore it is requested that **£0.5m** be **rescheduled** into 2018/19. A summary on the projects to be rescheduled is shown in [Appendix 5](#).

### **New Build**

21. The **HRA New Build Capital** programme has a saving of **£2.5m** on a budget of £11.5m.
22. A number of projects have not yet reached completion and therefore it is requested that **£1.2m** be **rescheduled** into 2018/19. A summary of the projects to be rescheduled is shown in [Appendix 6](#).

## **Recommendation**

It is recommended that the Executive:

1. notes the outturn position on revenue and capital for 2017/18;
  2. recommends to Council that £200,000 of additional investment property income be transferred to a Commercial Property Income Risk Fund;
  3. approves the revenue carry forwards to 2018/19 as detailed in Appendix 2 and paragraph 15;
  4. approves the carry forward to 2018/19 for the WW1 memorial as detailed in paragraph 9; and
  5. approves the capital rescheduling to 2018/19 as detailed in paragraph 18 and Appendix 3, 5 and 6.
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## 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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### **CONTACT OFFICERS:**

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# APPENDIX 1

## General Fund: Summary of variations to budget

<b>Service Variations</b>	<b>(Surplus)/Deficit</b>
	£'000
<b>Community</b>	
Borough Hall - income	25
Careline Income - as previously reported	116
Leisure Centres – profit share	(76)
Grounds Maintenance	(25)
<b>Environment</b>	
Car Park Income	(49)
Public Conveniences – delayed handover	17
Recycling	98
<b>General Fund Housing</b>	
Assisted Burials – low repayments	12
<b>Elections</b>	
Register of Electors	38
<b>Planning</b>	
Building Control – income	97
Development Control – income	(25)
Development Control – legal fees	43
Development Control – contracted services	88
Development Control - appeals	13
<b>Customer &amp; Corporate</b>	
Investment Property Income - net	(300)
Other Property Income	(115)
<b>Policy &amp; Governance</b>	
Apprentice Levy	(65)
Land Charges - income	(23)
Land charges – legal cost saving	(40)
Data Governance project budget	(36)
<b>Finance</b>	
Council Tax – summons reimbursement	33
External Audit	(20)
Financial Expenses – Non-secure card charges	27
Investment Income	(105)
<b>Other</b>	
Traveller Incursions	26
<b>Deficit/(surplus) against budget</b>	<b>(246)</b>

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## APPENDIX 2

### General Fund Revenue: Summary of revenue budgets to be rescheduled into 2018/19

Service	Reschedule £'000	Comment
<b>Environment</b>		
Waste Contract Procurement	30	The current waste contract is due to end in 2019, therefore work is underway to look at options of how this service will be continued. This budget will be required in current months to continue this work.
Air quality Analyser	11	Repairs and improvements to the automatic analysers of air quality are required. This need was identified towards the end of 2017/18, however the spend was not achieved before year end.
<b>Total Environment</b>	<b>41</b>	
<b>Customer &amp; Corporate</b>		
ITrent single sign-in	4	The corporate HR and payroll system, ITrent, is due to be set up for single sign-in to create staff time efficiencies. Due to the system upgrade taking place at year end this work was delayed and due to be carried out in the new financial year.
<b>Total Customer &amp; Corporate</b>	<b>4</b>	
<b>Policy &amp; Governance</b>		
Mayoral Budget	4	As the mayoral year does not coincide with the financial year, it is requested that the remaining mayoral budget is rescheduled into 2018/19.
GDPR – Data Protection project budget	36	A £50,000 budget was provided to enable GDPR works to start in 2017/18 to prepare for the new legislation to be implemented on 25th May 2018. Works to ensure the Council is compliant with these regulations is ongoing therefore it is requested that the remaining budget is carried into 2018/19.
Social Media Sign-In Software	5	A small budget provision was established towards the end of the 2017/18 financial year for social sign in, to aid management of social media. The spend wasn't incurred before year end, but work is underway.
<b>Total Policy &amp; Governance</b>	<b>45</b>	
<b>Finance</b>		
Internal Audit	8	The internal audit budget has not been fully spent in year due to rescheduled audits in year. It is requested that the remaining budget is carried forward into 2018/19 to the completion of some audit reviews and enable further audits to take place in the new financial year.
<b>Total Finance</b>	<b>8</b>	
<b>Total Revenue Carry Forwards</b>	<b>98</b>	

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## APPENDIX 3

### General Fund Capital: Summary of projects request to be rescheduled into 2018/19

Project	Reschedule £'000	Comment
<b>Customer &amp; Corporate</b>		
Replacement of Planning, Building Control, Gazetteer and Land Charges Software	73	Works delayed in tendering process, now started but not complete.
Business Continuity Arrangements	43	Works associated with the Memorial Hall project.
Call Management - contact centre technology	39	Customer Services Project ongoing, implementation will span financial years.
Mobile working solutions	9	For use on licenses required which span the financial years.
Finance Systems	9	Further systems work required to ensure efficiency achieved.
Orchard Development	26	Awaiting new version release to enable upgrade to start.
Farncombe Day Centre	12	Works are due to start in early 2018/19.
<b>Total Customer &amp; Corporate</b>	<b>211</b>	
<b>Community</b>		
Frensham Common Site Facilities	815	Design now signed off by National Trust, applying for planning and commons consent.
Countryside Stewardship works	17	Final project due to take place at Lammas Lands as conditions difficult over wet winter months.
Recreation signage	4	Orders placed but awaiting delivery of signs at year end.
Weydon Lane Leisure Feasibility Study	6	To enable further monitoring.
Badshot Lea FC	8	Continuing studies required.
	31	Pitch works delayed due to inclement weather conditions.
Greenspace Infrastructure	10	Orders placed for further works not complete by year end.
Pavilions	11	Orders placed for further works not complete by year end.
Security Measures	3	Orders placed for further works at parks required.
Farnham Museum building repairs	84	Works have started however a long project which will continue into 2018/19.
Weyhill Site Costs	711	To enable continuing site assembly.
Wey Centre, Haslemere	120	To enable continuing site assembly.
Court Room Ceiling and Lighting & Refresh low level paintwork	3	Further works to further improve the area are yet to be undertaken.
Waverley Training Services	37	Purchases unable to take place until Memorial Hall complete.
Memorial Hall	475	Delays in completion of project.
Day Centres	8	Balance of works to be completed at Rowleys Day Centre.
Godalming Museum fire escape	15	Works required for successful transition to Godalming Town Council.
<b>Total Communities</b>	<b>2,358</b>	
<b>Environment</b>		
Car Park Rolling Programme	259	Works to be carried out at Riverside 2.
<b>Total Environment</b>	<b>259</b>	
<b>Total Programme</b>	<b>2,828</b>	

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## APPENDIX 4

### Housing Revenue Account: Summary of variations to Revenue budget

	(Surplus)/ Deficit £'000	Comment
<b>Income</b>		
Net Dwelling Rent	106	Delay in additional properties and tenants exercising Right to Buy
Net Garage/Other Rent	(55)	Fewer voids on garages
Cost Recovered	(37)	Higher heating charges
Interest Receipts	(58)	Increase base rate
Other Income	23	
<b>Total Income</b>	<b>(21)</b>	
<b>Expenditure</b>		
Housing Management	(124)	Lower Council Tax & Government subsidy limitation
Housing Maintenance	(1,497)	Responsive repairs and voids (£1.1m) cyclical repairs (£0.4m).
Other Costs	140	
<b>Total Expenditure</b>	<b>(1,481)</b>	
<b>Deficit/(Surplus) against budget</b>	<b>(1,502)</b>	

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## APPENDIX 5

### Housing Revenue Account Stock Remodelling Capital: Summary of projects requested to be rescheduled into 2018/19

<b>Project</b>	<b>Reschedule £'000</b>	<b>Comment</b>
Ockford Ridge Refurbishment - pilot	15	Final payment made in early 2018/19
Ockford Ridge Refurbishment - Phase 1	272	Additional works were required with completion slipped to early 2018/19. Retention to be held for 12 months
Ockford Ridge Refurbishment - Phase 2 - external works	118	Future phases to start in 2018/19
Community Rooms, Borough Wide	53	Surveys and tender preparation underway with works to start Summer 2018/19
Cranleigh Day Centre	21	Works completed early 2018/19
<b>Total Programme</b>	<b>479</b>	

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## APPENDIX 6

### Housing Revenue Account New Build Capital: Summary of projects requested to be rescheduled into 2018/19

Project	Reschedule £'000	Comment
<b>Pre-development Costs</b>		
Pre-development costs for 2017/18	52	The number of schemes to be brought forward.
Starter Homes - grant funded	71	Delay in guidance from Government on starter homes. Agreed with Homes for England that funding to be transferred to Nursery Hill.
<b>Total Pre-development Costs</b>	<b>123</b>	
<b>Committed Development Schemes</b>		
Ockford Ridge - Show Homes	12	Final retention payment
Ockford Ridge - Site A	62	Slippage due to refurbishment Phase 1. Start on site February 2019.
Ockford Ridge - Site D	787	Completion and delivery Q2 2018/19.
Wey Court, Godalming	53	Work continued on site until May 2018
Middlefield, Farnham	23	Defects to be resolved before final settlement.
Bridge Road, Haslemere	11	Fencing and other defect works to be completed by contractor.
Ladymead & Hullmead	47	Retention held until final external defect works completed.
<b>Total Committed Development Schemes</b>	<b>995</b>	
<b>Other Schemes Identified but not Approved</b>		
Ockford Ridge – Site B	18	Rescheduled to fund site preparation work.
Ockford Ridge - Site C	16	Completion of surveys and outline planning consent 2018/19.
<b>Total Other Schemes Identified but not Approved</b>	<b>34</b>	
<b>Total Programme</b>	<b>1,152</b>	

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## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

5 JUNE 2018

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**Title:**

**BOOM CREDIT UNION**

**[Portfolio Holder: Cllr Ged Hall]  
[Wards Affected: All]**

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**Summary and purpose:**

This report proposes to invest £15,000 from the emergency grants fund in the Boom Credit Union by way of purchasing deferred shares.

