

To: All Members and Substitute Members of
the Overview & Scrutiny Committee -
Value for Money & Customer Service
(Other Members for Information)

When calling please ask for:
Amy McNulty, Democratic Services Officer

Policy and Governance

E-mail: amy.mculty@waverley.gov.uk

Direct line: 01483 523492

Calls may be recorded for training or monitoring

Date: 9 November 2018

Membership of the Overview & Scrutiny Committee - Value for Money & Customer Service

| | |
|---------------------------------------|-----------------------|
| Cllr David Beaman (Chairman) | Cllr Nabeel Nasir |
| Cllr Stephen Mulliner (Vice Chairman) | Cllr David Round |
| Cllr Brian Adams | Cllr Richard Seaborne |
| Cllr Mike Band | Cllr Bob Upton |
| Cllr Nicholas Holder | |

Substitutes

| | |
|------------------------|----------------|
| Cllr Liz Townsend | Cllr John Ward |
| Cllr Tony Gordon-Smith | |

Members who are unable to attend this meeting must submit apologies by the end of Monday, 12 November 2018 to enable a substitute to be arranged.

Dear Councillor

A meeting of the OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY & CUSTOMER SERVICE will be held as follows:

DATE: MONDAY, 19 NOVEMBER 2018

TIME: 7.00 PM

PLACE: COMMITTEE ROOM 1, 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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Waverley Corporate Strategy 2018 - 2023

Priority Theme 1: People

Priority Theme 2: Place

Priority Theme 3: Prosperity

Good scrutiny:

- is an independent, Member-led function working towards the delivery of the Council's priorities and plays an integral part in shaping and improving the delivery of services in the Borough;
 - provides a critical friend challenge to the Executive to help support, prompt reflection and influence how public services are delivered;
 - is led by 'independent minded governors' who take ownership of the scrutiny process; and,
 - amplifies the voices and concerns of the public and acts as a key mechanism connecting the public to the democratic process.
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NOTES FOR MEMBERS

Members are reminded that contact officers are shown at the end of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

AGENDA

1. MINUTES (Pages 7 - 12)

To confirm the Minutes of the Meeting held on 10 September 2018 (to be laid on the table 30 minutes before the meeting).

2. APOLOGIES FOR ABSENCE AND SUBSTITUTES

To receive apologies for absence and note any substitutions.

Members who are unable to attend this meeting must submit apologies by the end of Monday 12 November 2018 to enable a substitute to be arranged, if applicable.

3. DECLARATIONS OF INTERESTS

To receive Members' declarations of interests in relation to any items included on the agenda for this meeting, in accordance with Waverley's Code of Local Government Conduct.

4. QUESTIONS FROM MEMBERS OF THE PUBLIC

The Chairman to respond to any written questions received from members of the public in accordance with Procedure Rule 10.

For this meeting, the deadline for receipt of questions is Monday 12 November 2018.

5. QUESTIONS FROM MEMBERS

The Chairman to respond to any questions received from Members in accordance with Procedure Rule 11.

For this meeting, the deadline for receipt of questions is Monday 12 November 2018.

6. CUSTOMER SERVICES REVIEW (Pages 13 - 30)

This report updates the Overview and Scrutiny Committee on the progress made with the Customer Services Review project.

To comment on the proposals set out in the attached Project Initiation Document (PID) in respect of customer access arrangements/customer services structure.

Recommendation

The Value for Money and Customer Service O&S Committee is asked to comment on the detail of the project and endorse the approach as set out in the PID.

7. COMMUNITY INFRASTRUCTURE LEVY (CIL) GOVERNANCE ARRANGEMENTS AND ASSESSMENT CRITERIA (Pages 31 - 36)

The purpose of this report is to seek Members' approval for on the proposed governance arrangements for the allocation and spending of the Community Infrastructure Levy (CIL) in Waverley.

Recommendation

The VfM and Customer Service O&S Committee is invited to consider the proposed governance arrangements for Strategic CIL funds and agree any observations that they wish to be passed to the Executive for consideration.

8. CORPORATE PERFORMANCE REPORTS Q2 (Pages 37 - 76)

The Corporate Performance Report provides an analysis of the Council's performance for the second quarter of 2018-19. The report, set out at Annexe 1, is being presented to each of the Overview and Scrutiny Committees for comment and any recommendations they may wish to make to the Executive.

Recommendation

It is recommended that the Overview & Scrutiny Committee considers the performance of the service areas under the remit of the committee as set out in Annexe 1 to this report and makes any recommendations to senior management or the Executive as appropriate.

9. COMPLAINTS HANDLING POLICY AND REVIEW OF COMPLAINTS RECEIVED BY WAVERLEY IN 2017/18 (Pages 77 - 82)

This report provides a brief summary of the complaints received by Waverley in 2017/18 and the Council's performance in responding to those complaints. Complaints about Waverley's services that were received by the Local Government and Social Care Ombudsman and the Housing Ombudsman in 2017/18 are the subject of a separate report.

Recommendation

It is recommended that the Value for Money and Customer Service Overview and Scrutiny Committee considers the information in this report and passes any comments to the Executive.

10. COMPLAINTS TO LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN AND HOUSING OMBUDSMAN ABOUT WAVERLEY'S SERVICES IN 2017/18 (Pages 83 - 94)

This report is in two parts. The first part concerns complaints to the Local Government and Social Care Ombudsman (LGSCO) about Waverley's services in 2017/18. This discharges the Monitoring Officer's duty under section 5(2) of the Local Government and Housing Act 1989 to submit a formal report to the Council on complaints where it appears there has been

maladministration or service failure, and the LGSCO has conducted an investigation in relation to the matter.

The second part concerns complaints by Waverley's tenants and leaseholders to the Housing Ombudsman Service (HOS).

Recommendation

It is recommended that the Committee notes the information in this report, and agrees any observations it wishes to pass to the Executive on the issues raised.

11. BUDGET SHORTFALL COMMITMENTS - PROGRESS

To receive a verbal update on the targets set by Heads of Service to meet the budget shortfall as set out in the Budget papers of the January 2018 Committee.

12. BUDGET STRATEGY WORKING GROUP UPDATE

To receive a verbal update on the progress made by the Budget Strategy Working Group.

13. REVIEW OF PROPERTY INVESTMENT STRATEGY (Pages 95 - 118)

Paragraph 12 of the Property Investment strategy approved April 2018 states: The strategy will be reviewed after six months by the VfM O&S Committee with input from the IAB and, in relation to certain matters, the Audit Committee.

If the VfM Committee considers that any material changes to the Strategy are necessary, it will make an appropriate recommendation to the Executive. Any revisions will be subject to Council approval. As such the purpose of this report is to consider any review required.

Recommendation

It is recommended the VfM O&S Committee considers the details set out in the report and endorses that the Property Investment Strategy remains as it stands and is reviewed again in six months' time.

14. COMMITTEE WORK PROGRAMME (Pages 119 - 134)

The Value for Money and Customer Service Overview and Scrutiny Committee, is responsible for managing its work programme.

The work programme includes items agreed at previous meetings and takes account of items identified on the latest Executive Forward Programme (Annexe 2) as due to come forward for decision.

A Scrutiny Tracker has been produced to assist the Committee in monitoring the recommendations that have been agreed at its meetings. The Tracker

details the latest position on the implementation of these recommendations and is attached as Part C of the work programme.

Recommendation

Members are invited to consider their work programme and make any comments and/or amendments they consider necessary, including suggestions for any additional topics that the Committee may wish to add to its work programme.

15. 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 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 appropriate paragraph(s) of the revised Part 1 of Schedule 12A to the Act (to be specified at the meeting).

16. PROPERTY INVESTMENT STRATEGY QUARTERLY PROPERTY ACQUISITION REPORT (Pages 135 - 138)

To consider the (exempt) report, attached.

17. ANY OTHER ITEMS TO BE CONSIDERED IN EXEMPT SESSION

To consider any other matters relating to aspects of any reports on this agenda which it is felt need to be considered in Exempt session.

Officer contacts:

Yasmine Makin, Scrutiny Policy Officer

Tel. 01483 523078 or email: yasmine.makin@waverley.gov.uk

Amy McNulty, Democratic Services Officer

Tel. 01483 523492 or email: amy.mcnulty@waverley.gov.uk

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

WAVERLEY BOROUGH COUNCIL

**VALUE FOR MONEY AND CUSTOMER SERVICES OVERVIEW AND SCRUTINY
COMMITTEE**

19 NOVEMBER 2018

Title:

CUSTOMER SERVICES REVIEW

Portfolio Holder: Cllr Storey
Wards Affected: All

Summary and purpose:

To update the Overview and Scrutiny Committee on the schedule of activity agreed in November 2017.

To comment on the proposals set out in the attached Project Initiation Document (PID) in respect of customer access arrangements/customer services structure.

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

Customer Services is referenced in the Corporate Strategy Priority Theme 1: People

Financial Implications:

These are detailed in the PID and anticipate a saving of at least £240k from base budgets once implementation is complete.

Legal Implications:

No immediate legal implications

Progress Update

In October 2017 Overview and Scrutiny considered a schedule of proposed activity designed to improve the corporate customer service offer, this was subsequently considered and agreed by Executive in November 2017.

An officer Customer Services Group has been meeting regularly during 2018 to progress the action plan and a great deal of work has been achieved on producing on-line forms which have proved popular with customers. Progress on other aspects of the project has been slower than originally envisaged. However with the support of the new Chief Executive the project is now fully underway and the first meeting of the Project Board will take place on 8 November. Feedback from that meeting will be presented to the Committee verbally.

Progress to date is as tabulated:

| Agreed Action (November 2017) | Update |
|--|--|
| <p>Review/refresh the:</p> <ul style="list-style-type: none"> • Performance Management Framework • Customer Services Strategy • Policy/Procedures • Service Standards • Operational Processes | <p>The performance management framework has being refreshed and relaunched. The revised model is much more in line with the recommendations made by the Customer Services Group.</p> <p>Although a draft strategy and service standards were produced finalising these is dependent on the outcome of the proposals set out in the PID. Policies, procedures and operational processes will flow out of the strategy in due course.</p> |
| <p>Channel Shift - A business case has been submitted and agreed and implementation is underway.</p> | <p>Channel shift work is underway within the parameters of our existing environment. There are two live streams of work for the Housing and Revenues service areas, with facilities now in place to allow channel shift for the housing rent function. Our channel shift capacity will increase significantly once the required work to the IT environment is carried out as referenced in the PID.</p> |
| <p>Customer Services Technology - Whilst in time we expect the numbers of calls made to the Council to diminish (as has been the trend for some time with the increasing use of e-mail), at present 50% of all customer contact is made by 'phone and so traffic is still significant.</p> <p>We are seeking to procure appropriate software and technology to enable our customer call groups to be more effectively managed. This includes the display of real time data in terms of caller numbers, waiting times etc as well as offering the ability for supervisory staff to connect to live calls.</p> | <p>As an interim measure the Housing and Environmental Services call groups which are more recognisable customer service centres have been equipped accordingly. The solution was relatively low cost and operates within parameters that will be extended when we have a final structure in place.</p> <p>In Housing single telephone numbers have been introduced. Calls for the repairs service and the Tenancy & Estates Team are now handled by one customer services team.</p> |
| <p>Establish metrics to inform future delivery model decisions - The Foresight Customer Service Group made a number of recommendations about customer access arrangements and customer service structures that generated high levels of debate and interest in the officer community.</p> | <p>This work has now been completed and evaluated. The outcome is as set out in the PID.</p> |

Proposals

Although some progress has been made it is important, given the potential impact on structures, that the Customer Service Project has support across the organisation and is mobilised and managed accordingly. There is also an initial investment required to achieve the objectives envisaged.

Securing the support of the Value for Money and Customer Services Overview and Scrutiny Committee is part of this process.

Members will also note that the PID includes proposals to engage with Surrey County Council and to explore any partnership opportunities that respond to our objectives.

Recommendation

The Value for Money and Customer Service O&S Committee is asked to comment on the detail of the project and endorse the approach as set out in the PID.

Background Papers

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

CONTACT OFFICER:

Name: David Allum

Telephone: 01483 523338

E-mail: david.allum@waverley.gov.uk

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Project Initiation Document

Project Title: Customer Services Improvement Project

Date: September 2018



Document History

| Revision | Date | Originator | Comments | Approved |
|----------|---------|-------------|---|----------|
| 1.0 | 2/5/18 | David Allum | | |
| 2.0 | 16/5/18 | David Allum | | |
| 3.0 | 18/6/18 | David Allum | Incorporating Graeme Clark's comments | |
| 4.0 | 22/6/18 | David Allum | Incorporating Annie Righton's comments | |
| 5.0 | 20/8/18 | David Allum | Incorporating Tom Horwood's comments | |
| 6.0 | 12/9/18 | David Allum | Incorporating comments from the Customer Services Project Group | |
| 7.0 | 19/9/18 | David Allum | Incorporating additional comments from Graeme Clark | |

About This Document

Project Sponsor: Graeme Clark

Project Lead: David Allum

Project Manager: Louise Norie

Project Board: Hugh Wagstaff/Richard Homewood/Robin Taylor/Kelvin Mills

Project Team: Linda Frame/Vanessa de Chazal/Louise Norie/Environmental Services/Housing/Revs & Bens/Planning plus a role for the Team Leaders Group

Approval Date:

Approval Status:

Start Date: September 2018

Finish Date: December 2020. The Project will be delivered in stages with the creation of the system infrastructure expected to complete in early 2019.

Project Definition

The strategic vision underpinning the project is for our service to reflect the aspirations and expectations of customers, offering the full range of access routes supported by a professional customer service team.

This project should deliver cashable savings to contribute to the Council's budget challenge, increased customer satisfaction and a more flexible approach to work which may well align with the separate initiative looking at workplace location and environment.

Research has shown that:

- Customer Satisfaction levels are not meeting organisational expectations

- The current delivery model is fragmented leading to inconsistency
- Investment is needed into the corporate infrastructure (e.g. single UPRN, a single customer contact record)
- There is latent demand for more web based services and that self service should be encouraged to reduce demand on more expensive contact options
- There is latent inefficiency in the system
- There is lack of data collection and demand management
- There is no visibility of the costs of customer service

At the conclusion of the process these issues will have been addressed. At that point we will have

- A delivery model tailored to a more 24/7 service where people can transact with us via automated systems: digital by default wherever possible, with personal support for those unable to access digital channels
- A consistent service offer and a consistent and embedded commitment to customer service
- A more efficient delivery model that has released significant cashable savings
- Solutions to suit future customer needs, including social media and new technology.

Project Background

Customer Services are currently delivered primarily by service based groups. These groups respond to telephone calls, e-mails sent to generic e-mail addresses and web submissions. Each group is managed, configured and populated differently according to circumstances in its service area, they are not closely defined and there are at least 12 such Groups across the Council.

There are also Reception Services at both The Burys and Farnham Locality Office. At The Burys the service mainly acts as an interface between the customer and the officer who can best assist them. At Farnham Locality Office more direct assistance is provided by the Receptionist, who currently sits alongside Farnham Town Council reception staff.

A detailed evaluation of the work inputs into each Call Group and the outputs and outcomes achieved reveals a fractured delivery model with an uneven experience from the customer's perspective. Although customer satisfaction is not collected and reported systematically, based on the data that is available it is reasonable to deduce that satisfaction ratings are around the 75% level.

Recent associated projects centred on channel shift and systems thinking have identified a demand for the review of operational processes to ensure services are configured to match present day customer demand patterns (e.g. e-contact). It is highly likely that these reviews will drive out inefficiencies and achieve cashable savings as has been the case to date both in this organisation and in other comparable councils.

Reforming the corporate approach to customer services responds to both the “People” and “Prosperity” elements of our Corporate Plan.

Public services beyond Waverley Borough Council are also fragmented. Surrey County Council has recently (summer 2018) indicated that it wishes to work more collaboratively with district and borough councils. It also wishes to review its customer and digital services. There may be opportunities for district, borough and county councils to collaborate on a more efficient and joined-up customer service offer.

The Case for Change

Cashable savings can be realised by increasing automated transactions (as already envisaged by the existing channel shift business plan), by improving our infrastructure and technological capabilities and by reviewing and simplifying operational processes. The savings will mainly come from reducing staff resource that is currently dedicated on customer processes. There might also be some IT budget reductions if we move to common systems in the medium term and a shift from postal to e-communication for outgoing contact is also expected to deliver a reduction in postal budgets.

Whilst some savings could be achieved if these proposals are actioned within the existing delivery model these will be more significant if existing service boundaries are removed and a corporate approach is adopted. If a non-corporate approach is adopted the review process/actions agreed are less likely to account for impacts on other areas of the business and more likely to result in the development of bespoke systems appropriate particularly for the area under review. In addition by following a piecemeal review process there will inevitably be duplication of effort as the same actions are repeated for each of the 12 call groups. Customers will also have to make multiple contacts with us rather than receive a seamless service.

Other benefits from moving to a single customer services team will be derived from a single management and operational culture the team will be working towards and this will help to reduce the variable customer experience evident at present. Costs are though the primary driver of the project business case with quality as a secondary factor.

If agreed in principle there are still questions to consider about the sequencing of action and the timescales required to facilitate a transition. There is a strong argument to build the system infrastructure immediately before incrementally migrating teams into the new environment. This will allow time for services to identify which posts and tasks should migrate into the Customer Services Team. Whilst this is the case there is an argument to recruit the Customer Services Manager at the start of the project to own it going forward

Any new model will not be operating at maximum efficiency unless the IT infrastructure and systems are in place to support it. The infrastructure will require a gazetteer providing a single UPRN, an appropriate customer management system and call centre technology complementing the Lync system. Once this is in place it will be easier to migrate individual call groups to the new system and review and adapt their operational processes in the context of the new platform.

It will take time to move to this position, the exact length of time being dependent on how the project is resourced. This would allow for an assessment across the Council as to

which posts are primarily the agents for the delivering of customer service and what services they would in practice deliver.

Alternatively it would also be possible to operate a virtual customer services team prior to the new infrastructure being in place to allow the development of a consistent culture and to start to map out the landscape of operational processes which will need to be accounted for and potentially reviewed.

The cashable savings the project is predicated on cannot be realised to any significant degree until customer demand is shifted or abated by changing practices to eradicate “waste” or by providing customers with alternative automated access routes (e.g. a single booking solution so customer service staff could arrange bulky waste collections, Borough Hall cinema tickets etc).

The parallel channel shift work stream already active is reviewing the automation of service and facilitating self service wherever possible, Going forward customer services officers would then interact with the same system but would concentrate on those unable or unwilling to access the web based service themselves.

As well as improving customer satisfaction levels it is important that the Council is able to transformationally adapt its delivery model, so it is more efficient and allows revenue budgets to be reduced. The fragmented and inconsistent nature of the customer services offer allows this.

Investing in the infrastructure so we have a single source of customer data which also allows workflow storage will cost a minimum of £150k. A capital funding bid will be required to secure this. Training budgets may also need to be increased so to introduce expertise on channel shift and process redesign.

Project Objectives

Increased customer satisfaction

Increased customer self service (i.e. channel shift)

Significant cashable savings

Cultural change

Improved organisational infrastructure

Consistency in approach and service standard

Better management of resources and customer demand

Project Scope and Exclusions

This project will include services currently delivered by the Call Groups embedded in service areas. The focus is firmly on customer access and interaction and not the systemic

issues impeding service quality which will remain within individual service areas. The sequence of activity has yet to be determined but may start in those areas of highest demand.

The project will need to take account of the emerging customer and digital strategies of Surrey County Council to ascertain early in the project if there is appetite in deeper collaboration.

Project Deliverables and / or Desired Outcomes

As set out in the Project Objectives sub-section

Constraints and Assumptions

There will be a financial limit in terms of investment infrastructure and project management as dictated by the business plan.

As a key change project, it is possible that there will be concern or resistance internally. The project will therefore require excellent communication and engagement.

Users and Interested Parties

Members

Staff

Customers

Surrey County Council

Farnham Town Council

Interfaces

Any associated project focusing on service based customer service teams, channel shift, locality offices, customer databases and the telephone systems will impact and link to this project.

Project Approach

This is very much a corporate project affecting and impacting on all service areas and all call groups. It will therefore require a corporate and collaborative approach. Key themes will include:

Overhaul of the policy and procedural infrastructure - this will require a systematic review and refresh of all existing documentation

Implementation of channel shift across the business - continuing the existing project but dependent on the decisions made around customer contact databases

Customer Services Technology - Options have been identified but again these are dependent on the tools employed to resolve the single URPN challenge and customer contact

Delivery Model - The existing model of upward of 12 call groups needs to be contracted so it allows consistency and maximises efficiencies

Post - The Council is currently sending out 1300 items of mail per day. We need to review and reduce this number by seeking electronic alternatives. A project stream within this programme will cover the systematic collection of e-mail addresses to inform the single customer record with appropriate controls around data protection etc.

Business Case

Cashable savings will largely be delivered by a combination of reduced customer demand by transactional automation and my reviewing processes and re-designing to drive out waste. This will allow staff numbers to reduce and result in a cashable saving.

By reducing postage this will also make a contribution to the savings offer as we currently spend £250k per annum on printing and postage.

The investment required will be £190k for IT systems and possibly up to £100k on project management if external input is sought across the board plus a supplement to the training programme. Savings from more efficient staff resource and postal costs could potentially be £200k pa if the project is fully implemented (based on conservative estimates of resource reductions reported by peer authorities, systems thinking) .

Options

Do nothing

Not recommended.

If no action was taken customer service will continue to be delivered as is. Meaning satisfaction levels are unlikely to alter and costs are unlikely to reduce.

Alternative option 1

Not recommended.

It would be possible to make improvements by making the envisaged infrastructure investments but then applying them within the existing delivery model. Whilst this would make some improvements to customer experience and deliver some savings it would not achieve consistency of service or a consistent corporate cultural change.

Alternative option 2

Not recommended.

It would also be possible to make improvements within a contracted number of Service Centres (e.g. four). Whilst this would achieve greater consistency and allow greater efficiency than the current delivery model this would still dilute the improvements that could be achieved by a single customer services team.

Costs and dis-benefits

Depending on the external project management supported that is secured expenditure is expected to be in excess of £300k over a 2/3 year period. There may be a small ongoing revenue cost for management of any new systems acquired but these will be outweighed by the cashable savings expected to be achieved by this project and the related channel shift business case currently being implemented.

There are no anticipated financial dis-benefits.

Project Governance

The Project Initiation Document and Project Plan will be agreed by the Project Sponsor (and Project Board). The project in effect is a Programme with a number of project streams within it e.g. Identify reasons for call, Identify if we are able to automate, Re-engineering and automation, Single Customer Record etc

The Project Budget will be agreed by the Project Sponsor and Project Board and updates will be reported monthly.

