

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY &  
CUSTOMER SERVICE - 10 SEPTEMBER 2018

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

**Present**

Cllr Brian Adams  
Cllr Mike Band  
Cllr David Beaman  
Cllr Nicholas Holder  
Cllr Stephen Mulliner

Cllr Nabeel Nasir  
Cllr David Round  
Cllr Richard Seaborne  
Cllr Bob Upton

**Also Present**

Councillor John Ward, Councillor James Edwards, Councillor John Gray and Councillor  
Christiaan Hesse

18. APPOINTMENT OF CHAIRMAN (Agenda item 1.)

RESOLVED that Cllr David Beaman be appointed as Chairman of the Value for Money and Customer Service O&S Committee for the remainder of the 2018/19 Council year.

19. APPOINTMENT OF VICE CHAIRMAN (Agenda item 2.)

RESOLVED that Cllr Stephen Mulliner be appointed as Vice Chairman of the Value for Money and Customer Service O&S Committee for the remainder of the 2018/19 Council year.

20. MINUTES (Agenda item 3.)

The Minutes of the Meeting held on 25 June 2018 were confirmed as a correct record and signed.

21. APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 4.)

There were no apologies for absence.

22. DECLARATIONS OF INTERESTS (Agenda item 5.)

There were no declarations of interests in connection with items on the agenda.

23. QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 6.)

There were no questions from members of the public.

24. QUESTIONS FROM MEMBERS (Agenda item 7.)

There were no questions from Members.

25. ECONOMIC STRATEGY (Agenda item 8.) (Pages 7 - 12)

Cllr Jim Edwards, Portfolio Holder for Economic and Community Development, was in attendance at the meeting, and, along with representatives from Atkins, delivered a presentation on the new Economic Development Strategy (attached).

He explained that the Council's Strategic Review in 2016 had identified a need to produce a new Economic Development Strategy to promote Waverley's future economic prosperity. Using an evidence based approach, an overarching strategic vision had been produced for Waverley for the period 2018 – 2032. The Strategy was also supported by an action plan that would be updated more regularly.

The Strategy set out how the vision would be achieved through six key themes.

- Support sustainable business and economic growth;
- Provide high quality business and economic support;
- Support healthy towns and village centres;
- Encourage a successful visitor economy that's right for Waverley;
- Develop links with and support the education sector; and
- Support the right housing developments in the local community.

Consultation had taken place with a number of key stakeholders including Town and Parish Councils and local Chambers of Commerce. 180 separate comments had been received which overall showed good support of the six themes.

The Committee thanked officers for arranging the workshop and tour of the borough which had taken place since its last meeting. The latest draft of the Strategy had incorporated many of the comments that had been raised during these events.

Cllr Gray was in attendance at the meeting and spoke on this item. He felt that the six themes still didn't fully address the rural economy, highlighting the distinction between businesses actually connected with the land, such as farming, and those simply based in rural locations. He suggested that some businesses were based in rural locations by necessity rather than choice and could struggle due to infrastructure issues.

Members agreed that Strategy could do more to engage with the rural economy, and Cllr Band suggested making reference to the Surrey Hills AONB Management Plan.

The Committee found the addition of the Executive Summary very helpful, and recommended that this be tightened up further as well as including the headline figure for the total value of Waverley's economy. Members also suggested that the vision needed to take into account of those who live in the Borough but work elsewhere, for example, commuters to London. Similarly, there were staff in lower paid sectors, such as the care industry and retail, who had to travel into the Borough due to the high cost of living.

Cllr Round also highlighted that the high cost of cost of businesses rates was a challenge for small businesses and suggested that this be raised with the Government.

Cllr Hesse was also in attendance at the meeting and spoke on this item. He expressed concern over the vision, and felt that the aspirations needed be more SMART in order to know whether the Council was achieving what it set out to do. He also suggested including a section on risks and opportunities.

Members acknowledged that as a local authority, Waverley's influence was limited, and therefore the inclusion of measureable targets would be challenging. Cllr Mulliner added that he felt Waverley's role was to monitor and support local businesses.

The Committee thanked officers for their hard work since that last meeting however felt that further improvements could be made on the Executive Summary and Vision sections. Councillors Mulliner, Seaborne, Nasir and Hesse agreed to provide further suggestions to officers after the meetings.

