

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:
Ema Dearsley, Democratic Services Officer

Policy and Governance

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Date: 10 January 2020

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

Cllr Peter Martin (Chairman)	Cllr Jerry Hyman
Cllr Joan Heagin (Vice Chairman)	Cllr Stephen Mulliner
Cllr Roger Blishen	Cllr Peter Nicholson
Cllr Jerome Davidson	Cllr Julia Potts
Cllr George Hesse	

Substitutes

Cllr Richard Cole	Cllr John Gray
Cllr Simon Dear	Cllr Kika Mirylees

Members who are unable to attend this meeting must submit apologies by the end of Monday, 13 January 2020 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, 20 JANUARY 2020

TIME: 7.00 PM

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

The Agenda for the Meeting is set out below.

Yours sincerely

ROBIN TAYLOR
Head of Policy and Governance

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Waverley Corporate Strategy 2019 - 2023

Waverley Borough Council is an authority which promotes and sustains:

- open, democratic and participative governance
 - a financially sound Waverley, with infrastructure and services fit for the future
 - the value and worth of all residents, regardless of income, wealth, age, disability, race, religion, gender or sexual orientation
 - high quality public services accessible for all, including sports, leisure, arts, culture and open spaces
 - a thriving local economy, supporting local businesses and employment
 - housing to buy and to rent, for those at all income levels
 - responsible planning and development, supporting place-shaping and local engagement in planning policy
 - a sense of responsibility for our environment, promoting biodiversity and protecting our planet.
-

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 - 14)

To confirm the Minutes of the Meeting held on 18 November 2019 (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 13 January 2020 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.

The deadline for receipt of questions is 5pm on Monday 13 January 2020.

5. QUESTIONS FROM MEMBERS

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

The deadline for receipt of questions is 5pm on Monday 13 January 2020.

6. GENERAL FUND BUDGET 2020/21 AND MEDIUM TERM FINANCIAL PLAN
(Pages 15 - 76)

The purpose of the report is for the VFM O&S Committee to scrutinise the draft budget report and pass comments to the Executive ahead of its meeting on 4th February. This report outlines the latest Medium Term Financial Plan and the draft General Fund Budget for 2020/21. The Financial Plan sets out the key work streams for the Council to focus on which, collectively, aim to address the significant shortfall in annual budget projected over the medium term which is estimated to grow to £5.4million per annum or 40% of the total net service cost by 2023/24.

Recommendation

The Value for Money O&S Committee consider this report, particularly the draft budget for 2020/21, and pass comments and observations to the Executive

7. REPORT OF THE BUDGET STRATEGY WORKING GROUP PARTICIPATORY BUDGETING RESULTS, GENERAL FUND 2020/21 AND MEDIUM TERM FINANCIAL PLAN

To receive a written report on the outcomes so far (to follow).

8. SERVICE PLANS 2020-2023 (Pages 77 - 122)

This report presents the three-year rolling Service Plans for April 2020 to March 2023 for the service areas under the remit of this Committee, which are:

- Business Transformation Service Plan 2020-23 (Full Plan)
- Finance and Property Service Plan 2020-23 (Full Plan)
- Policy and Governance Service Plan 2020-23 (Full Plan)
- Building Control only from Commercial Services Service Plan 2020-23
- Economic Development only from Planning and Economic Development Service Plan 2020-23

Recommendation

It is recommended that the Overview & Scrutiny Committee considers the Service Plans for 2020-23 as set out at Annexe 1 relevant to its remit, and makes any observations or comments to the Executive.

9. PLANNING APPEALS PERFORMANCE AND COSTS ARISING FROM JUDICIAL REVIEWS (Pages 123 - 132)

This report has been prepared in response to Councillor interest in the cost implications of both planning appeals and judicial reviews relating to planning matters. It is intended to present this report to both the Value for Money and Customer Service and Environment Overview and Scrutiny Committees in January 2020. The purpose of the report is to inform Members of the planning appeals process and the results of appeal decisions. It further informs Members of the implications of appeal decisions for the Council and makes recommendations for improvements in respect of planning decision-making. Brief commentary is also provided in respect of the costs associated with the judicial review into the Waverley Local Plan Part 1.

Recommendation

It is recommended that the Committee notes this report and makes any observations.

10. CAPITAL STRATEGY 2020/2021 (Pages 133 - 182)

It is a statutory requirement for local authorities to produce an annual Capital Strategy. The Capital Strategy brings together the Council's detailed policies, procedures and plans relating to cash investments and property assets. It incorporates the Treasury Management Framework, Prudential Indicators and

Property Investment Strategy for 2020/2021.

Recommendation

It is recommended that Capital Strategy for 2020/2021 be approved.

11. COMMITTEE WORK PROGRAMME (Pages 183 - 198)

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.

12. 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).

13. ANY ISSUES TO BE CONSIDERED IN EXEMPT SESSION

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

Officer contacts:

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Ema Dearsley, Democratic Services Officer

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WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY & CUSTOMER SERVICE - 18 NOVEMBER 2019

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

Present

Cllr Peter Martin (Chairman)
Cllr Joan Heagin (Vice Chairman)
Cllr Roger Blishen
Cllr Jerome Davidson
Cllr George Hesse

Cllr Jerry Hyman
Cllr Stephen Mulliner
Cllr Peter Nicholson
Cllr Julia Potts

Also Present

Councillor Simon Dear, Councillor John Gray, Councillor Mark Merryweather and Councillor David Beaman

27. MINUTES (Agenda item 1.)

The Minutes of the Meeting held on 16 September 2019 were confirmed as a correct record and signed.

28. APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 2.)

There were no apologies for absence.

29. DECLARATIONS OF INTERESTS (Agenda item 3.)

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

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

There were none.

31. QUESTIONS FROM MEMBERS (Agenda item 5.)

There were none.

32. PRESENTATION FROM THE PORTFOLIO HOLDER FOR FINANCE, ASSETS AND COMMERCIAL SERVICES (Agenda item 6.)

The Chairman reminded the Committee that at its last meeting, Members had been keen to understand the Executive's approach to property investment, and also to learn more about the progress of Brightwells Yard, as a major income area for the Council. Cllr Merryweather, the Portfolio Holder for Finance, Assets and Commercial had been invited to the meeting to give a presentation to the Committee.

Cllr Martin advised the Committee that he was a member of the Property Investment Advisory Board. While he did not anticipate any conflicts of interest in

relation to this particular agenda item, he stated that in future, should there be any conflicts, he would withdraw from the meeting.

Cllr Merryweather set out the various strands feeding into the Medium Term Financial Plan, including a projected £900k contribution to be made from property investment by 2024.

Cllr Merryweather advised the Committee that the Property Investment Strategy was being re-written in order to better align with the council's Corporate Strategy. The intention was to diversify into market residential lettings, which would be ethical as far as possible. There would also be a move towards borough-wide investments, as a large proportion of the existing property portfolio was centred around Farnham. Legal advice had confirmed that the Council had the necessary powers to invest in both commercial and residential property. Going forward, a number of different options could be explored through 'pilots' and it would be important to have sufficient resource to support these. The Committee heard that various funding options were being explored including borrowing, asset sales, income from grants, and CIL.

In relation to Brightwells Yard, Cllr Merryweather outlined the impact of this project on the General Fund, and summarised the front loaded and recurring (p.a.) costs. He also outlined a number of risks and sensitivities, including the potential loss of New Homes Bonus and the phased growth of Commercial Rents.

In response to questions from the Committee about the composition of the Property Investment Advisory Board, Cllr Merryweather explained that getting the right skillset had been seen as the most important factor, and the Board now comprised a diverse range of expertise which should prove valuable going forward.

The Committee thanked Cllr Merryweather for his presentation, and RESOLVED to note the update.

33. BUDGET STRATEGY WORKING GROUP INTERIM REPORT (Agenda item 7.)

Cllr Mulliner, Chairman of the Budget Strategy Working Group (BSWG), presented the report to the Committee. He explained that the aim was to provide a sufficiently detailed, but easy to understand model of the ledger, within the context of the Medium Term Financial Plan. Key messages included:

- Options for generating additional income were limited.
- The 2023/24 budget would be crucial as this was the year in which the last business rates retention was expected to be lost.
- The Business Transformation programme was expected save £1m, but the timings for when this would be delivered were not yet known.

The Chairman thanked Cllr Mulliner and the other members of the BSWG for the comprehensive report.

The Committee asked further questions about the leisure centres project, which had been highlighted in the report as an area for increased income, but with a concern over the timing for when this would be delivered. Cllr Mulliner explained that with reference to Godalming Leisure Centre, the BSWG had recommended that a parallel working approach be adopted, so that the building work could commence as soon as possible after consent had been received from the Secretary of State.

It was noted that at this point, the work of the BSWG had predominantly been a desk-top exercise, with input from the Heads of Service. There were a number of assumptions at this stage, and the impacts of the climate emergency declaration had also not yet been assessed.

With regard to the next steps, Cllr Mulliner explained that the Group would produce a further report in January which would include the latest budget position. The Committee also looked forward to hearing about the results of the participatory budgeting exercise in due course.

The Committee RESOLVED to endorse the following recommendations to the Executive:

1. Providing the SCC application to the Secretary of State in relation to the expansion of Godalming Leisure Centre car park is not, on enquiry, expected to encounter difficulties in securing approval, that the design work preparatory to a planning application should be commissioned without delay, subject to Leisure Programme Board approval.
2. The MTFP is modelled in at least the level of detail contained in the BSWG spreadsheet with updated estimates for new cost and income items accompanied by prudent timing estimates.
3. Transformation costs should be carefully estimated with regard to both quantum and timing and included in the MTFP model.
4. The MTFP should be extended to 2023/24 to reflect the fact that it is the first year in which retained Business Rates are forecast to make no contribution.

34. SCOPING OF COST IMPLICATIONS OF PLANNING APPEALS (Agenda item 8.)

Beth Howland-Smith, Development Manager, reminded the Committee that at its last meeting, Members had been concerned about the cost implications of defending a relatively high number of planning appeals. The Committee had asked for more information, and Beth advised that this would be brought to the next meeting in January; she sought to understand Members' aspirations for what should be included in the report.

The Committee was keen to learn about the scale of costs awards, and how frequently these occurred. Members also felt that it would be useful to be able to identify any patterns in relation to appeals. It was agreed that the report should also include information on enforcement statistics and Judicial Reviews.

More generally, the Committee felt that it would be helpful if they were informed when an application went to appeal. Beth explained that in the past, this had been reported on a quarterly basis and this could be re-instated.

Subject to the comments above, the Committee RESOLVED to endorse the proposed structure and content of the report.

35. CORPORATE PERFORMANCE REPORT Q2 2019-20 (JULY - SEPTEMBER 2019) (Agenda item 9.)

The Committee received the report, which provided an analysis of the Council's performance for the second quarter of 2019-20. The Chairman invited each Head of Service to present a summary of their Service's performance.