The Project Board will meet bi-monthly to discuss progress and exception reporting.

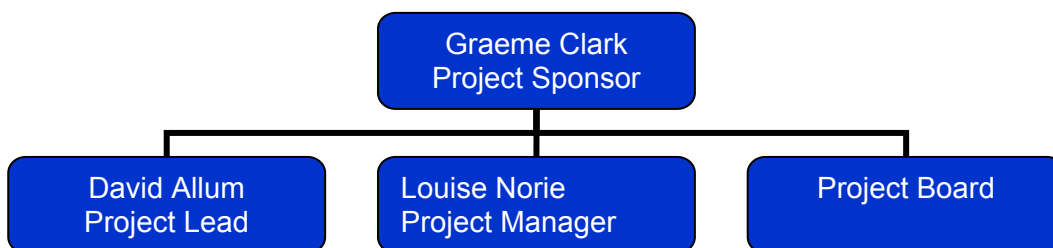
The Project Team will meet monthly and will provide project updates to Project Board after each Project Team meeting

Team

| Role | Name | Position in the organisation |
|------------------------|--|------------------------------|
| Project Sponsor | Graeme Clark | Strategic Director |
| Project Lead | David Allum | Head of Service |
| Project Manager | Possibly Louise Norie/Nora Copping although we will need to develop leads who gain expertise | Policy Team |

| | | |
|------------------------------|---|--------------------------------|
| Project Board Members | Hugh Wagstaff Robin Taylor Richard Homewood Kelvin Mills | Heads of Service |
| Project Team Members | Linda Frame Vanessa de Chazal Nominations from customer facing services | IT Manager Web Site Manager |

Team structure



Project Sponsor

Portfolio Holder
Champion at strategic level
Chair of Project Board

Project Lead

Operational responsibility for ensuring the project is delivered
Produce reports for decision makers
Lead Project Team

Project Manager

Carry out administrative and organisational tasks associated with the project
Maintain records and populate Project Management reporting requirements

Project Board

Maintain oversight at a strategic and operational management level
Support project activity by championing activity within their service and releasing resources as necessary

Project Teams

Carry out and co-ordinate the work required by the Project Plan

Team Leaders Customer Service Group

Scrutinise and challenge project decisions
Assist in implementation process.

Project Plan

Effectively the Project Plan is as envisaged in the report to Executive in November 2017 (extract below refers). This is now supplemented by detailed plans for channel shift work-streams and the partnership elements involving Surrey County Council and Farnham Town Council.

| Workstream | Timescale/Lead Officer | Progress/Methodology |
|---|--|---|
| Review/refresh the: <ul style="list-style-type: none"> • Performance Management Framework • Customer Services Strategy • Policy/Procedures • Service Standards • Operational Processes | Timescale - It is anticipated that draft proposals can be made by June 2018 Lead Officers - David Allum/Robin Taylor | First stage is the review of Service Standards with drafts currently under discussion |
| Channel Shift - A business case has been submitted and agreed and implementation is underway. | Timescale - Implementation is expected to have been completed, or in a minority of cases scheduled, by March 2019. Lead Officers - David Allum/Linda Frame/Heads of Service | <p>The purpose of the Channel Shift project is to automate transactions as far as is possible so those residents who wish to access services and conduct business via a web portal are able to do so.</p> <p>The project will roll out gradually across the organisation as each department will be different in terms of the services that will benefit from this approach.</p> <p>We will also be looking to replace the 130 plus generic e-mail addresses with web forms.</p> <p>The business case is predicated on reduced telephone and personal contact from those customers who have chosen to interact on-line. This will translate to a reduced staff complement required to deal with such enquiries.</p> |

| | | |
|--|--|--|
| | | <p>Channel Shift will be rolled out first in the Housing Department and the project is currently being scoped out in that area. We are now looking at options for the next area to be scoped out e.g. Revenues. We have also begun the process of appointing a contractor to deliver the software to facilitate our requirement.</p> <p>We are anticipating a capital requirement of between £40-50k (for which we have in year budget), ongoing revenue costs of £15-20k and a minimum project duration of 18 months.</p> |
| <p>Customer Services Technology - Whilst in time we expect the numbers of calls made to the Council to diminish (as has been the trend for some time with the increasing use of e-mail), at present 50% of all customer contact is made by 'phone and so traffic is still significant.</p> <p>We are seeking to procure appropriate software and technology to enable our customer call groups to be more effectively managed. This includes the display of real time data in terms of caller numbers, waiting times etc as well as offering the ability for supervisory staff to connect to live calls.</p> | <p>Timescale - The procurement of this technology is dependent on decisions made on the Channel Shift work-stream, in particular which customer management system is acquired.</p> <p>It is expected acquisition and implementation will be complete by March 2019.</p> <p>Lead Officers - David Allum/Linda Frame</p> | <p>We are exploring the market options and once we have identified a potential solution we will produce the commensurate business case.</p> <p>As part of this solution we will be looking to include a voice recognition facility as an alternative to the current options facing customers of having to find the right phone number or go through the switchboard.</p> |
| <p>Establish metrics to inform future delivery model decisions - The Foresight Customer Service Group made a number of recommendations about customer access arrangements and customer service structures that</p> | <p>Timescale - The collection of metrics will run alongside the Channel Shift work with timescales reflecting that.</p> <p>Lead Officer - David Allum</p> | <p>To test out the hypotheses put forward metrics will be gathered as part of the channel shift work.</p> <p>A key element of the hypotheses is that as call numbers reduce some existing Call Groups will</p> |

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| generated high levels of debate and interest in the officer community. | | lose critical mass and may need to coalesce. This applies both to call answering and associated administration. |
|--|--|---|

Project Reporting

Monthly updates to the Project Board

Monthly updates to the Customer Services Team Leaders Group

Quarterly updates to Value for Money and Customer Services Overview and Scrutiny Committee

Quarterly updates to Executive Briefing

Updates to Partnering Organisation in accordance with agreed timescales.

Quality Management Strategy

This will be determined by a series of baseline metrics that will be established as the project is initiated. Supported by the scrutiny applied in the project reporting sub-section outlined above.

Configuration Management Strategy

Configuration Management

The information custodians will be the Project Lead and the Project Manager. A sharepoint area will be created to act as a repository.

Risk Management strategy

Risk Approach

The primary risk to the success of this project will be staff resistance to the change in model.

Effective acquisition and implementation of the systems to support the new model are a secondary risk.

There are also risks in terms of the cost projections in terms of the data cleansing exercise that will be required. These will be better understood once the project is scoped and a technical evaluation of the data cleansing requirement is carried out.

It is possible that performance levels in some areas will dip temporarily as the change process is rolled out.

The Project Board will assess these risks and any other additional factors to be accounted for and present the analysis in the standard corporate format.

Communication Management strategy

Approach

Formal reporting mechanisms will be as set out in Project Reporting sub-section above.

Cascade and Backstage will be used for messages to staff. The Communications Team will be represented on the Project Team and act as lead in this area.

PID Authorisation

| | |
|---------------|--|
| Authorised by | |
| Date | |
| Signature | |

WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE
OVERVIEW & SCRUTINY COMMITTEE – 19 NOVEMBER 2018

EXECUTIVE - 4 DECEMBER 2018

Title:

COMMUNITY INFRASTRUCTURE LEVY – GOVERNANCE ARRANGEMENTS

[Portfolio Holder: Cllrs Kevin Deanus & Ged Hall]

[Wards Affected: All]

Summary and purpose:

The purpose of this report is to seek Members' approval for on the proposed governance arrangements for the allocation and spending of the Community Infrastructure Levy (CIL) in Waverley.

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

The adoption of robust CIL Governance Arrangements will contribute to Council's Strategic Priorities of Place and Prosperity, through the allocation of funding to enable provision of infrastructure that supports communities and economic growth in the Borough.

Equality and Diversity Implications:

There are no direct Equality and Diversity Implications arising from the CIL Governance Arrangements. There are no specific equality groups that will be directly affected the proposed arrangements. It is expected that all residents/businesses will benefit from improvements to infrastructure in their local area and the Borough as a whole.

Financial Implications:

During the CIL Examination, it was estimated that CIL has the potential to raise approximately £94m towards infrastructure development in Waverley in the period up to 2032. This report proposes a governance system to determine how to spend the receipts collected from the CIL.

Legal Implications:

The governance arrangements will be implemented in accordance with the CIL Regulations 2010 (as amended) ('the Regulations') and will also take account of Planning Practice Guidance.

Background

1. The Community Infrastructure Levy (CIL) is a charge that local authorities can impose on new development to help raise funds to deliver infrastructure that is required to support the development and growth of their area.
2. Following independent examination, the Waverley Borough Council CIL Charging Schedule ('the CIL Charging Schedule') was adopted by Full Council on 31 October 2018 and will be effective from 1 March 2019.
3. CIL will, in most cases, replace the use Section 106 contributions for securing developer funding for infrastructure investment. However, Section 106 planning obligation will remain for site-specific infrastructure and for the provision of affordable housing. CIL will be a more effective source of infrastructure funding compared with contributions negotiated under S106 agreements as the CIL is non-negotiable and apply to a greater number of developments. This provides greater certainty to both the developer and the Council.
4. Waverley's Regulation 123 List sets out the types of infrastructure that the Council may fund through CIL and those to be funded through Section 106 agreements. The Regulation 123 List, Instalment Policy, and Phasing and CIL-in-kind Policies were also adopted by Council on 31 October 2018.
5. CIL contributions are intended to fill infrastructure funding gaps and are not expected to provide the full costs associated with delivering and maintaining infrastructure. The Council must use the CIL funds for "the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area". The CIL cannot be used to resolve "historical deficits" of infrastructure provision.
6. During the CIL Examination, it was projected that Waverley's CIL income would be £94 million for the remainder of the Plan Period.
7. It should be noted that CIL is payable on the commencement of the development. This factor, alongside Waverley's adopted instalment policy, will mean there is a time lag in receiving CIL receipts and the Council is unlikely to have significant CIL receipts until 2020.
8. In order to ensure a consistent and transparent approach to future spending of CIL, which adheres to the CIL Regulations and has regard to the Infrastructure Delivery Plan (IDP), it is important that the Council adopts clear process of governance for allocating CIL funding.
9. The VFM O&S committee received a report in June 2018 setting out broad principles for spending, including: timely spend based around a periodic bidding/application cycle; decisions on spending the CIL Fund, and transparency of decision-making and reporting.

10. The Committee was keen that spending of CIL had some connection back to the geographical area in which the donor development would take place, and that decision-making was informed by Members from across the Borough, e.g. one from each Area Planning Committee.

Governance Arrangements for the CIL

11. The Regulations state that the CIL is to be allocated as follows:

- Administrative CIL: 5% of CIL receipts to be retained by Waverley Borough Council (see paragraph 12 below).
- Neighbourhood CIL: 15%-25% of CIL receipts to be paid to Town and Parish Councils (see paragraphs 13 to 15 below).
- Strategic CIL: the remaining 70-80% of CIL to be allocated to infrastructure projects by Waverley Borough Council (see paragraphs 16 to 22 below).

Administrative CIL

12. The Regulations allow the Council to retain up to 5% of annual CIL receipts to be spent on the administrative expenses in relation to the administration and collection of the CIL. Administrative expenses have and will include: examination costs (upfront and possible future costs following review), staff, training, IT software and indexation subscriptions. This money is ring-fenced and has to be reported on annually.

Neighbourhood CIL

13. In line with the Regulations, 15% of CIL receipts (capped at £100 per Council tax dwelling per annum in the parish area) will be transferred to Town and Parish Councils biannually, where development has occurred in their area, rising to 25% of CIL receipts (without any cap) for Town and Parish Councils that have made Neighbourhood Plans.

14. The Neighbourhood CIL may be spent by Town or Parish Councils on a range of infrastructure projects, as long as it meets the requirement to support:

- the development of the area by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or
- anything else that is concerned with addressing the demands that development places on the area.

15. Town and Parish Councils must produce and publish an annual report detailing CIL receipts, balances and spending for each financial year.

Strategic CIL

16. There are a number of administrative arrangements that will need to be put in place in regards to the allocation and spending of Strategic CIL receipts. Governance arrangements for CIL do not need to be published for consultation or independent examination. The operational aspects of the Strategic CIL governance arrangements will be put in place by the appropriate internal services.
17. Strategic CIL receipts must be spent on infrastructure types identified in the Regulation 123 List. The Infrastructure Delivery Plan (IDP) will act as a framework for allocating Strategic CIL funding, in accordance with the arrangements set out in this report. The IDP sets out specific projects, relating to the identified types of infrastructure in the Regulation 123 List. There is an Environment O&S working group that is currently considering this list.
18. Officers have considered and discussed the CIL governance structures that have been introduced by other Local Authorities and have also met with Surrey County Council (SCC) as the largest value infrastructure provider in the Regulation 123 List.
19. The Council will need to set up a governance system for the allocation and spending of Strategic CIL receipts. It is recommended that a CIL Advisory Board should be established, comprising appropriate Executive Portfolio Holders and non-Executive Members (a total of 7 Members, of which non-Executive Members are in the majority). The proposed initial membership will be the Portfolio Holders for Finance, Operational & Enforcement Services, and Economic & Community Development and four non-Executive Members, to be appointed. The Board will set and review the criteria and approach to spending priorities and consider whether any of the fund should be allocated for a specific purpose. The Board will review all valid funding applications and make recommendations to the Executive on which projects should be allocated funding.
20. It is recommended that the allocation of Strategic CIL receipts is considered on an annual basis with infrastructure providers submitting applications for an allocation of CIL funding. The allocation process will be based on CIL income from the previous financial year, together with any unallocated funds from the previous financial years, to ensure that investment of funds is timely in relation to when they are received.
21. The following stages and timescales for the Strategic CIL governance process are proposed:

| Dates | Process |
|---------------------|--|
| by 28 February 2019 | CIL Advisory Board agrees criteria and spending priorities. |
| 31 March 2020 | End of 2019/2020 CIL financial year – CIL receipts totalled. |
| April–June 2020 | Bids can be submitted for applications for an allocation of the Strategic CIL receipts |
| July – August 2020 | Applications will be validated by the CIL officer to ensure |

| | |
|----------------|---|
| | that all information required has been provided. |
| September 2020 | All valid applications will be reviewed by the CIL Advisory Board and recommendations for funding submitted to the Executive. |
| October 2020 | Decisions will be made by the Executive, informed by the recommendations of the CIL Advisory Board |

22. It is proposed that these governance arrangements be reviewed after 1-2 years of operation to provide an opportunity to reflect on lessons learned. However, if it is found that there is a fundamental problem with the arrangements put in place, the Council will be able to review them at any time.

23. The Council is required to prepare and publish an annual report detailing CIL receipts, balances and spending for each financial year; which will be reported to members as part of the Council's regular financial monitoring procedures.

24. The Council has also procured a real-time 'Public Facing Module', as part of the CIL IT system (Exacom), which will allow the public to see details of CIL collection, management and spending in Waverley.

Recommendation

VFM and Customer Service O&S is invited to consider the proposed governance arrangements for Strategic CIL funds and agree any observations that they wish to be passed to the Executive for consideration alongside the recommendations below.

Recommendations from Executive to Council:

It is recommended that the Council:

1. Approve the governance arrangements for the allocation and spending of Strategic CIL receipts as set out in this report.
2. Approve the establishment of a CIL Advisory Board, as set out in paragraph 19.
3. Approve the holding of Strategic CIL receipts in a Strategic CIL Fund to be allocated to infrastructure identified in the Infrastructure Delivery Plan, in accordance with the Regulation 123 List.
4. Delegate to the CIL Advisory Board the agreement of the detailed criteria for the spending of Strategic CIL receipts and any proposals for allocating proportions of the Strategic CIL Fund for specific purposes.
5. Delegate to the Executive the approval of Strategic CIL Fund spending after consideration of the recommendations from the CIL Advisory Board.

Background Papers

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

CONTACT OFFICERS:

Name: Graeme Clark
Strategic Director

Telephone: 01483 523099
E-mail: graeme.clark@waverley.gov.uk

Fiona Cameron
Democratic Services Manager

Telephone: 01483 523226
E-mail: fiona.cameron@waverley.gov.uk

Elizabeth Sims
Head of Planning Services

Telephone: 01483 523193
E-mail: elizabeth.sims@waverley.gov.uk

WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE O&S – 19 NOVEMBER 2018

COMMUNITY WELLBEING O&S – 20 NOVEMBER 2018

ENVIRONMENT O&S – 26 NOVEMBER 2018

HOUSING O&S – 27 NOVEMBER 2018

Title:

**CORPORATE PERFORMANCE REPORT
Q2 2018/2019
(JULY - SEPTEMBER 2018)**

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

Summary and purpose:

The Corporate Performance Report provides an analysis of the Council's performance for the second quarter of 2018-19. The report, set out at Annexe 1, is being presented to each of the Overview and Scrutiny Committees for comment and any recommendations they may wish to make to the Executive. At the request of the Chairman and Vice-chairman of the Housing O&S Committee this item will be presented to the Housing O&S Committee for information only.

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

Waverley's Performance Management Framework and the active management of performance information helps to ensure that Waverley delivers its Corporate Strategy.

Equality and Diversity Implications:

There are no direct equality and diversity implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

Financial implications:

There are no resource implications in this report. Active review of Waverley's performance information, including financial data, is an integral part of the corporate performance management process, enabling the council to maintain value for money across its services.

Legal Implications:

Some indicators are based on statutory returns, which the council must make to the Government.

Background

The Council monitors its performance through a broad range of measures such as:

- Key performance indicators
- Progress of service plan actions
- Progress of Internal Audit recommendations
- Complaints
- Workforce data

- Finance
- Housing Delivery

A comprehensive report is collated at the end of each quarter and includes a corporate overview section with the Chief Executive comments, followed by service specific sections with Heads of Service feedback on the performance in their area.

The report is used as a performance management tool by senior management and it is presented to the Overview and Scrutiny Committees to scrutinise the progress against the Council's goals and objectives.

Although the report contains information about all services, each of the Overview & Scrutiny Committees is only required to consider those sections of the report specific to its service area remit.

The Overview and Scrutiny Committees remits are listed below:

Value for Money and Customer Service O&S Committee:

- Customer and Corporate Services
- Finance
- Policy and Governance

Community Wellbeing O&S Committee:

- Communities Services
- Environmental Services – Licencing only

Environment O&S Committee:

- Environmental Services
- Planning

Housing O&S Committee (information only):

- Housing Operations
- Housing Strategy and Delivery

Recommendation

It is recommended that the Overview & Scrutiny Committees considers the performance of the service areas under the remit of the committee as set out in Annexe 1 to this report and makes any recommendations to senior management or the Executive as appropriate.

Background Papers

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

CONTACT OFFICER:

Name: Nora Copping
Title: Policy & Performance Officer
Telephone: 01483 523465
E-mail: nora.copping@waverley.gov.uk

Corporate
Performance Report
Q2 2018/19
(July – September 2018)

Final version



Report Publication Date: 9 November 2018

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RAG Rating Legend

Performance Indicators RAG Legend

| | |
|------------------|--------------------------|
| Data only | Data only KPI, no target |
| Green | On target |
| Amber | Up to 5% off target |
| Red | More than 5% off target |

Service Plans, Internal Audit, Project Management RAG

| |
|---|
| Completed |
| On track |
| Off track - action taken / in hand |
| Off track - requires escalation |
| Cancelled |

1. Corporate Dashboard – All Services

Quarter 2 2018-19 - Performance Summary from the Management Board on Key Successes, Lessons Learnt, Areas of Concern

Chief Executive's quarterly report:

This is the second report in the new format, providing a clear snapshot of the Council's performance at the end of September 2018. I am grateful to councillors on the Scrutiny Committees and to colleagues for their constructive suggestions following the Q1 report. Many presentational improvements have been made as a consequence.

Overall performance is very good with most performance indicators and service plan actions on track. The Service chapters provide commentary and detail, focusing on those areas of the Council's business that require intervention to bring them back on track. The Council's financial position mid-way through the financial year is healthy, with a favourable variance to the budget currently being forecast.

Particular headlines to note from Quarter 2 are:

- Full Council approval of the Corporate Strategy, which sets the strategic framework for the Council for the next five years.
- The Mayor unveiling a new memorial to Canadian servicemen at Milford Common at a ceremony attended by dignitaries and servicemen and women from Canada, as well as the Deputy Lieutenant of Surrey and the Foreign Secretary, local MP Jeremy Hunt.
- The Mayor also hosted a successful visit by the Landrat (executive mayor) of Mayen-Koblenz, Germany, which is twinned with Waverley.
- Full Council approval of the Economic Development Strategy, following detailed involvement by councillors and the chambers of commerce.
- Progress was made with the Local Plan Part 2 public consultation, the development of the Community Infrastructure Levy schedule (approved in Q3) and the legal defence of the Local Plan Part 1 (successful in Q3).
- Successfully achieving the new, more challenging Investors in People standard.
- Recognition by the Green Flag award scheme of seven of our parks and open spaces.
- The completion of 16 new council-owned homes at Ockford Ridge, Godalming.
- Completing the refurbishment of the Memorial Hall in Farnham.
- Receiving the report of the Planning Service peer review.
- A successful event for prospective election candidates.
- A successful by-election for Haslemere Town Council.

In the coming months, we are focusing on:

- The severe financial challenges facing both Waverley Borough and Surrey County Councils, as we prepare our budget and service options and consider the impact of Surrey CC's proposals for service and funding reductions.
- Discussing with councillors the recommendations of the draft HR Strategy and the Planning peer review.
- Preparing for the implementation of the Community Infrastructure Levy in March 2019 and progressing Part 2 of the Local Plan.
- Finalising the agreement and then preparing to implement a new contract for waste and recycling collection, to go live in November 2019.
- Progressing the procurement of a new grounds maintenance contract.

- Implementing the Council's recent decisions on investment in our leisure facilities in Cranleigh, Farnham and Godalming.
- Continuing our preparations for the borough and parish elections in May 2019.
- Tackling an incidence of non-pneumophila legionella in one of our properties.
- Continuing to support the Police investigation into air quality data.
- Completing our recent work with councillors on overhauling our approach to risk management and reporting.
- Preparing the council and borough for the UK's withdrawal from the European Union, as the international settlement becomes clearer.