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

**Community Well Being** – Boom Credit Union benefits our residents by providing an alternative to Payday and other high interest loans

**Equality and Diversity Implications:**

Boom Credit Union does not discriminate in its operation and treats its customers fairly.

**Financial Implications:**

The Council's purchase of deferred shares would be treated as capital expenditure, which would need to be financed by a contribution from Waverley's reserves. If the expenditure is financed from reserves, there is no minimum revenue provision on the expenditure. The Council's balance sheet would show an investment in shares once the purchase has been made.

Deferred shareholders of an organisation are the first to absorb losses in the event of bankruptcy; deferred shares are not liquid in that they cannot be redeemed.

It would be prudent to consider this to be a grant rather than an investment given the risks and low prospect of a dividend return in the short to medium term.

**Legal Implications:**

The investment in deferred shares is classified as 'capital expenditure' under the Local Government Act 2003 section 16 and the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 regulation 25 as amended.

The Co-operative and Community Benefit Societies Act 2014 section 32 provides the statutory authority for a corporate body to become a member in a registered Credit Union. The Council is a body corporate by virtue of the Local Government Act 1972 section 2.

The general power of competence set out in the Localism Act 2011 section 1 empowers the Council to do anything an individual may generally do apart from that, which is specifically prohibited by existing legislation.

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## **Background**

1. Credit Unions are not for profit organisations that earn money from the loans they grant to their members and direct revenue grants from supporting organisations and individuals. They are locally based, locally funded ethical institutions in which savers have a stake. They exist to provide an accessible alternative source of finance for those people in society who are unable to access mainstream banking services. They use any profits that remain to provide dividends to their members. Credit Unions are regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority PRA.
2. SurreySave opened in 2012, it is a mutual cooperative bank, owned and controlled by its members (its customers). It aims to provide an alternative to Payday and other high interest loans for those who may have been denied credit or are financially excluded by High Street banks. It offers simple services with no hidden charges or penalties, relying on larger loans to subsidise the cost of smaller, potentially loss-making, loans. Further details about SurreySave can be found at its website: [www.boomcu.com](http://www.boomcu.com).
3. SurreySave is a growing success, 19% of its lending has been within the Borough of Waverley and applications from Waverley residents form the second largest area of lending activity of the Credit Union. 14% of applications to the credit union come from residents of the Waverley Borough.
4. SurreySave has recently merged with West Sussex Credit Union under the name of Boom. The SurreySave Board recently reviewed its rate of progress and looked at the options that allow it to become a strong institution that is no longer dependent on grant funding. It concluded that at present rates of growth it would take a further 4 years to reach financial self-sufficiency. The Board concluded that it is unreasonable to expect to continue to receive the same level of grant funding from increasingly scarce public funds during this period and decided that it needs to achieve a step change in volume of business. To do this it has deployed a strategy, which is common amongst many start-up Credit Unions, it negotiated a merger with neighbouring West Sussex Credit Union to create a new larger, financially stronger Surrey and West Sussex Credit Union, which has been rebranded as Boom Credit Union. This will achieve both savings in joint operational costs and financial synergies between the two organisations. The new larger credit union should work well given the separate union's similar demographics and geographical spread.

## **Financial Exclusion**

5. The reason for financial exclusion varies. Many households in Surrey have no savings, no insurance and no access to affordable credit. Waverley Borough, despite on average being relatively affluent, has areas of significant financial exclusion where residents, often tenants in social or private rental homes, are reliant on doorstep lending or payday loans to manage their financial affairs. Those without access to basic financial products such as bank accounts, often find it hard to obtain paid employment, often pay higher costs for services (due to an inability to access

discounts for paying by direct debit) and pay extremely high interest rates for credit. In addition, analysis shows the level of financial exclusion is growing. Household budgets of the squeezed middle are starting to face financial stress due to high mortgage repayments (due to the high cost of housing rather than interest rates) and the rising cost of living, which is limiting access to traditional bank credit for households on low to middle incomes. As a result, households are using high cost alternatives such as payday loans.

6. A significant proportion of financially excluded households live in social housing. As a responsible social landlord to nearly 5000 households, the Council has a role to play in encouraging tenants to organise their financial affairs in a more sustainable way by promoting financial inclusion. Such action should reduce the likelihood of tenants falling into arrears as they struggle with balancing the cost of repaying credit loans versus their rent and other household bills. When it was established, SurreySave received strong initial political support and grant funding from Guildford, Woking and Waverley Borough Councils, 3 Housing Associations and several charities.
7. In addition to lending, SurreySave offers support to its financially excluded customers to enable them to stabilise their financial affairs by encouraging them to access advisory services (e.g., from the CAB) and encourage customers to start saving as part of their loan repayments.
8. The credit union also offers loans and savings products to customers who have more stable financial affairs who appreciate safe and ethical savings accounts and savings products for clubs, associations and societies. We have advertised and promoted the credit union to Council staff and other public sector organisations to help develop their customer base.

#### Local Authority Investment in Boom

9. In the past Credit Unions have been subject to restrictions on the types of savings and loan products they are able to offer. However, these restrictions may be lifted if a credit union is able to achieve a balance sheet where their capital to assets ratio meets a target of 5%. It has ambitions to expand its business and offer a wider range of financial products and interest bearing balance sheet to 5%. As a result, in 2015 SurreySave offered its Local Authority and other founding partners an opportunity to make a deferred shares investment to achieve a long-term capital injection into its reserves to enable it to meet the 5% capital to assets ratio without affecting the resources it has to provide loans to its customers. Guildford Borough Council, along with Woking Borough Council, agreed to invest over two tranches into the credit union to help it grow and expand to be a version 2 credit union. The investment and subsequent merger with West Sussex has meant that the credit union has now achieved the required ratio of capital to assets and means that it is more financially sustainable for the future. As the business has grown, the Credit Union is now looking for further investment by way of deferred shares.
10. It is proposed that Waverley invests £15,000 in the Boom Credit Union in 2018/2019. This will demonstrate the ongoing commitment to this important organisation and recognition of its support to Waverley's residents. This contribution will be funded from the emergency grants fund which currently stands at £29,000.

## **Recommendation**

It is recommended that Waverley invests £15,000 from the emergency grants fund in the Boom Credit Union by way of purchasing deferred shares.

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## **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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## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

05 JUNE 2018

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#### Title:

### **FUNDING REQUEST – ALFOLD FOOTBALL CLUB GROUND IMPROVEMENT**

**[Portfolio Holder: Cllr Ged Hall  
[Wards Affected: Alfold]**

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#### Summary and purpose:

This report proposes to allocate funding from Waverley's capital receipts towards a project to improve Alfold Football Club.

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

**Customer Service** – this project will actively engage our sporting customers and identify their future needs as clubs.

**Community Well Being** – supporting the health and well being of our residents by ensuring sporting opportunities exists for all.

**Value for Money** – the funding of this project seeks to use PIC funds allocated towards playing pitches, maximizing the use of Council funds.

#### Financial Implications:

The costs and funding of this project is set out in the report.

#### Legal Implications:

There are no direct legal implications associated with this report.

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#### Background

1. Alfold Football Club was formed in 1921. It originally played in the Rudgwick and District League, before joining the Cranleigh and District league and then the Surrey and Sussex leagues.
2. Over the years Alfold has played on five different pitches, before moving to its current location, the recreation Ground, Alfold. The current pitches are in outstanding condition. The local community maintains them free of charge, and the whole operation is a community effort. From cutting the grass, putting the nets out and providing for and refreshments on match days, all is willingly given by the community

3. The club has experienced success over the years, being the proud winners of the Surrey County Cup, The West Sussex Premier league and most recent the Chichester Charity Cup, all outstanding achievements for village club, it has huge ambitions to make this a community facility at the heart of the village. The recreation ground is without doubt a central feature for Alfold. Not only does it have two football pitches, it has a cricket and stool ball team, the recreation ground is used for the annual Alfold Village fete and the bonfire night. Events that bring a real sense of belonging and community spirit.
4. In 2016, in order to meet its ambition, Alfold Football Club obtained a grant through the Premier League and the FA Facilities Fund. Supported by the Sports and Social Club it has achieved impressive improvements. Four brand new changing rooms have been constructed, referee's rooms, all with individual shower and toilet facilities. Along with these were brand new Ladies and Gents toilets and new state of the art disabled and baby changing facilities.
5. With an infrastructure solidly in place, the results of the football team have improved. In the 2015/16 season it became a landmark in its history, with the first team playing in the Macron Store Southern Combination Football League Division 2. The success has continued and there is a real possibility that the team could achieve promotion to Division 1, Step 6 football.
6. To achieve this, the club must fulfill the criteria for Step 6 football. This includes extensive ground improvements. It will require match day floodlights, a 50 seat stand and a hard standing and walkway for both players and spectators. To achieve this there has been on-going dialog with the Football Foundation. They have indicated that they will provide a grant of 70% of the costs. The only stipulation is that the club are in a promotion position by the 31<sup>st</sup> March 2018 (Alfold are currently 1<sup>st</sup>), and that the improvements are in place by the end of the 2018/19 season.
7. Quotes have been obtained for the floodlights and stand, and indicative costs for the pathway and some additional electrical work
8. Alfold Football Club and the Alfold Sports and Social Club have invested time and money into making this a real community asset. This is an incredible opportunity for a village team to play at such a high standard. To achieve this additional funding will be required. There is a real desire and determination to achieve these ambitions aims which will provide a lasting facility for future generations.