Business Transformation

David Allum, Head of Business Transformation, informed the Committee that Q2 had seen the recruitment of the Business Transformation team, as well as the continuation of the customer service project. The Master Data Management (MDM) system had been installed and the procurement exercise for a Customer Relationship Management (CRM) system continued.

Cllr Heagin noted from the Committee's work programme that there was an outstanding action to develop a customer service baseline and asked whether the implementation of the CRM would help with this. David responded that it would, and he hoped to be able to present this in the next year.

The Committee also discussed the implementation of the new IT system for Planning. David clarified that this action related to the internal system, not the website front-end, and the system was expected to go live in Q1 of 2020/21.

Finance and Property

Peter Vickers, Head of Finance and Property, advised the Committee that it had been a busy quarter in Finance. The Exchequer team had faced a number of challenges due to staff turnover, however this had provided an opportunity to look into increased use of IT automation and the benefits of this new way of working should be seen in the next quarter through an improvement to the performance indicator on payment of invoices.

The Committee noted that there had been a drop in performance in relation to complaints, however this had been due to one complicated complaint taking slightly longer to resolve.

Policy and Governance

Robin Taylor, Head of Policy and Governance, highlighted key achievements over the last quarter, including the establishment of a Governance Review Working Group; the adoption of a new Corporate Strategy; and a series of project management workshops had been delivered to staff.

In relation to the performance indicators, Robin highlighted that sickness absence was improving, but still needed further work. Indicator PG2a in relation to complaints was still underperforming, Robin explained that this was a very ambitious target, which had never been met, and there were further challenges as a result of the complaints process being managed locally within individual service areas.

The Committee asked if a table could be provided showing the complaints performance for each service area, which would help to pinpoint areas of concern. Robin agreed to include this in the next report.

Cllr Hyman noted that a new Communications and Engagement was due to be approved in Q3 and asked if the previous version could be circulated to help Members to identify the changes. Robin agreed to circulate this after the meeting.

The Committee RESOLVED to note the Q2 performance for the service areas falling within its remit.

36. STAFF SURVEY RESULTS (Agenda item 10.)

Robin Taylor, Head of Policy and Governance, delivered a presentation on the results of the 2019 staff survey. This had been requested by the Committee at the last meeting following discussions about staff sickness and concerns of low morale.

Robin advised that there had been a very good response to the survey, which was up from the 2016 figure. The survey had used a classic five-point scale, but also included a free text option to enable members of staff to provide further feedback.

With regard to the questions linked to morale, there was a generally positive response, with 74% of staff stating that they had a good work life balance and 59% thinking that Waverley takes the necessary steps to maintain good health and wellbeing of staff. Nevertheless, there were some areas that needed to be worked on, for example, 26% thought that employees are not treated consistently across services.

Nine key actions had been identified, including review of pay and reward, review of Fit for Work policy and increased Senior Management Team (SMT) visibility and internal communications.

Cllr Martin recalled that the Committee had been particularly concerned about staff morale, and a potential link to sickness absences. He was pleased to note that morale was generally good, but there were some areas of concern. Although the performance indicator relating to sickness had shown some improvement this quarter, Members remained concerned, and were also interested in learning about any variation between service areas. Robin reminded the Committee that a report on the Workforce Profile was on its work programme for the March meeting, and agreed to include information on staff sickness in this report.

The Committee RESOLVED to note the update and looked forward to receiving a further report in March.

37. REVIEW OF COMPLAINTS CLOSED IN 2018/19 (Agenda item 11.)

Sue Petzold, Corporate Complaints Officer, presented the report to the Committee. She advised that 75% of all complaints had been closed at Level 1 which was very positive. 60% had not been upheld, 22% had been partly upheld, and 18% had been upheld. Unfortunately there was no comparative data available as this was the first year since changing to the new, two-stage, process.

The Committee noted that the service with the most complaints was Housing, and hoped that the Housing O&S Committee was also aware of this. Officers confirmed that Housing O&S received the complaints data on a quarterly basis and had also been made aware of this year-end report.

Members felt that some of the complaints in relation to Housing could be due to the use of contractors, as there had been a slight dip in performance following the change of housing maintenance contractors. Cllr Mulliner suggested that it would be useful to have a comparator or benchmark in order to provide context, particularly in relation to other councils with their own housing stock.

The Committee RESOLVED to note the information set out in the report. Additionally, the Committee noted that the Housing O&S Committee had been made aware of this report and, in view of Housing receiving the highest volume of complaints, urged that Housing O&S continue to monitor the situation as part of the Corporate Performance Report.

38. COMPLAINTS TO THE LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN AND HOUSING OMBUDSMAN ABOUT WAVERLEY'S SERVICES IN 2018/19 (Agenda item 12.)

Sue Petzold, Corporate Complaints Officer, presented this report to the Committee. She highlighted that there had only been one finding of 'fault' throughout the whole year, which was very positive. The Committee was also pleased to note that the number of complaints to the Ombudsman was declining year on year.

The Committee RESOLVED to note the information contained in the report, and thanked officers for the high level of performance.

39. COMMITTEE WORK PROGRAMME (Agenda item 13.)

Having reviewed its work programme, the Committee noted that key items for its January meeting would be the budget and service plans.

40. EXCLUSION OF PRESS AND PUBLIC (Agenda item 14.)

At 9.18pm, 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 paragraph 3 of the revised Part 1 of Schedule 12A to the Act.

41. PROPERTY INVESTMENT QUARTERLY PROGRESS REPORT (Agenda item 15.)

The Committee received an update on the latest position with properties purchased under the Property Investments Strategy and asked a number of questions as set out in the (exempt) annexe to these minutes. Peter Vickers, Head of Property and Finance, agreed to provide some additional narrative in future reports.

The meeting commenced at 7.00 pm and concluded at 9.29 pm

Chairman

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WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY O & S COMMITTEE

20 JANUARY 2020

EXECUTIVE - 4 FEBRUARY 2020

Title:

MEDIUM TERM FINANCIAL PLAN 2020/21 – 2023/24
GENERAL FUND BUDGET 2020/21

Portfolio Holder: Cllr Mark Merryweather , Portfolio Holder for Finance, Assets & Commercial Services

Head of Service: Peter Vickers, Head of Finance and Property

Key decision: Yes

Access: Public

1. Purpose and summary

1.1 The purpose of the report is for the VFM O&S Committee to scrutinise the draft budget report and pass comments to the Executive ahead of its meeting on 4th February. This report outlines the latest Medium Term Financial Plan and the draft General Fund Budget for 2020/21. The Financial Plan sets out the key work streams for the Council to focus on which, collectively, aim to address the significant shortfall in annual budget projected over the medium term which is estimated to grow to £5.4million per annum or 40% of the total net service cost by 2023/24.

1.2 This report contains the following Annexes:

- Annexe 1 – draft Medium Term Financial Plan
- Annexe 2 - draft General Fund Budget Summary 2020/21
- Annexe 3 – statement of key variations from 2019/20 budget
- Annexe 4 – draft Fees & Charges for 2020/21
- Annexe 5 – schedule of projected reserves and balances
- Annexe 6 – draft Capital Programme

Waverley’s draft Medium Term Financial Plan (MTFP) document

1.3 The Council’s MTFP is at Annexe 1 which has been updated to include the latest General Fund projections, emerging pressures, spending priorities, risks and opportunities. The Plan also sets out Waverley’s strategy for addressing the projected budget shortfall over the next four years and for putting the council in a strong, sustainable financial position. The plan builds on the overview presented to all councillors in November.

Budget Projection Summary

The following table shows the main budget pressures projected over the MTFP period

	Previous Estimate	Latest Estimate			
	2020/2021	2020/2021	2021/22	2022/23	2023/24
Anticipated Major Budget Variations	Change from 2019/2020 Base	Change from 2019/2020 Base	Change from 2020/2021 Base	Change from 2021/2022 Base	Change from 2022/2023 Base
	£000	£000	£000	£000	£000
Inflation - including pay	550	590	550	550	550
Waste funding SCC reduction	290	468			
Housing benefit admin grant	20	10	20	30	30
Business Rate Retained Income	200	150	700	700	400
Planning Income Pressure	300	200			
Other Major Budget Variations		457			
Budget Shortfall	1,360	1,875	1,270	1,280	980

Budget Strategy

Waverley's strategy for addressing the budget shortfall is illustrated below. The themes in squares relate to ongoing actions, the four ovals indicate the principal workstreams identified in the strategy.

General Fund Budget Strategy



The targets for each work stream in the budget strategy for the 4-year MTFP period, to be reviewed following the budget setting for 2020/21, are:

MTFP Target savings 2020/21 to 2023/24

	£000
Business Transformation	1,000
Commercial Strategy	700
Property	1,200
Procurement	200
Cost Review	1,000
Council Tax 2% increases	790
Total	£4,890

Budget Setting 2020/21

Budget Review and scrutiny

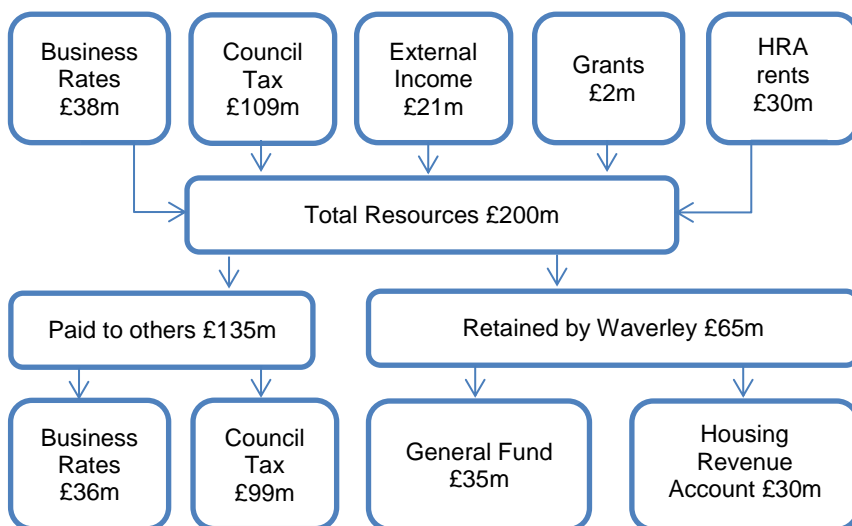
- 1.4 At the September 2017 meeting the Value for Money and Customer Services Overview & Scrutiny Committee expressed the view that a radical re-think of how services, front line and support, are delivered was needed to meet the anticipated long term financial challenges facing the Council. Following this, a Budget Strategy Working Group (BSWG) was agreed by the Overview & Scrutiny Coordinating Board in September 2017 and established in March 2018. The Group comprises representatives for each of the scrutiny committees.
- 1.5 The BSWG has both a strategic and a scrutiny role. Strategically, analysing and understanding Waverley's longer-term General Fund financial position to 2023/24 given expected future deficits caused by reductions in revenue forecasted in the MTFP and consider what realistic actions may be taken in terms of increasing income and reducing costs to close the expected gap.
- 1.6 The working group met all Heads of Service and gained a detailed understanding of the range of General Fund services provided, service delivery costs and any associated income streams. All income streams were reviewed in terms of level of inherent risk and potential for future change in either direction.
- 1.7 The working group acknowledges that the Financial Plan projection over the review period to 2023/24 will require significant reductions in net service costs to be achieved if the Council is to be able to adhere to a balanced budget and still provide quality local public services. This is in the light of the expected loss of retained business rates revenue over the Plan period, the potential impact of Surrey County Council's budget position and the likely excess of service cost inflation over permitted Council Tax increases.