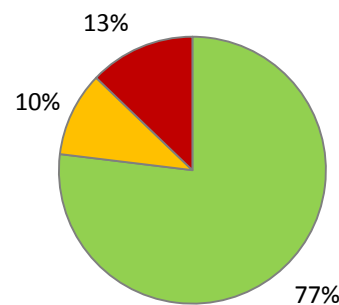
Tom Horwood, Chief Executive

Performance Indicators Status

Q2 All Corporate KPIs

| | | |
|--|-------------|-----------|
| Total | 100% | 39 |
| Green | 77% | 30 |
| Amber - less than 5% off target | 10% | 4 |
| Red - over 5% off target | 13% | 5 |

| | | |
|------------------|------------|-----------|
| Data only | N/A | 12 |
|------------------|------------|-----------|

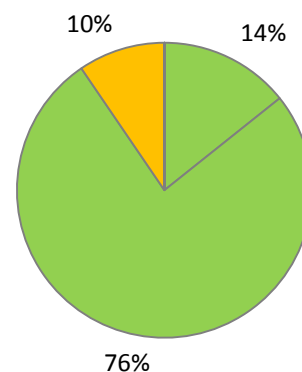


Comment: The services performed well in the second quarter with 77% of indicators performing on target, showing an improvement over the preceding quarter. The service specific dashboards contain further details on underperforming indicators and what actions are being taken.

Service Plans - Actions Status

Q2 Corporate Service Plans

| | | |
|---|-------------|------------|
| Total | 100% | 210 |
| Completed | 14% | 30 |
| On track | 76% | 160 |
| Off track - action taken / in hand | 10% | 20 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: The majority of service plan actions are on target. The details of service specific performance can be found under individual dashboards.

Internal Audit – Overdue Actions Status

Note: The Internal Audit section is included for information only, as the scrutiny function of this service area falls under the remit of Audit Committee, which monitors the Internal Audit recommendations at their quarterly meetings. For further details, please refer to the most recent progress report from the Committee meeting on the 24 July.

Comment: There were no outstanding Internal Audit actions at the end of Q2 2018-19.

Complaints

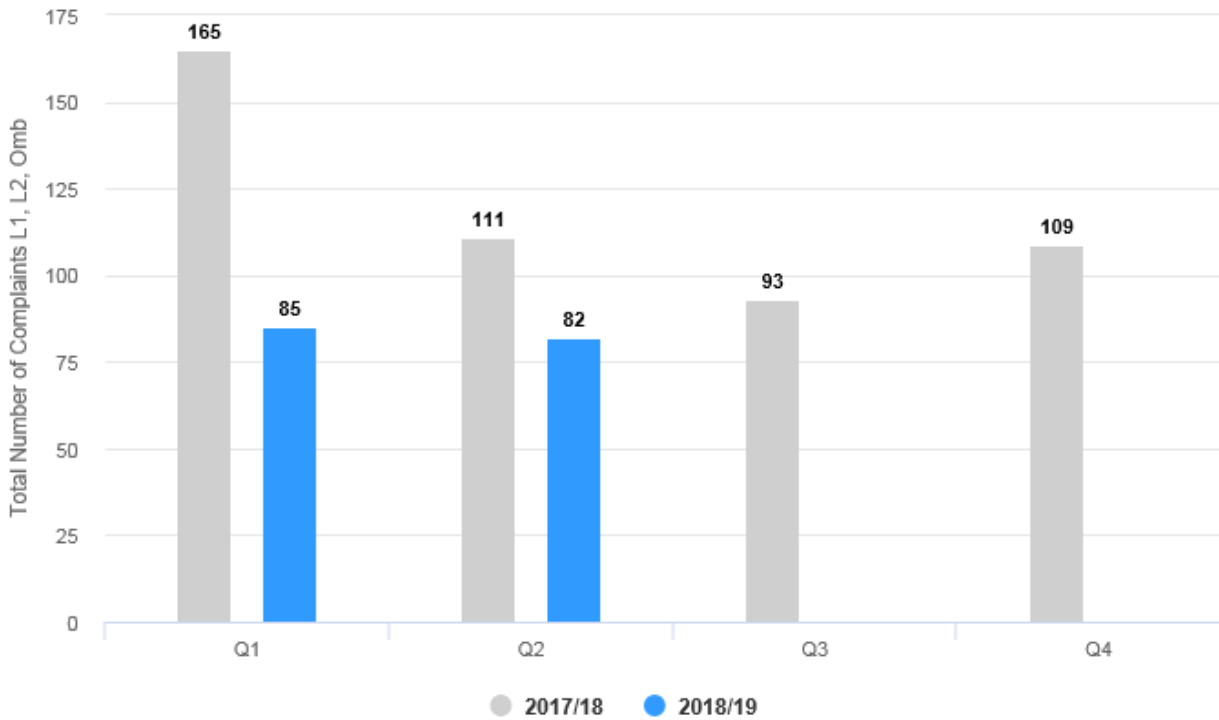
Q2 2018-19 (1 July 2018 - 30 September 2018)

| Service Area | Level 1 (10 working days) | | | Level 2 (15 working days) | | | Ombudsman | |
|--------------------------------|----------------------------|--------------------|---------------|----------------------------|--------------------|---------------|--|---|
| | Total Number of Complaints | Dealt with on time | Response Rate | Total Number of Complaints | Dealt with on time | Response Rate | Total Number of Complaints Received in the quarter | Total Number of Complaints Concluded in the quarter |
| Communities | 4 | 4 | 100% | 0 | 0 | n/a | | |
| Customer & Corporate | 0 | 0 | n/a | 0 | 0 | n/a | | |
| Environment | 11 | 10 | 91% | 6 | 6 | 100% | | |
| Finance | 7 | 5 | 71% | 2 | 2 | 100% | | |
| Housing Operations | 19 | 14 | 75% | 9 | 9 | 100% | 1 | No decision yet |
| Housing Strategy & Development | 6 | 4 | 67% | 3 | 3 | 100% | | |
| Planning | 10 | 10 | 100% | 4 | 4 | 100% | | |
| Policy & Governance | 0 | 0 | n/a | 0 | 0 | n/a | | |
| Total | 57 | 47 | 82% | 24 | 24 | 100% | 1 | 0 |

| | |
|-------------------------|-----------|
| Total Complaints | 82 |
|-------------------------|-----------|

| | Response Rate | Target | Status |
|--------------|---------------|------------|---------------------------|
| Level 1 | 82.46% | 95% | over 5% off target |
| Level 2 | 100.00% | 95% | on target |
| Total | 87.65% | 95% | over 5% off target |

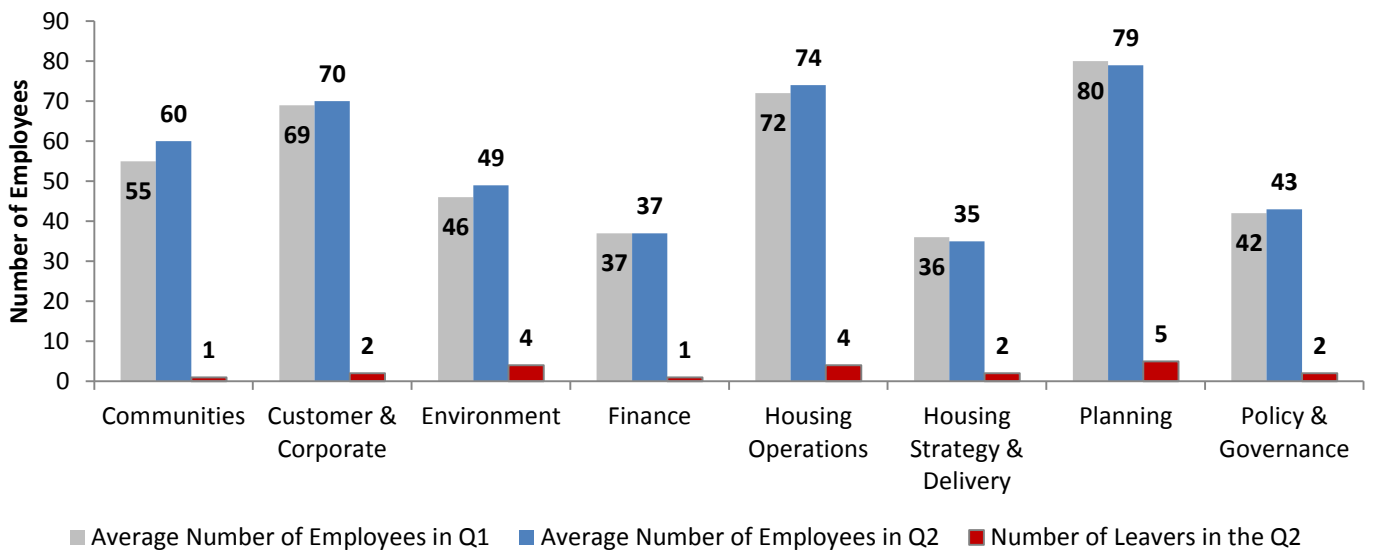
PG1 - Total Number of Complaints



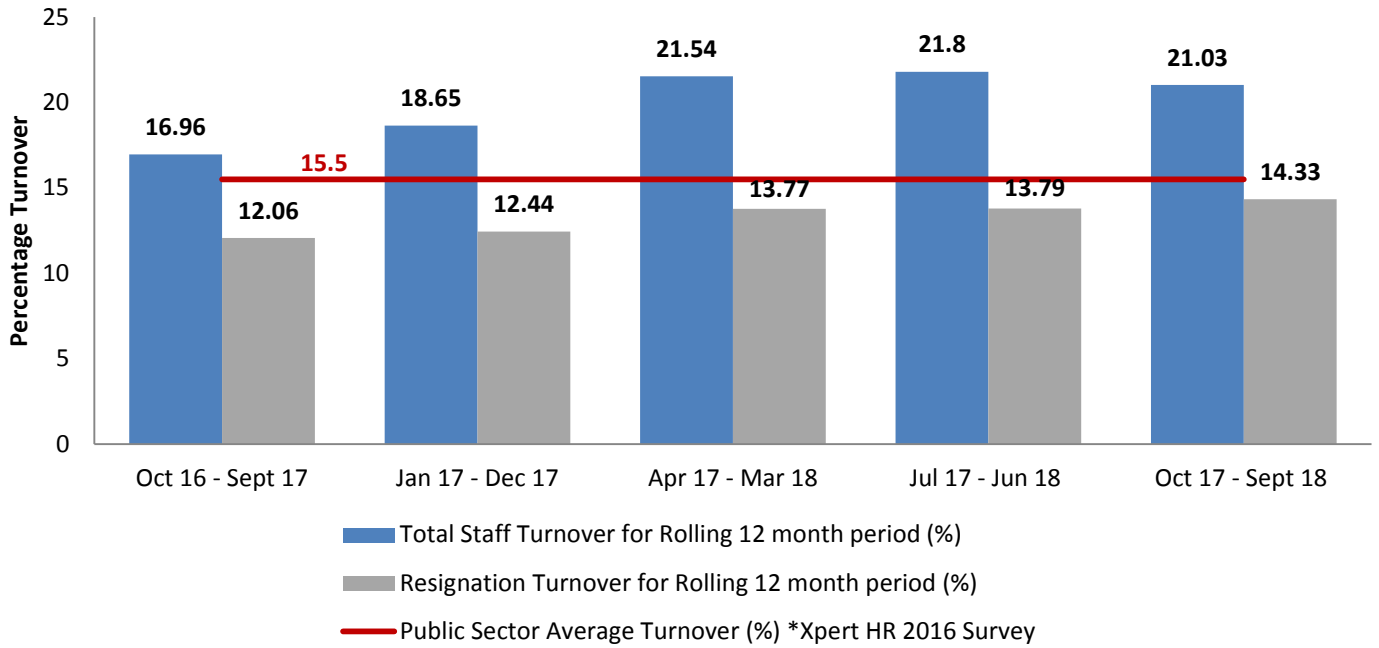
Comment: The response rate for complaints at level 2 is on track. However, the overall performance was impacted by the Level 1 response rate in Finance and Housing. Further information on this is given within those services' commentaries. The overall number of complaints has fallen from the previous quarter and compared with this quarter last year. Service teams' nominated complaints officers have been asked to identify any wider trends or issues that may need escalation to senior management; none have been identified as yet. Only 1 complaint was escalated to the Housing Ombudsman in the period, but no decision has been reached as yet.

Workforce data – Corporate Level

Workforce Levels Q2 2018-19

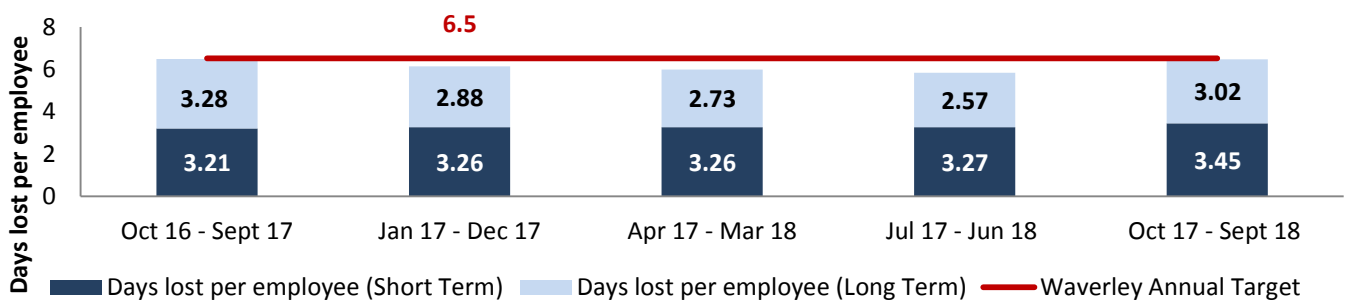


Staff Turnover % Rolling 12 months - June 2018



Comment: The corporate average of employees in the second quarter was 447 people in total, with 21 leavers in that period. HR Team has conducted an initial analysis of the underlying data. Although the number of starts and leavers has increased year on year for the past 5 years, the average number of employees has stayed fairly consistent. In the past 12 months the main reason for leaving Waverley was due to resignation (70%), redundancy (11%) and retirement (10%). The exit interviews conducted by the team in that period indicated that 45% of leavers were seeking better career opportunities or better paid jobs. The service areas with the highest voluntary turnover in the past year were Environmental Services and Planning. Waverley benchmarks its turnover against the Public Sector Average giving a clearer picture of performance.

Absence Data Rolling 12 months - Q2 2017-18 to Q2 2018-19



Comment: There are no areas of particular concern regarding staff sickness levels. In the past 5 quarters the aim of keeping low sickness levels has been achieved with absence levels remaining within the annual target of 6.5 days.

Section 151 Officer quarterly feedback:

I have reviewed the position against budget at the end of quarter two, with particular focus on staff costs and high value income areas. I am satisfied that the material areas of revenue income and expenditure are broadly on track at this point and this was reported to Council on 16th October. This table is a summary of the more detailed financial monitoring work that is undertaken which includes detailed monthly reports and analysis on pay costs and weekly income summaries, in addition to the monthly meetings between the finance team and service heads. The comments of each Head of Service regarding variations from budget are included in the table.

Graeme Clark, Strategic Director (and Section 151 Officer)

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/Favourable |
|---------------------------------------|----------------------|--------------------------------|-----------------------|------------------------|--------------------|
| Community | | | | | |
| Expenditure | 10,035 | 4,044 | 10,035 | 0 | N/A |
| Income | -7,864 | -1,459 | -7,837 | 26 | Adverse |
| Community Total | 2,172 | 2,585 | 2,198 | 26 | Adverse |
| Customer & Corporate | | | | | |
| Expenditure | 5,662 | 2,537 | 5,674 | 11 | Adverse |
| Income | -6,340 | -1,135 | -6,451 | -110 | Favourable |
| Customer & Corporate Total | -678 | 1,402 | -777 | -99 | Favourable |
| Environment | | | | | |
| Expenditure | 10,680 | 6,106 | 10,700 | 19 | Adverse |
| Income | -9,269 | -3,762 | -9,262 | 7 | Adverse |
| Environment Total | 1,412 | 2,343 | 1,438 | 26 | Adverse |
| Finance | | | | | |
| Expenditure | 6,040 | 6,852 | 6,085 | 46 | Adverse |
| Income | -4,669 | -821 | -5,018 | -349 | Favourable |
| Finance Total | 1,370 | 6,030 | 1,067 | -304 | Favourable |
| Planning | | | | | |
| Expenditure | 8,728 | 1,831 | 8,692 | -36 | Favourable |
| Income | -6,522 | -1,081 | -6,348 | 173 | Adverse |
| Planning Total | 2,206 | 750 | 2,344 | 138 | Adverse |
| Policy & Governance | | | | | |
| Expenditure | 6,765 | 1,610 | 6,765 | 0 | N/A |
| Income | -3,864 | -253 | -3,862 | 1 | Adverse |
| Policy & Governance Total | 2,901 | 1,358 | 2,903 | 2 | Adverse |
| Housing Operations | | | | | |
| Expenditure | 32,195 | 4,560 | 32,196 | 0 | N/A |
| Income | -33,019 | -134 | -33,033 | -14 | Favourable |
| Housing Operations Total | -824 | 4,425 | -838 | -14 | Favourable |
| Housing Strategy | | | | | |
| Expenditure | 3,441 | 1,088 | 3,471 | 29 | Adverse |
| Income | 1 | -160 | -39 | -39 | Favourable |
| Housing Strategy Total | 3,442 | 929 | 3,432 | -10 | Favourable |
| Grand Total | 12,001 | 19,822 | 11,766 | -235 | Favourable |

Housing Delivery – Corporate Update

Waverley Borough Council is committed to support delivery of Housing to our community and as such going forward the progress on Waverley Housing Delivery will be monitored on a quarterly basis in this section of the report. The quarterly statistics will be provided starting from next quarter. The details of Waverley Five Year Housing Supply can be found below.

| Five Year Housing Supply for Waverley | Waverley Supply | Target |
|--|-----------------|-----------------|
| Number of years' worth of supply Five year Housing Supply – 1 April 2018 Report | 5.8 years | 5 years or more |

2. Service Dashboard – Customer & Corporate Services

This service area covers teams of Facilities, IT, Office Support, Estates, Property & Engineering.

Key Successes & Lessons Learnt, Areas of Concern – Q2

Head of Service quarterly feedback:

This quarter significant issues to note are:

Customer Services - A report was submitted to Executive setting out future direction. This will be considered by Overview and Scrutiny in the next cycle of meetings.

IT - We have had to re-structure the Team following the retirement of the Operations Manager; this is now very close to completion. Operationally the Planning/Building Control system change is progressing well. The Team has also had to cope with the move from Good to Blackberry Works for mobile devices when Good became de-supported. This has involved the re-programming of over a hundred devices in the very short period of time we were given.

Facilities - We have installed a lock-down option into our alarm system and we will now be working with the Health and Safety Team to put in place procedures for our response in the event of bomb threats or terrorist attacks.

Property - We are progressing the Council decision to set up a Property Company. The report detailing this will be coming to the Investment Advisory Board and Overview & Scrutiny Committee in coming weeks.

Areas of Concern

- Finalising the options appraisal report for the future of The Burys
- Marketing one of our commercial properties which currently has a vacancy
- Recruitment of Cleaning staff as we are generating more work than we can resource.

David Allum, Head of Customer and Corporate Services

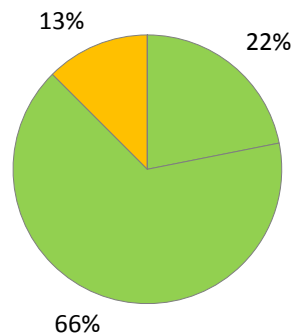
Performance Indicators Status Q2

Comment: This service area does not have any established KPIs. The current customer service review will be exploring what measures could be used for performance monitoring in the future. This service consists of following teams: Facilities, IT, Office Support, Estates, Property & Engineering.

Service Plans - Actions Status Q2

Q2 Cust & Corporate Service Plans

| Total | 100% | 32 |
|------------------------------------|------|----|
| Completed | 22% | 7 |
| On track | 66% | 21 |
| Off track - action taken / in hand | 13% | 4 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: The majority of the Service Plan actions are on track for completion. There are four actions which are currently off track and further comments are listed below.

| Code | Title | Due Date | Status | Actions taken |
|--------------|---|----------|--------------------------|---|
| SP18/19CC1.4 | Review and revise the Corporate Strategy, Service Standards, Policy, Procedures and Performance Management Framework in respect of Customer Services. | 30/09/18 | Off track - action taken | This is a work-stream within the Customer Services Project as referred to above. |
| SP18/19CC2.4 | If required, establish, advice and service the Council's Property Company to enable the acquisition of at least one property every two years. | 30/09/18 | Off track - action taken | Report detailing proposals due to go to next Investment Advisory Board meeting in October |
| SP18/19CC2.5 | Agree a future option for the replacement of The Bury's | 31/07/18 | Off track - action taken | Initial draft report received from the consultants but further work is needed on the option evaluation element. |
| SP18/19CC5.1 | Ensure the Memorial Hall is equipped as a back-up centre for the Council's operations in the event of a business continuity incident | 30/04/18 | Off track - action taken | Completed apart from the generator being moved from the Pump House into storage. |

Internal Audit - Actions Status at Q2

Comment: There are no outstanding Internal Audit actions for this service area in the second quarter of 2018/19.

Complaints – Q2 update

| Level | Level 1 | Level 2 | Ombudsman |
|-------------------|---------|---------|-----------|
| Quarterly Number | 0 | 0 | 0 |
| Deal with on time | 0 | 0 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | N/A | N/A | N/A |

Comment: There were no complaints received for this service area in the second quarter of 2018/19.

Workforce – Q2 update

Comment: Recruitment of cleaning and IT Service Desk staff are proving to be ongoing challenges. We are hoping that by applying a market supplement to the Service Desk Analyst we will encourage more applications.

Finance Update – Q2 update

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|---------------------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Customer & Corporate | | | | | |
| Expenditure | 5,662 | 2,537 | 5,674 | 11 | Adverse |
| Income | -6,340 | -1,135 | -6,451 | -110 | Favourable |
| Customer & Corporate Total | -678 | 1,402 | -777 | -99 | Favourable |

Head of Service Comment: Although there has been an increase in anticipated business rates for The Burys this has been more than off-set by higher than predicted commercial rental income.

3. Service Dashboard – Finance

This service includes the following teams: Accountancy, Benefits, Exchequer Services, Insurance, Procurement, Revenues.

Key Successes & Lessons Learnt, Areas of Concern

Head of Service quarterly feedback:

Exchequer team: No areas of concern in relation to service performance. Invoice payment PI is below target due to the updating of the operating processes and changes in service capacity. This work will be completed by the end of December delivering a significantly more streamlined and efficient process.

Revenues team: efficiency review (Systems Thinking methodology) service analysis is complete and the findings presented to stakeholders. Service redesign commenced on the 15th October.

Budget setting work is nearing completion: Directors will be meeting each HoS over the next 6 weeks to review budgets and service plans. Medium Term Financial Plan will be revised by the end of October.