**9. Finance Implications**

<b>Estimated Costs</b>	<b>2018/2019</b>
Floodlights	£63,600
50 seat stand	£15,000
Pathway and electrical works	£ 8,500
<b>Total</b>	<b>£87,100</b>

<b>Funding</b>	
Football Foundation Grant	£61,100
Planning Infrastructure contribution	£ 6,000
Waverley capital receipt*	£20,000
<b>Total</b>	<b>£87,100</b>

\*It is proposed to allocate £20,000 from the capital receipt that Waverley received for its land interest in an easement in Alfold in 2017/2018. A similar arrangement was made with Dunsfold Parish Council in 2017/2018 with a contribution from the Council towards recreation facilities in Dunsfold.

### **Recommendation**

It is recommended that subject to the Club securing Football Foundation funding, up to £20,000 is allocated to the project to improve Alfold Football Club's ground and facilities, funded from the capital receipt that Waverley was paid for an easement on land in Alfold, plus £6,000 of PIC funding.

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### **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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## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

5 JUNE 2018

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**Title:**

**CAPITAL EXPENDITURE PROCESS AND MANAGEMENT REVIEW REPORT**

**[Portfolio Holder: Cllr Ged Hall]**

**[Wards Affected: All]**

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**Summary and purpose:**

At the September 2017 Value for Money and Customer Service Overview and Scrutiny Committee meeting a working group was established to review the process and management of the Council's capital expenditure programme. After being considered and endorsed by the Value for Money and Customer Service Overview and Scrutiny Committee, this report sets out the findings of the review and the recommendations made to the Executive as a result.

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

The review and the recommendations support the value for money of the Council's capital expenditure programmes.

**Equality and Diversity Implications:**

A number of projects were considered during the review. Equality impact assessments would have been completed for these projects where appropriate.

**Financial Implications:**

Capital Budgets for 2018/19 total £9.8m. Improving the management of capital budgets and ensuring delivery in intended timescales would help ensure value for money through minimising inflationary cost pressures and provide services to Waverley's residents sooner. Identifying savings earlier would allow for reallocation of capital funds where possible to enable additional projects to happen or allow investment to improve interest income for the Council.

**Legal Implications:**

There are no direct legal implications associated with this report.

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**1. Background**

This report results from the capital expenditure process and management review, undertaken by the working group of the Value for Money and Customer Service Committee. The findings of the review and the recommendations made are detailed within the report.

The detailed appendices supporting the review were considered by the Value for Money and Customer Service Overview and Scrutiny Committee on 26 March 2018, and are included in the agenda for that meeting.

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### **Recommendation**

It is recommended that the Executive considers and approves the recommendations made within the report.

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### **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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# **Waverley Borough Council Scrutiny Review**

## **Capital Expenditure Process and Management Review Report**

### **Value for Money and Customer Services Overview & Scrutiny Committee**

**March 2018**

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## **Value for Money and Customer Services**

### **Overview and Scrutiny Committee**

#### **Working Group Members:**

Councillor Mike Band (Chair)

Councillor John Williamson

Councillor Richard Seaborne (Housing Overview and Scrutiny Committee Representative)

Councillor John Gray (Audit Committee Representative)

#### **Chair's foreword**

The final Waverley Borough Council accounts for the 2016-17 year showed significant slippages to the capital expenditure programmes of both the general fund and the housing revenue account. As a result, the Value for Money and Customer Service Overview and Scrutiny Committee agreed that a working group should be set up to undertake an in-depth review of capital expenditure management and processes with the objective of establishing what had been happening and what lessons could be learnt.

This report sets the working group's findings and recommendations out in detail. It recognises the improvements already made to systems and processes since the 2016-17 year but recommends that there is scope for further development in several key areas, namely project initiation, budget management and project management. To this end, the report makes 19 separate recommendations.

## **1. Executive summary**

### **Background**

- 1.3 In light of significant slippage of capital expenditure observed in the budget expenditure reports for 2014-15, 2015-16 and 2016-17 by the Value for Money and Customer Services Overview and Scrutiny Committee (the Committee), it was agreed that a working group (the group) should be set up to review the process and management of the capital expenditure programme and identify improvements to the process to ensure value for money is being maximised.
- 1.4 The review addressed both General Fund and Housing Revenue Account (HRA) capital projects.
- 1.5 With the objective of understanding the cause of the slippage observed, the purpose of the review was to make recommendations which, if adopted, would contribute to more efficient use of approved capital funds.

### **Key findings**

- 1.6 The key findings listed from 1.5 – 1.11 are all addressed in further detail in the report.
- 1.7 The major responsibility for overseeing the justification of projects, including their budgets, was not formalised by an official process. This not only made a comprehensive view of all projects difficult but it also increased the risk relating to estimations and justification of funds.
- 1.8 Some budgets were prematurely approved, resulting in funds being reserved for projects, the viability of which had not been fully assessed, or initial foundation work had not been carried out. The inconsistent approach to business cases meant that not all projects benefitted from thorough feasibility considerations.
- 1.9 The lack of adequate officer resource was a recurring theme throughout the review. The demand on officer resource was not given sufficient consideration when planning projects, resulting in unrealistic expectations of officer capacity at the project planning stages.
- 1.10 Early on in the review the group learnt that as a result of the way funds for projects are budgeted and approved, what looks like slippage is often intentional re-scheduling of funds from one year to another. This commonly used way of rescheduling funds resulted in budget reports, which gave the impression of slippage even though funds were being used in an appropriate manner.
- 1.11 For some projects the underspend of budgets was not always reported in a timely manner due to the fact that unspent funds would be automatically re-scheduled into the next year. Although genuine savings on a budget were not to be rescheduled they were not always reported in time for the savings to be used to fund another project.
- 1.12 Despite the review's scope focusing on budget management, the group identified that variability in the effectiveness of project management was another recurring theme. The lack of a standard approach to the documentation for projects meant that methods of project management were inconsistent.

- 1.13 Ownership of projects was not always clear and appropriate, resulting in a reduction in the effectiveness of delivery of projects due to the fact that overall responsibility was ambiguous.

## **2. Report**

### **Background**

- 2.1 In considering capital budget expenditure reports from 2014-15, 2015-16 and 2016-17 the Value for Money and Customer Service Overview and Scrutiny Committee members observed significant slippage. Whilst the committee accepted there may be reasonable grounds for some slippage in relation to the size of the programme, the extent observed caused the Committee some concern. Further, the Committee believed that the lateness in identifying the slippage may be inhibiting the introduction of replacement items and making full use of the resource approved by Council.
- 2.2 The Committee agreed to set up a working group to review the process and management of the Council's capital expenditure programme. The scope of the review is attached (Appendix 1).
- 2.3 The overall aims of the review were to:
- Understand the process and management of the capital expenditure programme as it currently stood;
  - Identify potential improvements for the programme's process and management with a view to, if appropriate, introducing replacement items when there is significant slippage.
- 2.4 To achieve this, the group scrutinised the following elements of the capital expenditure programme process:
- Identification and selection of capital expenditure items.
  - Commitment of funds on capital expenditure items.
  - Management of capital expenditure items.
  - Allocation and use of contingent funds.
  - Identification and reporting of slippage.
  - Identification and approval of substitute capital expenditure items.

### **Conduct of the review**

- 2.5 The group invited officers managing various projects from across the Council to attend the group meetings. The projects being reviewed were chosen from the 2016/17 capital expenditure outturn reports by the Chair of the group, in liaison with Heads of Service (HoS). A wide range of projects were chosen to ensure the most representative sample.
- 2.6 Factors taken into account when choosing the projects were:
- a) Size of project (budget/spend),
  - b) Length of project (seasonal/multi-year),

c) Nature of project (recurring/one off).

The projects chosen for review are listed in table 1 below:

	<b>Service</b>	<b>Project</b>	<b>Year</b>
General fund	Communities	Gostrey/Memorial Hall	2016/17
		Higher Level Stewardship (HLS) capital works	
		Frensham Common	
	Customer and Corporate Services	IT mobile working solutions	
		Housing Software Systems interface	
		Pump House business continuity arrangements	
		Manfield Park	
		Gostrey Meadow Pavilion	
	Housing Revenue Account (HRA)	Housing Operations	
Windows and doors			
Estate works			
Housing Development		Station Road	
		Wey Court	
		Binhams Lea	

**Table 1 Capital projects chosen for review**

- 2.7 The group met a total of five times and heard from officers from various services. Each meeting was dedicated to a particular service and the chosen projects that fell within that service area. The purpose of the first meeting was for the working group to understand the process of the capital expenditure programme from justification through to delivery as it was in 2016/17.
- 2.8 Officers were invited to present documents they used to help them manage the delivery of the chosen projects from 2016/17, in order for working group members to gain a better understanding of the process of project justification and project management.
- 2.9 The review was supported by the Accountancy Manager, who provided information to the group about the capital expenditure programme, outlining the process in the first meeting and answering more specific points in subsequent meetings.