The Committee agreed to endorse the Economic Development Strategy to the Executive, subject to consideration of the comments raised above and further suggestions to be made by Councillors following the meeting.

26. DRAFT HR STRATEGY 2018-2023 (Agenda item 9.)

Katy Meakin, HR Manager, introduced the new HR Strategy to the Committee. She explained that the Strategy had been developed to align with the Corporate Strategy and had been formulated using strong workforce profile data.

The Committee thanked officers for producing a clear and accessible Strategy. It was suggested that the Strategy could be enhanced by the inclusion of a forecast as to how the workforce might change as a result of technological advances, for example, more remote working.

A Member noted that there was a large proportion of younger staff joining and leaving Waverley within two years and was concerned that this was due to low morale. Other Members however suggested that the level of turnover could be attributed to staff, particularly in areas such as planning, gaining experience at Waverley and then moving on to positions in London councils or the private sector.

The Committee was also pleased to note that the issue of talent management was addressed in the Strategy as it felt that it was important to show that there was career development within the organisation. Members also highlighted that different levels of staff within the organisation would have different career aspirations and suggested that this be taken into account in the Strategy.

The Committee also felt that a statement should also be included in the Strategy in relation to equality and diversity. Officers responded that the Council was part of the 'two ticks' scheme and agreed to make reference to this in the Strategy.

27. ANNUAL SCRUTINY REPORT 2017-2018 (Agenda item 10.)

Yasmine Makin, Scrutiny Officer, presented the Annual Scrutiny Report to the Committee. She explained that the purpose of the report was to reflect on the new O&S arrangements that had come into effect in 2017, with the report highlighting successes as well as areas for improvement.

The Committee agreed that the report was a fair reflection of the work that had been carried out over the last year. Cllr Band added that the test would be in the coming year, as the O&S Committees had made a number of recommendations that had been approved by the Executive and these would need to be carefully monitored to ensure that they are delivered.

The Committee agreed to endorse the Annual Scrutiny Report.

28. CORPORATE PERFORMANCE REPORT Q1 (APRIL - JUNE 2018) (Agenda item 11.)

Tom Horwood, Chief Executive, presented the new format performance report to the Committee. He explained that the same report was now being presented to all O&S Committees; it provided a more comprehensive view of performance and included enhanced narrative. Tom invited the Committee to provide feedback on the new format.

The Committee was pleased to note the generally good performance across the organisation as a whole, and particularly the areas falling within the remit of the VfM and Customer Service O&S Committee. Members welcomed the revised format of the report and found the RAG rating particularly useful. The Committee requested that future reports include further details of the action being taken to correct any 'red' indicators.

It was noted that the financial information was distorted by 'flow-through' budgets such as housing, the Committee therefore requested that this be separated out in future reports. Cllr Seaborne also highlighted that very large budgets were presented as showing no variance and queried if this was correct. Officers responded that this was a projected outturn based on regular meetings with budget managers and no major variance was anticipated.

29. TREASURY MANAGEMENT FRAMEWORK - CAPITAL STRATEGY (Agenda item 12.)

Graeme Clark, Strategic Director, presented the Capital Strategy to the Committee. He advised that every year the Committee received a suite of documents making up the Treasury Management Framework. New Government rules now added a requirement to include a separate Capital Strategy. The Strategy set out how capital proposals were put together and then monitored going forward.

The Committee reflected on its recent review of Capital expenditure and felt that while the wording of the Strategy presented an ideal scenario, Waverley was not yet at this point. The review had highlighted several areas for improvement in relation to the capital programme, and Members hoped that they would soon be able to see what had been done to implement the recommendations coming out of the review. Yasmine Makin advised that an update on the progress made on the implementation of these recommendations would be presented to the Committee in the near future.

Members agreed that changing the tense from present to future would not only make the document read better as a Strategy, but also more accurately reflect the

current situation and aspirations of the Council in relation to its Capital process and management.

Graeme Clark agreed to review the phrasing and tense of the Strategy, particularly paragraph 2.2, so that it better reflected the current situation. He also agreed expand the covering report to include reference to the O&S review of Capital expenditure and the recommendations arising from this.

Subject to the above suggestions, the Committee agreed to endorse the Capital Strategy to the Executive.