1.8 The Working Group has identified the ‘structural deficit’ in Waverley’s budget arising from service cost inflation, equating to £0.6m per year, compared to additional income from council tax which is limited by Government controls. Before external cost pressures are accounted for, the Council is not able to stand still financially due to the government’s restriction on Council Tax increases. In 2020/21 this is £5 per Band D equivalent equating to a maximum of £277k additional council tax income. As government funding has fallen away, the Council has become increasingly reliant upon Council Tax funding which is only a third of the overall cost base. In light of this, the view of the Budget Strategy Working Group is that increases in car park charges, which haven’t changed for 3 years, and council tax will be necessary over the MTFP period.

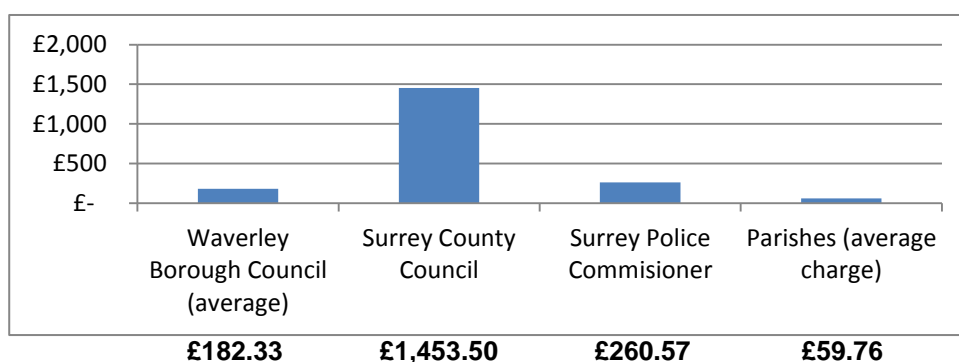
Funding for Waverley’s Services

1.9 As well as collecting council tax to support its own budget, by law Waverley has to collect council tax for Surrey County Council, Surrey Police and all town and parish councils in the Borough and this money is paid over to those organisations. The government restricts the amount that council tax can be increased each year and this is explained in more detail later in this report. In addition, Waverley collects business rates from all non-domestic premises in the Borough. Most of this money is paid to the Government with a relatively small amount being retained by Waverley and Surrey County Council. The Government set the rateable value and rates chargeable for all business premises.

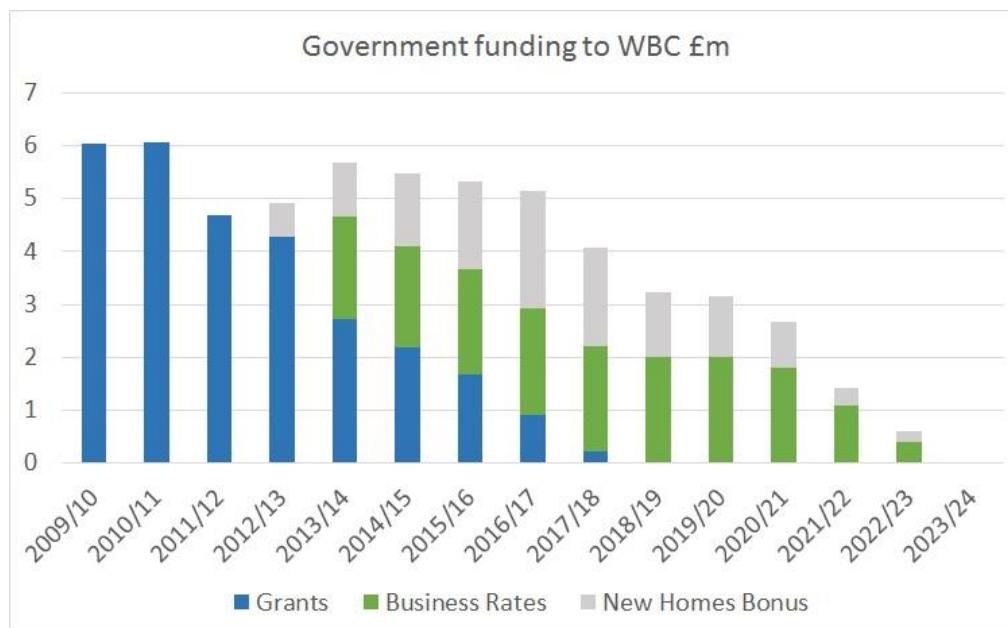
Gross total income by the Council and where it goes (before costs, 2019/20 Budget)



1.10 The total band D council tax charge in 2019/20 is £1,956 split as follows:



1.11 Waverley's Revenue Support Grant from the government is now zero. There has been a dramatic reduction over the last 6 years from £6m in 2010/11.



1.12 Waverley currently retains £2m of the £38m business rates collected as its core funding for general fund services. This main element of this amount, approximately £1.8m, is derived from a Government formula which determines each Council's safety net position against its 'baseline need' for funding. The second element, approximately £0.2m, is related to the total Rateable Value (RV) of business premises in the Borough which is affected by physical properties and the RV assessed by the Government's Valuation Office. This can also fluctuate according to appeals from rate payers. The Government announced in the autumn that it was delaying to 2021/22, its review of business rate funding for local authorities and its 'relative needs' calculation. Waverley's MTFP forecasts significant reductions in grant over the next four years. Officers have taken a cautious view of the impact of these reviews on Waverley's budget given previous past experience of redistribution formula and this is reflected in the MTFP projections shown earlier.

1.13 In 2016/17 the Government informed a number of councils, including Waverley, that they would have grant clawed back to address the Government's overall funding shortfall. This became known as 'negative RSG' and for Waverley this would have been £800k pa. Since this announcement, the Government has decided each year to fund this shortfall itself rather than impose it on the named councils, however the threat still exists and it is expected that this will be addressed as part of the main review of business rate funding in 2021/22.

1.14 The Government announced the 2020/21 local government finance settlement for consultation late on 20th December 2019. The headlines are as follows:

- No negative grant
- Retained business rates for Waverley at same safety net level of £1.8m
- New homes bonus £861k as expected in the MTFP projection but still £300k less than current year
- Council Tax increase limit for WBC £5 band D or up to 2%, whichever is the

- higher
- no limit on council tax increases for town and parish councils
- SCC council tax increase limit up to 2% plus up to a further 2% for adult social care costs.

New Homes Bonus

- 1.15 The Government has announced that it will pay NHB in 2020/21 and continue to honour the legacy payments for the previous four years, however the future of NHB is under review as it is funded nationally from business rate revenues. In the consultation finance settlement, the Government has confirmed that Waverley's NHB will be £861k in 2020/21, down from £1,164k in 2019/20. The Council does not currently rely on New Homes Bonus to support ongoing service provision and, instead, has used this funding to pay for income-generating capital spend. This position has been reviewed and the draft budget proposes to split the 2020/21 NHB across property investment, strengthening the property void provision in the light of the future increase in investment over the MTFP period, and also to pump prime the climate change action plan fund to respond to the new Corporate Strategy priority.

Council Tax

- 1.16 Waverley retains approximately 10% of the council tax collected in the Borough with the balance being split as per the chart in 1.10. Each year the Government sets a limit for year-on-year council tax increases, beyond which a council would have to hold a referendum. Last year Waverley increased its council tax by the maximum allowed amount of 2.99%. The consultation finance settlement confirms that borough councils will be able to have a council tax increase of up to 2% or £5 at band D, whichever is the higher. In Waverley's case, £5 is higher and would equate to an increase of 2.75%. In terms of additional council tax income, 2% would generate £204k pa and £5 would raise £277k pa. The draft budget set out in this report proposes a 1.9% increase in 2020/21 which equates to an additional £3.46 per year for an average Band D property, or 7pence per week. The draft budget also includes additional council tax revenue of £184k arising from property growth in the Borough (approx. £150k) and the decision taken by the Council in 2019 to scale back council tax discounts on empty properties (approx. £34k).

Fees and Charges

- 1.17 Fees and charges have been reviewed as part of the budget process. Some fees and charges are statutory but for those determined by Waverley some inflationary increases are proposed for 2020/21 where appropriate. Many charges have been increased in line with estimated CPI inflation. Details of the proposed changes to fees and charges from 1 April 2020 are included at [Annexe 4](#). A further review of fees and charges will be undertaken in 2020 both in the light of feedback from the recent budget consultation and also to reflect members' desire to consider opportunities to distinguish between for-profit and not-for-profit customers in the charges.
- 1.18 Car park charges have not increased in three years, four years in some cases. There is an increase in car park yield included in the draft budget which generates an additional £145k of income, 2.9% of total car parking income. This income will not be generated from a blanket increase in all car park charges. Some charges

will rise and some may reduce to increase usage and improve the environmental impact. The Council will take a strategic approach to charges in the light of the independent review recently commissioned, the outcome of which is expected to be considered by members early in 2020 and to take effect in 2020/21 although still in progress during this 2020/21 budget setting process. Of the additional income generated, some £100k, is earmarked to pay for the ongoing costs of delivering Waverley's climate change emergency action plan.

- 1.19 The commercial strategy highlights the need to review existing income sources to generate additional revenue. One area that is being considered is planning pre-application and performance agreement income. The draft budget includes an additional target of £40k to reflect a proposed revision to the charging structure and approach that will be developed early in 2020 and implemented early in the 2020/21 financial year.
- 1.20 Members of the Executive considered increasing Green Waste subscription charges by £5 to make the total charge £70 which would generate an additional £70k pa. Whilst experience has shown that increasing this charge has not led to a reduction in the number of subscribers, the Executive consider that such an increase would not be in the spirit of the Council's recent climate change emergency declaration therefore the draft budget assumes the charge is frozen at £65 for 2020/21.
- 1.21 Proposed licensing fees & charges are included in [Annexe 4](#), of which some are increased by inflation and some are unchanged. All of these fees are subject to consideration by the licensing regulatory committee of the consultation responses.

Inflation

- 1.22 The Council's main contracts are indexed to the Consumer Price Index (CPI). An inflationary amount has been assumed for all General Fund budgets where it is unavoidable with projections being in line with the Government's longer term assumptions. In terms of the staff pay award for 2020/21, which is also applied to Councillors' allowances, this has not been finalised yet. An estimate of the cost of a pay award plus other inflation commitments, are incorporated within the draft budget. Waverley's pay award is negotiated by the Joint Consultative Committee, a committee of four councillors plus four union/staff representatives, and this is due to meet in January.