Managers Group budget special second seminar will take place in November, the theme will be: How can we address the MTFP budget gap when we are not cutting budgets or stopping services? We have to "change" the organisation to be £4m smaller and deliver an improved seamless customer experience. Improving the customer experience with a smaller resource base is not unique to councils, it's global and it's the new business as usual. This effectively incorporates the channel shift project and service efficiency reviews.

Peter Vickers, Head of Finance

Performance Indicators Status

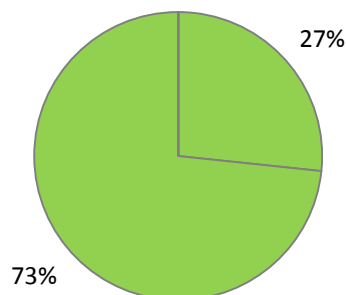
| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|----------|---|------|----------|----------|----------|----------|----------|-----------|
| F NI181a | Time taken to process Housing Benefit/Council Tax Benefit new claims (lower outturn is better) | Days | 14 | 12 | 13 | 13 | 13 | 20 |
| F NI181b | Time taken to process Housing Benefit/Council Tax Support change events (lower outturn is better) | Days | 6 | 6 | 4 | 7 | 7 | 9 |
| F1 | Percentage of Council Tax collected (cumulative target Q1-Q4, 24.8%,49.5%, 74.3%, 99.0%) (higher outturn is better) | % | 59.1 | 87.3 | 99.3 | 30.2 | 58.1 | 49.5 |
| F2 | Percentage of Non-domestic Rates Collected (cumulative target Q1-Q4, 24.8%,49.5%, 74.3%, 99.0%) (higher outturn is better) | % | 52.8 | 75.7 | 99.3 | 29.4 | 51.0 | 49.5 |
| F3 | Percentage of invoices paid within 30 days or within supplier payment terms (higher outturn is better) | % | 96.7 | 96.8 | 95.0 | 84.6 | 90.0 | 99.0 |
| F4 | Percentage of invoices from small/ local businesses paid within 10 days (higher outturn is better) | % | 92.9 | 82.1 | 56.4 | 67.7 | 50.0 | 90.0 |

Comment: Purchase to pay process is being updated to include electronic receipt of supplier invoices and direct scanning. This has caused some delay in the receipt and also processing of invoices, whilst the new process beds in (KPIs **F3** and **F4**). In relation to this change the Exchequer team have taken over the scanning of invoices from the central scanning team which led to a temporary impact on the Exchequer team capacity that has also impacted on the timeliness of invoice processing. The capacity is now in place and we expect performance to improve.

Service Plans - Actions Status Q2

Q2 Finance Service Plan Actions

| | | |
|---|-------------|-----------|
| Total | 100% | 15 |
| Completed | 27% | 4 |
| On track | 73% | 11 |
| Off track - action taken / in hand | 0% | 0 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: The completion of the service plan progresses well, with all objectives on track for completion.

Internal Audit - Actions Status Q2

Comment: There were no outstanding Internal Audit actions for this service area at the end of Q2 2018-19.

Complaints Q2

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 7 | 2 | 0 |
| Dealt with on time | 5 | 2 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | 71% | 100% | N/A |

Comment: In the second quarter 2 complaints at Level 1 missed their target response time of 10 days which took a little bit longer to resolve (11 and 14 days).

Workforce – Q2 update

Comment: No concerns with the workforce stats, all is under control and in line with the service plan.

Finance Update Q2

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|----------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Finance | | | | | |
| Expenditure | 6,040 | 6,852 | 6,085 | 46 | Adverse |
| Income | -4,669 | -821 | -5,018 | -349 | Favourable |
| Finance Total | 1,370 | 6,030 | 1,067 | -304 | Favourable |

Head of Service Comment: Additional income has been generated from extending money market investments away from 0-3 months to longer than one year where higher returns are being generated, an increase in local authority lending at higher rates and the bank rate increased by 25 basis points during the year.

4. Service Dashboard – Policy & Governance

This service includes the following teams: Legal Services; Democratic Services; Elections; Corporate Policy (includes customer complaints); Communications; and Human Resources.

Key Successes & Lessons Learnt, Areas of Concern

Head of Service quarterly feedback:

Q2 was busy with the teams working on a variety of projects as listed below:

- The first draft of a new HR Strategy for the Council was drafted and scrutinised by the Value for Money and Customer Service O&S Committee.
- The Corporate Policy team continued to support the Chief Executive to refine and embed a new approach to quarterly performance monitoring and management, making changes in response to feedback from both councillors and officers on the new format of reports. They also continued to provide dedicated support to the budget review scrutiny working group.
- Democratic Services arranged and supported a busy schedule of public committee meetings and launched the Council's project to achieve the Charter Mark for Elected Member Development.
- The Legal team continued to defend a number of high profile and complex legal challenges and provided vital support and advice to councillors and colleagues in support of key corporate priorities and projects.
- The Elections team worked hard preparing for the annual canvass process and the 11 October Haslemere By-Election whilst continuing to make detailed preparations for May 2019 Elections.
- Turnover within the communications team at both officer and manager level proved challenging but also provided an opportunity to bring new talent on board. Following last year's project to review and update all of the Council's online forms, the team celebrated an average rating of 4.5 stars (out of 5) from 911 online customer reviews.

Robin Taylor, Head of Policy & Governance

Performance Indicators Status

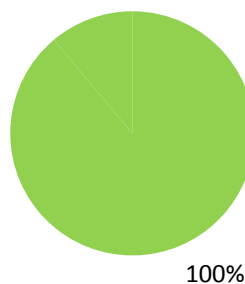
| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|------|--|------|------------------------------------|----------|----------|----------|----------|-----------|
| HR1a | Total Staff Turnover for Rolling 12 month period (%) (data only) | % | 17.0 | 18.7 | 21.5 | 21.8 | 21.0 | Data only |
| HR2 | Short & Long term Sickness Absence - Working Days Lost per Employee - Rolling 12 months (lower outturn is better) | Days | 6.5 | 6.1 | 6.0 | 5.8 | 6.5 | 6.52 |
| PG1a | The number of complaints received - Level 1 (data only) | No. | Collection started from Q1 2018-19 | | | 63 | 57 | Data only |
| PG1b | The number of complaints received - Level 2 (data only) | No. | Collection started from Q1 2018-19 | | | 18 | 24 | Data only |
| PG2a | The % of complaints responded to on time - Level 1 (higher outturn is better) | % | Collection started from Q1 2018-19 | | | 85.0% | 87.7% | 95.0% |
| PG2b | The % of complaints responded to on time - Level 2 (higher outturn is better) | % | Collection started from Q1 2018-19 | | | 100.0% | 100.0% | 95.0% |

Comment: The % of complaints responded to on time at level 1 increased from 85% in Quarter 1 to 87.7% in Quarter 2 but this remains substantially below the target of 95%. The services' nominated complaints officers have been asked to report back to the Management Board on trends and issues.

Service Plans - Actions Status Q2

Q2 P&Gov Service Plan Actions

| | | |
|---|-------------|-----------|
| Total | 100% | 27 |
| Completed | 0% | 0 |
| On track | 100% | 27 |
| Off track - action taken / in hand | 0% | 0 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: All service plan actions are on track.

Internal Audit - Actions Status Q2

Comment: There were no overdue Internal Audit actions for this service area at the end of Q2.

Complaints Q2

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 0 | 0 | 0 |
| Dealt with on time | 0 | 0 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | N/A | N/A | N/A |

Comment: There were no complaints raised against this service area in the second quarter of 2018/19.

Workforce – Q2 update

Comment: A number of appointments were made within Democratic Services and Legal Services within the quarter bringing the overall number of vacant posts down from 5.5 to 1.5 Full Time Equivalents (including one officer appointed but not yet in post). The appointment of an existing member of the communications team into the role of Interim Communications and Engagement Manager left one communications officer level post to be backfilled in the short term and arrangements were made in quarter 2 to achieve this via a short term agency contract commencing in quarter 3.

At the end of Quarter 2, actual and projected spend on staffing within the service remained within budget.

Finance Update Q2

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|--------------------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Policy & Governance | | | | | |
| Expenditure | 6,765 | 1,610 | 6,765 | 0 | N/A |
| Income | -3,864 | -253 | -3,862 | 1 | Adverse |
| Policy & Governance Total | 2,901 | 1,358 | 2,903 | 2 | Adverse |

Head of Service Comment: The main variance to note is that the Council has not achieved its annual advertising income target of £2k in respect of the 'Your Waverley' magazine but we hope to address this through increased advertising income from future issues.

5. Service Dashboard – Communities

This service area includes the teams of Arts, Community Services, Careline, Leisure, Parks & Countryside and Waverley Training Services

Key Successes & Lessons Learnt, Areas of Concern

Q2 Head of Service quarterly feedback:

It has been a positive quarter with the Memorial Hall opening to its first clients the Gostrey Centre. Waverley Training services are moving in in October with learners attending site from November.

Progress is being made on the Brightwells Scheme with the bridge works and engagement work has been taking place around Farnham raising awareness of the scheme.

Leisure and Grounds maintenance contracts are performing well and complaints are low. Consultants have been appointed to assist with committed leisure investment in Cranleigh, and will be working closely with local stakeholders to identify the best way forward for the village. Work is now beginning on the specification for the Grounds Maintenance contract and will be debated at the Environment Overview & Scrutiny Committee with a view being fed back to Executive in November, the contract ends in October 2019.

An area of concern is the financial challenges facing community transport provider Hoppa. Following a consultation earlier in the year, the Department for Transport is reviewing legislation and the requirements that road transport operators must comply with when bidding for bus service contracts. Whilst nothing has been decided yet Hoppa who runs the door-to-door service across the borough, have already been hit financially and operationally. Hoppa rely on securing bus service contracts which provide an additional income to support their community door-to-door service. The council is working closely with Hoppa to monitor the situation and is doing everything it can to help this valuable service.

Kelvin Mills, Head of Communities and Special Projects

Performance Indicators Status Q2

| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|------|---|----------|------------------------------------|----------|----------|----------|----------|-----------|
| C1 | Total number of visits to Waverley leisure centres (higher outturn is better) | Visits | 494,487 | 469,669 | 536,377 | 501,438 | 462,103 | 448,000 |
| C2 | Total number of attendees of the health and wellbeing activities throughout the borough in a quarter (higher outturn is better) | Visits | Collection started from Q1 2018-19 | | | 1,374 | 4,007 | Data only |
| CS9 | Total number of Careline clients (data only, no target set yet) (higher outturn is better) | Clients | 1,891 | 1,878 | 1,841 | 1,826 | 1,826 | Data only |
| CS10 | Total number of Careline calls per quarter (data only, no target set) | Calls | 6,762 | 6,775 | 5,966 | 3,549 | 6,216 | Data only |
| CS11 | Critical faults dealt with within 48 hours per quarter (higher outturn is better) | Faults % | Collection started from Q1 2018-19 | | | 91.1% | 100.0% | 90.0 |
| CS12 | Apprentice overall success rate per quarter (higher outturn is better) | % | 77.0% | 81.0% | 77.2% | 78.3% | 81.0% | 75.0% |
| CS13 | Apprentice timely success rate in gaining qualification in the time expected (higher outturn is better) | % | 75.0% | 74.0% | 72.0% | 77.1% | 78.0% | 70.0% |
| CS14 | Number of apprentices on study programmes (cumulative year to date with the annual target of 30) (higher outturn is better) | No. | 21 | 25 | 24 | 29 | 22 | Data only |

Comment: Leisure centre visits remain above target and the greater focus on health & wellbeing activities is welcomed by contractor and client.

Careline numbers have remained steady with a good performance from the team. The officers are working on proposing a corporate target for number of clients which will be increasing by 5% per annum until 2020 in order to meet the Council's corporate objective.

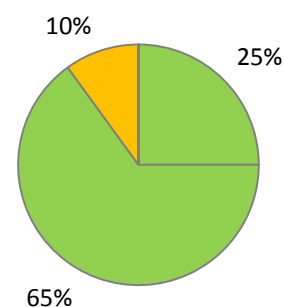
Waverley Training Services learners have achieved positive outcomes above contractual targets.

Overall a strong quarterly performance.

Service Plans - Actions Status Q2

Q2 Communities Service Plans

| | | |
|---|-------------|-----------|
| Total | 100% | 40 |
| Completed | 25% | 10 |
| On track | 65% | 26 |
| Off track - action taken / in hand | 10% | 4 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: Progress on service plan actions is good, with most actions progressing on track for completion. There are four actions which are currently off track, but corrective steps are being taken. Further details are listed below.

| Code | Title | Due Date | Status | Actions taken |
|--------------|---|----------|--------------------------|---|
| SP18/19CS1.2 | Renegotiate new leisure management contract thresholds to increase guaranteed return. (Cranleigh Leisure Centres) | 31/08/18 | Off track - action taken | Meetings and correspondence has started, future meetings have been booked with view to coming to a conclusion by the end of the year. |
| SP18/19CS1.6 | Design & tender project (Cranleigh Leisure Centres) | 30/09/18 | Off track - action taken | Cranleigh consultancy support tendered and appointment made. 6 month piece of work due to complete February 2019. |
| SP18/19CS3.3 | Launch new Live Streaming Offer (Borough Hall) | 30/04/18 | Off track - action taken | Shows identified and equipment has been installed first showing Dec 18. Marketing push has now started. |
| SP18/19CS4.1 | Write and launch Marketing Plan (Careline) | 30/06/18 | Off track - action taken | New referral process implemented. Meeting with Communications taken place and workshop is arranged for later this year. |

Internal Audit - Actions Status Q2

Comment: The service area of Communities does not have any outstanding Internal Audit actions in the second quarter of 2018/19.

Complaints Q2

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 4 | 0 | 0 |
| Dealt with on time | 4 | 0 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | 100% | N/A | N/A |

Comment: All received complaints were resolved at Level 1 within the target time.

Workforce – Q2 update

Comment: With the opening of the Memorial Hall a new venue officer is being recruited and Waverley Training Services continues to recruit to deal with demand.

A settled quarter with regard to staff turnover.

Finance Update

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Community | | | | | |
| Expenditure | 10,035 | 4,044 | 10,035 | 0 | N/A |
| Income | -7,864 | -1,459 | -7,837 | 26 | Adverse |
| Community Total | 2,172 | 2,585 | 2,198 | 26 | Adverse |

Comment: Surrey verges grant reduced , risk on borough hall and events income being monitored.

6. Service Dashboard – Environment

This service area includes the following teams: Car Parks, Environmental Health, Environmental Services, Emergency Planning, Finance, Licensing, Sustainability

Key Successes & Lessons Learnt, Areas of Concern

Q2 Head of Service quarterly feedback:

Significant progress has been made this quarter with the work on the future provision of waste, recycling and street cleaning services. The application for de-registration of the common land at Weyhill is continuing. Consultation is continuing on the installation of height barriers at car parks in Farnham and options for refurbishment or replacement of South Street Car Park in Farnham are being developed. The review of the Air Quality Monitoring Sites is nearing a conclusion and officers have been working closely with members of the Air Quality Steering Group and the Farnham Air Quality Working Group. Options for electric vehicle charging points in car parks are being explored.

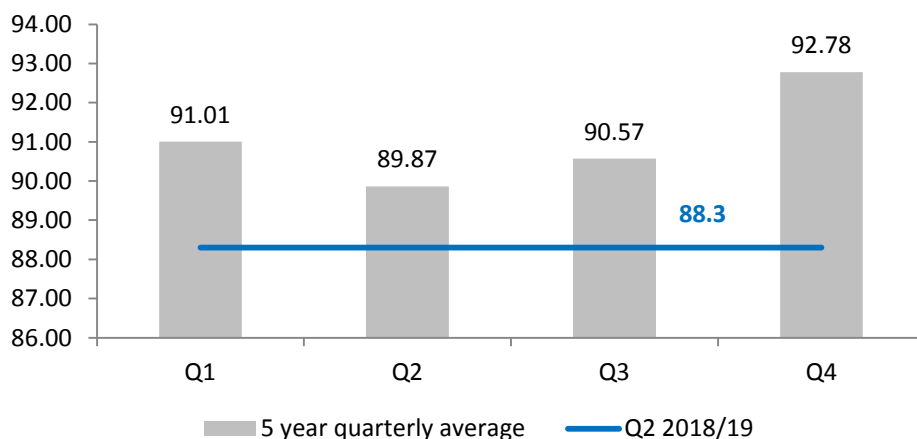
Richard Homewood, Head of Environmental Services

Performance Indicators Status

| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|---------|---|------|-------------|-------------|-------------|-------------|-------------|--------------|
| E1 | Materials recovery facilities (MRF) Reject Rate (lower outturn is better) | % | 5.9% | 5.3% | 7.1% | 11.6% | 10.5% | 5.0% |
| E2 | Average number of days to remove fly-tips (lower outturn is better) | Days | 1.6 | 1.3 | 2.0 | 2.5 | 2.0 | 2.0 |
| E3 | (NI 195) Improved street and environmental cleanliness - levels of litter, detritus, graffiti and fly posting (higher outturn is better) | % | 91.9% | 73.0% | 90.2% | 94.0% | 84.0% | 90.0% |
| E4 | Number of missed bin collections per 104,000 collections per week (lower outturn is better) | No. | 47 | 26 | 20 | 34 | 35 | 40 |
| E5 | Percentage of higher risk food premises inspections (category A&B) carried out within 28 days of being due (higher outturn is better) | % | 100.0% | 94.0% | 95.0% | 94.0% | 100.0% | 100.0% |
| E NI182 | Satisfaction of business with local authority regulation services (higher outturn is better) | % | 83.0% | 93.0% | 90.0% | 84.0% | 85.0% | 85.0% |
| E NI191 | Residual household waste per household (lower outturn is better) | kg | 88.9 | 91.6 | 91.8 | 95.5 | 88.3 | 90.00 |
| E NI192 | Percentage of household waste sent for reuse, recycling and composting (higher outturn is better) | % | 56.5% | 55.9% | 57.3% | 58.6% | 57.1% | 54.0% |

Comment: Food inspections are back on track with 100% of those due completed on target. The reject rate for recycling (E1) has reduced slightly from last quarter due to intervention by officers in areas where contamination is identified but contamination at community recycling sites continues to be a problem in spite of increased monitoring and issuing of a number of fixed penalty notices. The overall recycling rate (NI192) continues to be above target for the year. The reduction in the standard of street cleanliness (E3) is disappointing and this issue has been taken up with the contractors and we expect to see an improvement in quarter 3. The number of missed bins (E4) continues to be below the target of 40 per 104,000 and the time taken to deal with fly tips is back on target. The residual waste per household (NI191) has also reduced this quarter which is encouraging after rising for the last three quarters. The analysis of average trends over the past five years has been included below in order to show seasonal performance changes for this indicator.

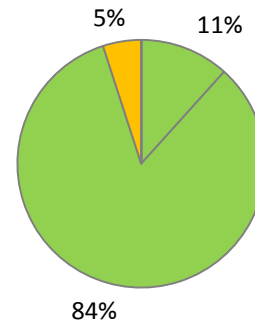
**NI191 - Residual household waste per household
(April 2013-September 2018)**



Service Plans - Actions Status

Q2 Environment Service Plan Actions

| Total | 100% | 61 |
|------------------------------------|------|----|
| Completed | 11% | 7 |
| On track | 84% | 51 |
| Off track - action taken / in hand | 5% | 3 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment: Progress on actions are mostly on track with only three actions currently off track. Further details are listed below against each action.

| Code | Title | Due Date | Status | Actions taken |
|--------------|--|----------|--------------------------|---|
| SP18/19ES5.2 | Develop integrated customer contact services to support Environmental Services and the Parks and Open Space and Ranger Services | 30/09/18 | Off track - action taken | Proposed due date change to 31/03/2019 required due to temporary issues with resources. Q2 update: Arrangements for Customer Services Team to take calls for Parks and Open Spaces and Ranger Services being trialled. |
| SP18/19ES6.1 | Food Service Plan developed and implemented in accordance with the Food Safety Agency's (FSA) Framework Agreement for Local Authorities | 30/06/18 | Off track - action taken | Proposed due date change to 31/12/2018 required due to temporary issues with resources. Q2 update: Food Service Plan currently in draft awaiting final review and approval. |
| SP18/19ES6.2 | Health & Safety Service Plan developed and implemented in accordance with the Health and Safety Executive (HSE) Section 18 mandatory guidance for Local Authorities. | 30/06/18 | Off track - action taken | Proposed due date change to 31/12/2018 required due to temporary issues with resources. Q2 update: Health and Safety Service Plan currently in draft and awaiting final amendments and approval |

Internal Audit - Actions Status Q2

Comment: Currently there are no outstanding Internal Audit actions for this service area.

Complaints – Q2 update

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 11 | 6 | 0 |
| Dealt with on time | 10 | 6 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | 91% | 100% | N/A |

Comment: All the complaints received by the service in the second quarter were dealt with in the target response time for each level except for one level 1 complaint which was dealt with just outside the target response time.

Workforce – Q2 update

Comment: We have successfully recruited to the key vacant posts and made appointments to cover maternity leave, with experienced officers taking up posts in the Environmental Services and Environmental Enforcement Teams.

Finance Update – Q2 update

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|--------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Environment | | | | | |
| Expenditure | 10,680 | 6,106 | 10,700 | 19 | Adverse |
| Income | -9,269 | -3,762 | -9,262 | 7 | Adverse |
| Environment Total | 1,412 | 2,343 | 1,438 | 26 | Adverse |

Comment: Although the overall car parks business rate costs were lower this quarter due to the closure of Dogflud car park (payment of business rates no longer required), the spend on green waste contract was higher and is currently being investigated. Also the stray dog income was not as high as expected, and the contractor performance is under review.

7. Service Dashboard – Planning

This service includes the following teams: Building Control, Development Management, Local Plan, Planning Enforcement, Planning Policy

Key Successes & Lessons Learnt, Areas of Concern

Head of Service quarterly feedback:

This has been a quarter of notable success. Following Examination on 17th July, the CIL Charging Schedule was found to be viable and was supported in its entirety by the Examiner. This will facilitate invaluable income to support infrastructure delivery in the Borough, going forward. Against a challenging timetable, Local Plan Part 2 proceeded in accordance with the agreed time frame during Quarter 2. The Team met the deadline to seek approval for the draft Plan for Publication, to be considered by Special Exec /Council on 31st October.

The Local Plan legal challenges were robustly defended in Court on 12th July and then 9/10th October: judgement awaited.

Other Service successes include:

Permission granted at JPC for a number of strategic developments which will support delivery of the Local Plan including, Weyhill, Haslemere; Woolmead, Farnham; UCA; Brightwells construction bridge and others.

New IT System initially for BC/DM in test environment (September).

Planning Development Management (DM) performance slightly dipped this month following a period of management instability in the DM Section. However, speed of determination performance is all within and exceeding targets. New permanent Development Manager appointed with renewed focus on speed of determination given the Government scrutiny of this area.