30. BUDGET SHORTFALL COMMITMENTS - PROGRESS (Agenda item 13.)

Graeme Clark, Strategic Director, reminded the Committee that in January, a number of proposals had been agreed in order to meet the budget shortfall for 2018/19, and highlighted some key examples. A £40k procurement saving was on target and officers were confident that this would be achieved. With recent property acquisitions and rent reviews, officers were also confident that the £250k property income target would be achieved.

The Committee was pleased with the progress that was being made with these and other cost saving measures for 2018/19.

31. BUDGET STRATEGY WORKING GROUP - PROGRESS UPDATE (Agenda item 14.)

Cllr Mulliner, Chairman of the Budget Strategy Working Group, provided an update on the progress made to date. He advised that work stream 1 had now been completed and asked the Committee to endorse the approach to work stream 2 as set out in the report.

Members were pleased to note the progress that had been made to date and endorsed the proposed approach to work stream 2. Cllr Adams queried whether the Group had considered new sources of income. Cllr Mulliner responded that this had not yet be done, but would be incorporated into future work streams.

32. COMMITTEE WORK PROGRAMME (Agenda item 15.)

The Committee noted its future work programme. Cllr Beaman commented that the item on CIL governance arrangements would be particularly interesting.

33. EXCLUSION OF PRESS AND PUBLIC (Agenda item 16.)

At 8.38pm, it was:

RESOLVED that pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in the paragraph 3 of the revised Part 1 of Schedule 12A to the Act, namely:

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

34. PROPERTY INVESTMENT STRATEGY QUARTERLY PROPERTY ACQUISITION REPORT (Agenda item 17.)

The Committee received an update on the performance of properties within the Council's investment portfolio. Members requested some changes to the presentation of the report and that further details be added for the next quarter.

**The meeting commenced at 7.00 pm and concluded at 8.48 pm**

**Chairman**

# Minute Item 25.



## Waverley – a great place to do business

O&S Committee 10<sup>th</sup> September  
Economic Development Strategy




## Welcome and introduction

Cllr Edwards, Portfolio Holder for Economic Development



## Timetable of strategy

Workshop including feedback from Towns & Parishes

Economic Development Tour – 22 August  
Updated draft strategy – 7 September

**Presentation to O&S – 10 September**

Final adjustments

Executive Briefing – 25 September  
Executive – 9 October



## ATKINS

Member of the SNC-Lavalin Group

### Coverage for today

- 1) Economic Development Strategy overview – 5mins
- 2) Economic Development Strategy Evidence – 5mins
- 3) Strategy responses to feedback – 10mins
- 4) Any other points



## The Economic Development Strategy 2018-32

Cratus Review 2016: *"A new Economic Development Strategy that promotes Waverley's future economic prosperity"*.

### Process

- Formulated with Atkins, internal consultation and consultation with key partners
- Socio-economic data
- Several feedback periods

### Outcomes

- An economic vision
- Six supporting themes with long term activities
- WBC Action Plan to be updated annually



## 1) Strategy overview

The Economic Development Strategy for Waverley is composed of two parts:

- 1) **A long-term strategy document** to help deliver Waverley's economic vision, by supporting the creation of a positive business environment and helping to sustain economic prosperity.
- 2) **An Action Plan** of shorter-term activities to help meet the vision, these are composed of activities and targets that will be measured. The Action Plan will be reported on an annual basis and updated as required.

The Strategy sets in place:

- a) honest dialogue and exchange;
- b) identification and monitoring of local challenges and opportunities;
- c) collaboration to take forward actions;
- d) consideration of Waverley's environment and character.



## 1) Vision and themes

### Economic vision:

*'A great place for local businesses to grow and flourish, where our communities have access to local employment and where everyone shares in the economic prosperity.'*

The strategy sets out how this vision will be achieved through six themes.