Revenue Contribution to Capital

- 1.23 The core funding for the General Fund Capital Programme is from Revenue Contributions via the Revenue Reserve Fund. The Budget proposals include a Contribution to Capital from the revenue budget of £1.05m. The draft capital programme is attached at [Annexe 6](#) and this is covered later in the report.

2020/21 Draft Revenue Budget

- 1.24 The General Fund Summary showing a balanced budget for 2020/21 is included at [Annexe 2](#). A breakdown of the main changes in the 2020/21 draft budget compared to 2019/20 budget which totals £0.25m is included at [Annexe 3](#). Heads of Service

and spending officers have examined operational and staffing budgets in detail to respond to the 5% target set by Management Board. This exercise has identified nearly £700k of recurring savings which are detailed at Annexe 3. There are no proposed cuts to services or reductions in funding for community organisations included in the draft 2020/21 General Fund budget.

1.25 The table below summarises how the total projected budget pressures, as set out in the table in paragraph 1.3 of this report totalling £1.875m, have been addressed within the draft 2020/21 budget.

	£000
Additional investment property income target	-300
Council tax income – increase of 1.9%	-194
Council tax income – growth in base	-184
Car park income from increased charges	-145
Heads of Service savings schedules (annexe 3)	-699
Income from fees and charges increases (annexe 4)	- 86
Procurement savings	-43
Business transformation savings	-102
Climate change costs – from car park income	+100
Business transformation – implementation costs	+130
Other minor changes – net saving	-227
Reduced contributions to reserves	- 125
Total	£-1,875

1.26 The Medium Term Financial Plan identifies a range of key risks and assumptions, including the risks associated with increasing Waverley’s investment property income through new acquisitions. Waverley’s revised property strategy is included elsewhere on this agenda for consideration. In addition, budget monitoring during the year continues to identify pressure in some statutory income areas including planning and building control. Budgets have been adjusted in 2020/21 but close monitoring will need to continue.

Local Government Act 2003 – Financial

1.27 The Local Government Act 2003 formally introduced a number of specific matters that the S151 Officer must comment on in the budget setting report. These are:

- **Budget calculations: report on robustness of estimates;**
- **Adequacy of reserves; and**
- **Budget monitoring**

1.28 The sections were introduced to ensure sound financial management across all local authorities. Waverley’s budget has always complied with good financial

management practice. Prudent allowance is made for risk and uncertainties in budgets. Budgets are monitored by officers and reported to Members on a monthly basis supplemented by monthly exception reports. Waverley's financial management continues to receive favourable comments from its external auditors.

The Robustness of the Estimates

- 1.29 Account has been taken of potential costs and adequate provision has been made. A prudent assessment of income has been undertaken and generally only income that has a high level of certainty of being received is included within Waverley's budgets. However, Waverley's Financial Plan, together with information presented to members at the November briefings and subsequent reports, demonstrates the financial challenges to Waverley in the future including the risks associated with increasing reliance on investment property income.
- 1.30 The key Financial Plan issues for the General Fund include:
- Increased risk from changes in business rate income due to declining rateable value, increased appeal risk and the Government's review of business rate funding due in 2021 – impact on annual budget mitigated by the business rate equalisation reserve. This reserve has been assessed against the risks and a reduction in contribution has been made in 2020/21. Further adjustments may be possible in future years but the outcome of the Government's business rate review will need to be assessed first, particularly in relation to Waverley's exposure to appeal risk.
 - Keeping the dependency on current and new income from investment property in proportion to the overall budget and providing sufficiently for void periods and costs.
 - Future of government funding including new homes bonus
 - Rising inflation and low interest rates.
 - Impact of Surrey County Council's financial challenges on Waverley
- 1.31 In addition to the detailed scrutiny of the Budget by officers, Councillors have taken the opportunity through the Overview and Scrutiny process, including the Budget Strategy Working Group, to critically examine detailed budgets.
- 1.32 In view of the level of awareness amongst Members and the action taken to produce Waverley's draft Budget for 2020/21, the Section 151 Officer is satisfied with the robustness of the estimates presented. The Section 151 Officer is confident that overall the Budget is prudent especially in view of the track record of achievement of substantial budgeted savings over the past years but the risks noted in this report must be acknowledged and increased monitoring during the year will be implemented. The MTFP sets out a multi-pronged strategy to address the financial challenges and these workstreams are progressing well with confidence in their delivery of savings.

Adequacy of Reserves

- 1.33 The General Fund balance supports fluctuations in normal business, e.g.

unexpected changes in inflation or interest rates, higher than anticipated expenditure or loss of income, and spending on unforeseen events. The Revenue Reserve is used to finance capital expenditure and one-off costs and the property fund is to finance property investment opportunities. It is essential that adequate balances are available to meet these and unforeseen costs.

- 1.34 Projections for the General Fund Working Balance and other reserves for the four year period are shown on Annexe 5. It is the view of the Strategic Director/Section 151 Officer that a level of £3.2m on the General Fund Working Balance, which is effectively just over 10% of the gross General Fund Budget or equivalent to just over one month's service spending, satisfies the adequacy requirements of the Local Government Act 2003.
- 1.35 The main risks to reserves in 2020/21 are commercial property voids and meeting the costs of defending the Council in any planning appeals or Judicial Review proceedings. The latter is the subject of a separate report to Environment O&S and the Executive. In the event that these costs exceed the available funding, the Council will need to divert some of the funding from the Property Investment Fund. Contributions to the property reserve and the business rates reserve have been assessed in the light of the estimated risk and adjusted accordingly.
- 1.36 In the light of the identified future significant pressures, the levels of combined balances as detailed in this report are considered prudent.

Budget monitoring

- 1.37 It is the view of Waverley's Section 151 Officer that the arrangements for budget monitoring, referred to above, satisfy the requirements of the Local Government Act 2003. Budget Monitoring in 2019/20 shows that the Council has mostly delivered the savings assumed in the Budget which currently looks to be achieved by year end, with major expenditure items including pay and contract spend being on track. The latest quarter 3 monitoring summary statement will be reported to the O & S committees in March as part of the performance management report. Overall the arrangements in place are sound but, with the significant level and range of savings being put forward by Heads of Service in the draft budget for 2020/21 and the increasing reliance on achieving income targets, close monitoring will be essential to head off any potential adverse budget variations.

Council Tax Support Scheme

- 1.38 The Council Tax Support Scheme, which replaced council tax benefit on 1st April 2013, is reviewed annually. A range of assistance was introduced by Waverley to assist claimants and these schemes are actively promoted. A hardship fund was created to support claimants and the qualifying criteria revised to encourage take up. Discretionary Housing Payments are also available, and Waverley officers are proactively supporting households that are most affected by welfare reforms. Experience shows that the current Council Tax Support Scheme remains successful as evidenced by the gradual reduction in the number of claimants and the consistently low take up of discretionary support. It is, therefore, recommended that the current scheme remains unchanged for 2020/21.

General Fund Capital

- 1.39 Each year, the Council reviews its three-year Capital Programme and agrees the budgets to be included within the Budget for the year ahead and how they will be funded. The overall parameters for the Capital Programme are set out within the Council's Financial Plan.
- 1.40 The draft 2020/21 Capital Programme at annexe 6 amounts to £2.6million as shown at Annexe 6 to this report of which £1m is funded from the revenue contribution referred to earlier. The programme does not include the £1.6m of slippage from previous years and, whilst this is not subject to approval as part of this report, it should be noted that the majority of this spend is on track and, with the exception of the Frensham scheme and the Weyhill project, further slippage to 2020/21 is not expected. These projects will be reviewed in the coming year.
- 1.41 In the light of the level of underspend and rescheduling of General Fund capital schemes in recent years, and following a major review led by Value for Money Overview & Scrutiny Committee, a new and more rigorous bidding and monitoring process for General Fund capital schemes has been implemented. Including:
- A bidding process throughout the year, including a requirement for delivery milestones and cash flow projections.
 - Terminating or postponing schemes that are not delivering to agreed timescales in the year and reallocating resources to new or reserve schemes.
 - The ability to bid for additional funding for capital spend if a return or cost saving is achieved that meets the Property Strategy criteria.

2. Draft Recommendations from Executive to Council

It is recommended that the Executive, after considering comments from the Value for Money Overview & Scrutiny Committee, makes the following recommendations to Council, to:

1. agree a 1.9% increase in Waverley's element of the Council Tax Charge for 2020/21;
2. agree to make no change to the Council's existing Council Tax Support Scheme;
3. agree the proposed Fees and Charges as shown at Annexe 4;
4. approve the General Fund Budget for 2020/21 as summarised in Annexe 2, incorporating the major variations included at Annexe 3; and
5. approve the General Fund Capital Programme as shown at Annexe 6.

Recommendation for Overview and Scrutiny Committee

The Value for Money O&S Committee consider this report, particularly the draft budget for 2020/21, and pass comments and observations to the Executive

3. Reason for the recommendation(s)

The Budget is a major decision for the Council and setting a balanced budget is a statutory requirement. Scrutiny of the financial plan and budget proposals demonstrate transparency and good governance

4. Relationship to the Corporate Strategy and Service Plan(s)

4.1 Having a robust, sustainable budget is essential to deliver all aspects of the Corporate Plan

5. Implications of decision(s)

5.1 Resource (Finance, procurement, staffing, IT)

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

5.2 Risk management

There are no risks directly arising from the recommendation above, however the budget strategy does carry significant risks and these are set out in the MTFP

5.3 Legal

It is the annual responsibility of the Full Council to approve the Budget and set the Council Tax (Constitution Part 3:B6-7. P.40)

5.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments of the detailed budget proposals will be carried out to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

5.5 Climate emergency declaration

There are no direct implications arising from this report but reference is made to the need for the main budget proposals to address the resource requirement for the emerging climate change action plan.

6. Consultation and engagement

The report requests the VFM O&S Committee and the Budget Strategy Working Group to consider the detailed budget proposals. In addition, the Council recently undertook a public consultation exercise to gauge residents' views about the relative spending priorities. This exercise was to help inform the development of the Medium Term Financial Plan.

7. Other options considered

7.1 Set out within the papers and to be discussed at O&S

8. Governance journey

8.1 The detailed budget proposals and revised MTFP will be reported to VFM O&S in

January ahead of consideration by Executive and Council in February.

Background Papers

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

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Agreed and signed off by:
Legal Services: date
Head of Finance: date
Strategic Director: date
Portfolio Holder: date

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**DRAFT
MEDIUM TERM
FINANCIAL PLAN**

2020 - 2024

<i>Owned by:</i>	<i>Graeme Clark</i>
<i>Council Approval date:</i>	<i>February 2020</i>
<i>Date for review:</i>	<i>February 2021</i>

FINANCIAL PLAN 2020 – 2024 WAVERLEY BOROUGH COUNCIL

Introduction

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

The MTFP includes a forward look over the next four years to anticipate the spending pressures faced by Waverley. Planning now to meet known changes in the future provides greater opportunity to mitigate the impact. Good preparation will mean that Waverley has sufficient funds to meet unexpected costs and that limited financial resources are targeted to Waverley's residents' highest priorities.