Business Plan for Building Control: Income position improving but still under close scrutiny.

Elizabeth Sims, Head of Planning

Performance Indicators Status

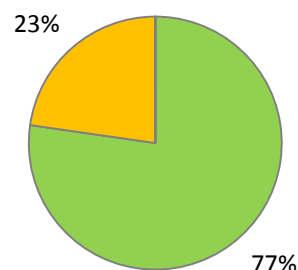
| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|------|---|---|-------------|-------------|-------------|-------------|-------------|--------------|
| LP9 | Delivery of all other residual applications - % determined within its target (higher outturn is better) | % | 97.8% | 97.0% | 89.6% | 93.6% | 86.2% | 80.0% |
| P151 | Processing of planning applications: Major applications (higher outturn is better) (NI157a) | % | 100.0% | 100.0% | 93.8% | 87.5% | 85.7% | 80.0% |
| P123 | Processing of planning applications: Other applications (higher outturn is better) | % | 100.0% | 100.0% | 95.0% | 100.0% | 93.3% | 90.0% |
| P1 | Percentage of planning applications determined within 26 weeks (higher outturn is better) | % | 100.0% | 100.0% | 99.6% | 99.1% | 98.7% | 100.0% |
| P2 | Planning appeals allowed (cumulative year to date) (lower outturn is better) | % | 37.1% | 40.7% | 41.0% | 26.9% | 30.8% | 30.0% |
| P152 | (P3) Major planning appeals allowed as a % of Major Application decisions made (cumulative) (lower outturn is better) | % | 5.1% | 5.8% | 9.0% | 11.8% | 9.7% | 10.0% |
| P4 | Percentage of enforcement cases actioned within 12 weeks of receipt (higher outturn is better) | % | 100.0% | 93.7% | 94.9% | 94.1% | 90.9% | 75.0% |
| P5 | Percentage of tree applications determined within 8 weeks (higher outturn is better) | % | 98.6% | 96.1% | 97.9% | 90.5% | 100.0% | 95.0% |
| P8 | Percentage of complete building control applications checked within 10 days (higher outturn is better) | % | 94.3% | 86.0% | 95.0% | 91.5% | 93.5% | 80.0% |
| P153 | Processing of planning applications: Non-major applications - % determined within 8 weeks (higher outturn is better) | % | 98.9% | 98.3% | 97.3% | 96.2% | 95.8% | 80.0% |
| P154 | Non-Major planning appeals allowed as a % of Non-Major Application decisions made (cumulative) (lower outturn is better) | % | 1.2% | 1.7% | 1.6% | 1.3% | 1.2% | 10.0% |

Comment: Performance against several Development Management PIs has dipped this quarter but this is considered to be a temporary setback. Measures in place to recover target meeting for next quarter. Performance on all other PIs is excellent including quality (Major appeals).

Service Plans - Actions Status

Q2 Planning Service Plans

| Total | 100% | 22 |
|------------------------------------|------|----|
| Completed | 0% | 0 |
| On track | 77% | 17 |
| Off track - action taken / in hand | 23% | 5 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Good progress has been made on delivering all the Service Plan projects below. Some target dates have been put back with the agreement of the Portfolio Holder. This has been necessary in the light of resource demands (high staff turnover; difficulties of recruitment particularly to key management roles); and changed priorities (Peer Review; Legal Plan challenges etc.). However, all Service Plan projects on track for completion in the current financial year as planned, other than Systems Thinking Review which has a target of July 2019).

| Code | Title | Due Date | Status | Actions taken |
|-------------|--|----------|--------------------------|---|
| SP18/19P1.1 | Develop new IT system for Development Management and Building Control (complete back scanning for Service) | 31/08/18 | Off track - action taken | Q2 Dates have been set for delivery - 09/10/18 First Control Room Pilot.: Data Clean up - complete by end October 18; UAT Testing complete by 16/11/18; Go Live for BC 03/12/18. |
| SP18/19P1.3 | Systems thinking - review of processes | 31/07/18 | Off track - action taken | Project end date is July 2019 to follow the implementation of the new IT system for Planning and Building Control. The IT system will support understanding of process efficiencies achievable from new software, which will inform systems thinking review. |
| SP18/19P1.5 | Review decision making structures/numbers of Planning Committees/meetings | 31/08/18 | Off track - action taken | Peer Review held 27 to 29th July. Final report received. Recommendations regarding committee structure, housing delivery and customer engagement being considered. Heading for November Environment O and S. |
| SP18/19P2.1 | CIL adopted and implemented | 31/07/18 | Off track - action taken | Examiner's Report received. Charging Schedule supported. Executive/Council to consider for adoption 31st October. Proposed implementation 1st March 2019. |
| SP18/19P2.2 | Section 106 – negotiation, collection and spending mechanisms reviewed and dedicated officer appointed | 31/07/18 | Off track - action taken | S106 Officer appointed. Exacom software acquired. Data input of historic S 106 agreements (5 years) on-going. Complex task but will enable a holistic approach to understanding monitoring and spending of s106 income and other obligations. Expected completion 31/12/18. |

Internal Audit - Actions Status Q2

Comment: There are no outstanding Internal Audit actions for Planning in Q2 2018/19

Complaints Q2 update

| Level | Level 1 | Level 2 | Ombudsman |
|------------------|---------|---------|-----------|
| Quarterly Number | 10 | 4 | 0 |
| Quarterly Number | 10 | 4 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | 100% | 100% | N/A |

Comment: In the second quarter all complaints were responded to within the target timescale. The improvement in performance is attributed to the change of process and the monitoring function being assigned to the Development Manager, showing much improved response rate at Level 1 from 66.67% responded to on time in Q1 to 100% in Q2.

Workforce – Q2 update

Comment: Turnover remains comparable with but less than the last quarter. Workloads, committee attendance and extra hours incurred plus external career advancement may have contributed to higher than the general council turnover.

The Service is facing continuing difficulties recruiting to senior professional roles across Planning. Package enhancements are being used e.g. market supplements, to compete with rival authorities for a limited pool of suitable applicants.

Finance Update Q2

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|-----------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Planning | | | | | |
| Expenditure | 8,728 | 1,831 | 8,692 | -36 | Favourable |
| Income | -6,522 | -1,081 | -6,348 | 173 | Adverse |
| Planning Total | 2,206 | 750 | 2,344 | 138 | Adverse |

Comment: Development control income and building control income was lower than expected. This was partly offset by S106 monitoring income. The overall achieved variance maybe further reduced by staff vacancy savings.

8. Service Dashboard – Housing Operations

Key Successes & Lessons Learnt, Areas of Concern

Head of Service quarterly feedback:

- Key achievement for the team over the summer was selecting thirteen preferred contractors for the repairs and maintenance procurement project following a comprehensive assessment and selection process.
- The Property Services and Senior Living teams responded to a health and safety concern at one of our Senior Living Schemes with prompt risk assessments, tenant consultation and communication.
- The Rent Accounts Team are preparing for the wider roll out of Universal Credit on 24 October and have a new Rent Analytics tool to identify tenants at risk of arrears.
- The Housing Customer Service Team attended four local summer social events to meet tenants and hear their views on the service and provide advice and assistance on issues.
- The Tenancy and Estates and Housing Customer Service teams were interviewed by the Waverley Scrutiny Group (tenant volunteers) to inform the group's review of Mutual Exchange process.
- Officers also prepared display information and attended the Prospective Councillor event to develop wider understand of the housing services.
- During Q2, we were managing the emergence of legionella in the water systems at one of our senior living accommodation premises in Bramley. While legionella is common in water systems, the quantity rose above ordinary levels, probably encouraged by the warm weather. Throughout this process, we have been advised by external experts in the field. While the species of legionella (i.e. non-pneumophila) is not the most hazardous, we have treated this episode with utmost seriousness, with expert support and the welfare of residents our paramount consideration. Risks have been minimised by extensive water flushing, removal of parts of the plumbing, the addition of chlorine dosing units and filtered shower heads to reduce aerosol, with continuous external expert supervision.

We continue to analyse water samples and update our risk assessments weekly. Recent results have indicated positive progress in reducing the levels of bacteria present. Our consultant has confirmed it is not possible to set a timetable to eradicate legionella and that current progress is as expected. We continue to monitor the situation closely and adapt our response. We are providing weekly updates to the portfolio holder and the management board, and regularly communicating with tenants and the ward councillors.

Hugh Wagstaff, Head of Housing Operations

Performance Indicators Status

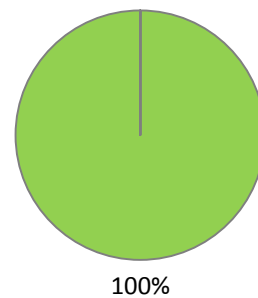
| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target |
|-----|--|------|----------|----------|----------|----------|----------|-----------|
| H2 | Average number of working days taken to re-let 'normal void' property (lower outturn is better) | Days | 17 | 18 | 19 | 15 | 16 | 20 |
| H5 | Percentage of estimated annual rent debit collected (cumulative target Q1-Q4, 24.65%,49.30%, 73.95%, 98.65%) (higher outturn is better) | % | 48.9% | 73.0% | 97.3% | 24.9% | 49.2% | 49.3% |
| H6 | Percentage of annual boiler services and gas safety checks undertaken on time (higher outturn is better) | % | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| H7 | Responsive Repairs: How would you rate the overall service you have received? (Tenants' view of the service) (higher outturn is better) | % | 90.0% | 91.0% | 91.0% | 92.0% | 93.0% | 93.0% |
| H8 | Responsive Repairs: Was repair completed right first time? (Tenants' view of the service) (higher outturn is better) | % | 79.0% | 79.0% | 74.0% | 76.0% | 76.0% | 78.0% |
| H9 | Responsive Repairs: Did the tradesperson arrive within the two hour appointment slot? (Tenants' view of the service) (higher outturn is better) | % | 98.0% | 98.0% | 97.0% | 97.0% | 98.0% | 97.0% |

Comment: The team performed well in the second quarter meeting the majority of targets. Two indicators were just off target but have not impacted the overall satisfaction with responsive repairs nor the overall financial position with small dip in rent collection.

Service Plans - Actions Status Q2

Q2 Housing Operations Service Plans

| | | |
|------------------------------------|------|---|
| Total | 100% | 6 |
| Completed | 0% | 0 |
| On track | 100% | 6 |
| Off track - action taken / in hand | 0% | 0 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment:

The progress against the service plan continues as planned with all objectives expected to be completed on target.

Internal Audit - Actions Status Q2

Comment: Housing doesn't currently have any outstanding Internal Audit actions.

Complaints

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 19 | 9 | 1 |
| Dealt with on time | 14 | 9 | 1 |
| Response Time | 10 days | 15 days | |
| Response Rate | 75% | 100% | 100% |

Comment:

In the second quarter of 2018/19, 14 out of 19 level one complaints were dealt with on time and all nine complaints escalated to level two were responded to within the target. There was one complaint escalated to the Housing Ombudsman and it was also dealt with in a timely manner. The response rate at level one was affected by a handful of complex cases, which took longer to resolve. The lessons learnt are incorporated into the service improvement plan and communicated to managers for action.

Workforce – Q2 update

Comment:

Four members of staff left the service in Q2 and there was one new starter, Strategic Asset Manager.

Finance Update

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|---------------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Housing Operations | | | | | |
| Expenditure | 32,195 | 4,560 | 32,196 | 0 | N/A |
| Income | -33,019 | -134 | -33,033 | -14 | Favourable |
| Housing Operations Total | -824 | 4,425 | -838 | -14 | Favourable |

Head of Service Comment: Within budget and on time

9. Service Dashboard – Housing Strategy & Delivery

Key Successes & Lessons Learnt, Areas of Concern

Head of Service quarterly feedback:

Homelessness prevention - The team continue to keep households out of temporary accommodation and are working hard to manage all the implications of the Homelessness Reduction Act. A report on the first six months since the Act was introduced will be presented to the Housing Overview and Scrutiny Committee on 27 November. The recent Waverley hosted Homelessness Conference was attended by over 50 delegates and the strong emphasis was on partnership working, which is a priority for the team and has increased prevention capacity and the provision of suitable supported accommodation for those in greatest need.

Housing Development - The first major development at Ockford Ridge (16 homes) was officially opened by the Mayor on 20 September. A similar event is planned for Wey Court (24 homes) on 29 October. First principal phase of refurbishments are now complete and preliminary work is underway on the next two phases. The contractor has been selected for Site A (37 homes) and a planning application has been submitted for Site C (30 homes). Planning applications have been submitted for sites at Aarons Hill, Godalming (four homes) and Ryle Road, Farnham (two homes).

Private Sector Housing Team/Better Care Fund - The team has received between 30-40 new applications for licenses for Houses in Multiple Occupation. The new Home Improvement Policy adopted by Council has resulted in an increase in requests for aids and adaptations. The Council works closely with Guildford Borough Council to maintain the Home Improvement Agency and the Handyperson service in the light of Surrey County Council cuts in funding. The final service level agreements between Guildford and Waverley need to be approved and signed.

Housing Strategy and Enabling - Monitoring and delivering the first year's objectives of the Housing Strategy 2018-2023 continues. The Chief Executive and Portfolio Holder visited the new development at Furze Lane, Farncombe. The affordable homes have been delivered by Mount Green Housing Association, one of the Council's key partners.

Service Improvement Team – The team have launched My Account, a digital platform for council tenants to view rent accounts online. They also held for four local summer social events to meet tenants and hear their views on the service and provide advice and assistance on issues. The Housing Green paper - a new deal for social housing was published in August. The team reviewed the content and briefed Members and officers on the principles and consultation themes.

Andrew Smith, Head of Strategic Housing & Delivery

Performance Indicators Status

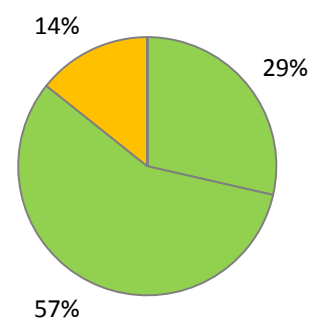
| KPI | Description | | Q2 17-18 | Q3 17-18 | Q4 17-18 | Q1 18-19 | Q2 18-19 | Q2 Target | |
|---------|--|-----|---------------------------------------|----------|----------|----------|--|-----------|-----------|
| H3 | Housing advice service: Homelessness cases prevented (data only) | No. | 57 | 78 | 70 | 36 | Discontinued / replaced by H4a,H4b,H4c | Data only | |
| H4a | Number of homeless households in temporary accommodation at the end of the quarter (lower outturn is better) | No. | 0 | 0 | 0 | 1 | 0 | 8.0 | |
| H4b | Number of approaches to the housing options team for housing options/homelessness advice in the quarter (data only) | No. | Data collection started in Q2 2018-19 | | | | 155 | Data only | |
| H4c | Number of cases where a prevention of homelessness duty was accepted in each quarter (data only) | No. | Data collection started in Q2 2018-19 | | | | 41 | Data only | |
| P7 | Number of Affordable homes - Granted planning permission (Data only - higher outturn is better) | No. | 17 | 64 | 558 | 6 | 33 | Data only | |
| H10 | Number of Affordable homes - Started on site within a quarter (Data only - higher outturn is better) | No. | Data collection started in Q1 2018-19 | | | | 20 | 17 | Data only |
| P6 (H1) | Number of affordable homes delivered (gross) (Data only - higher outturn is better) | No. | 0 | 12 | 52 | 51 | 40 | Data only | |

Comment: The service performed well in the second quarter meeting its targets. New governmental KPIs (**H4a, H4b and H4c**) were introduced as a result of the new Homelessness Prevention Act replacing the previous KPI H3.

Service Plans - Actions Status

Q2 Housing Strategy & Delivery Service Plans

| Total | 100% | 7 |
|------------------------------------|------|---|
| Completed | 29% | 2 |
| On track | 57% | 4 |
| Off track - action taken / in hand | 14% | 1 |
| Off track - requires escalation | 0% | 0 |
| Cancelled | 0% | 0 |



Comment:

Progress on service plan actions continues as planned with the majority of objectives expected to be completed on target. The expected finish time for 1 action required an extension which was agreed by the Head of Service.

| Code | Title | Due Date | Status | Actions taken to rectify |
|-------------|--|----------|--------------------------|--|
| SP18/19H3.2 | Implement the new Housing and Planning Act powers for Private Sector Housing | 30/09/18 | Off track - action taken | New target date agreed with the HoS. Unable to achieve planned date for policy documents due to significant increase in HMO licensing applications - above expected. Team focus on issuing licenses to ensure safe homes and generating income |

Completed Actions:

- SP18/19 H2.3 Develop business case for providing funding and management service for private landlords SP18/19
- SP18/19 H3.5 Implement Homelessness Strategy and adopt measures to address Homelessness Reduction Act and including engagement with HAs and statutory agencies

Internal Audit - Actions Status

Comment: Housing doesn't currently have any outstanding Internal Audit actions.

Complaints

| Level | Level 1 | Level 2 | Ombudsman |
|--------------------|---------|---------|-----------|
| Quarterly Number | 6 | 3 | 0 |
| Dealt with on time | 4 | 3 | 0 |
| Response Time | 10 days | 15 days | |
| Response Rate | 67% | 100% | N/A |

In the second quarter of 2018/19, four out of six level one complaints were dealt with on time and all three complaints escalated to level two were responded to within the target.

The response rate at level one was affected by a handful of complex cases, which took longer to resolve. The team analyse lessons learnt from the process and improvement actions to address recurring issues.

Workforce – Q2 update

Comment:

Two members of staff left the service in Q2 and there was one new starter, Housing Options Coordinator.

Finance Update

| Row Labels | Approved Budget '000 | Total Spent and Committed '000 | Forecast Outturn '000 | Forecast Variance '000 | Adverse/ Favourable |
|-------------------------------|----------------------|--------------------------------|-----------------------|------------------------|---------------------|
| Housing Strategy | | | | | |
| Expenditure | 3,441 | 1,088 | 3,471 | 29 | Adverse |
| Income | 1 | -160 | -39 | -39 | Favourable |
| Housing Strategy Total | 3,442 | 929 | 3,432 | -10 | Favourable |

Head of Service Comment: Within budget and on time

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WAVERLEY BOROUGH COUNCIL

**VALUE FOR MONEY AND CUSTOMER SERVICE OVERVIEW AND SCRUTINY
COMMITTEE**

19 NOVEMBER 2018

Title:

**COMPLAINTS HANDLING POLICY AND REVIEW OF COMPLAINTS RECEIVED BY
WAVERLEY IN 2017/18**

**[Portfolio Holder:Councillor Julia Potts]
[Wards Affected:All]**

Summary and purpose:

This report provides a brief summary of the complaints received by Waverley in 2017/18 and the Council's performance in responding to those complaints. Complaints about Waverley's services that were received by the Local Government and Social Care Ombudsman and the Housing Ombudsman in 2017/18 are the subject of a separate report.

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

Investigating complaints provides the Council with an opportunity to keep under review and improve the quality of its services to the community. Lessons learnt from complaints help the Council to meet its priorities to maintain high quality services that meet the needs of our residents at an affordable cost.

Equality and Diversity Implications:

Waverley's complaints handling policy helps to ensure that there is no discrimination in the way in which it delivers services in a fair and equal way.

Financial Implications:

Sometimes the appropriate remedy for a complaint will be to offer the complainant compensation and this may be financial. All compensation payments must be authorised by the relevant Head of Service.

Legal Implications:

There are no legal implications associated with the proposals. The Council's complaints handling process is fully consistent with best practice and the most recent guidance from the Local Government and Social Care Ombudsman.

Analysis of complaints received and closed by Waverley in in 2017/18

1. In February 2018 the Council's complaints procedure was changed from three to two stages, and following a short transition period the new procedure came into effect on 1 April 2018. The following statistics relate to the former three stage procedure.

2. The table below shows the number of complaints closed in 2017/18 for each service and at each level.

| Service | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|----------------|----------------|--------------|
| Communities | 2 | 2 | 0 | 4 |
| Customer and Corporate Services | 2 | 0 | 0 | 2 |
| Elections and special projects | 8 | 8 | 2 | 18 |
| Environment | 104 | 17 | 2 | 123 |
| Finance | 18 | 8 | 2 | 28 |
| Housing Operations | 121 | 28 | 17 | 166 |
| Housing Strategy and Delivery | 8 | 5 | 3 | 16 |
| Planning | 43 | 51 | 27 | 121 |
| Policy and Governance | 0 | 1 | 0 | 1 |
| Total | 306 | 120 | 53 | 479 |

3. It is encouraging to note that 64% of all complaints closed in 2017/18 were resolved at Level 1, and just 11% took their complaint to Level 3.
4. As in previous years, Housing Operations received the highest number of complaints, a total of 166. However, this is a significant reduction in complaints when compared with a total of 252 complaints received in 2016/17. This is due in part to an improved performance by the Council's contractors, Mears, but also reflects improvements made to the way in which the Housing Customer Services Team deal with tenants' requests for housing repairs.
5. The increase in the number of complaints received by Environmental Services – a total of 123 compared with 52 in 2016/17 – is due to the Council's decision in February 2017 to introduce car park charges for disabled drivers.
6. There was a very small decrease in the number of complaints received by the Planning Service - 121 compared with 129 in the previous year – the majority of which concerned development management matters.

Waverley's performance in responding to complaints

7. The corporate target is currently 95% of all complaints to be responded to within the timescales of 10 and 15 working days respectively, and will be reviewed in early 2019 at the end of the first year of the new two stage complaints procedure.
8. In 2017/18 82% of all complaints closed were responded to within the target timescales compared with 90% in 2016/17. Performance at each level was as follows:
- Level 1 - 87%
- Level 2 - 82%
- Level 3 - 72%
9. It is difficult to identify specific reasons for this reduction in performance, although complaints at Levels 2 and 3 may well have been more complex requiring more time to investigate.

Outcome of complaints made in 2017/18

10. The following table gives information on the outcome of complaints made in 2017/18.

| Service | Not upheld | Partly upheld | Upheld | Total |
|---------------------------------|-------------------|----------------------|---------------|--------------|
| Communities | 4 | 0 | 0 | 4 |
| Customer and Corporate Services | 1 | 1 | 0 | 2 |
| Elections and special projects | 13 | 2 | 3 | 18 |
| Environment | 38 | 76 | 9 | 123 |
| Finance | 21 | 5 | 2 | 28 |
| Housing Operations | 68 | 28 | 70 | 166 |
| Housing Strategy and Delivery | 16 | 0 | 0 | 16 |
| Planning | 117 | 3 | 1 | 121 |
| Policy and Governance | 1 | 0 | 0 | 1 |
| Total | 279 | 115 | 85 | 479 |

11. The assessment of whether a complaint is recorded as being upheld, partly upheld or not upheld can be a subjective matter, and in most cases is made by the officer investigating the complaint. Overall 58% complaints were not upheld, 24% were partly upheld and 18% were upheld. The majority of complaints that were partly upheld or upheld concerned the service provided by contractors in respect of responsive repairs and property services, and the introduction of disabled parking charges.