## 2. Findings

### Project initiation

#### Independent oversight

- 2.3 The group reviewed the process for establishing the annual capital expenditure programme.
- 2.4 The issue of the limited amount of independent oversight and the need for it in terms of validation arrangements, estimation of budget figures and setting of project milestones was identified by the group.
- 2.5 The group expressed concern about the validation process of projects at this early stage. It was understood that Heads of Service were expected to validate their own project justification forms, with no independent oversight until seen by a Director. This placed significant reliance on HoS to provide accurate figures and on the Director to judge which projects should be included in the programme. For example, an initial budget of over half a million pounds had been approved for a project, only for over £700k to be added to the budget a year later.
- 2.6 It was the responsibility of HoS to ensure projects were brought in on budget and issues reconciled at an early stage.
- 2.7 For major projects an employer's agent would be procured to verify the figures and that support from the Procurement Officer would help ensure the figures are as accurate as possible.

#### **Recommendations:**

1. It is recommended that a greater level of **independent oversight and review of projects** in terms of validation arrangements, estimated figures and project milestones is introduced. A formal process on a rolling basis for supervision and review of projects would ensure they are subject to thorough oversight, possibly by Management Board.
2. It is recommended that a mechanism to reduce the **heavy reliance on HoS** to ensure projects are brought in on budget, and that resources are sufficient, is considered and introduced.

### Ownership of projects and budgets

- 2.8 Clarity on ownership of projects and budgets is vital to their success. Without a clear owner, projects are at risk of losing focus and therefore budgets are at risk of slipping.
- 2.9 One of the projects chosen for review was the development of the Orchard-Agresso interface. Due to the cross-service nature of the project it relied on several services for implementation. The group learnt that while the IT team had completed the technical element of the project, they had been waiting for confirmation from Finance and Housing before the system could go live.

- 2.10 The IT Manager referenced another cross-service project that involved Environmental Services. This project had run much more smoothly due to there being one project manager with overall responsibility. The group felt that cross-service projects with IT support belong in the capital expenditure programme of the service using the system, and should not be included in the IT capital expenditure programme. This would result in the user-service owning the project, and clearer project responsibilities being defined.
- 2.11 The group also felt that there needed to be an organisation-wide mechanism for managing interface projects that involve more than one service. This would improve project management as clear responsibilities would be assigned.
- 2.12 The group reviewed several projects relating to property. Members expressed the feeling that due to their nature, projects involving capital investment should be recorded differently from standard capital expenditure projects. The group suggested separating investment properties from other capital projects. It was noted that the remit of the Investment Advisory Board (IAB) is due to be reconsidered and the group suggested the remit should include consideration of capital expenditure on investment properties already owned in addition to the purchase of additional properties.

**Recommendations:**

3. **The ownership of projects concerning property** needs to be clearly defined to ensure clear lines of responsibility.
4. **Cross-service projects need robust project management** arrangements to avoid fragmentation of ownership which can impact negatively on project delivery.
5. **Ownership of projects which are facilitated by supporting services**, such as IT, should sit within the initiating department.

**Viability assessments and business cases**

- 2.13 Viability assessments and the generation of business cases can be important elements at the beginning of projects, depending on their nature.
- 2.14 The purpose of a business case is to explain the need for the project and set out its design and evaluation. Having robust business cases lessens the risks already identified regarding independent oversight and reliance on HoS.
- 2.15 Viability assessments are particularly important when there is significant budget assigned and there are a number of factors at play including external factors which could threaten the success of the project, for example projects involving the investment in, or use of, property.
- 2.16 There was not a corporate process by which business cases were reviewed alongside the budget bid and viability assessments were sometimes made after the full budget had been requested.

- 2.17 For example, in 2016/17 a project had been agreed, with a budget of £79k, only for the contract underpinning the project to be terminated shortly afterwards due to lack of confidence in the provider.
- 2.18 Further, the group noted the 'document management' project of 2016/17, for which the budget was agreed at £60k before a business case was prepared. After approval the viability of the project was evaluated and it was felt that this project was not viable resulting in its cancellation.
- 2.19 The group felt, particularly in relation to property projects, that some of the projects were speculative, with the budget being agreed before a thorough viability assessment was completed and business case produced. The group suggested that a fund be allocated specifically for feasibility studies on larger projects before the full budget is agreed.

**Recommendations:**

6. A need is identified for a **robust justification process**, bringing together a clear business case with sufficient detailed costings to ensure transparent decisions are made.
7. Where feasibility is less certain, **viability assessments and robust business cases** need to be prepared before bids are made for funds for larger projects. A fund for feasibility studies was suggested. This would include undertaking all preparatory work to fully understand the requirements of a project before budget is sought.

**Officer resource**

- 2.20 All projects, to varying extents, rely on officer time to be delivered. The level of officer resource can directly affect the number and progress of projects. Therefore officer resource is a key consideration when reviewing the process and management of capital expenditure projects.
- 2.21 Not all projects benefitted from project baselines. Project teams often relied on prioritisation of tasks to meet project deadlines and bringing in extra resources was not common practice at Waverley. Although there was a mechanism for requesting temporary resourcing support this is not a commonly used option.
- 2.22 Members expressed concern about the lack of provision for additional resources, particularly for major projects. The group felt that some project teams, such as the Memorial Hall team, were being stretched to achieve deadlines that were unrealistic with the current resource level. It was stressed by the group that there was an opportunity cost to projects not being fully resourced. Members emphasised that whilst officers were stretched working on one project there could potentially be other projects that are not receiving appropriate attention. It was agreed that it might be more financially beneficial in the long term to fully resource projects by drafting in temporary support, rather than stretching officers and putting delivery of projects and day-to-day work at risk.
- 2.23 Difficulties in recruiting to some technical posts in Housing led to additional pressures on resources and in some cases directly impacted the delivery of some projects, for example the windows and doors programme of the 2016/17 HRA. The

challenge of recruiting even agency staff is one experienced across a number of Council services and adds to the pressure on stretched officer resource more generally.

**Recommendations:**

8. **Officer resource needs to be properly measured and factored** when agreeing projects to ensure both delivery on projects and day-to-day work is covered. A time based resource plan including milestones would enable easier identification of a potential strain on resources.
9. A mechanism for **flagging significant pressure on resources** needs to be included in a time based resource plan. This could also be addressed through modification of the new budget-setting forms to include estimated resource requirements.

**Budget setting**

**Budget phasing**

- 2.24 Throughout the review Members emphasised that when Council approves budgets the expectation is that they will be spent in the time period agreed.
- 2.25 Because budgets could only be approved for a year at a time, project managers were hesitant to phase spending due to the perceived risk of not having the necessary funds later in the project. Therefore, despite the process allowing for phasing, budgets for entire projects were being scheduled and agreed for one year.
- 2.26 The Memorial Hall project, for example, scheduled over £1.5m in 2015/16 despite the expectation that significant spend wouldn't occur until 2017/18.
- 2.27 Members showed concern that the process did not reflect realistic expenditure for multi-year projects. The lack of provision for phased budgets to be agreed all at once meant that what officers saw as routine re-scheduling by slipping, Members perceived as a delay in the project. The group also expressed its disappointment in the transparency of this process and endorsed the changes made by the Finance team to allow for phased budgets, detailed further in section 4.

**Contingency**

- 2.26 The need for contingency budgets varies depending on the nature of the project. Some recurring projects with low risk do not require contingency budgets whilst bigger projects, with higher levels of risk, need a contingency provision.
- 2.27 Some of the projects, particularly the larger ones, had their own contingency budgets built into the agreed overall budget, for example the Memorial Hall project. Members asked if the contingency budgets are adjusted as the projects progress and the risk of unexpected costs decreases. It was recognised that projects tend to maintain sizeable contingency budgets. Savings might be found if contingency budgets are reassessed as the projects progress.
- 2.28 The possibility of a corporate projects contingency budget was raised for major projects rather than each individual project having its own separate budget.

**Recommendations:**

10. **Budgets for projects need to allow for phasing** over more than one financial year. In the past few years budgets have focused on one year only, which has resulted in ambitious timetabling due, in part, to uncertainty of funding being available in future years.
11. **Contingency budgets need to be explicitly or separately** secured to increase transparency of budgeting.
12. As part of the robust monitoring process of projects, **contingency budgets should be subject to review as the project progresses.**
13. **Consideration of a corporate contingency budget** should be made in order to avoid over-budgeting of funds.

**Delivery****Project management**

- 2.29 The group was told that project management abilities vary across the organisation and that steps were being taken to ensure there was a consistent approach. Officers told Members that work is being done to review and refresh project management documentation.
- 2.30 The review raised various concerns about project management practices relating to project ownership and documentation.
- 2.31 Members felt that the development of the Orchard-Agresso interface suffered from problems with project management. As mentioned in section 3.7 of this report, the interface project did not have a dedicated project owner with overall responsibility. This resulted in delays to the implementation of the interface despite the earlier completion of the project's technical elements. Members made the point that the money had been spent to complete the technical side of the project but the benefit to the service was not felt until later.
- 2.32 Members asked project managers about their use of baselines of original timescales and budget spending. There was an inconsistent approach to how baselines were used, with some created in Microsoft Project and others in Microsoft Excel. Reliance on these original plans also varied, as did the use of risk registers and action plans/logs. Members felt the issues around officer resource related to project management. If projects had a clear initial timescale with allocated resources and action plans then it would be easier to identify when projects were in need of additional resource. Without these project documents officers are working to complete projects without yardsticks to measure success.
- 2.33 Depending on the size of the project there will be a project working group monitoring its progress. For the Memorial Hall this group met weekly with the attendance of the Head of Finance. The notes were shared with the relevant Portfolio Holder with the budget monitored by Finance.
- 2.34 As highlighted in section 3.3, Members expressed concern about the level of independent oversight of projects at their start. The group asked about independent

oversight of the project during its lifetime and whether or not there was an independent 'gate-keeper' overseeing progress according to project milestones. The lack of the requirement for a document stating the business case and project baseline (with reference to resources and spending) raised concern with Members.