Purpose

The purpose of this Medium Term Financial Plan is to:

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

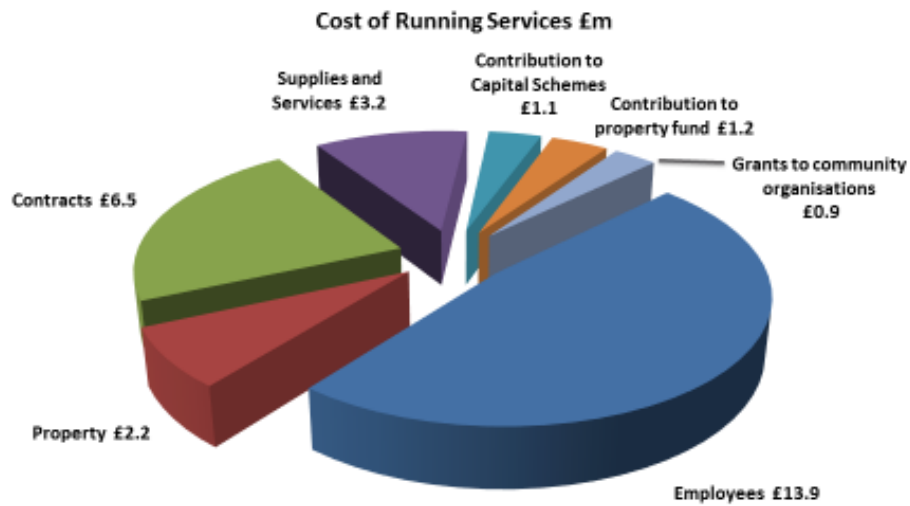
Delivering The Council's Priorities

Waverley will promote and sustain a financially sound council, with infrastructure and services fit for the future.

Waverley's Corporate Strategy sets out the following priorities for the next four years:

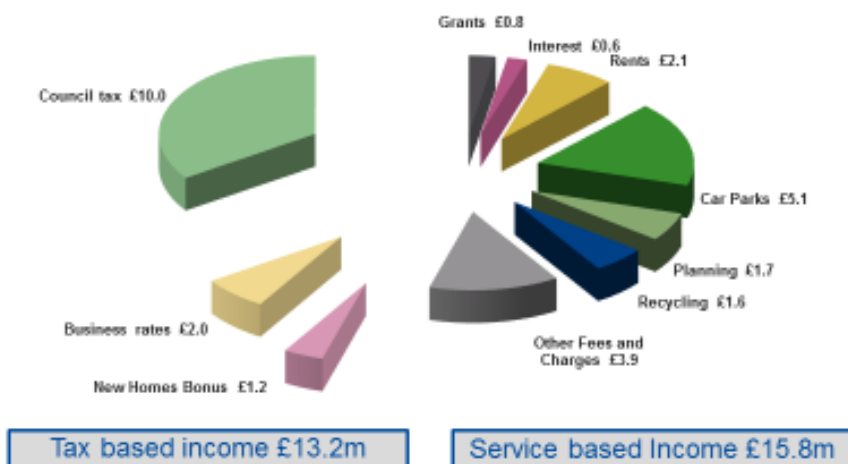
- develop a more open, inclusive approach to communications and decision-making;
- protect, support and empower Waverley's communities by changing the way that the council is organised and operates, seeking the delivery or devolution of responsibilities from Surrey County Council to Waverley and to Waverley's towns and parishes;
- encourage the development of small businesses and support for local employment;
- review charging policies to ensure that they are consistent with our vision;
- encourage affordable access to sports and leisure facilities and the arts for all, improving services across the borough, focusing on health inequalities ensuring that no area is disadvantaged;
- ensure local residents have access to local countryside and are not excluded through high parking charges;
- improve facilities for young people;
- work to maximise the availability of housing that meets the needs of local people at all income levels, as well as reviewing arrangements for preventing homelessness and providing accommodation for vulnerable people, such as those experiencing domestic abuse;
- take steps towards our aim of becoming a net zero-carbon council by 2030 encouraging carbon reduction and carbon offsetting and the promotion of biodiversity and sustainable homes, businesses and transport;
- promote reduction and re-use as well as recycling;
- work with partners to promote a pedestrian-friendly and cycle-friendly road system taking action on air quality especially those caused by vehicle emissions, and encouraging an improved "clean" bus service;
- tighten planning guidance so that it is consistent with meeting local needs and protecting the Green Belt, engaging with government to promote rebalancing the planning system in favour of localism; implement the Community Infrastructure Levy fully and allocate funds fairly and transparently;
- engage with all stakeholders to better control crime and anti-social behaviour;
- Press the government for appropriate funding to meet local needs as reflected in our vision for Waverley, and reverse cuts to local government funding to enable us to intelligently deal with the looming budget shortfall.

General Fund budget

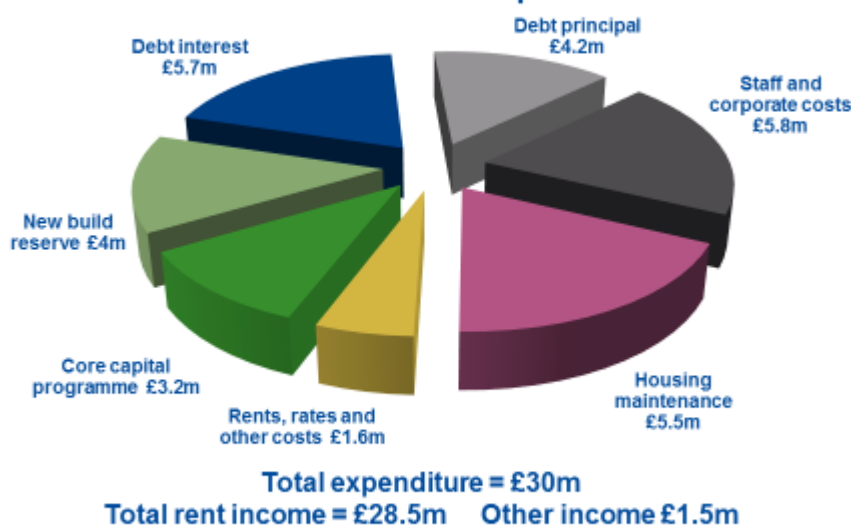


General Fund budget

Proportional Income £m



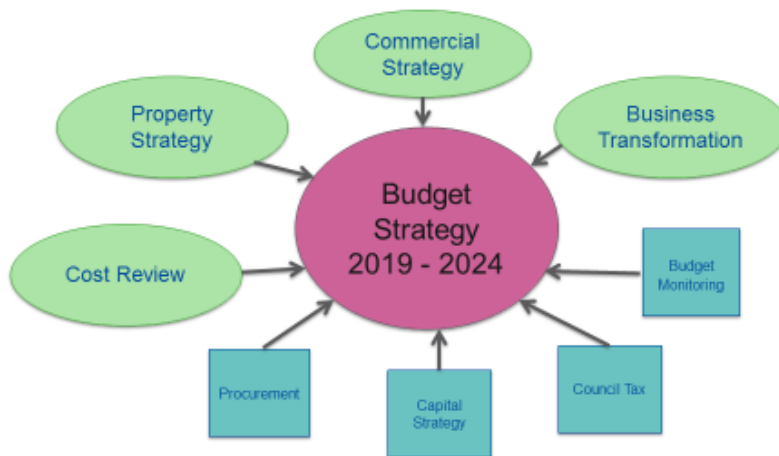
HRA Business Plan – Annual Expenditure



Key Risks

- Achieving savings targets:
 - Significant investment in commercial property needed, to be funded from borrowing
 - Major change programmes underway including transformation of customer services across the council.
- We don't have significant non earmarked reserves:
 - Limited ability to fund change in the Corporate plan, zero carbon, structural deficit
 - One off adverse impacts such as planning appeals, judicial reviews
- Adequacy of provisions:
 - Business rates – under the current retention system we carry some of the cost of appeals, impact of 100% retention, plus reducing total rateable value in the Borough
 - Impact of Government's business rate funding review and Fair Funding review is likely to reduced retained business rates and increase risk
 - Housing benefit overpayment recovery – will be limited in future due to Universal Credit
 - Investment property voids – this is an increasingly important revenue stream
- Negative government grant:
 - Still on the agenda – decision deferred to 2021 Finance Settlement
- Further constraints on income:
 - Reliance on Council Tax increase, Planning and Building Control income – affected by government policy, economy and local political decision making
- The unknown economic impact of Brexit on inflation and interest rates, mitigated by scenario planning as the transition is implemented

General Fund Budget Strategy



MTFP Target savings 2020/21 to 2023/24

	£000
Business Transformation	1,000
Commercial Strategy	700
Property	1,200
Procurement	200
Cost Review	1,000
Council Tax 2% increases	790
Total	£4,890

Commercial Strategy

- Car park review
- Other new/increased income
- Use of existing assets including leisure centres
- Waverley Training Services

Cost Review

- Housing keeping on service budgets
- Review service expenditure e.g. Community Organisations

Business Transformation Strategy

- Customer services project
- Planning and building control process review
- Office accommodation project
- Staff travel and remote working

Financial Projection – General Fund

The following table shows the main budget pressures projected over the MTFP period

	Latest Estimate			
	2020/2021	2021/22	2022/23	2023/24
Anticipated Major Budget Variations	Change from 2019/2020 Base	Change from 2020/2021 Base	Change from 2021/2022 Base	Change from 2022/2023 Base
	£000	£000	£000	£000
Inflation - including pay	590	550	550	550
Waste funding SCC reduction	468			
Housing benefit admin grant	10	20	30	30
Business Rate Retained Income	150	700	700	400
Planning Income Pressure	200			
Other Major Budget Variations	457			
Budget Shortfall	1,875	1,270	1,280	980

£5.4m of recurring savings needed over MTFP period

National Context

- Comprehensive Spending Review delayed
- Fair Funding review put back to 2021/22
- Business rates funding review put back to 2021/21
- 'Negative grant' delayed by a year to 2021/22 – Waverley's indicative amount £800k pa
- New Homes Bonus future years' amounts uncertain
- Limit on council tax increase in 2020/21 of £5 Band D or up to 2% whichever is higher

Reserves and Balances

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

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

- Unexpected price increases

- Unbudgeted calls for spending e.g. major one-off inquiry, Judicial Review
- Loss of income if offsetting savings can't be found
- Increased demand for services e.g. homelessness
- Impact of Government policy e.g. Universal Credit

Key policies are as follows:

- General Fund balances will be maintained at a prudent level of at least £3.2 million – This represents approximately 25% of net running costs.
- The Housing Revenue Account balance will be maintained at a prudent level of at least £2.0 million.
- Business rate equalisation fund to balance the impact of fluctuations in funding, increased appeals risk, reductions in total rateable value and between-year adjustments on the General Fund.
- The revenue contribution to the Revenue Reserve Fund will be the principal funding source for the General Fund Capital programme.
- No dependency on reserves or one off uncertain funding sources to fund ongoing services.
- New Homes Bonus will be used to fund property investment, one off revenue projects and risk mitigation for the budget strategy.
- Maximise the use of Community Infrastructure to provide capital infrastructure funding.