- 1) Support sustainable business and economic growth
- 2) Provide high quality business and economic support
- 3) Support healthy towns and village centres
- 4) Encourage a successful visitor economy that's right for Waverley
- 5) Develop links with and support the education sector
- 6) Support the right housing developments in the local community



## Evidence for the Economic Development Strategy

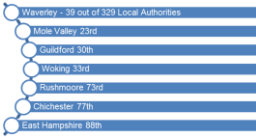


## 2) Waverley's economy

Chapter 1: About Waverley; Waverley by numbers; Waverley's socio-economic performance

### Business headlines

#### A strong business and competitive environment



**8,200 businesses; 91% are micro (<10)**  
2<sup>nd</sup> largest business base in Surrey

**13,500 self employed**  
**10,200 home workers**

**High number of annual start-ups (~1000)**  
**High number of annual business deaths (~900)**  
Lower survival rates than wider area

**Young businesses** (53% under 10 years – national 35%)

**2-5% high street vacancy** (national 9%)



## 2) Waverley's economy

Chapter 1; Evidence Base  
**Employment headlines**

**79% economic activity and 2.5% unemployment – same as Surrey**

**54,600**  
**57% are NVQ Level 4+**  
(Surrey 50% and England 38%)

**Only 37% work in Waverley**

**28,000 commute out** (28% Guildford, 25% London, 8% Rushmore)

**20,000 commute in**  
(60% driving own car in)

**High residential wages; much lower workplace wages**

Wage (gross weekly)	Waverley	Surrey
Residential	£748	£680
Workplace	£583	£620
Residential uplift	<b>28%</b>	10%

**Modest employment growth since 2010**, below Surrey's level, though Waverley's employment rates have increased. Sectors of professional and technical services, business support and ICT have grown.



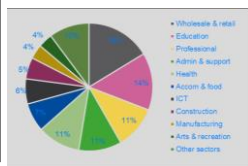
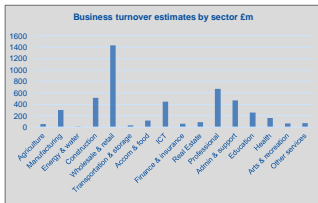
## 2) Waverley's sectors

Chapter 1 and chapter 2: key sectors and sites

- **Rural** – 32% of business,
- **Education** – 8,000 employment, opportunities
- **Creative** – £440m turnover, key industry for exports and Industrial Strategy
- **Care** – 1,600 local employment and need
- **Visitor** – £217m turnover, 4,000 related employment
- **Local services** – for residents and businesses

### Significant sectors (Surrey differential)

- Wholesale and retail
- Professional and technical services
- **Education**
- **Business admin and support**
- ICT
- Construction

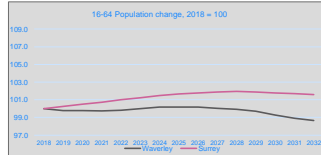


## 2) Waverley as a place

Chapter 1; Evidence Base

### UK Prosperity Index – no 1 place to live

#### Flat – declining working age population 2018-32



Modest population growth last ten years

**House prices amongst highest in Surrey**

**Housing affordability is lacking** for medium and low income earners – incl. key service workers

**88% local businesses identified this as an issue** impacting recruitment & retention

**Pockets of deprivation**





## Strategy review and responses



### 3) Review

Review and feedback: business community, councillors, local partners, towns and parishes, wider/regional partners



From	
Bramley Parish	Business South
Cranleigh and Eastern Villages	Farnham Maltings and Caravan
Farnham Castle Ward	Cranleigh Chamber of Commerce
Witley Parish Council	Farnham Chamber of Commerce
Waverley councillors	Godalming Chamber of Commerce
Enterprise M3	Haslemere Chamber of Commerce
Guildford Borough Council	Waverley internal departments
Surrey County Council	Waverley Training Services



### 3) Review

180 separate comments

Some repetition and alignment  
Some conflicting points as well

The six themes were well supported

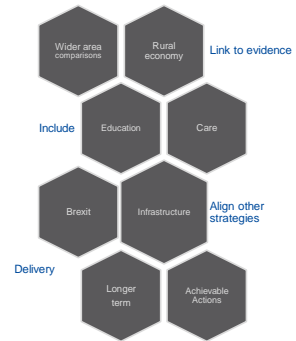
**Review points:**

- Economic Development Strategy draft 2018-23
- Presentation and workshop of evidence and key themes
- Economic Tour
- Action Plan draft
- Economic Development Strategy draft 7<sup>th</sup> August