- 2.35 The group learnt that, understandably, the attention of project managers tended to be focused on projects with bigger budgets. The group emphasised that whilst it's important to deliver on major projects smaller projects can have a big impact on residents.

**Recommendations:**

14. A **standard approach to project management** should be developed and implemented across the Council. The standardisation of project documentation would result in more thorough overview of projects and make the assessment of project progress against initial plans and milestones easier. These documents would include risk registers and project baselines. The new approach should allow for flexibility to reflect a project's scale of spend and risk.
15. The **accounting system should be utilised as a tool for budget management** as opposed to merely reporting budget activity. This would result in financial information being in a form useful to both the accountancy team and project managers.

**Slippage/rescheduling**

- 2.36 As described in section 2.1, this capital expenditure process and management review originated from concern about the amount of slippage observed in budget spending reports.
- 2.37 Due to the way budgets were set (as highlighted in 3.25), slipping budgets was effectively a way of rescheduling funds. This meant that despite the figures showing significant sums being slipped, there was not necessarily any deviation from the original spending plan.
- 2.38 Whilst Members acknowledged the reason for the size of the slippage figures, they reiterated their frustration that when Council approves the capital expenditure programme it expects the money to be spent in the time period agreed. It was also suggested that other projects should be brought forward to make use of the slipped budget if the original project was unable to use the funds in that year.
- 2.39 Members questioned the slippage of £18,576 from 2016/17 into 2017/18 for the mobile working project. The IT Manager told the group that the reason for this underspend, was because of the fall in the price of the devices and the lower than expected take-up of them. Members emphasised the importance of early reporting of underspend by project managers, reiterating the possibility other projects might be brought forward.
- 2.40 Whilst this may be possible for some projects, the IT Manager explained that because the mobile working project is demand led the funds would have to have been secure in case a service had a review and decided to go down the mobile working route.

- 2.41 The Orchard-Agresso interface project was also discussed in terms of slippage. Members felt that as issues became apparent officers should have realised the project wouldn't be fully implemented and that the budget allocated could have been released for another purpose.
- 2.42 The Pump House project was also reviewed. The group learnt that it was originally the contingency location for business continuity of the Burys. Part way through the project it was decided that the Memorial Hall would replace the Pump House as the contingency location.
- 2.43 For this project £40k was allocated in 16/17 and it was known by August 2016 that the work wouldn't be done due to the change of arrangements. The group expressed confusion as to why it was only decided in January 2017 that the budget would need to be carried forward. Whilst officers accepted the point being made about early reporting of slippage, Members were reminded that due to timescales leading up to Council meetings the report would have been drafted in November to come to January Council.
- 2.44 As the review progressed Members noted that it was the smaller projects that were the cause of most of the concern around slippage; the larger projects normally had more clear reasons for significant rescheduling.
- 2.45 The evidence showed that it is not unusual for underspends of around 20% to be made. Members reiterated their point that early reporting of these savings could mean alternative projects are brought forward.

**Recommendations:**

16. **Close monitoring of the timeliness of slippage reporting** should be exercised in coordination with the implementation of the new project justification forms. More timely reporting would allow greater flexibility in the capital programme with opportunities for alternative projects to be introduced.

### **3. Improvements to the 2018/19 Capital Expenditure Programme**

- 3.3 Throughout the review Members were reassured by the changes that had been made to the budget setting process for the 2018/19 budget and beyond.
- 3.4 In answer to some of the concerns that had been recognised by officers prior to this review, a new project justification form had been prepared. The new form now requires project managers to explicitly phase spend across the year by month. It is expected that this change will enable project managers and Finance to recognise and report savings earlier, increasing the potential for alternative projects to be brought forward.
- 3.5 The new approach to budget setting allows for phasing of budgets across more than one year. This means multi-year projects can now securely phase their spend with the certainty of funding in future years. It is likely that this change will result in more accurate rescheduling figures in outturn reports.
- 3.6 Members noted that the new budget setting forms do not require officers to estimate resource levels at the same time as estimating funding. The addition of a line to estimate the monthly Full Time Equivalent (FTE) level required to deliver a capital project could help flag where officer resource is over-allocated.

- 3.7 Member suggested that the new budget setting forms are possibly over-detailed for projects running into a second and subsequent years. Estimating budgets by month rather than by quarter probably represents an unjustified level of detail and should be reviewed.

## 4. Recommendations

### Project Initiation

1. It is recommended that a greater level of **independent oversight and review of projects** in terms of validation arrangements, estimated figures and project milestones is introduced. A formal process on a rolling basis for supervision and review of projects would ensure they are subject to thorough oversight, possibly by Management Board.
2. It is recommended that a mechanism to reduce the **heavy reliance on HoS** to ensure projects are brought in on budget and that resources are sufficient is considered and introduced.
3. **The ownership of projects concerning property** needs to be clearly defined to ensure clear lines of responsibility.
4. **Cross-service projects need robust project management** arrangements to avoid fragmentation of ownership which can impact negatively on project delivery.
5. **Ownership of projects which are facilitated by supporting services**, such as IT, should sit within the initiating department.
6. A need is identified for a **robust justification process**, bringing together a clear business case with sufficient detailed costings to ensure transparent decisions are made.
7. Where feasibility is less certain **viability assessments and robust business cases** need to be prepared before bids are made for funds for larger projects. A fund for feasibility studies was suggested. This would include undertaking all preparatory work to fully understand the requirements of a project before budget is sought.
8. **Officer resource needs to be properly measured and factored** when agreeing projects to ensure both delivery on projects and day-to-day work is covered. A time based resource plan including milestones would enable easier identification of a potential strain on resources.
9. A mechanism for **flagging significant pressure on resources** needs to be included in a time based resource plan. This could also be addressed through modification of the new budget-setting forms to include estimated resource requirements.



## **Budget Management**

10. **Budgets for projects need to allow for phasing** over more than one financial year. In the past few years budgets have focused on one year only, which has resulted in ambitious timetabling due, in part, to uncertainty of funding being available in future years.
11. **Contingency budgets need to be explicitly or separately** secured to increase transparency of budgeting.
12. As part of the robust monitoring process of projects, **contingency budgets should be subject to review as the project progresses.**
13. **Consideration of a corporate contingency budget** should be made in order to avoid over-budgeting of funds.

## **Project Management**

14. A **standard approach to project management** should be developed and implemented across the Council. The standardisation of project documentation would result in more thorough overview of projects and make the assessment of project progress against initial plans and milestones easier. These documents would include risk registers and project baselines. The new approach should allow for flexibility to reflect a project's scale of spend and risk.
15. The **accounting system should be utilised as a tool for budget management** as opposed to merely reporting budget activity. This would result in financial information being in a form useful to both the accountancy team and project managers.
16. **Close monitoring of the timeliness of slippage reporting** should be exercised in coordination with the implementation of the new project justification forms. More timely reporting would allow greater flexibility in the capital programme with opportunities for alternative projects to be introduced.

## **General**

17. After one year of the review's approach using a graphical presentation should be repeated in order to **monitor progress of the improvements** made to the capital expenditure programme.
18. The new process of **phasing budgets across several years should be presented** in budget papers for both the general fund and the HRA.
19. A clear **link between budgets and service plans** should be drawn in papers presented to members.

## **5. Acknowledgements**

The Chair and Members of the working group gratefully acknowledge the contributions of both the officers who openly presented case studies to the group and the officers from Finance and Policy and Governance who assisted the review. Officers marshalled large amounts of complex input data and produced a significant amount of review output, thus enabling clear conclusions to be reached, and consequent recommendations to be made.

## **6. Officers to contact**

Yasmine Makin  
Graduate Management Trainee  
01483 523078

# **Waverley Borough Council**

## **Scrutiny Review**

Capital Expenditure Process and  
Management Review Scoping Document

September 2017

## **SCOPING A SCRUTINY REVIEW**

### **Background**

Overview and Scrutiny by definition of the Local Government Act 2000 has the power to investigate and review an issue or concern by conducting an in-depth scrutiny review. Choosing the right topic for an in-depth scrutiny review is the first step in guaranteeing that the work of scrutiny adds value to the corporate priorities and benefits the Borough's residents. The Overview and Scrutiny Committee may wish to appoint a Members task and finish group to undertake a majority of the research and to evaluate the evidence.

### **What makes an effective scrutiny review?**

An effective scrutiny review must be properly project managed. The review must clearly state the aims and objectives, rationale and how the review will contribute to policy development / improve service delivery. To ensure the review goes well it is vital that the scope is robust and thorough and is treated as a project plan. The review should be SMART (Specific, Measurable, Achievable, Realistic & Time-bound) in its scope in order to have the most impact. The scoping template is designed to ensure that the review from the outset is focused exactly on what the Members hope to achieve.

The scoping document should be treated as the primary source of information that helps others understand what the review inquiry is about, who is involved and how it will be undertaken. Once the scoping document is complete it should be circulated to relevant officers and key members of the Executive for comment before being agreed by the relevant Overview & Scrutiny Committee. The scrutiny review will be supported by the Scrutiny Policy Officer.

### **What happens after the review is complete?**

It is important that the relevant Overview & Scrutiny committee considers whether an on-going monitoring role is appropriate in relation to the review topic and how frequently progress is reported back to the Overview & Scrutiny committee after completion. Overview & Scrutiny should be monitoring the progress and reviewing the changes that have been made as a result of a scrutiny review to ensure the work undertaken has been effective in achieving its objectives.