Annexe 5 to the General fund budget report and Annexe 4 to the HRA budget report show the latest projections.

Budget Pressures in the medium-term

- Inflation including Pay - 1% pay increase = £130k on General Fund. CPI currently 1.5%:
 - How do we stop inflation out growing council tax and parking income increases?
- Key income streams under pressure:
 - Reduced number of Major planning schemes coming through
 - Investment income from property is a long term game but carries risks
- Homeless costs are escalating:
 - Adequacy and continuity of government funding supporting the change in legislation?
- MTFP must underpin the Corporate Plan:
 - What spending plans can be changed within the MTFP time frame?
- Funding Waverley's Carbon neutral commitment:
 - Review current spending plans to stop/change service delivery?
- Continue to invest in assets – leisure, car parks, IT
 - How do we fund the necessary investment in asset maintenance?
 - Developing further partnership working to deliver public services at lower cost

General Fund Revenue Budget

	2019/20 Approved Budget	2020/21 Draft Budget	Change
Draft Budget Summary 2020/2021			
	£	£	£
Net Service Cost	10,870,740	10,503,260	(367,480)
Staff Vacancy Target	(280,000)	(250,000)	30,000
Inflation Provision - costs & pay		592,000	592,000
Total Service Cost	10,590,740	10,845,260	254,520
Contributions to Reserves			
Revenue Contribution to Capital Programme	1,051,060	1,050,000	(1,060)
New Homes Bonus to Climate Change Project Reserve		200,000	200,000
New Homes Bonus to Property Investment reserve	1,164,280	260,000	(904,280)
New Homes Bonus to Investment Property Void provision		400,000	400,000
Local Plan Part 2 costs	80,000	40,000	(40,000)
Borough Election reserve	30,000	30,000	0
Insurance reserve	5,000	0	(5,000)
Business Rates Equalisation reserve	290,200	210,000	(80,200)
Climate Change provision for ongoing costs - from additional car park revenue		100,000	100,000
Subtotal	13,211,280	13,135,260	(76,020)
Financed by :-			
Council Tax	10,047,000	10,231,260	184,260
Council Tax - 1.9% increase		194,000	194,000
Retained Business Rates	2,000,000	1,850,000	(150,000)
New Homes Bonus	1,164,280	860,000	(304,280)
Total	13,211,280	13,135,260	(76,020)

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Major Budget Variations for 2020/21

	£'000
Business Transformation	
Head of Service Cost Review	-97
Business Transformation - short term project costs	130
Commercial	
Head of Service Cost Review	-246
Fees & Charges	-18
Grounds Maintenance Reprourement	-43
Environment	
Head of Service Cost Review	-70
Recycling Credits	468
Fees & Charges	-9
Car Park charges increase	-145
Net Contract increase - tipping arrangements	160
Finance & Property	
Head of Service Cost Review	-76
Property Income Target	-300
Reduction in grants received	10
Staff savings from Business Transformation Review	-52
Additional pension cost following triennial Review	180
Housing & communities	
Head of Service Cost Review	-59
Staff savings from Business Transformation Review	-50
Planning	
Head of Service Cost Review	-58
Planning Pre-application Income Stretch Target	-40
Planning application Income realignment	200
Fees & Charges	-19
Policy & Governance	
Head of Service Cost Review	-88
Other	
Head of Service Cost Review	-5
Staff Vacancy Target	30
Inflation - Pay/Contracts/Other	592
Staff increment drift	87
Other minor variations	-227
Total	255

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Head of Service Cost Review

Service	Saving from 2019/20 Budget
Business Transformation	£97,440
Planning & Economic Development	£57,890
Commercial	£246,000
Finance & Property	£75,730
Environment	£70,100
Policy & Governance	£87,690
Housing Delivery & Communities	£59,100
Other	£5,000
Total	£698,950

Cost Review - Business Transformation

Action	Saving from 2019/20 Budget
Efficiency Review of Central Post and Scanning Functions	35,990
Deletion of extra receptionist hours	2,110
Deletion of extra cleaning hours	1,930
Reduce beverage machines budget	3,180
Reduce cleaning agreements budget	6,000
Reduce clothing budget	150
Realign cleaning income budget to actual income achieved	15,000
Realign Central Offices rental income budget to actual income achieved	17,300
Remove utility budgets for Farnham and Haslemere (to be paid by tenants)	8,780
Realign Farnham Locality Offices income budget to actual income achieved	3,000
Printing contracted services budget (not used)	4,000
	97,440

Cost Review Savings - Planning

Action	Saving from 2019/20 Budget
Reduce Development Management training budget based on previous years spend and availability of Apprenticeship levy going forward	6,000
Reduction in Advertising budget (DM) to reflect previous spend	3,000
5% Reduction on Legal Fees and Contracted services budgets (DM)	8,790
Initial savings from efficiency review of validation function	40,100
	57,890

Cost Review - Commercial

Action	Saving from 2019/20 Budget
5% Saving across Grounds Maintenance Non Contract budgets	14,930
Grants and donations budget realignment to actuals	1,430
Savings from Waverley Training Services staffing restructure	68,130
Careline team reduction in hours	5,680
Deletion of vacant Ranger post	26,560
SPA revenue contribution recalculated	14,260
Haslemere Leisure Centre/Shottermill Trust - re-evaluation of management costs and contractor operating costs	41,930
Arts & Culture general budget reduction	500
Transfer of Bowls club maintenance - as agreed by Executive	1,000
Reduce Waverley Training Services rates/utilities budget as result of move to Memorial Hall	8,600
Change to Waverley Training Services learner travel payments to reflect actual spend	2,000
Waverley Training Services Cancellation of data management system contract	600
Places Leisure contract renegotiation - reduced management fee - commercial strategy saving	50,000
Building Control - replacement of Building Control Business Development Surveyor with Building Control Surveyor post resulting in salary savings	6,690
Countryside clothing budget reduced	1,100
Leisure Centres subscription budget	2,500
Parks printing budget deleted	90
	246,000

Cost Review - Finance & Property

Action	Saving from 2019/20 Budget
Realignment of Industrial Estate income budgets to reflect recent rent reviews	25,880
Removal of council tax budget for void GF properties	4,050
Reduction of property subscriptions budget	2,460
Realignment of Wey Court West income budget	3,500
Realignment of Interest & Finance Expenses budget to actuals	7,990
Compensatory Grants to Towns & Parish Councils - reduction in line with current policy	14,280
Council Tax Support Grants to Towns & Parish Councils - reduction in line with current policy	11,080
Reducing costs relating to historic pension liabilities - net of 25% charged to HRA	2,990
Financial fees relating to pensions now included within Pension charges	1,500
Sundry debts/bailiff costs	2,000
	75,730

Cost Review - Environment

Action	Saving from 2019/20 Budget
Deletion of Environmental Services Projects Officer post	28,320
Deletion of part time Licensing Admin post	11,560
Restructure of Environmental Health team	14,290
Reduction of Systems Manager hours (flexi retirement)	15,930
	70,100

Cost Review - Policy and Governance

Action	Saving from 2019/20 Budget
Realignment of External Audit fee budget to reflect actual cost	10,260
Members' training budget - revert to normal level from 1 year increased budget which reflected demand following local election	7,920
Review service staffing structure to achieve efficiencies	36,680
Mayoralty admin costs	1,000
Democratic representation subscriptions	1,000
Land Charges contracted services	18,000
Increase legal fees by 10%	6,300
Cease Mosaic public sector Experian subscription	3,550
Cease LGInform subscription	980
Increase income from 'Your Waverley' advertising by 50%	2,000
	87,690

Cost Review - Housing Delivery & Communities

Action	Saving from 2019/20 Budget
Don't Lose Your Home Officer post deleted - approved by Executive	20,020
Reduction of community development budget - based on previous years spend	5,000
Delete Community Safety officer part time post (not filled for two years)	21,220
Reduction of hours of Housing Strategy and Enabling manager post following review of resources for this function	12,860
	59,100

Cost Review - Other

Action	Saving from 2019/20 Budget
Remove contribution to insurance reserve	5,000
	5,000

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Fees and Charges
2020/2021

Policy & Governance
Schedule of Fees and Charges for 2020/2021

Unit of	VAT	Existing	Proposed	%		2019/20	Proposed		
Charge	Indicator	Charge	Charge	Increase		Budget	Additional		
		£	£			£	Yield		
							£		
Register of Electors		These are Statutory Charges							
Electronic Data	Per 1,000 names or part thereof on each register	OO	20.00	20.00	0.0%	}	2,000		
		OO	1.50	1.50	0.0%				
Paper Data	Per 1,000 names or part thereof on each register	OO	10.00	10.00	0.0%				
		OO	5.00	5.00	0.0%				
					(A flat rate fee is charged plus a charge per 1,000 names on each register.)				0
Vat Indicator:		OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope							

Policy & Governance
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Democratic Representation							
<u>Annual Charges for supply of Committee Agendas</u>							
Meetings of Full Council	Per Annum	OZ	45.00	45.90	2.0%	230	5
Area Planning Committees (All)	Per Annum	OZ	105.00	107.10	2.0%		
Individual Area Planning Committee	Per Annum	OZ	35.00	35.70	2.0%		
Executive	Per Annum	OZ	70.00	71.40	2.0%		
Others	Per Annum	OZ	35.00	35.70	2.0%		
<u>Other Charges</u>							
Photocopying (A4/A3) (Print Room Only)	Per Copy	OS	0.20	0.30	50.0%	404,650	0
Copies of Committee Documents (including webcasts on DVD)	Per Copy	OS	10.00	10.20	2.0%		
Land Charges							
LLC1 Official Search	Per Search	OO	43.00	43.00	0.0%	404,650	0
LLC1 additional parcel of land	Per Parcel	OO	5.00	5.00	0.0%		
Con29 (inc SCC)	Per Search	OS	245.00	245.00	0.0%		
Full Land Charges Search (inc. SCC)	Per Search	OS	288.00	288.00	0.0%		
Printed Part II							
- Enquiries Con29O listed	per Enquiry	OS	18.00	18.00	0.0%		
- Each additional enquiry with Con 29	per Enquiry	OS	27.60	27.60	0.0%		
- Each Additional Enquiry	per Enquiry	OO	23.00	23.00	0.0%		
Search single part of Register	per Enquiry	OO	4.00	4.00	0.0%		
Con 29	per Question	OS	3.00	3.00	0.0%		
Search and Photocopying Legal Agreements, Searches etc.	Minimum Charge based upon 15-minute unit	OS	15.00	15.00	0.0%		
Search and Photocopying A1 Plans/Dyeline Copies	Per Copy	OS	15.00	15.00	0.0%		
Vat Indicator: OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope							
Legal Expenses							
Freedom of Information/ Environmental Information Regulations	Per Enquiry	OO		By Arranger By Arrangement		0	0
Proof of Life Certificates		OO	38.00	38.80	2.1%		
Vat Indicator: OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope							