Lessons learned from complaints

12. Learning lessons from complaints is an important part of improving Waverley's services and these are recorded on the complaints database, together with information on any action taken to improve processes. Annexe 1 gives some examples of lessons learned in 2017/18. Many lessons learned concerned procedural/administrative issues and the need to improve communications with the customer.

Recommendation

It is recommended that the Value for Money and Customer Service Overview and Scrutiny Committee considers the information in this report and passes any comments to the Executive.

Background Papers

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

CONTACT OFFICER:

Name: Sue Petzold

Telephone: 01483 523202

E-mail: sue.petzold@waverley.gov.uk

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Examples of lesson learned from complaint received in 2017/18

Elections

- Website to be reviewed so that clear advice is provided to electors who are moving to another address in the weeks leading up to an election.
- A closer check needs to be made of the allocation of postal votes.

Environmental Services

- A review of the location and accessibility of pay machines in the Council's car parks required following the introduction of charges for disabled drivers.

Benefits

- Benefits officers need to contact customers prior to the suspension of their claim.

Housing

- Tenants should always be consulted by the Council's contractors before personal possessions are removed from either inside or outside their homes.
- Contractors instructed to avoid short notice cancellation of appointments.
- Tenants should be given a clear indication of the timescale for completion of works to their home.
- Changes need to be made to the pre-installation survey carried out in connection with the installation of new doors and windows to ensure that account is taken of any specific wishes of the tenant.
- Changes need to be made to the procedures for issuing invoices to leaseholders prior to planned works being carried out to their homes to ensure that these provide an accurate assessment of the costs.

Planning

- Officers need to advise applications of any delay in providing pre-application advice.

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WAVERLEY BOROUGH COUNCIL

**VALUE FOR MONEY AND CUSTOMER SERVICE OVERVIEW AND SCRUTINY
COMMITTEE**

19 NOVEMBER 2018

Title:

**COMPLAINTS TO LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN
AND HOUSING OMBUDSMAN ABOUT WAVERLEY'S SERVICES IN 2017/18**

**[Portfolio Holder: Councillor Julia Potts]
[Wards Affected: All]**

Summary and purpose:

This report is in two parts. The first part concerns complaints to the Local Government and Social Care Ombudsman (LGSCO) about Waverley's services in 2017/18. This discharges the Monitoring Officer's duty under section 5(2) of the Local Government and Housing Act 1989 to submit a formal report to the Council on complaints where it appears there has been maladministration or service failure, and the LGSCO has conducted an investigation in relation to the matter.

The second part concerns complaints by Waverley's tenants and leaseholders to the Housing Ombudsman Service (HOS).

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

Ombudsman complaints can help to identify areas in which the Council can provide better value for money in its services. They can also result in action to improve processes and systems which, in turn, can improve the service which the Council provides to its customers.

Equality and Diversity Implications

Ombudsmen investigations can help to ensure that the Council delivers its services to all customers in a fair and equal way, and that any shortfall is rectified immediately.

Financial Implications:

Occasionally an Ombudsman may recommend the payment of financial compensation to a complainant to remedy their complaint.

Legal Implications:

There are no legal implications associated with this report.

Part 1 - Complaints about Waverley's services received by the Local Government and Social Care Ombudsman in 2017/18

- The Local Government and Social Care Ombudsman's (LGSCO) annual review for 2017/18 is attached as Annexe 1. In addition to statistics on the complaints and enquiries received by the LGSCO about Waverley's services (set out in full later in this report), the letter:
 - Stresses that the volume of complaints received by an authority does not, in itself, indicate the quality of the Council's performance. The information provided in the annual letter should therefore be used as the start of a conversation rather than an absolute measure of corporate health, one of the most significant statistics being the number of upheld complaints. Remedies suggested by the Ombudsman, and by an authority during its local complaints process, are considered to provide important insights.
 - Confirms the Ombudsman's intention to provide a broader range of data in next year's letters as well as creating an interactive map of local authority performance on the LGSCO website, and to seek views from councils on the future format of annual letters.
 - Draws attention to a dedicated section on the Ombudsman's website which contains a host of information to help scrutiny committees and councillors to hold their authority to account.
 - Emphasises the importance of councils adopting a positive attitude towards complaints, and working constructively with the Ombudsman to remedy injustices and take on board learning from complaints.
- The following tables give comparative information for 2017/18 and the three previous years.

Complaints and enquiries received about Waverley's services

| Year | Benefits and tax | Corporate and other services | Environmental Services | Highways and transport | Housing | Planning | Other | Total |
|---------|------------------|------------------------------|------------------------|------------------------|---------|----------|-------|-------|
| 2017/18 | 1 | 0 | 4 | 1 | 4 | 7 | 1 | 18 |
| 2016/17 | 1 | 3 | 1 | 2 | 4 | 11 | 1 | 23 |
| 2015/16 | 5 | 2 | 2 | 2 | 4 | 11 | 0 | 26 |
| 2014/15 | 2 | 1 | 2 | 1 | 2 | 12 | 0 | 20 |

Decisions made by the LGSCO

| Year | Detailed investigations | | Advice given | Closed after initial enquiries | Incomplete or invalid | Complainant asked to go back to the LA | Total |
|---------|-------------------------|------------|--------------|--------------------------------|-----------------------|--|-------|
| | Upheld | Not upheld | | | | | |
| 2017/18 | 2 | 8 | 2 | 6 | 1 | 3 | 22 |
| 2016/17 | 1 | 1 | 1 | 12 | 0 | 4 | 19 |
| 2015/16 | 4 | 4 | 1 | 10 | 2 | 5 | 26 |
| 2014/15 | 0 | 5 | 1 | 10 | 0 | 5 | 21 |

How the two complaints upheld in 2017/18 were remedied

3. One of the two upheld complaints was remedied by implementing the LGSCO's recommendations. The second upheld complaint was remedied by Waverley before the Ombudsman's involvement. A brief summary of these cases is attached as Annexe 2.

Part 2 - Complaints about Waverley's landlord and leasehold services received by the Housing Ombudsman Service in 2017/18

Approach taken by the Housing Ombudsman Service in dealing with complaints about social landlords

4. Responsibility for investigating complaints about the landlord function of a local authority belongs to the Housing Ombudsman Service (HOS) whilst complaints about homelessness and housing allocations remain within the remit of the LGSCO.
5. In line with the LGSCO's approach, the HOS will only investigate a complaint if it is considered that the complainant has completed the authority's complaints procedure. However, before approaching the Ombudsman the complainant has the option of raising their concerns with a 'designated person' (ie a Waverley Councillor, an MP or Waverley's Designated Tenants Panel). The complainant can ask the designated person they have chosen to review their complaint and consider whether the matter can be resolved. If the designated person is unable to resolve the complaint, they can refer the complainant's concerns to the HOS for further investigation.
6. Unlike the LGSCO, the HOS does not send local authorities an annual letter and does not require a formal report. The information in this part of the report is taken from the Council's own records.

Complainants following the 'designated person' process in 2017/18

7. In 2017/18 no complainants asked for their complaint to be reviewed by a designated person.

Outcome of complaints made by Waverley's tenants to the Housing Ombudsman Service in 2017/18

8. In 2017/18 the HOS made further enquiries in respect of four complaints that had completed the Council's complaints procedure. These complaints concerned:
 - anti-social behaviour (two complaints);
 - the Council's decision to withdraw the offer of a new-build property made to a tenant whose home was due to be demolished as part of the redevelopment at Ockford Ridge; and
 - action taken by the Council in response to reports of a tenant's failure to occupy their existing home.

9. As at 31 March 2018 determinations had been made in three of these complaints, one of which was upheld. A brief summary of this complaint is attached as Annexe 3.
-

Recommendation

It is recommended that the Committee notes the information in this report, and agrees any observations it wishes to pass to the Executive on the issues raised.

Background Papers

Local Government Ombudsman's annual letter to Waverley for 2017/18 dated 18 July 2018.

CONTACT OFFICERS:

| | | |
|--------------|--------------|--|
| Name: | Robin Taylor | Telephone: 01483 523108 Email: robin.taylor@waverley.gov.uk |
| | Sue Petzold | Telephone: 01483 523202 E-mail: sue.petzold@waverley.gov.uk |

18 July 2018

By email

Tom Horwood
Interim Managing Director
Waverley Borough Council

Dear Tom Horwood,

Annual Review letter 2018

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman (LGSCO) about your authority for the year ended 31 March 2018. The enclosed tables present the number of complaints and enquiries received about your authority and the decisions we made during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

Complaint statistics

In providing these statistics, I would stress that the volume of complaints does not, in itself, indicate the quality of the council's performance. High volumes of complaints can be a sign of an open, learning organisation, as well as sometimes being an early warning of wider problems. Low complaint volumes can be a worrying sign that an organisation is not alive to user feedback, rather than always being an indicator that all is well. So, I would encourage you to use these figures as the start of a conversation, rather than an absolute measure of corporate health. One of the most significant statistics attached is the number of upheld complaints. This shows how frequently we find fault with the council when we investigate. Equally importantly, we also give a figure for the number of cases where we decided your authority had offered a satisfactory remedy during the local complaints process. Both figures provide important insights.

I want to emphasise the statistics in this letter reflect the data we hold, and may not necessarily align with the data your authority holds. For example, our numbers include enquiries from people we signpost back to the authority, some of whom may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside an annual review of local government complaints. The aim of this is to be transparent and provide information that aids the scrutiny of local services.

Future development of annual review letters

Last year, we highlighted our plans to move away from a simplistic focus on complaint volumes and instead turn focus onto the lessons that can be learned and the wider improvements we can achieve through our recommendations to improve services for the many. We have produced a new corporate strategy for 2018-21 which commits us to more comprehensively publish information about the outcomes of our investigations and the occasions our recommendations result in improvements to local services.

We will be providing this broader range of data for the first time in next year's letters, as well as creating an interactive map of local authority performance on our website. We believe this will lead to improved transparency of our work, as well as providing increased recognition to the improvements councils have agreed to make following our interventions. We will therefore be seeking views from councils on the future format of our annual letters early next year.

Supporting local scrutiny

One of the purposes of our annual letters to councils is to help ensure learning from complaints informs scrutiny at the local level. Sharing the learning from our investigations and supporting the democratic scrutiny of public services continues to be one of our key priorities. We have created a dedicated section of our website which contains a host of information to help scrutiny committees and councillors to hold their authority to account – complaints data, decision statements, public interest reports, focus reports and scrutiny questions. This can be found at www.lgo.org.uk/scrutiny I would be grateful if you could encourage your elected members and scrutiny committees to make use of these resources.

Learning from complaints to improve services

We share the issues we see in our investigations to help councils learn from the issues others have experienced and avoid making the same mistakes. We do this through the reports and other resources we publish. Over the last year, we have seen examples of councils adopting a positive attitude towards complaints and working constructively with us to remedy injustices and take on board the learning from our cases. In one great example, a county council has seized the opportunity to entirely redesign how its occupational therapists work with all of its districts, to improve partnership working and increase transparency for the public. This originated from a single complaint. This is the sort of culture we all benefit from – one that takes the learning from complaints and uses it to improve services.

Complaint handling training

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. In 2017-18 we delivered 58 courses, training more than 800 people. We also set up a network of council link officers to promote and share best practice in complaint handling, and hosted a series of seminars for that group. To find out more visit www.lgo.org.uk/training.

Yours sincerely,



Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Local Authority Report: Waverley Borough Council
For the Period Ending: 31/03/2018

For further information on how to interpret our statistics, please visit our website:
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

Complaints and enquiries received

| Adult Care Services | Benefits and Tax | Corporate and Other Services | Education and Children's Services | Environment Services | Highways and Transport | Housing | Planning and Development | Other | Total |
|---------------------|------------------|------------------------------|-----------------------------------|----------------------|------------------------|---------|--------------------------|-------|-------|
| 0 | 1 | 0 | 0 | 4 | 1 | 4 | 7 | 1 | 18 |

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Decisions made

| | | | | Detailed Investigations | | | |
|-----------------------|--------------|------------------------------------|--------------------------------|-------------------------|--------|-------------|-------|
| Incomplete or Invalid | Advice Given | Referred back for Local Resolution | Closed After Initial Enquiries | Not Upheld | Upheld | Uphold Rate | Total |
| 1 | 2 | 3 | 6 | 8 | 2 | 20% | 22 |

Notes

Our uphold rate is calculated in relation to the total number of detailed investigations.
 The number of remedied complaints may not equal the number of upheld complaints. This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

Complaints Remedied

| by LGO | Satisfactorily by Authority before LGO Involvement |
|--------|--|
| 1 | 0 |

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Complaints about Waverley's services upheld by the LGSCO in 2017/18

| Details of complaint | Outcome | Lessons learned/action taken |
|--|--|---|
| The Council did not give the complainant's client adequate advice and assistance after she left a previous home. | There was fault by the Council because it did not formally write to the client with its decision on a homelessness application. However the complainant's client did not suffer significant injustice to warrant a remedy or further pursuit of the matter. | Decisions on homelessness applications should always be communicated formally in writing to the applicant, confirming the right of the applicant to ask for a review of the Council's decision. |
| The Council did not deal properly with the complainant's application for discretionary tax relief. | Concluded that actions taken by the Council amounted to a satisfactory remedy of the complaint. The Council had acknowledged failings in the process, had offered the complainant an apology and £50 for the time and trouble taken to pursue his complaint, and had invited the complainant to appeal its decision. | Council to ensure that in future any tax payer wishing to appeal a refusal of a discretionary council tax discount is advised to submit an appeal to the Executive, and then to Valuation Tribunal if the Council refuses their initial appeal. |

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Complaint by a Waverley tenant upheld by Housing Ombudsman Service in 2017/18

| Details of complaint | Involvement of designated person | Outcome | Lessons learned/action taken |
|---|--|--|---|
| The Council unfairly withdrew its offer of housing at a new build property on Ockford Ridge following an assessment of the complainant's housing needs. | Case considered by the Waverley Designated Tenants Complaints Panel in 2016/17 which recommended that the Council should offer the complainant £250 for distress caused by its decision. Offer refused by the complainant. | Concluded that the Council dealt properly with the complaint. Council asked to reoffer £250 to the complainant which was considered to be an adequate remedy for the distress and inconvenience caused by the Council's decision to withdraw its offer of housing. | Council should have arranged for a more thorough assessment of the complainant's housing needs before offering them the new property. |

| | | | |
|---|--------------------------------|--|--|
| Tenant concerned about damp and mould in their home, and that the Council had not carried out proposed dry lining work. | No designated person involved. | Council's offer to carry out the work at a time convenient to the tenant considered by the HOS to be a satisfactory resolution of the complaint. | |
| Tenant concerned that: | No designated person | HOS concluded that there had been | |

| | | | |
|--|------------------|--|--|
| <p>he and his son were unnecessarily decanted from their home; the Council mistakenly disposed of his personal belongings during the decant period; failed to redirect his mail during the decant; required him to take up permanent residence in the temporary accommodation; failed to award appropriate compensation.</p> | <p>involved.</p> | <p>no maladministration by the Council -</p> <ul style="list-style-type: none"> • Works could not be completed safely with tenant in situ; • the Council had offered suitable redress by awarding compensation for lost possessions; • there was no evidence that the Council had forced the tenant to sign a permanent tenancy for the temporary property; and • evidence demonstrated that the Council had in fact made arrangements for the redirection of the tenant's post. | |
|--|------------------|--|--|

WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE OVERVIEW AND SCRUTINY

19 NOVEMBER 2018

Title:

REVIEW OF PROPERTY INVESTMENT STRATEGY

Portfolio Holder: Cllr Hall

Wards Affected: All

Summary and purpose:

Paragraph 12 of the Property Investment strategy approved April 2018 states: The strategy will be reviewed after six months by the VfM O&S Committee with input from the IAB and, in relation to certain matters, the Audit Committee.

If the VFM Committee considers that any material changes to the Strategy are necessary, it will make an appropriate recommendation to the Executive. Any revisions will be subject to Council approval. As such the purpose of this report is to consider any review required.

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

This report links directly with the Council's priority for prosperity

Equality and Diversity Implications:

Investment opportunities seek to provide financial returns to support all services including those which promote equality and diversity

Financial Implications:

A sound Investment Strategy which achieves an appropriate balance between risk and return is essential to support service provision

Legal Implications:

The Council is required to ensure best value is achieved under the Local Government Act 1972.

1. Background

In April 2018 the Investment Strategy dated March 2018 (Annexe 1) was approved on the proviso under paragraph 12: Long-term Governance that it would be reviewed after six months.

Prior to April 2018 four acquisitions had been made in accordance with the criteria set out to balance the risk and returns to the Council after allowing for the repayment of interest and setting aside a minimum return provision.

Since April 2018 seven realistic opportunities have been presented and considered under the terms of the criteria. Of the seven only one opportunity (Godalming Business Centre) met the required criteria but following due diligence has been discounted. The criteria as set have enabled unsuitable investments that do not meet the required standards to be filtered out and has provided a clear steer for officers. On analysis the minimum return figure of 2% was not met in most cases.

Whilst no acquisitions have been made it is considered this is due to a lack of availability within the Borough, rather than the criteria being too stringent. Several potential sites have met all the criteria, but due to restriction of borrowing from PWLB have not been considered. At the IAB on 15th October it was agreed to seek legal and financial advice to form a property company to enable access to funding for investments outside the Borough.

In terms of properties acquired prior the adoption of the Property Investment Strategy:

Enterprise Centre - Performing effectively although we have one small unit currently void.
Langham Park - Occupied and the recent rent view has generated additional ongoing income.

Wey Court West - Occupied and tenant current with rent.

Wey Court East - The lease ended in July and the refurbishment work required is almost complete. Whilst there has been some interest our Agent is recommending that the two large floor be split into two. We are considering that matter at present.

Recommendation

It is recommended the VfM O&S Committee considers the details set out in the report and endorses that the Property Investment Strategy remains as it stands and is reviewed again in six months' time.

Background Papers

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

CONTACT OFFICER:

Name: Anne Cains

Estates and Valuation Manager

Telephone: 01483 523315

E-mail: Anne.Cains@waverley.gov.uk

Property Investment Strategy Estates



Coxbridge Enterprise Centre
Acquired March 2017

| | |
|--|--|
| <i>Owned by:</i> | <i>Anne Cains</i> |
| <i>Created Date:</i> | <i>March 2018</i> |
| <i>Equality Impact Assessment completed:</i> | <i>N/A</i> |
| <i>JCC Consultation Date:</i> | <i>April</i> |
| <i>Executive/Council Approval date:</i> | <i>April 2018 Council for approval</i> |
| <i>Date for review:</i> | <i>March 2019</i> |

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1. Introduction

- 1.1. Waverley Borough Council's (The Council) Medium-Term Financial Plan has identified a significant funding shortfall over the next three years 2018-2021, mainly due to reductions in Government grant funding. It is foreseeable that such funding will become negative in future. It is therefore necessary that the Council should take steps to protect its medium and long-term financial position by:
 - a) reviewing existing services, levels of service provided and their associated budgets; and
 - b) exploring and developing alternative sources of income.
- 1.2. Accordingly, in 2016, the Council decided that it should seek to add to its General Fund Property Portfolio ("GFPP") both to increase its income and, where possible, to support the local Borough economy by ensuring the availability of suitable office and other commercial space. Investment decisions are taken by the Council's Executive on advice provided by the Investment Advisory Board ("IAB") which comprises elected Members advised by relevant officers and external professional advisers. (see [Appendix 1](#))
- 1.3. The Council has held and managed a range of commercial property for many years but the proposed expansion of the GFPP makes it appropriate to publish this document as the update of its formal Property Investment Strategy ("the Strategy") as originally approved by the Council in October 2016. This will set out the basis on which and the process by which the Council intends to:
 - a) make property investments;
 - b) provide on-going management of the properties acquired; and
 - c) report portfolio performance to officers and elected members.
- 1.4. All Council owned land and property in the GFPP is held as a corporate resource for a clearly defined purpose, whether to support and sustain services, provide revenue or to enhance the Council's strategic role including the development and support of the local economy. The GFPP is managed in accordance with the Strategic Asset Plan for General Fund Properties 2015 ("SAP"). This includes a list of GFPP assets held at that time.
- 1.5. The Council's intention is that new property acquisitions will usually be undertaken by the Council in its own name. However, in July 2017 the Council agreed to establish a Property Investment Company ("PIC") as a wholly-owned subsidiary of the Council to provide an alternative vehicle for property investments for use in certain circumstances. The business case for this Company will be examined by the Value for Money O & S working Group in 2018.
- 1.6. The Strategy has been prepared by officers in the Customer and Corporate Services team and scrutinised by a working group established by the Customer Services and Value for Money O&S Committee and containing members from that committee and the

Audit Committee.

2. Structure of the investment strategy

The following framework was agreed by the Working Group and has been used as the structure of this Strategy:

- 2.1. Legal and funding considerations (section 3)
This section describes the legal basis on which the Council is able to invest in commercial properties, what funds it may employ including borrowed funds and the purpose of establishing the PIC.
- 2.2. Investment principles (section 4)
This section sets out the principles which will govern investment decisions.
- 2.3. The acquisition process (sections 5-9)
These sections describe how opportunities are sourced, the investment criteria used and the steps taken by the Estates Team, IAB and the Executive to move from identifying a suitable investment opportunity to completing the transaction. The flow chart in [Appendix 2](#) outlines the process for investment acquisition.
- 2.4. Post-acquisition activities (section 10-12)
These sections describe the performance reporting and governance functions carried out during the holding period of each property investment. Management of the GFPP is in accordance with the SAP.

3. Legal and funding considerations

3.1. Competence

- 3.1.1. The Council is entitled to make property investments by virtue of the “general power of competence” granted to local authorities by Section 1 of the Localism Act 2011. This enables local authorities to do anything that a private individual is entitled to do, subject to certain statutory limitations.
- 3.1.2. The power is designed to give local authorities considerable breadth of operation and includes the power to make commercial property investments for the purpose of generating net income.
- 3.1.3. The Council may rely on other powers to make property investments, such as section 120 of the Local Government Act 1972, which allows the Council to acquire land for the benefit, improvement or development of its area. The Council will also consider property investments which support the Council’s other strategies, such as the Waverley Economic Strategy 2015-2020.