**FOR COMPLETION BY MEMBERS PROPOSING THE REVIEW**

Topic		
1.	Title of proposed review:	Capital Expenditure Process & Management Review
2.	Proposed by:	Cllr Mike Band

Who is involved?		
3.	Chair of the task and finish group:	
4.	Members on the task group:	Cllr John Williamson Cllr Mike Band Cllr Richard Seaborne
5.	Scrutiny Policy Officer:	Yasmine Makin

Research programme	
6.	<p><b>Rationale / background to the review:</b> Why do you want to undertake this review? What has prompted the review? E.g. legislation, public interest, local issue, performance information etc.</p> <p>The committee has observed significant slippage in the capital programmes of both the General Fund and the Housing Revenue Account (HRA) and as a result the committee is concerned that this may be leading to both poor value for money and also possible poor customer service. Whilst there can be reasonable grounds for some slippage, the extent of the slippage in relation to the total programme and the lateness in identifying it appears to be inhibiting the introduction of replacement capital project expenditure (CAPEX) items and making full use of the resources already approved by the Council.</p> <p>In particular, the committee want to undertake the review to:</p> <ul style="list-style-type: none"> <li>• Minimise project slippage.</li> <li>• Minimise delays in delivering projects.</li> <li>• Maximise the use of Council funding.</li> <li>• Reduce the reputational risk of occurring and re-occurring slippage.</li> </ul> <p>This in-depth scrutiny review runs parallel with the proposals in the Medium Term Financial Strategy to implement a new, more rigorous bidding and monitoring process for General Fund capital schemes, including rigorously testing all capital proposals for relevance, timeliness and deliverability (MTFS June '17). Moreover the Financial Strategy 2017/18 – 2019/20 General Fund Budget 2017/18 states that the capital programme has been scaled back due to revenue budget pressure and the loss of the New Homes Bonus. Therefore there is every need to ensure the capital programme reflects a more rigorous bidding process which also reflects the Council's corporate priorities to ensure greater value for money and customer service.</p>

7. **Terms of reference:**  
What are your desired outcomes?  
What are the objectives for this review? (Linked to the research questions but are used to describe the general aims and outcomes of the review).  
Which research questions do you want to answer? (Questions upon which the review will be focused and for which timely and informed answers can be developed in accordance to the evidence collected)

### Terms of reference

#### Desired outcomes

- To either give assurance that the current capital programme processes and procedure do give value for money.

Or, make recommendations to the Executive, for;

- Improvements to the CAPEX processes and procedures in both the identification and management of project slippages.
- A protocol and method for introducing replacement CAPEX items following early identification of slippage and;
- All proposed capital projects are timely, deliverable and give better value for money and customer service.

#### Objectives for the review

The committee would like to scrutinise in-depth the following process and procedures used in both the General Fund and HRA:

- Identifying and reporting on capital project slippages.
- Identifying and approving substitute capital items where significant slippages have taken place
- Identifying and selecting capital expenditure items to be included in the capital programme; including the bidding process and justification forms.
- Managing and monitoring the capital items.

#### Research questions

- What are the root causes of capital slippage in both the General Fund and the HRA?
- What is the current process for monitoring CAPEX items in the capital programme? And what is the current protocol for CAPEX items that have a significant amount of slippage?
- Why do services not report slippages sooner?
- Does the current CAPEX bidding process lend itself to producing capital slippages? And if so, why?
- How imbedded are project plans in the bidding process?
- How does the current bidding process measure relevance, timeliness and deliverability of proposed CAPEX items?
- Does the current justification process explicitly describe the resources needed to deliver the project?

8.	<p><b>Policy Development and Service Improvement</b> How will this review add value to policy development and/or service improvement?</p> <p><b>Policy Development:</b></p> <p>This review has policy development implications for ensuring processes and procedures do give value for money by:<sup>1</sup></p> <ul style="list-style-type: none"> <li>• Delivering projects in a timely fashion.</li> <li>• Allowing for more effective treasury management.</li> <li>• Reviewing the bidding process for CAPEX items to find out whether this inherently promotes unwanted slippage.</li> <li>• Setting out a clear procedure / protocol for submitting a capital proposal.</li> <li>• Introducing project planning in the bidding process to ensure better management of projects to avoid significant slippage in the future.</li> </ul>
9.	<p><b>Corporate priorities:</b> How does the review link with the corporate priorities? <a href="http://www.waverley.gov.uk/info/200009/council_performance/524/waverley_corporate_plan_2016_-_2019#">http://www.waverley.gov.uk/info/200009/council_performance/524/waverley_corporate_plan_2016_-_2019#</a></p> <p>There is scope for this review to potentially impact on all corporate priorities depending on the projects, but particularly value for money. The careful use and planning of budgets allows for better financial management and treasury management to maximise interest income.</p>
10.	<p><b>Scope:</b> What is and what isn't included in the scope? E.g. which services does the scope cover?</p> <p><b>This scope includes:</b> Capital expenditure projects for:</p> <ul style="list-style-type: none"> <li>• The General Fund Account (GF)</li> <li>• The Housing Revenue Account (HRA).</li> </ul> <p><b>This scope does not include:</b></p> <ul style="list-style-type: none"> <li>• All other finance accounts (e.g. the revenue budget) and monies from Central Government Grants, Council tax, business rate retention income and the Revenue Support Grant.</li> <li>• Section 106 funded projects.</li> <li>• The exchequer service.</li> </ul> <p>NB: This scrutiny task and finish group will not encroach on work of the audit committee.</p>
11.	<p><b>Methodology and methods:</b> Your methodology underpins how you will undertake the review. For example what evidence will need to be</p>

<sup>1</sup> NB: these are initial suggestions which may or may not inform the recommendations from this scrutiny review.

	<p>gathered in-house and from external stakeholders / partners?  Your research methods are the techniques used to gather knowledge and information. These include but are not limited to desk based research, interviews, site visits, engagement exercises, surveys, focus groups etc.  How do these methods help you to answer your research questions in section 7?</p> <p><b>Methodology:</b></p> <ul style="list-style-type: none"> <li>Review past capital slippages and the reasons why projects couldn't be delivered.</li> </ul> <p><b>Preliminary / core documentation that will need to be collected to inform this review is as follows:</b></p> <ol style="list-style-type: none"> <li>Council Budget</li> <li>The Capital Programme (General Fund &amp; HRA)</li> <li>CAPEX justification forms</li> </ol> <p><b>Methods:</b></p> <p>A series of Members task group meetings will be held to hear evidence from officers. Members will hear information and statements from witnesses and then ask questions to probe additional information to answer the key research questions set out in this scope.</p>
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Council services expected to contribute		
	Council Service	Reason / Intention for evidence
12.	Finance: Accountancy	Understanding of process.
13.	Communities	Experience of process.
14.	Environmental Services	Experience of process.

External Witnesses to be invited / submit evidence		
	Organisation	Reason / Intention for evidence
15.	Portfolio holder (Ged Hall)	Experience of process.
16.		
17.		
19.		

20.	<p><b>Project plan:</b>  What is the proposed start and finish date?  How many task and finish group meetings are there likely to be?  Are the task and finish group meetings going to be thematic in approach? If so, what themes / policy issues will the task group consider in each respective task and finish group?</p>
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Timescale	
Proposed start date:	November 2017
Proposed finish date:	January 2018
Task and finish group plan	
How many task and finish group meetings are anticipated to support this review? Fill in and strike through as appropriate.	2
<p><b>Task group theme (1): Process and monitoring.</b></p> <p><b>Aim: Understand the process and why slippage occurs.</b></p> <p><b>Witnesses: Kelvin Mills/Matt Lank, Richard Homewood, Cllr Ged Hall.</b></p>	
<p><b>Task group theme (2): Recommendations.</b></p> <p><b>Aim: Form any necessary recommendations to the Executive.</b></p> <p><b>Witnesses: N/A</b></p>	
21.	<p><b>Scrutiny resources:</b> In-depth scrutiny reviews are facilitated and supported by the Scrutiny Policy Officer.</p> <p>Yasmine Makin, Graduate Management Trainee (research and policy support to task group with the responsibility to compile information and write the final report).</p> <p>Amy McNulty, Democratic Services Officer (organisation of task group meetings and recording key points and actions in task groups)</p>

For completion by Corporate Policy Manager	
22.	<p><b>Corporate Policy Manager comments:</b> Will the proposed scrutiny timescale impact negatively on the scrutiny policy officer's time? Or conflict with other work commitments I am confident that the timescale and scope for this review will be manageable within the context of the overall Overview and Scrutiny programme.</p>
Name:	Louise Norie
Date:	25 August 2017

For completion by Lead Director

<b>23.</b>		<p><b>Lead Director comments:</b> Scrutiny's role is to influence others to take action and it is important for the task and finish group to seek and understand the views of the Lead Director.</p> <p>Are there any potential risks involved that may limit or cause barriers that scrutiny needs to be made aware of?</p> <p>None.</p>
		<p>Are you able to assist with the proposed review? If not please explain why? (Are you or Senior Officers able to provide supporting documentation to this task group via the coordination of the Scrutiny Policy Officer?)</p> <p>Yes - I feel that the O&amp;S involvement in this important area is welcome and will add constructive challenge to the process.</p>
	Name and position:	Graeme Clark, Strategic Director – Finance and Resources
	Date:	31/8/17

For completion by Executive Portfolio Holder

<b>24.</b>		<p><b>Executive Portfolio Holder comments</b> As the executive lead for this portfolio area it is important for the task group to seek and understand your views so that recommendations can be taken on board where appropriate.</p> <p>Verbal agreement of scope – comments to follow.</p>
	Name and position:	Cllr Ged Hall, Portfolio holder for Finance
	Date:	31/8/17

## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

**5 JUNE 2018**

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**Title:**

**TREASURY MANAGEMENT ACTIVITY – 2017/18**

[Portfolio Holder for Finance: Cllr Ged Hall]

[Wards Affected: N/A]

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**Summary and purpose:**

The purpose of this report is to summarise Waverley's Treasury Management activities during 2017/2018.