Policy and Governance
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase		2019/20 Budget £	Proposed Additional Yield £
Corporate Management								
Sale of Annual Financial Report	Per Copy	OZ	11.00	11.30	2.7%	}	0	0
Sale of Annual Budget	Per Copy	OZ	11.00	11.30	2.7%			

Vat Indicator: OS = Standard
 OE = Exempt
 OZ = Zero Rated
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Planning Service
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Development Control							
Planning Application Fees	Various	OO	Various	Various	0.0%		
Statutory Fees set by government - increase of 20% from January 2018							
Supply of Weekly Lists of Planning Applications	Per Annum	OZ	220.00	224.40	2.0%		
<u>Search and Photocopying</u>							
Copies of documents (general)	First page £1.00	OS	1.00	1.10	10.0%		
			45p/sheet thereafter				
Decision notices and other standard documents		OO	20.00	20.40	2.0%		
A0			26.00	26.60	2.3%		
A1 Plans / Dyaline Copies	Per Copy	OS	22.00	22.50	2.3%		
A2			15.00	15.30	2.0%		
A3			11.00	11.30	2.7%		
A4			8.00	8.20	2.5%		
High Hedges	Per Property (Minimum Charge)	OO	500.00	510.00	2.0%		
Pre-Application Charges <i>(charges shown inclusive of VAT)</i>							
Planning Surgeries							
-Householder		OS	62.00	63.30	2.1%		
-Householder		OS	98.00	100.00	2.0%		
-One dwelling & other development		OS	205.00	209.10	2.0%		
-2-5 dwellings		OS	512.00	522.30	2.0%		
-6-10 dwellings		OS	922.00	940.50	2.0%		
-10-25 dwellings		OS	2,560.00	2,611.20	2.0%		
-26+ dwellings		OS	5,120.00	5,222.40	2.0%	1,714,480	4,529
100-500 dwellings		OS	7,680.00	7,833.60	2.0%		
500+ dwellings		OS	10,240.00	10,444.80	2.0%		
Commercial Floor space							
≤150m2		OS	205.00	209.10	2.0%		
- 150m2 - 500m2		OS	512.00	522.30	2.0%		
- 501m2 - 1,000m2		OS	2,560.00	2,611.20	2.0%		
- 1,000+ m2		OS	3,584.00	3,655.70	2.0%		
Other development: Change of Use non-commercial, equine, commercial		OS	205.00	209.10	2.0%		
Amended pre-application				50% original charge			
Development Control Consultative Forum		OS	5,000.00	5,100.00	2.0%		
Research Fee		OS	110.00	112.20	2.0%		
Validation Checks		OS	55.00	56.10	2.0%		
Listed Building & Conservation Area Advice							
- Up to 30 min site visit and short note or written advice		OS	0.00	50.00			
- Up to 45 min site visit and short note or written advice		OS	0.00	100.00			
- Up to an hour site visit and formal written advice		OS	0.00	250.00			
- Up to 1hr30 mins site visit and formal written advice		OS	0.00	500.00			
Tree Advice		OS	50.00	51.00	2.0%		
Charging for meetings as part of application		OS	100.00	102.00	2.0%		

Planning Service
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Other Planning Services							
2002 Local Plan document (no maps)	Per Copy	OZ	20.00	20.40	2.0%	}	0
Local Plan Part 1 (February 2018) (including maps)	Per Copy	OZ	50.00	51.00	2.0%		
(Maps only)	Per Copy	OZ	28.00	28.60	2.1%		
Self Build and Custom Housebuilding Register							
- Entry to the Register	Per application	OS	30.00	30.60	2.0%		
- Fee to remain on Register (applies from 31st October 2018)	Per Annum	OS	15.00	15.30	2.0%		
House Name Changes, Street Naming and Numbering							
<u>Property name additions/amendments</u>							
Rename a road			308.00	314.20	2.0%	}	40,000
Rename a property			103.00	105.10	2.0%		
<u>Numbering of new properties</u>							
Plots							
First plot of any new development		OO	205.00	209.10	2.0%	}	840
Additional plots 2 to 20		OO	41.00	41.90	2.2%		
Additional plots 21 and above		OO	31.00	31.70	2.3%		
Vat Indicator:	OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope						

Planning Service
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Building Control							
Building Control Fees	Various	OS	Locally determined fees in accordance with LGA Building Regulations Scheme			}	606,155
<u>Search and Photocopying Enquiries (Building Control)</u>	Minimum Charge	OS	41.00	41.90	2.2%		
Copy Building Control certificate		OO	11.00	11.30	2.7%		
Vat Indicator: OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope							

Finance & Property
Schedule of Fees and Charges 2020/2021

	Unit of	VAT	Existing	Proposed	%	Explanatory Notes	2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional Yield
			£	£			£	£
Property and Development Services								
Surveyor's Fees								
Request from owners/occupiers to purchase additional land	Per Request	OS	520.00	530.40	2.0%	}	} } } } } } } } } } } } } }	
Request from owners/occupiers for the grant of a permanent easement	Per Request	OS	520.00	530.40	2.0%	} Collected in advance		
Request for access/drainage rights	Per Request	OS	520.00	530.40	2.0%	}		
Request for assignment of leases (where lease allows)	Per Request					Minimum charge		
Residential Premises		OS	260.00	265.20	2.0%	Minimum charge		
Commercial Tenancies		OS	620.00	632.40	2.0%	Minimum charge		
Request for landlord's consent for change of use/sub-letting/alterations etc. (where lease allows)	Per Request					Minimum charge		
Residential Premises		OS	260.00	265.20	2.0%	Minimum charge		
Commercial Tenancies		OS	620.00	632.40	2.0%	Minimum charge		
Grant of licence to use land or accessway	Per Request	OS	260.00	265.20	2.0%	}		
						} Collected in advance		
Request for a tenant's reference	Per Request	OS	155.00	158.10	2.0%	}		
Discharge of a covenant	Per Request	OS	465.00	474.30	2.0%			
Request for Wayleave	Per Request	OS	310.00	316.20	2.0%			
Grant/renewal of lease (where appropriate)	Per Request							
Commercial		OS	520.00	530.40	2.0%	Minimum charge		
Sports Clubs/Community Groups etc		OS	260.00	265.20	2.0%			

5,000 100

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

Finance
Schedule of Fees and Charges for 2020/2021

	Unit of	VAT	Existing	Proposed	%	Explanatory Notes	2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional
			£	£			£	Yield
								£
Cost of Collection								
Summons Costs								
Council Tax								
on issue of summons		Per Summons						
on granting of liability order (further charge)		OO	105.00	107.10	2.0%	The fees are determined after consultation with the	130,000	2,600
		OO	3.00	3.10	3.3%			
Business Rates								
on issue of summons		Per Summons				the Surrey Magistrates' Courts Committee.	13,000	260
on granting of liability order (further charge)		OO	130.00	132.60	2.0%			
		OO	3.00	3.10	3.3%			
Vat Indicator:	OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope							

Community Services
Schedule of Fees and Charges for 2020/2021

	Unit of	VAT	Existing	Proposed	%	Explanatory Notes	2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional
			£	£			£	Yield
								£
							138,140	2,763
Event and Filming Administration Fees								
Administration Fees								
All events and filming request will be subject to an administration charge to cover the costs of event admin, checking of documentation and any site visits required								
Local Community / Charity / School Event	Per Event	OS	53.00	54.10	2.1%			
Commercial Event / Filming Admin Fee	Per Event	OS	105.00	107.10	2.0%			
Town & parish Council fee per annum for organising events on WBC land to cover admin required	Per Annum	OS	105.00	107.10	2.0%			
Events								
Fairs - Operational day	Day	OE	627.00	639.60	2.0%	} plus 500 refundable deposit		
Fairs - Setting up / down	Day	OE	300.00	306.00	2.0%			
Small Fetes / Village Shows	Day	OE	105.00	107.10	2.0%	} plus 200 refundable deposit		
Large Fetes / Village Shows	Day	OE	157.00	160.20	2.0%			
Car Boot Sales	Day	OE	209.00	213.20	2.0%	} plus 500 refundable deposit		
Caravan Rallies - Per Unit	Night	OS	9.00	9.20	2.2%			
Tilford Camp Site - Per Head	Night	OS	6.00	6.20	3.3%			
Grazing Rights								
By Negotiat By Negotiation								
Frensham Common	Parking	Car /Day	OS	4.00	4.10	2.5%	}	
		Coach / Day	OS	16.00	16.40	2.5%		
		Motor Homes / Day	OS	8.00	8.20	2.5%		
		Horse box / Day	OS	12.00	12.30	2.5%		
Balloon launches	per launch	OE	80.00	81.60	2.0%	}		
		Annual fee	OE	1,045.00	1,065.90		2.0%	Exclusive right per site
Allotments	5 rod plot	per plot	OE	63.00	64.30	2.1%		
	10 rod plot	per plot	OE	125.00	127.50	2.0%		
Forest Schools	Session	OE	40.00	40.80	2.0%			
Professional Dog Walking	Session	OE	16.00	16.40	2.5%	}		
		Annual licence	OE	157.00	160.20		2.0%	1 person with 4 dogs on WBC sites
Bonfires	Event	OE	107.00	109.20	2.1%	} plus 500 refundable deposit		
Ice Cream Vans	6 months	OE	1,619.00	1,651.40	2.0%			
	one off's	OE	53.00	54.10	2.1%			
Mobile Catering	per month	OE	550.00	561.00	2.0%	} plus 500 refundable deposit		
Bouncy Castle (use of land)	Session	OE	55.00	56.10	2.0%			
Blessings (eg Frensham Pond)	Event	OS	53.00	54.10	2.1%			
Wedding Events on Open Spaces		OS	200.00	204.00	2.0%	} plus 200 refundable deposit		
Farnham Castle use of Farnham park for extra parking for castle events		OS	1,045.00	1,065.90	2.0%		annual fee	
Officer call outs for site visits / meetings / utility meetings	Hour	OE	115.00	117.30	2.0%			
Still Photography								
Advertising	Per Day (or part thereof)	OS	By Negotiat	By Negotiation		}		
Books or Magazines		OS	By Negotiat	By Negotiation				