3.2. Funding

- 3.2.1. Subject to 3.5 below, the Council is permitted to fund property investments made in its own name by using its General Fund reserves, capital receipts and borrowed funds and, in the short term, treasury cash balances.
- 3.2.2. To this end, the Council has agreed to establish a Property Investment Fund (“PIF”) which will be funded annually by capital receipts and any New Homes Bonus receipts. As at March 2018, the PIF stood at zero following the investment in four properties in 2017.
- 3.2.3. The Council envisages spending a further £30 million by the end of the 2020/21 financial year of which approximately 20% is expected to be funded by the PIF. This indicates that the great majority of further investments will be funded or part-funded by borrowed funds.

3.3. Prudential Borrowing Code

- 3.3.1. Borrowing to fund or part-fund a property investment must comply with the conditions of the statutory Prudential Code. This requires borrowing to be affordable, sustainable and provide adequate value for money as reasonably determined by the Council. New rules also require councils to consider total property income as a proportion of their overall net budget and also to have a clear policy justifying any borrowing ahead of need.
- 3.3.2. The Council’s approved Treasury Management Strategy includes property investment within its scope. All local authority investments are required to display adequate security, liquidity and yield in that order of priority. However, revised guidance refers to the inherent lack of liquidity of property investments.

3.4. Borrowed funds

- 3.4.1. The only source of borrowed funds currently under consideration is the Public Works Loan Board (“PWLB”). All loans from the PWLB will be for at a fixed rate of interest and for a fixed term of between 20 and 40 years.
- 3.4.2. The Council must make provision for the repayment of such loans by establishing a Sinking Fund Reserve which will be credited with the statutory annual Minimum Revenue Provision (“MRP”) in respect of each unfunded capital decision. Each MRP will be an annual revenue charge to the General Fund and form part of the annual funding cost used to calculate the net return on each investment funded or part-funded by borrowed funds.

3.5. Location and type of investments

- 3.5.1. The Council has received legal advice that property investments located inside the Borough may be wholly or partly-funded by borrowed funds.

- 3.5.2. The Council will consider property investment opportunities both inside and outside the Borough. (See Section 6.3 for further detail)
If a company structure is required this will be considered on a case by case basis.

4. Investment Principles

Investments in new acquisitions for the General Fund property portfolio will be based on the investment principles set out below.

4.1. Investment quality

Investments will be low-risk in nature and therefore limited to:

- 4.1.1. good quality properties;
- 4.1.2. located in prime or near-prime locations;
- 4.1.3. let or lettable to financially-secure tenants;
- 4.1.4. subject to leases with full repairing and insuring obligations for the tenant; and
- 4.1.5. generally subject to leases with at least five years unexpired.

4.2. Required Rate of Return

4.2.1. Subject to 4.2.2, a property investment will only be acceptable if it will:

- a) provide a **rental income** which is commensurate with the risk undertaken by making the investment given the sector, location, physical condition and occupancy situation of the property; and
- b) generate an immediate **net rate of return** after borrowing costs which is not less than the Council's Required Rate of Return ("RRR"). As at March 2018, the RRR is 2% per annum.

4.2.2. Exceptionally, a property investment will be considered which meets all other criteria but does not generate an adequate immediate gross rental income or net rate of return provided that it is reasonably expected to generate an adequate average gross rental income and average net rate of return over the first five years of ownership.

4.3. Sector diversification

At March 2017, extracts from the Annual asset register show the investment or non-operational section of the GFPP may be illustrated as follows:

| | Units | Value £000 | Rent £000 | Gross yield | % of whole |
|---------------|-----------|---------------|--------------|----------------|---------------|
| Sector | | | | | |
| Office | 5 | 3,451 | 180 | 5.2% | 18% |
| Supermarket | 1 | 7,205 | 305 | 4.2% | 38% |
| Industrial | 29 | 5,088 | 263 | 5.2% | 27% |
| Retail | 6 | 957 | 64 | 6.7% | 5% |
| Enterprise | 1 | 2,400 | 50 | | 12% |
| Total | 42 | 19,101 | 862 | | |

Nb Enterprise rent is all inclusive so yields not comparable

Excludes: December 2017 office acquisitions value £7,781,000 rent £509,000 yield:6.5%

New investments will be approximately diversified across the industrial, office retail distribution sectors to provide protection against underperformance in any one sector.

5. Sourcing acquisitions

5.1. The Council may either approach a vendor directly or third party agents to notify its interest in making property investments and invite proposals. It will also accept unsolicited introductions from agents on a 'first come, first served' basis in respect of individual properties. It is also possible that an opportunity may arise for the Council to enter into a joint venture with another local authority, developer or investor. The Council's main point of contact for all these purposes will be the Estates & Valuation Manager.

5.2. Introductory fee

5.2.1. If the Council receives an initial introduction from an agent and wishes to pursue the opportunity further, it will expect to pay an introductory fee if the purchase is completed and to enter into a written agreement with the agent to set out the basis of engagement and the fee payable. The agent undertakes to represent no other purchaser in respect of the property.

5.2.2. Introductory fees are usually 1% of the agreed purchase price. The services for which the fee is paid include:

- (a) the preparation of a report on and valuation of the property;
- (b) the conduct of all negotiations with the vendor; and
- (c) co-ordination of all parties involved (vendor, lawyers, surveyors and the Council as purchaser).

The fee does not include a building survey, which should be carried out either by a separate department of the introducing agent or another party to avoid a conflict of interest.

5.3. Council role

5.3.1. The Estates and Valuation Manager will undertake the initial consideration of an investment opportunity, including internal and external inspection, appraisal and initial recommendation.

5.3.2. Suitable investment opportunities will undergo qualitative and quantitative appraisal as set out in section 6 (Investment criteria) and 7 (Financial modelling) in order to establish its acceptability as an investment.

5.3.3. All opportunities considered to be suitable and to conform with the Strategy will be referred by the Estates and Valuation Manager to the IAB for consideration in accordance with section 8 (Decision-making).

6. Investment Criteria

6.1. Yield requirement

6.1.1. An investment should offer an **initial yield** that is appropriate for the risk characteristics of the property under consideration, namely its sector, location, physical condition and occupancy situation.

6.1.2. As at end 2017, typical property transaction yields were reported as shown below.

Source: LSH UKIT Q4 2017

| Sector | National | South-East excluding London | Prime |
|----------------------|----------|-----------------------------|-------|
| Retail (traditional) | 6.1% | n/a | 4% |
| Offices | 4.9% | 6.3% | 5% |
| Industrial | 5.5% | 4.9% | 4% |
| All property | 5.6% | | |

6.1.3. It is proposed that the Council should seek properties with strong covenants and offer initial yields of at least 5-6 % in the office, industrial and retail distribution sectors.

6.1.4. Investments requiring initial capital expenditure for re-instatement or refurbishment may be considered if the equivalent yield on the resulting total investment meets the required level.

6.1.5. Each property and its tenant(s) must be fully appraised both physically and financially using industry standard techniques to ensure the initial or equivalent yield offered is acceptable for the level of overall risk undertaken. An example risk spreadsheet is shown at [Appendix 3](#).

6.2. Lease considerations

6.2.1. Nature of occupancy

Single occupancy investments will be preferred in order to minimise management expense and risk. Multi-let properties or multi-unit schemes may be considered if all other criteria are met.

6.2.2. Covenant strength

Investments will only be considered if existing tenants are low-risk or medium-risk. The financial strength of existing tenants will be analysed using financial appraisal of their company accounts and the use of appropriate methods of risk assessment and credit scoring (e.g. Dun & Bradstreet reports).

6.2.3. Repair and insurance arrangements

Investments will only be considered if all costs relating to occupation and repairs are borne by the current occupier(s) during

the lease term, namely either on full repairing and insuring (FRI) terms or on internal repairing and insuring (IRI) terms where such costs are recovered by way of a service charge, or if an all-inclusive rent is paid it produces sufficient net income after expenses and insurance costs are deducted.

6.2.4. Remaining lease length

The preference will be to achieve a minimum term of 5 years unexpired with a tenant in occupation. A vacant unit or a shorter term to expiry will not be discounted if the investment offers good potential for a new letting or another strategic benefit to the Council.

6.3. Location

6.3.1. Location will be dictated by the opportunity to acquire investments that are in accordance with the Strategy. It is proposed that the focus should generally be on the South-East but all areas in the UK will be considered. Proximity to the Borough will be a determining factor when all else is equal.

6.3.2. Market sectors and locations with good letting prospects and potential for rental growth will be actively sought. Properties should have a sound physical structure, be well-designed for their current use and enjoy good transport links and accessibility.

7. Business case and financial modelling

7.1. At the point of considering investment opportunity, officers will produce a business case, to support the valuer's technical assessment of the property, for the IAB.

7.2. The business case will be supported by financial modelling including, where appropriate:

- Yield calculations (Initial, equivalent and reversionary)
- Financing costs
- Life cycle costs to be borne by the Council
- Net rate of return calculation
- Discounted cash flow analysis
- Sensitivity analysis of cash flow
- Financial implications of any planned exit strategy.

8. Decision-making

8.1. The IAB will review promptly each proposal that is referred to it by the Estates Team in accordance with its Terms of Reference (see [Appendix 1](#)). At least two Members of the IAB will make a visit in person with an officer to inspect the location and external condition of the proposed acquisition, including its internal condition, if feasible.

- 8.2. The IAB will consider any further internal and external professional advice that it thinks necessary so that, if it thinks fit, it can decide to refer the proposal to the Executive with a recommendation to bid and proceed to completion subject to satisfactory final due diligence.
- 8.3. If the Executive approves the proposed investment in principle, the relevant officers will be instructed to bid for the property and, if successful, to complete due diligence. Subject to a satisfactory outcome to the due diligence and after liaison with the Portfolio Holder for Property and Finance, the Council's solicitors can proceed to completion.

9. Due Diligence

- 9.1. Due diligence involves:
 - Land Registry title checks;
 - a formal building survey;
 - a formal estimate of any re-instatement costs;
 - any necessary environmental and flood risk investigations.
- 9.2. The Council will instruct a recognised firm of chartered surveyors to carry out an independent valuation and provide a building survey.
- 9.3. The Council will instruct a suitable firm of solicitors to deal with the legal process leading to completion.
- 9.4. The appointments made under 9.2 and 9.3 will comply with the Council's procurement rules and regulations and ensure no conflict of interest.

10. Portfolio management

- 10.1. General

All acquisitions will be managed as part of the GFPP in accordance with the SAP.
- 10.2. Property management
 - 10.2.1. The Council will normally manage single-let FRI assets in-house if the necessary skills and capacity are available. It will utilise the services of a retained agent only if necessary during the course of the lease.
 - 10.2.2. In the case of multi-let units any management costs can be recharged through the service charge. Therefore, if a managing agent is in place at the time of purchase, the Council may decide to continue the arrangement if it represents best value.

- 10.2.3. If an agent is retained or appointed, they may be called upon to ensure that repair obligations and statutory matters are complied with.
- 10.3. Voids and rent arrears
The Council is exposed to the risk of void periods or tenants defaulting on payment of rent. Loss of income is an immediate cost but voids also create holding and re-letting costs. Such costs can be substantial if a property is vacant for a prolonged period of time.
Voids and rent arrears will be managed in accordance with the current procedure for the GFPP. Regular meetings are held between the Estates and Finance Teams to examine any arrears and institute recovery proceedings if required. The Council set up a provision in 2017 to help mitigate the impact on the revenue budget.
- 10.4. Any requests from Heads of Service for reduced or subsidised rents must be met from a separate budget identified by that Head of Service and it will need to be specifically approved by the Executive.

11. Performance reporting

- 11.1. Quarterly individual property reporting
The Estates Team will produce a quarterly Performance Report for each property acquired under this Strategy by the end of January, April, July and October (one month after the usual rent quarter days). The Report will set out all charges and receipts and indicate any arrears. These Reports will be available to (but not be limited to) the Executive, the IAB and the Value for Money Overview & Scrutiny Committee (“the VFM Committee”)
- 11.2. GFPP performance reporting
The Estates/Finance Team will also prepare a quarterly report to show GFPP net income performance against budget, both quarterly and cumulatively. It will show the aggregate amounts for each income and costs for all GFPP properties and also show the central costs such as costs of abortive transactions (typically professional fees).
- 11.3. General Fund Property Portfolio asset report
An asset valuation report is prepared annually which sets out the current valuations of all properties in the GFPP. It is prepared in accordance with guidelines published by the Royal Institute of Chartered Surveyors and the Chartered Institute of Public Finance.

12. Long-term governance

- 12.1. The Strategy will be reviewed after six months by the VFM Committee with input from the IAB and, in relation to the matters covered in paragraphs 6 to 11 above, the Audit Committee.
- 12.2. If the VFM Committee considers that any material changes to the Strategy are necessary, it will make an appropriate recommendation to the Executive. Any revisions will be subject to Council approval.

Author and feedback

The Council welcomes comments and feedback on its policies and procedures. Please contact: *Anne Cains, Estates and Valuation Manager*, anne.cains@waverley.gov.uk or 01483 523315 if you have any comments.

Related Information

Strategic Asset Plan for General Fund Properties 2015

Investment Advisory Board

Terms of Reference

Membership: (Current agreed 2016)

- Leader of the Council
- Deputy Leader of the Council
- Portfolio Holder for Finance
- Portfolio Holder for Economic Development
- Non-Executive Councillor

Membership: (Proposed 2018)

- Portfolio Holder for Finance and Property (Chairman)
- One other Executive Member
- Non-Executive Councillor
- Non-Executive Councillor
- Non-Executive Councillor
- Non-Executive Councillor

The Investment Advisory Board (“IAB”) will be supported and advised by the following officers of the council:

- Strategic Director
- Head of Customer and Corporate Services
- Democratic Services Manager
- Borough Solicitor or Deputy Solicitor
- Estates and Valuation Manager

The IAB will be supported as required by external professional advisors commissioned by the IAB when deemed necessary in relation to specific investment proposals.

1. **Scope**

The Investment Advisory Board (“IAB”) has been established to consider all significant Council investment activity including, but not limited to:

- 1.1 the acquisition and development of General Fund property and land; and
- 1.2 the identification of opportunities to maximise the return or value of existing Council owned assets including disposal.

2. **Strategic approach**

The Council’s strategic approach to investment is based on:

- allocation of the Council’s cash reserves and balances to create a Property Investment Fund (“PIF”);
- use of the PIF and, when necessary and desirable, borrowed funds to fund property investments to increase the General Fund Property Portfolio (“GFPP”) and generate additional income for the Council for the delivery of functions and services;
- investment in high-quality properties to strong covenants that maintain an adequately diversified GFPP so that the additional income generated is achieved in return for an acceptable level of risk;
- investment in property investments that have the potential to support economic growth in the Borough and the Council’s corporate priorities;
- investment, where appropriate, to improve existing or newly-acquired GFPP assets to enhance future income generation; and
- disposal, when appropriate, of existing GFPP assets to generate funds for re-investment.

3. **Responsibility**

The IAB is responsible for recommending to the Executive that an investment proposal should be approved. The Executive is solely responsible for deciding whether to approve the proposal and to authorise officers to conduct due diligence and, if satisfactory, proceed to completion.

4. **Function**

- 4.1 The IAB will consider all acquisition proposals submitted by the Estates Team that comply with the investment principles set out in paragraph 4 of the Strategy and meet the investment criteria set out in paragraph 6 of the Strategy. The IAB will review each proposal in respect of each of the investment criteria to decide if the business case in favour of investment is sufficiently strong.
- 4.2 The IAB will also consider proposals submitted by the Estates Team for the disposal of GFPP assets.

5. **Tests**

Before deciding to recommend to the Executive that an investment proposal or disposal should be approved, the IAB must satisfy itself that:

- it has properly considered advice from its professional advisors, whether internal or external;

- the business case is sufficiently strong;
- the investment or disposal is within the Council's legal powers;
- the investment or disposal is reasonable;
- proper consideration has been to the balance between risk and reward;
- making the investment or disposal would not be a breach of the Council's fiduciary duty;
- making the investment or disposal will represent value for money; and
- the proposed funding method provides the best value for money after taking into account all relevant financial considerations, including taxation.

6. **Use of funds**

The IAB is entitled to recommend the use of the PIF and the Infrastructure Fund to meet:

- 6.1 initial revenue costs of appropriate initiatives that deliver income in the longer term.
- 6.2 the cost of external professional advice including property, legal, financial, and taxation advice.

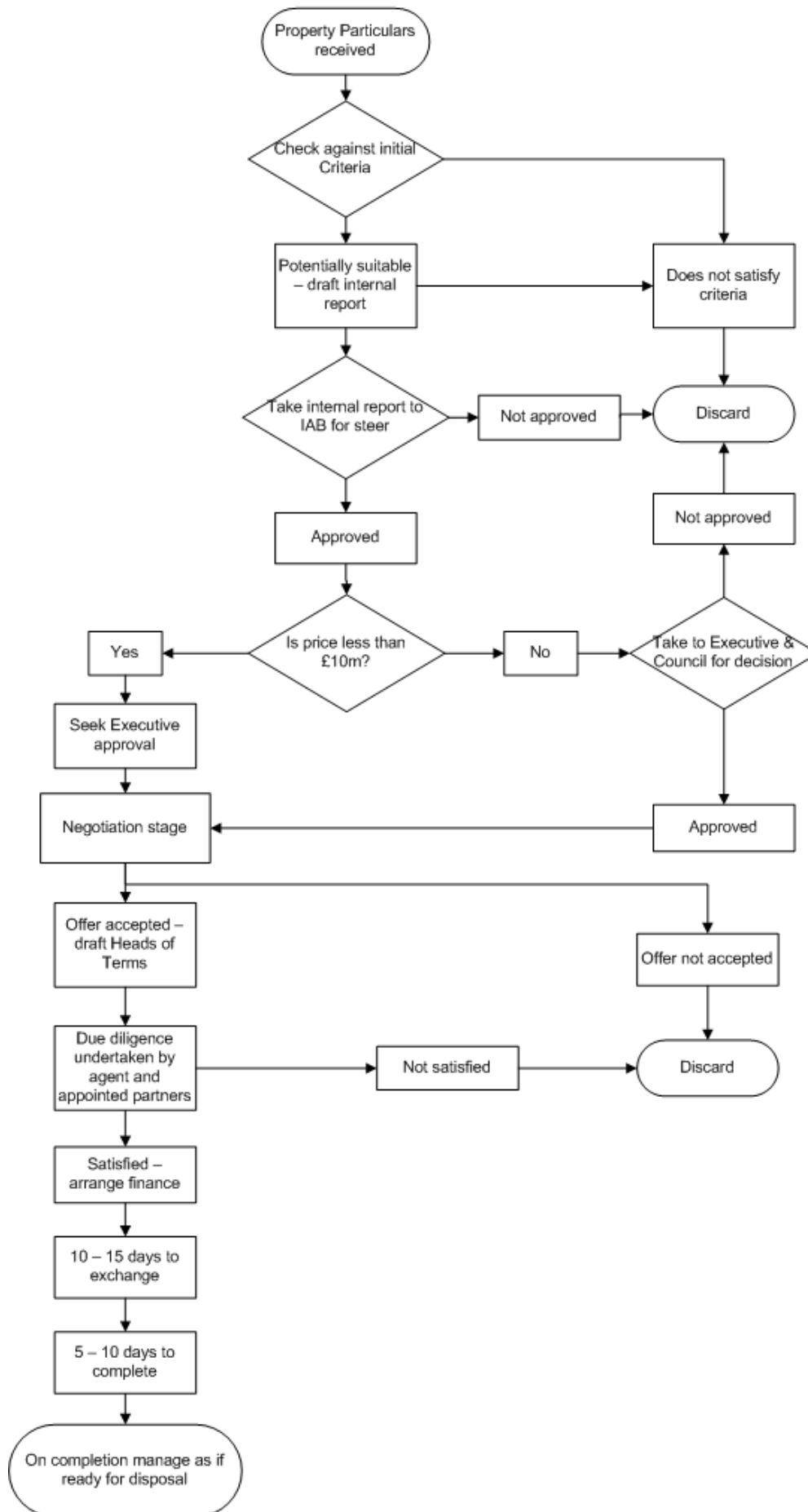
7. **Meetings and reports**

- 7.1 The IAB will have scheduled meetings on a quarterly basis with further meetings arranged as required to consider investment proposals promptly or when required for other purposes. Meetings may be cancelled if there are no items to be discussed.
- 7.2 The quorum for a meeting of the IAB is three members of which one must be the Portfolio Holder for Finance and Property or their appointed deputy.
- 7.3 The Chairman will approve the agenda for each meeting. The agenda and papers for consideration must be circulated at least two working days before the meeting. After each meeting, the Chairman will approve the meeting notes and the actions agreed
- 7.4 The IAB will receive quarterly Performance Reports in respect of recently acquired properties and the GFPP as a whole in accordance with section 11 of the Strategy.
- 7.5 The IAB will receive reports twice a year regarding the status of the PIF.

8. **Review of Terms of Reference**

The IAB will review its Terms of Reference annually.

Investment Acquisition Procedure



Example Risk Analysis Spreadsheet

| | | | | |
|------------------------------------|---------------------------|-------|---------|--------------------|
| Source | Perry Hill | | | |
| Property type | Office | | | |
| Address | Catteshall Lane | | | |
| Location | Godalming | | | |
| Built | 1980s | | | |
| Condition | Good | | | |
| Area | 3,214 | sqft | | |
| Tenure | Freehold | | | |
| Unexpired term | | | | |
| Tenant(s) inc underlettings | Reality Finance Ltd | | | |
| Use/alienation | Office | | | |
| Repair | FRI | | | |
| Occupancy rate | 100% | | | |
| Rent | £36,000 | | | |
| OMV | £50,000 | | 3% | % management costs |
| Term | 9 | Years | £48,500 | Net income omv |
| Rent reviews | 2018 | | | |
| Lease renewal | 2024 | | | |
| Break option | 2018 | | | |
| Asking price | £731,000 | £227 | CV/sqft | |
| Yield | Net initial | 4.92% | 4.78% | Less man costs |
| | net equivalent | 4.68% | 4.54% | Less man costs |
| | True equivalent | | | |
| | Net reversionary | 6.84% | 6.63% | Less man costs |
| Strength | Weakness | | | |
| In borough | Tenants break 2018 | | | |
| Fully let | Six years remain | | | |
| FRI | | | | |
| Parking | | | | |
| Location | | | | |
| Modern | | | | |
| Opportunities | Threats | | | |
| Rental growth | Tenant may exercise break | | | |

Restructure of lease
WBC could
utilise

Conclusion

Pursue as potential acquisition subject to restructure
lease.

Costs

Agents Intro fee

£0

Condition
Report

£2,700 min

Due Diligence

£1,700 min

Legal

£7,380 External solicitor fees

SDLT

£
26,590

Management

£
-

Refurb costs

£
-

Total

£38,370

Glossary of property terms

Current rent: The rent agreed by the landlord at tenant at the last review date.