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

The management of Waverley's cash is a key function that helps ensure sufficient funds are available to provide services and pay the Council's commitments.

**Equality and Diversity Implications:**

There are no implications arising from this report.

**Resource and legal Implications:**

There are no direct resource implications and any financial areas are covered in the report.

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**Introduction and Background**

1. Waverley's Treasury Management Policy accords with the existing Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice on Treasury Management in the Public Services.

**Treasury Activity 2017/18**

2. Officers have prepared four graphs that illustrate the current investment activity. The table below gives a brief description of each graph. The first graph is based on the total external investments held on 31<sup>st</sup> March 2018 of £58 million.

<b>Annexe Number</b>	<b>Description of graph</b>	<b>Comments</b>
Annexe 1	Plots the total balance of external investments held at weekly intervals throughout the year compared to previous years	The years since 2012/13 (HRA reform) have been left off the graph in order to make the graph easier to read. Generally major peaks and troughs in expenditure/income occur at similar times in each year – as the graph shows. Some capital

		investment/property acquisitions in the second half of 2017/18 have resulted in less cash available for investments than in 2016/17.
Annexe 2	Shows cumulative investment performance compared with bank base rate and market rate for 3 month terms obtained daily from the market	This graph shows 2017/18 performance at around 0.65% at year end compared to the target of 0.55%. The 3 month market rate reflects the increase in base rate in November 2017 and, interestingly, predicted a further increase in May 2018 – which did not arise. Waverley was able to obtain secure longer term investments during the year resulting in improved performance without compromising security.
Annexe 3	Shows the maturity profile of Waverley's investment holding.	The graph shows that 14% (£8m) of total investments were on call on 31/03/18. The graph also identifies a good spread of longer term investments which are at preferable rates thus aiding performance. All investments are pre-determined fixed rates and fixed periods with the exception of "call" money. The investment at a term over 1 year is with another Local Authority.
Annexe 4	Shows the approved ratings of Waverley's current investments. The letter indicates the latest credit rating and the "stable" or "negative" shows the future outlook rating judgment of Waverley's preferred rating agency. Local authorities are not usually specifically rated but considered to be comparable with Central Government credit worthiness.	The chart shows the % and value of investments within their credit rating range. It is noteworthy that £20m (34%) of investments were with other Local Authorities. This takes advantage of some authorities with a particular short-term need for cash at year end and achieved rates of 0.85% for 2 months – well above the market rate at the time.

### **Investment Performance 2017/18**

3. The Local Performance Indicator LI8, which relates to investment performance, is shown below.

Full Description of PI	2016/17 Actual	2017/18 Actual
Average rate of return on the Council's Investments compared with target	Actual at 0.73% Target 0.56%	Actual at 0.65% Target 0.55%

Note: Members are reminded that the base rate reduced during 2016/17 and increased during 2017/18. The 2017/18 target rates was prepared assuming no change to the base rate. Nevertheless, by targeting longer term rates wherever appropriate, performance was able to be maintained above the target rate. Members may note that the total interest receipts for 2017/18 was some £619,000 compared to a budget of £455,000 generated from an average daily investment of £73m.

### **Recommendation**

That the Executive notes the investment activity and performance in 2017/18 and notes and endorses performance.

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### **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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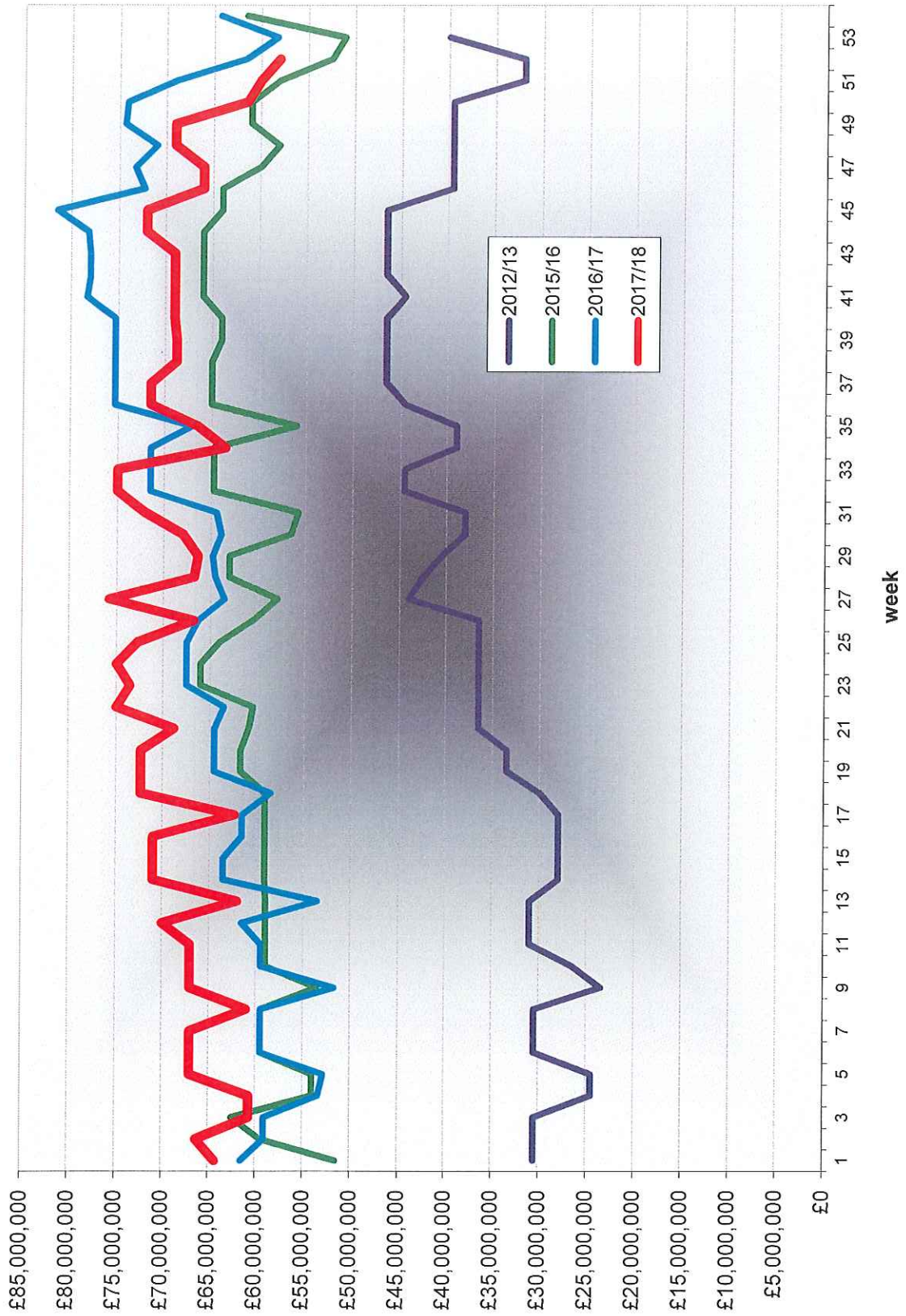
### **CONTACT OFFICER:**

**Name:** Peter Vickers  
Head of Finance

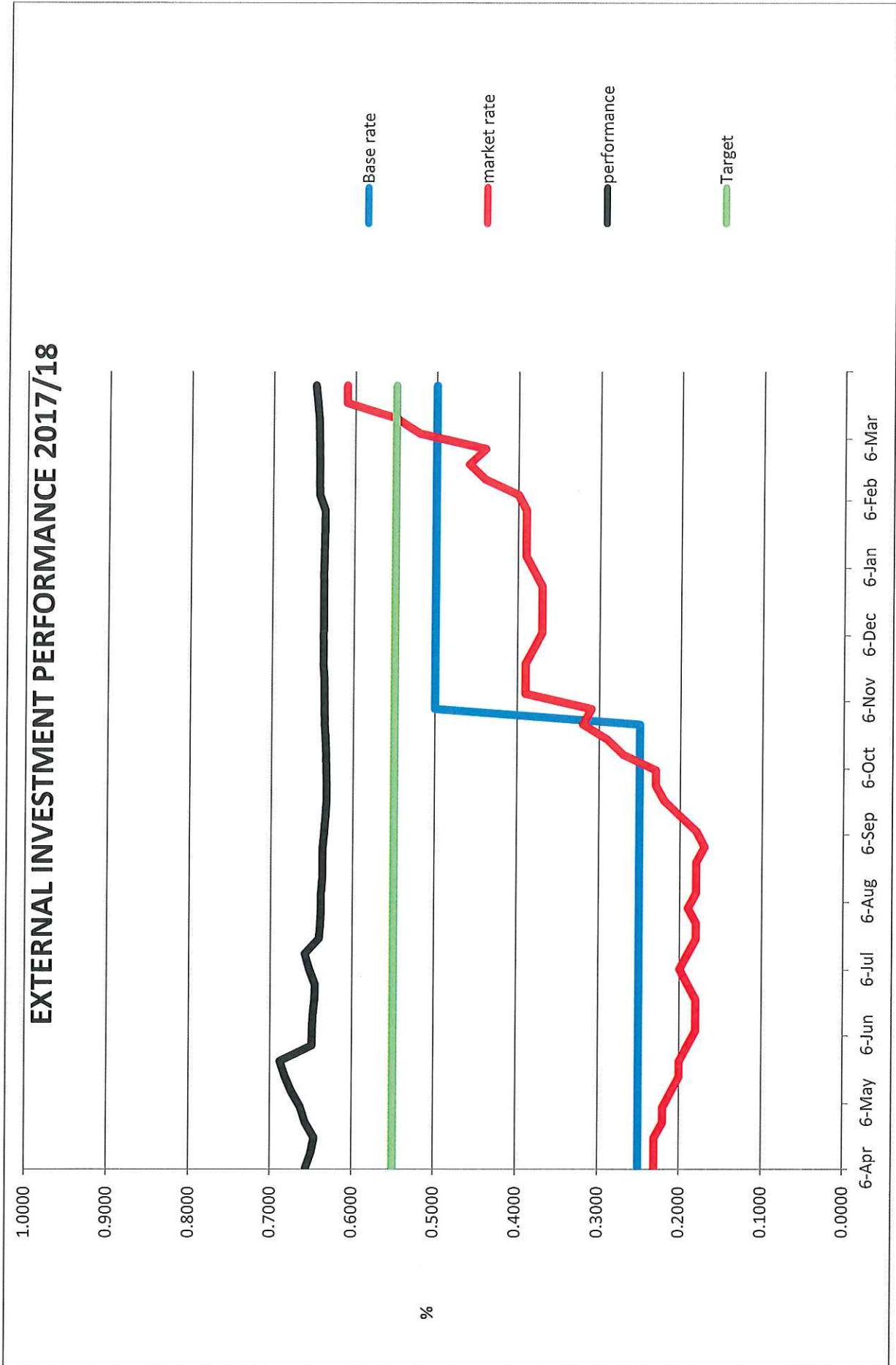
**Telephone:** 01483 523539  
**E-mail:** peter.vickers@waverley.gov.uk