### 3) Review

Key review themes >



### Review theme – Period and delivery



**Update:**

- > The Strategy will take an overall **15 year view for 2018-32** – as advised by feedback and to better align with other strategies
- > The Strategy is an overarching document, with a partnership approach and acknowledges where the council *can* make a difference

Facilitating a positive environment for businesses and employment; supporting activities of other strategies and partners; providing the evidence for Waverley's opportunities to realise and threats to manage – where to direct focus and support



### Review theme – Period and delivery



**Update:**

- > The **Action Plan** will be considered over shorter terms for **achievable actions**.
- > Achievable actions, annual progress report and updates as required
- > Respond to economic climate, to other strategies, to the impact of previous actions

Action Plan as a separate, live document



## Review theme – evidence base

### Various comments received:

- o Capturing the service economy and role of in-out commuting
- o To set Waverley in wider context.
- o Moving some evidence up-front to establish the key sectors.
- o Clarity on source, units and year of data.

### Update:

- We have developed the evidence base and linked these through the key sectors and themes, with an upfront context.

## Review theme – rural economy

### 20 comments received:

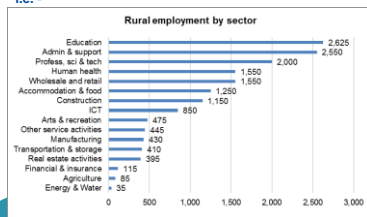
- o Rural needs differ to urban – more attention to these with statistics and economic specifics
- o Important to engage and reflect the businesses of rural areas, beyond Chambers of Commerce
- o Parish engagement for Economic Strategy and to help with local knowledge.
- o Rural business makes a significant contribution to Waverley, for example covering agriculture, arts & recreation, estate houses, education sectors
- o More mentions of countryside and environment
- o Needs for car parking space both at home (car dependency and self employed vehicles) and at rail stations for rural development



## Review theme – rural economy

### Update

- We have developed the evidence base, provided upfront text on rural economy and the Action Plan brings out different approaches to rural economy and areas. i.e. -



2,600 rural businesses

32% of total Waverley base of 8,200 VAT-registered enterprises



## Review theme – key sectors

### Update

- We have presented focus areas on the key sectors for the long term sustainability of Waverley's economy as key sectors in Section 2

– education, further education, care, creative industries, visitor economy

- Brought out these sectors in the themes narrative and activities as well as the Action Plan



## Review theme – key sectors

### Update

- Education – community links, support their development, concern over recruitment and retention
- UCA – opportunity with valuable sector growth, concern over student living environment
- Care – good base, future employment needs and sector development
- Creative – business space needs, help graduates stay and thrive, link up with wider partners
- Visitors – explore opportunities, support businesses here

Council can: continue dialogue with these organisations; support and engage on issues around worker housing, business space, business and employment support; and work with partners in wider area



## Review theme – Brexit impact

### Update:

> Has been recognised, within the evidence base - where Waverley may be more, or less, impacted

> The uncertain nature means this will be brought out in the Action Plan – with wider partner engagement, business support and advice as needed



## Review theme – Infrastructure

### Update:

- > Recognised a host of infrastructure challenges, as raised from the feedback
- > The Economic Development Strategy has a separate aim to infrastructure but will provide further evidence for the requirements – enhancing the case for support and funding
- > Actions are proposed that recognise these issues through a business and economic support lens, and in being part of wider discussions
- > The Strategy refers to the Infrastructure Delivery Plan and adopted Local Plan i.e. housing; transport requirements; sustainable transport options; open space; health and social care



## 4) The strategy in action

### Measuring Progress:

The Economic Development Strategy incorporates two key aspects of progress measurement:

- A series of **Action Plan** targets for meeting Waverley's economic vision. [This will be a live document.](#)
- The use of **business communication and monitoring** through: Waverley's annual business surveys; the Chamber of Commerce and town and parish council meetings; and an annual publication of key economic measures.

The Action Plan will also be flexible to local concerns and economic monitoring, incorporating new actions and targets as required over time.



## 4) The strategy in action

### Economic Development Partners



## 4) Next steps

Points and questions raised today and over next week

Final adjustments  
*i.e. presentation – images, diagrams, SWOT format*  
 Document review  
 Policy context – with partners

Executive Briefing – 25 September  
 Executive – 9 October



Further comments and questions?

Thank you



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