Due diligence: A post bid process to ensure correct documents and searches are complete and that the proposed purchase is sound.

Freehold: The ownership of a property in perpetuity

FRI: Full repair and insurance; Usually a tenant's obligation under the terms of a lease.

GF: General Fund (as opposed to the Housing Fund)

GFPP: General Fund property Portfolio

IAB: Investment Advisory Board

IRI: Internal Repair & Insuring

Landlord & Tenant Act (part 2) 1954: The overriding legislation for commercial leases

Lease: Type of tenure, whereby rights to a property are granted for a fixed term.

Management Costs: Costs incurred to ensure both parties comply with their obligations, if done internally the costs will be absorbed by the council, or if externally the charges will be deducted from the total income.

Minimum Return Provision (MRP): Councils are legally required to set aside annual payments to cover repayment of any external loans principal over the period of borrowing.

Non-operational Asset: An asset held by the authority but not directly occupied or used or consumed in the delivery of services.

Open Market value: (OMV) is the most relevant recent price achieved for a similar site.

Operational Asset: An asset held and occupied, used or consumed by the authority in the direct delivery of those services for which it has either statutory or discretionary responsibility.

Passing rent: As per current rent: The rent agreed by the landlord at tenant at the last review date.

PIC: Property Investment Company

PIF: Property Investment Fund

PWLB: Public Works loans Board

Rent free period: An incentive offered to a tenant in lieu of works or to attract a suitable tenant.

Rent Review: The period after which the annual rent for a property can be reviewed in accordance with the terms of the lease, allows for growth on the investment.

RICS: Royal Institute of Chartered Surveyors.

SAP: Strategic Asset Plan for General Fund Properties 2015

SQFT: Square Foot. Measurements should be used in accordance with the RICS international measurement standards.

Yields: (Extract from RICS June 2016 & The Glossary of Property Terms: Parsons 2004)

In general terms, yield is a measurement of future income on an investment. It is generally calculated annually as a percentage based on the asset's or investment's cost or market value. A return on an investment is usually seen in the form of rent.

The yield on a property is regarded as the percentage an annual return an investor is likely to receive on the value of an investment usually rent. The yield varies over the life-cycle of an investment property because rental income will change and there will be periodic revaluations of the capital value.

The yield from an investment in real estate is primarily a function of:

- comparative return on alternative forms of investment
- type of property
- security and regularity of the income
- risk of loss of capital
- liquidity of the investment and costs of transfer
- cost of management and upkeep
- political and taxation risks
- specific risks associated with an investment, such as earthquakes

All risks yield

Implies that the investor had considered all the risks and potential reward in arriving at a purchase price which is then reflected in the yield.

Capital value

The value of an asset or an investment.

Capitalisation

This is the process of converting an income stream from an investment into a capital value. For investment purposes, this would normally involve the conversion of the

annual rental income into a capital value by using a multiplier called the 'Years Purchase (YP) in perpetuity. The YP in perpetuity is the reciprocal of the yield.

Equated yield

Describes the yield on a property investment, which takes into account growth in future income. (Initial and reversionary)

(Net) Equivalent yield

The weighted average income a property produces after allowing for voids and costs associated with buying the property.

Initial yield

The annualised rent of a property expressed as a percentage of the property value at the date of purchase.

Prime yield

Describes the remunerative rate of interest appropriate at the date of a valuation if the property is to be let at its full market rental value. Considered as a benchmark to compare against other properties.

Required Rate of Return

The minimum required rent expressed as a percentage after the cost of borrowing has been accounted for. To include annual interest and minimum return payments

Reversionary yield

Is the anticipated yield to which the initial yield will rise and fall.

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INTRODUCTION TO WAVERLEY BOROUGH COUNCIL

OVERVIEW AND SCRUTINY WORK PROGRAMME

The programme is designed to assist the Council in achieving its corporate priorities by ensuring topics add value to the Council's objectives, are strategic in outlook, are timed to optimise scrutiny input and reflect the concerns of Waverley residents and council members. The programme is indicative and is open to being amended with the agreement of the Chair with whom the item is concerned. The work programme consists of three sections:-

- Section A – Lists items for Overview and Scrutiny consideration. It is not expected that the Committee cover all items listed on the work programme and some items will be carried over into the following municipal year. In-depth scrutiny review topics for consideration by the respective Committee will also be listed in this section.
- Section B – Lists live in-depth scrutiny task and finish groups, including objectives, key issues and progress.
- Section C – Lists the Scrutiny tracker of recommendations for the municipal year.

Section A

Work programme 2018-19

| Subject | Purpose for Scrutiny | Lead Member/ officer | Date for O&S consideration | Date for Executive decision (if applicable) |
|--|---|---|--|--|
| Corporate Performance reports Q2 | To consider the performance report and make any observations or recommendations as appropriate. | Nora Copping | Quarterly (November 2018, February 2019) | N/A |
| Budget shortfall commitments - progress | For the Committee to learn about the progress made by Heads of Service against the targets set to meet the budget shortfall set out in the in Budget papers of the January 2018 Committee. | Peter Vickers / Heads of Service | Quarterly | N/A |
| Budget Strategy Working Group update | For the Committee to receive an update on the progress of the working group (see section b). | Cllr Stephen Mulliner / Peter Vickers | Quarterly | N/A |
| Property Investment Strategy quarterly property acquisition report (exempt) | To receive a quarterly report on properties acquired under the Property Investment Strategy. | David Allum | Quarterly | N/A |
| Community Infrastructure Levy (CIL) governance arrangements and assessment criteria | Following the CIL Governance Arrangements item brought to this Committee in June 2018, this item is for the Committee to consider the more detailed CIL governance framework proposals and assessment criteria. | Graeme Clark | November 2018 | December 2018 |
| Customer Services review update and project initiation document | Having received an update on the progress of the customer services review in October 2017, for officers to update the Committee on the latest developments and for the Committee to review the project initiation document (PID). | David Allum / Louise Norie | November 2018 | December 2018 |

Value for Money and Customer Service Overview and Scrutiny Committee

| Subject | Purpose for Scrutiny | Lead Member/ officer | Date for O&S consideration | Date for Executive decision (if applicable) |
|---|---|------------------------------|-------------------------------|--|
| Complaints handling – review of complaints received by Waverley | To review the summary of complaints received in 2017/18 and the lessons learnt as a result. | Sue Petzold / Louise Norie | November 2018 | December 2018 |
| Complaints to Local Government and Social Care Ombudsman (LGSCO) and Housing Ombudsman | To receive reports concerning complaints to the LGSCO and Housing Ombudsman, consider any issues raised and agree any observations the Committee wishes to pass to the Executive. | Sue Petzold / Louise Norie | November 2018 | December 2018 |
| Property Investment Strategy 6 month review | To scrutinise any relevant issues arising out of the 6 month review of the strategy. | David Allum | November 2018 | N/A |
| Progress of capital expenditure process and management review outcomes | To receive an update on the progress of the recommendations made in the report. | Graeme Clark | February 2019 | N/A |
| Workforce Profile | For the Committee to receive the Workforce Profile and scrutinise any issues which arise. | Katy Meakin | Annually (June 2019) | N/A |
| Universal Credit | To continue to monitor the impact of Universal Credit and review mitigating actions the Council is taking. | Yasmine Makin / Wendy Cooper | February 2019 | N/A |

Section B

Scrutiny reviews 2018-19

| Subject | Objective | Key issues | Lead officer | Progress |
|--|---|---|-------------------------|--|
| <p>1. Capital Expenditure Process & Management review task and finish group</p> | <p>To identify and review the reasons for the extent of slippage in the capital programme and make recommendations to ensure the process provides value for money and excellent customer service.</p> | <ul style="list-style-type: none"> • Slippage of items in the capital programme (General Fund & HRA). • Value for money • Budget delivery and project management. • Bidding process and justification | <p>Yasmine Makin</p> | <p>VFM CS OS Committee – March 2018 Executive – June 2018 An action plan will be produced and updates on progress of recommendations will be brought to this committee in February 2019.</p> |
| <p>2. Property Investment Strategy working group</p> | <p>To contribute to the formulation of a Property Investment Strategy.</p> | <ul style="list-style-type: none"> • In order to scrutinise the development of the property company, firstly contributing to the formulation of the strategy. | <p>Graeme Clark</p> | <p>VFM CS OS Committee – March 2018; Council – April 2018 Updates on properties acquired under this strategy will be brought to this committee and a document reviewing the Strategy will be come to the November meeting.</p> |
| <p>3. Budget Strategy working group</p> | <p>Exercising joint working with fellow O&S Committees to consider income generation and savings possibilities, bearing in mind changes to new homes bonus and business rates retention.</p> | <ul style="list-style-type: none"> • Income generation and opportunities for savings. | <p>Peter Vickers</p> | <p>The working group has completed workstream 1 and has commissioned a company to carry out the participatory budgeting survey of workstream 2, which has been postponed until 2019. Workstream 3 commenced in October 2019.</p> |
| <p>4. Economic Strategy</p> | <p>To contribute to the finalisation of the Strategy.</p> | <ul style="list-style-type: none"> • Ensure the Strategy reflects both the urban and rural economies. • Finalise the executive summary. | <p>Catherine Knight</p> | <p>A working group met on Thursday 13 September to address some of the concerns raised at the Committee. The Strategy was then approved at the October Executive.</p> |

Section C

Scrutiny tracker 2018 - 19

| Value for Money and Customer Service Scrutiny recommendations tracker | | | | |
|--|--|--|---|--|
| Meeting date | Agenda item | Outcomes / Recommendations | Officer / Executive response | Timescale |
| 26 June 2017 | 3. Performance Management Report | OUTCOME: To receive suggestions from officers for establishing customer satisfaction baseline data. | Update from September Committee: work on establishing a customer satisfaction baseline to be postponed until the Council's ongoing review of customer service has been completed. | An update of the customer service review will come to this committee in November 2018. |
| | | | | |
| Meeting date | Agenda item | Outcome / Recommendations | Officer / Executive response | Timescale |
| 22 January 2018 | 1. Medium term financial plan and budget 2018/19 | RECOMMENDATION: for Executive to continue to make representations to the government regarding the negative grant. | Waverley will be taking part in the consultation which is taking place July – September 2018. Update: this government consultation has been postponed to 2019. | 2019 |
| | | | | |
| 26 March 2018 | 1. Property Investment Strategy | OUTCOME: strategy to be kept under review following implementation. | Executive resolved to review 6 months from implementation. This item has been added to the work programme. | 6 months from implementation. This item is in the work programme. |
| | | | | |

Value for Money and Customer Service Overview and Scrutiny Committee

Value for Money and Customer Service Scrutiny recommendations tracker

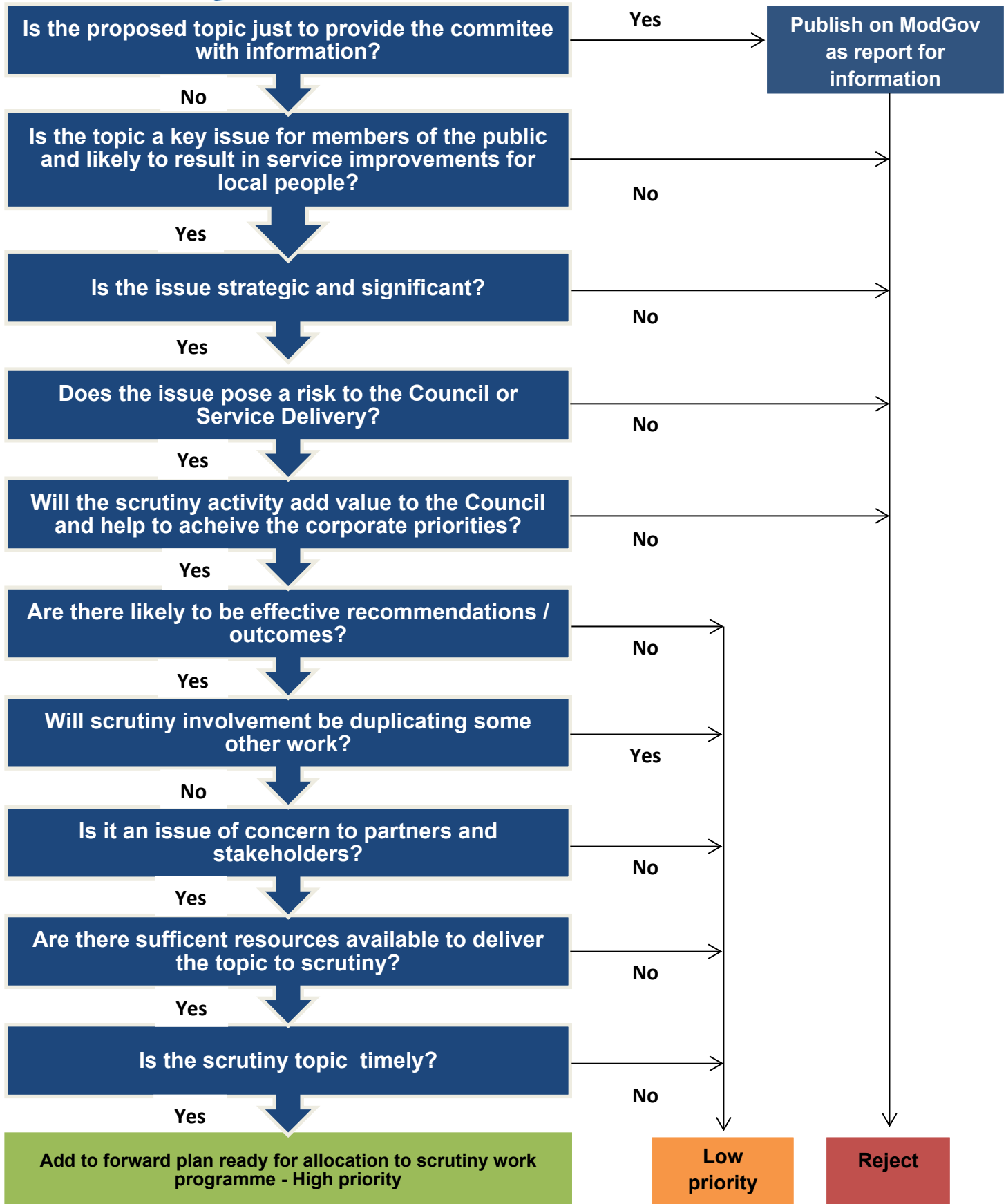
| Meeting date | Agenda item | Outcomes / Recommendations | Officer / Executive response | Timescale |
|--|--|---|--|--|
| 25 June 2018 | 1. Economic Strategy 2018 – 2023 | OUTCOME: the Committee felt that the Strategy needed more work before final submission to Executive. | The Executive welcomed feedback from OS and withdrew the report from the 10 July Executive. The Portfolio Holder and officers engaged with Members who had comments on the Strategy and an update was taken to this Committee in September 2018. | The Strategy was endorsed at Executive in October and recommended to Council for adoption. |
| | 2. Community Infrastructure Levy (CIL) governance arrangements | OUTCOME: the Committee suggested that the membership of the CIL Governance Board should be geographically representative of the borough and include one Member from each of the four planning areas. | Officers will be finalising the governance arrangements and developing the criteria. These will both come to this Committee in November before going to Executive in December. | November 2018 Committee meeting |
| OUTCOME: the Committee recommended that a similar criteria system currently applied to Planning Infrastructure Contributions be used for CIL. | | | | |

Value for Money and Customer Service Overview and Scrutiny Committee

Value for Money and Customer Service Scrutiny recommendations tracker

| Meeting date | Agenda item | Outcomes / Recommendations | Officer / Executive response | Timescale |
|---|------------------------------------|--|---|--|
| 10 September 2018 | 1. Economic Strategy | OUTCOME: the Committee resolved to form a task and finish group to address some of the concerns raised. | See section B. | In time for October Executive. |
| | 2. HR Strategy | OUTCOME: the Committee suggested that the policy should include reference to changes in technology and their implications on the Council. | Officers are confident that the strategy sufficiently addresses potential impacts of technological changes on the workforce. | December Executive 2018 |
| | | OUTCOME: the Committee suggested that officers should consider including a reference to equality and diversity and the Council's legal obligations. | Officers agreed to reference the work the Council already does, and initiatives it is already part of, in terms of equality and diversity, in the policy. | |
| | | OUTCOME: the Committee suggested that the document should reflect the various career development needs of staff across the organisation. | Officers considered including this information but resolved to keep the document strategic in focus. | |
| | 3. Corporate Performance Report Q1 | OUTCOME: the Committee requested that the financial figures only relate to finances within the Council's control. | Officers agreed to address this in the next quarter's report. | Next quarter's report is due to come to this Committee in November 2018. |
| | 4. Capital Strategy | OUTCOME: the Committee requested that the OS review of capital expenditure process and management is reference in the covering report. | Officers agreed to make these changes before the strategy goes to Executive and Council in October 2018. | Executive and Council - October 2018 |
| OUTCOME: the Committee suggested that the Strategy be written in future tense to better reflect the purpose of a strategy and the outcomes of the capital expenditure process and management review. | | | | |

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**Waverley Borough Council
Key Decisions and Forward Programme**

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

A key decision is a decision to be taken by the Executive which (1) is likely to result in the local authority incurring expenditure or making savings of above £100,000 and/or (2) is significant in terms of its effects on communities living or working in an area comprising two or more wards.

Please direct any enquiries about the Forward Programme to the Democratic Services Manager, Fiona Cameron, at the Council Offices on 01483 523226 or email committees@waverley.gov.uk.

Executive Forward Programme for the period 1 November 2018 onwards

| TOPIC | DECISION | DECISION TAKER | KEY | ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION | CONTACT OFFICER | O & S |
|--|---|--------------------|-----|--|---|--------------------|
| POLICY AND GOVERNANCE, HUMAN RESOURCES, BRIGHTWELLS AND LEP - CLLR JULIA POTTS (LEADER) | | | | | | |
| Brightwells [E3] | To bring forward matters when necessary | Executive | No | Potentially every meeting | Kelvin Mills, Head of Communities and Major Projects | VFM and CS/Environ |
| HR Strategy | To recommend the People Strategy to Council | Executive | No | December 2018 | Katy Meakin, HR Manager | VFM and CS |
| Review of Polling Places | | Executive, Council | Yes | December 2018 | Tracey Stanbridge, Senior Manager - Elections and Corporate Projects, Robin Taylor, Head of Policy & Governance | VFM and CS |

| TOPIC | DECISION | DECISION TAKER | KEY | ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION | CONTACT OFFICER | O & S |
|---|---|-----------------------|-----|---|--|------------------------------|
| Community Governance Review (Tilford) | | Executive, Council | No | January 2019 | Tracey Stanbridge, Senior Manager - Elections and Corporate Projects, Robin Taylor, Head of Policy & Governance | VFM and CS |
| Annual Pay Policy Statement 2019/20 | | Council, Executive | Yes | February 2019 | Katy Meakin, HR Manager | VFM and CS |
| Service Plans 2019-20 | | Executive | Yes | March 2019 | Louise Norie, Corporate Policy Manager | All O & S Committee |
| FINANCE AND COMMUNICATIONS - CLLR GED HALL (DEPUTY LEADER) | | | | | | |
| Property Acquisitions [E3] | To bring forward opportunities for approval as they arise | Executive | Yes | Potentially every meeting | David Allum, Head of Customer and Corporate Services | VFM and CS |
| Budget Management [E3] | To seek approval for budget variations, if required. | Executive | No | Potentially every meeting | Peter Vickers, Head of Finance | VFM and CS |
| Community Centre Building and Land, Cranleigh - Transfer from Housing Revenue Account (HRA) to General Fund | To recommend to Council the transfer of a Community Centre Building and Land from the HRA to General Fund | Council, Executive | No | December 2018 | David Allum, Head of Customer and Corporate Services | VFM and CS and Housing OS |
| Medium Term Financial Plan Review | To carry out an interim review of the MTFP. | Executive | No | December 2018 | Peter Vickers, Head of Finance | VFM and CS |

| TOPIC | DECISION | DECISION TAKER | KEY | ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION | CONTACT OFFICER | O & S |
|---|---|-----------------------|-----|---|--|---------------------|
| Waverley Communication s Strategy | To recommend the Communications Strategy to Council. | Executive, Council | Yes | December 2018 | Robin Taylor, Head of Policy & Governance | VFM and CS |
| Medium Term Financial Plan 2019/20 - 2021/22 | | Executive | Yes | February 2019 | Peter Vickers, Head of Finance | VFM and CS O&S |
| Treasury Management Framework 2019/20 | | Executive | Yes | February 2019 | Peter Vickers, Head of Finance | VFM and CS O&S |
| OPERATIONAL & ENFORCEMENT SERVICES - CLLR KEVIN DEANUS | | | | | | |
| Community Infrastructure Levy (CIL) - governance arrangements | To agree governance arrangements | Executive, Council | Yes | December 2018 | Fiona Cameron, Democratic Services Manager | VFM and CS |
| ECONOMIC & COMMUNITY DEVELOPMENT - CLLR JIM EDWARDS | | | | | | |
| ENVIRONMENT - CLLR ANDREW BOLTON | | | | | | |
| Public Space Protection Orders (PSPOs) | | Executive | Yes | December 2018 | Richard Homewood, Head of Environmental Services | ENVIRONMENT O&S |
| HEALTH, WELLBEING AND CULTURE - CLLR JENNY ELSE | | | | | | |
| Funding for Voluntary Sector 2019-20 | | Executive | Yes | February 2019 | Jane Todd | Community Wellbeing |

| TOPIC | DECISION | DECISION TAKER | KEY | ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION | CONTACT OFFICER | O & S |
|---|---|-----------------------|-----|---|--|-------------|
| HOUSING - CLLR CAROLE KING | | | | | | |
| Housing Delivery Board [E3] | To approve and adopt policies and make decisions to assist in the delivery of affordable homes in the Borough, as required. | Executive | Yes | Potentially every meeting | Andrew Smith, Head of Strategic Housing Delivery | Housing |
| Redevelopment of Land Adjacent to 85 Aarons Hill, Godalming and 13 Ryle Road, Farnham | | Council | No | December 2018 | Andrew Smith, Head of Strategic Housing Delivery | HHOUSING |
| POLICY & CUSTOMER SERVICES - CLLR CHRIS STOREY | | | | | | |
| Local Plan Part II - Approval to Publish | Approval for publication | Executive, Council | Yes | TBA | Graham Parrott, Planning Policy Manager | Environment |
| Local Plan Part II - Approval to submit | Approval to submit. | Executive, Council | Yes | TBA | Graham Parrott, Planning Policy Manager | Environment |
| Surrey Hills AONB Management Plan | | Executive | Yes | April 2019 | Head of Planning | Environment |

Background Information

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

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

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

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

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

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