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Waverley Borough Council External Investments Outstanding  
excl HSBC savings - by week

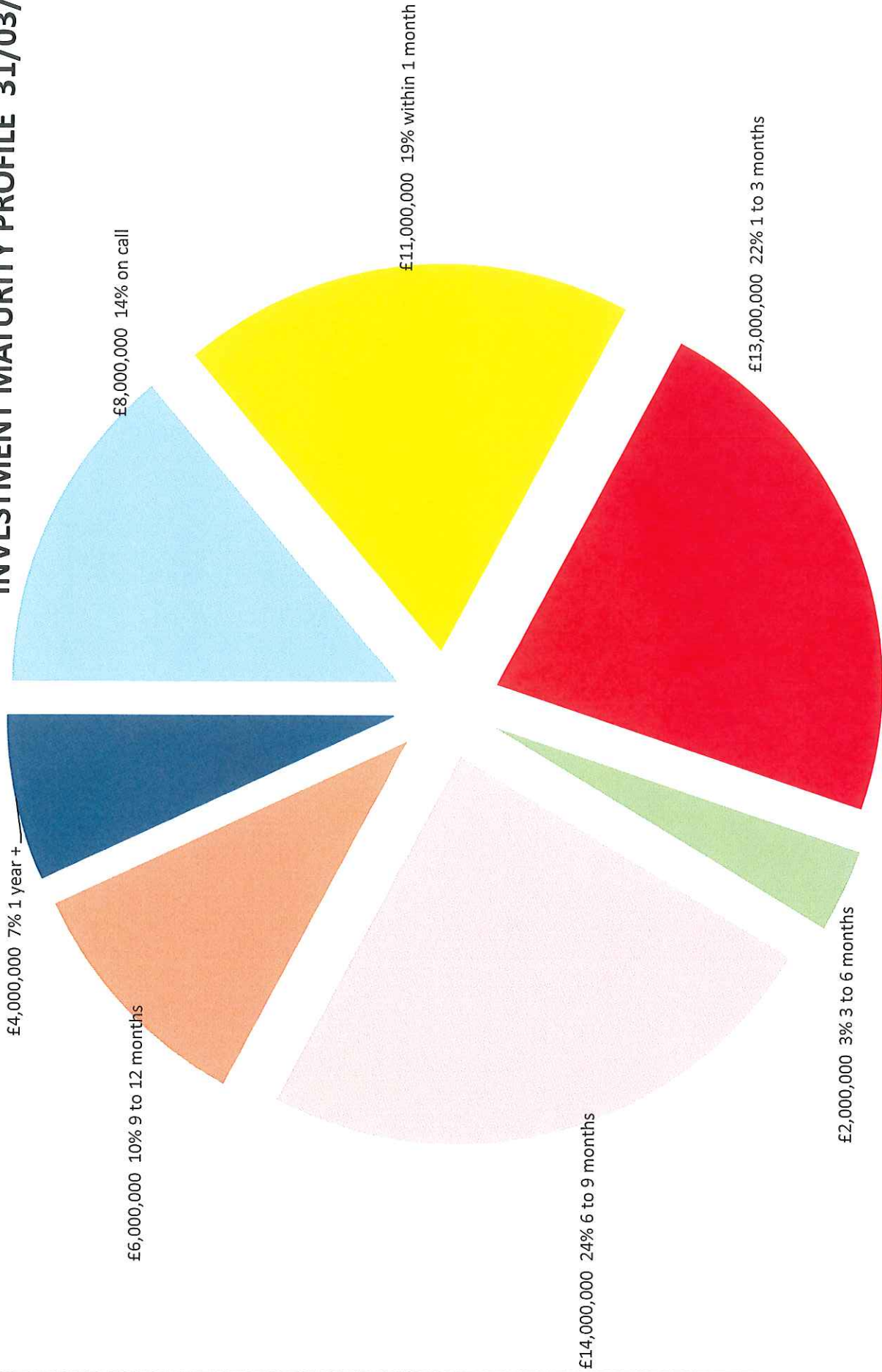


# Annexe 2

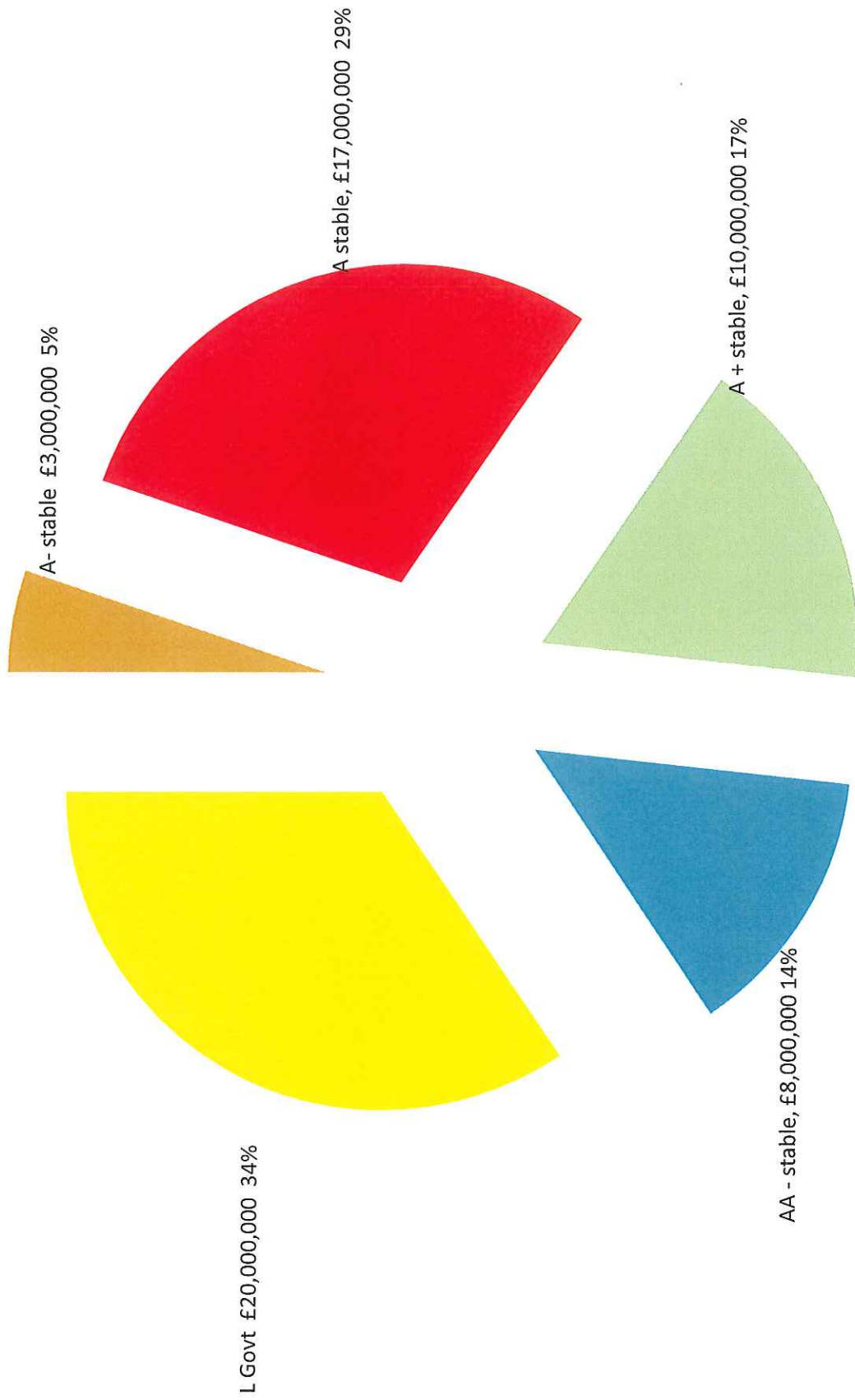




**INVESTMENT MATURITY PROFILE 31/03/18**



**INVESTMENTS - CREDIT RATINGS 31/03/18**



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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