Community Services
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	Explanatory Notes	2019/20 Budget £	Proposed Additional Yield £
Filming								
Feature film or Advertising film	Per Day	OS	By Negotiat	By Negotiation		}		
Set up and clear up days	(or part thereof)	OS	By Negotiat	By Negotiation		}		
Television Drama or Comedy		OS	By Negotiat	By Negotiation		}		
Small scale filming		OS	By Negotiat	By Negotiation		}		
Individual Educational/Student requests		OS	Free	Free		}		
University of creative arts - student filming requests	Annual fee	OS	1,024.00	1,044.50	2.0%	}		
Music								
Recording or video	Per Day (or part thereof)	OS	By Negotiat	By Negotiation		}		
Recreational Open Space								
Football								
With Pavilion								
Full size pitch over 18's, 11v11	Match	OS	90.00	91.80	2.0%	}		
Full size pitch U13 - U18's, 11v11	Match	OS	55.00	56.10	2.0%	}		
Junior pitch U11-U12's, 9v9	Match	OS	41.00	41.90	0.0%	}		
Colleges/Businesses Seniors	Match	OS	99.00	101.00	2.0%	}		
Without Pavilion								
Full size pitch over 18's, 11v11	Match	OS	80.00	81.60	2.0%	}		
Full size pitch U13 - U18's, 11v11	Match	OS	47.50	48.50	2.1%	}		
Junior pitch U11-U12's, 9v9	Match	OS	35.00	35.70	2.0%	}		
Mini pitch U7-U10, 5v5 ad 7v7	Match	OS	32.00	32.70	2.2%	}		
Colleges/Businesses Seniors	Match	OS	87.00	88.80	2.1%	}		
Rugby								
Seniors	Match	OS	90.00	91.80	2.0%	}		
Mini Rugby	Match	OS	45.00	45.90	2.0%	}		
Junior (u18)	Match	OS	53.00	54.10	2.1%	}		
Colleges/Businesses Seniors	Match	OS	99.00	101.00	2.0%	}		
Training								
Football - no pitch use	Session	OS	26.00	26.60	2.3%	}		
Rugby - no pitch use	Session	OS	28.00	28.60	2.1%	}		
Football - pitch use	Session	OS	72.00	73.50	2.1%	}		
Rugby - pitch use	Session	OS	84.00	85.70	2.0%	}		
Cricket - with pavilion								
Seniors	Match	OS	100.00	102.00	2.0%	}		
Seniors (artificial wicket)	Match	OS	81.00	82.70	2.1%	}		
Colts	Match	OS	41.00	41.90	2.2%	}		
Colts (artificial wicket)	Match	OS	36.00	36.80	2.2%	}		
Colleges/Businesses Seniors	Match	OS	105.00	107.10	2.0%	}		
Cricket - without pavilion								
Seniors	Match	OS	85.00	86.70	2.0%	}		
Seniors (artificial wicket)	Match	OS	70.00	71.40	2.0%	}		
Colts	Match	OS	37.00	37.80	2.2%	}		
Colts (artificial wicket)	Match	OS	32.00	32.70	2.2%	}		
Colleges/Businesses Seniors	Match	OS	95.00	96.90	2.0%	}		
Broadwater Changing rooms	Match	OS	19.00	19.40	2.1%	eg FCC cricket matches		
Note: VAT is not chargeable on certain block/seasonal bookings of sports facilities.								
Tennis								
Seniors Per Court	Hour	OS	9.00	9.20	2.2%	}		
Juniors Per Court	Hour	OS	7.00	7.20	2.9%	}		
(Up to 6pm Monday to Friday)								
Colleges/Businesses Seniors	Hour	OS	10.00	10.20	2.0%	}		

Community Services
Schedule of Fees and Charges for 2020/2021

	Unit of	VAT	Existing	Proposed	%	Explanatory Notes	2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional
			£	£			£	Yield
								£
Bowls Club								
Per Green	Year	OE	7,800.00	7,956.00	2.0%			
Athletics								
Athletics at Woolmer Hill Sports Ground, Haslemere	Year	OE	780.00	795.60	2.0%	Artificial track provided and maintained by Athletics Club		
Outdoor Keep Fit Groups								
One off use	Session	OS	15.00	15.30	2.0%			
Once a week, 1-2-1 tuition	Annual Charge	OS	78.00	79.60	2.1%			
Multiple sessions each week, 1-2-1 tuition	Annual Charge	OS	156.00	159.20	2.1%			
Once a week, group tuition	Annual Charge	OS	156.00	159.20	2.1%			
Multiple sessions each week, group tuition	Annual Charge	OS	312.00	318.30	2.0%			
Outdoor Fitness Camp Note:								
Reinstatement fees may be charges if damaged is caused by training on the sports pitches.	Per Incident		Dependent on amount of litter/damage	Dependent on amount of litter/damage				
Littering/Vandalism Charge								
Should sports clubs/trainers etc litter of damage our facilities, they may be liable for costs associated with rectifying issues	Per Incident		Dependent on amount of litter/damage	Dependent on amount of litter/damage				

Community Services
Schedule of Fees and Charges for 2020/2021

	Unit of	VAT	Existing	Proposed	%	Explanatory Notes	2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional
			£	£			£	Yield
								£
Sunvale Cemetery, Haslemere								
Interment Fees - Earth Grave								
	)	OO	860.00	877.20	2.0%			
	)	OO	760.00	775.20	2.0%			
	) per Grave	OO	No Charge	No Charge				
	)	OO	380.00	387.60	2.0%			
	)	OO	No Charge	No Charge				
	)	OO	Fees + 100	Fees + 100%				
Exclusive Right of Burial								
Purchase of Grave Space								
	)	OO	1,580.00	1,611.60	2.0%			
	)	OO	540.00	550.80	2.0%		12,000	240
	)	OO	540.00	550.80	2.0%			
	)	OO	Fees + 100	Fees + 100%				
	)	OO	63.00	64.30	2.1%			
Memorial Rights								
(Grave Space must be purchased)								
	)	OO	157.00	160.20	2.0%			
	)	OO	213.00	217.30	2.0%			
)							
)							
	)	OO	107.00	109.20	2.1%			
)	OO	Fees + 100	Fees + 100%				
Administration								
)	OO	63.00	64.30	2.1%			

Vat Indicator: OS = Standard
 OE = Exempt
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 OO = Outside Scope

Community Services
Schedule of Fees and Charges 2020/2021

	Unit of	VAT	Existing	Proposed	%	2019/20	Proposed
	Charge	Indicator	Charge £	Charge £	Increase	Budget £	Additional Yield £
Borough Hall, Godalming						104,000	2,392
Casual Use							
Main Hall							
Monday - Friday	8am - 6pm		Per Hour	OE	39.00	39.80	2.1%
Monday - Thursday	6pm - Midnight		Per Hour	OE	45.00	45.90	2.0%
Friday - Sunday	6pm - 11pm		Per Hour	OE	55.00	56.10	2.0%
Childrens Parties							
Saturday and Sunday	9am - 5:30pm		Per Hour	OE	36.00	36.80	2.2%
Court Room							
Monday - Friday	8am - 6pm		Per Hour	OE	29.00	29.60	2.1%
Monday - Thursday	6pm - Midnight		Per Hour	OE	35.00	35.70	2.0%
Friday - Sunday	6pm - 11pm		Per Hour		40.00	40.80	2.0%
Borough Hall Complex							
Friday - Sunday	6pm - 11pm		Per Hour	OE	59.00	60.20	2.0%
Extra Staff Member (Tiered seating, bar staff, support)							
	9am - 6pm		Per Hour	OE	15.00	15.30	2.0%
	6pm - midnight		Per Hour	OE	15.00	15.30	2.0%
	Midnight - 2am		Per Hour	OE	25.00	25.50	2.0%
Other							
Kitchen			Daily Charge		69.00	70.40	2.0%
Tiered seating			Daily Charge		75.00	76.50	2.0%
Linen Laundry			Per Cloth		8.00	8.20	2.5%
Water Urn			Daily Charge		10.00	10.20	2.0%
Stage PA System			Daily Charge		20.00	20.40	2.0%
Corkage			Per Bottle		4.00	4.10	2.5%
Charitable and Non profit making organisations/ Waverley BC staff			20% discount applied				

Community Services
Schedule of Fees and Charges 2020/2021

		Unit of	VAT	Existing	Proposed	%	2019/20	Proposed
		Charge	Indicator	Charge £	Charge £	Increase	Budget £	Additional Yield £
Regular Use								
Main Hall								
Monday - Friday	8am - 6pm	Per Hour	OE	18.00	18.40	2.2%		
Monday - Thursday	6pm - Midnight	Per Hour	OE	25.00	25.50	2.0%		
Friday - Sunday	6pm - 11pm	Per Hour	OE	35.00	35.70	2.0%		
Court Room/Bar								
Monday - Friday	8am - 6pm	Per Hour	OE	13.00	13.30	2.3%		
Monday - Thursday	6pm - Midnight	Per Hour	OE	18.00	18.40	2.2%		
Friday - Sunday	6pm - 11pm	Per Hour	OE	25.00	25.50	2.0%		

The court room, when used as a bar for social functions, will be closed at 11pm and cleared by 11.30pm.

The above schedule excludes the Cinema which is shown below.

Nursery School: to be agreed.

Cancellation of a Casual Booking will incur a loss of the deposit paid. Cancellation of a booking within 28 days of the booked date will incur total cost of the booking to be levied.

A cash deposit of £1,000 will be secured on any public function and an insurance indemnity of £2,000,000 required. An insurance indemnity certificate of £1,000,000 is required on all bookings.

A negotiation of rates chargeable can be made in circumstances beneficial to the Council and the client especially on regular use.

Bar facilities from 7pm - 11pm are part of the bookings for our clients if required.

Clients are not allowed to operate their own bar unless special permission and conditions apply

The premises must be cleared by the client and their guests by midnight.

Catering for large social functions will not be allowed to be carried out by the client unless special permission and conditions apply.

The Borough Hall complex is a non-smoking area.

Regular Hirers will be charged for all pre-confirmed dates within the financial year, any cancellations by the Hirer will not be refunded.

In the event of adverse weather, the Borough Hall Management reserves the right to cancel bookings at short notice

Regular Bookings cancelled by Management will be refunded at the end of the financial year

Cinema

Adult		OS	7.50	7.50	0.0%
Senior		OS	6.50	6.50	0.0%
Child		OS	3.50	3.50	0.0%
Student		OS	6.50	6.50	0.0%
Group (10 or more)		OS	6.00	6.00	0.0%

Vat Indicator:

OS = Standard

OE = Exempt

OZ = Zero Rated

OO = Outside Scope

**Community Services
Schedule of Fees and Charges 2020/2021**

	Unit of	VAT	Existing	Proposed	%	2019/20	Proposed
	Charge	Indicator	Charge £	Charge £	Increase	Budget £	Additional Yield £
Memorial Hall						150,690	3,014
Casual Use							
Main Hall - Miles Rafe Room							
Weekday	Per Hour	OE	25.00	25.50	2.0%		
Weekend	Per Hour	OE	40.00	40.80	2.0%		
All day hire	Per Day	OE	1,000.00	1,020.00	2.0%		
Exclusive Use	Per Hour		90.00	91.80	2.0%		
Wallace Room							
Weekday	Per Hour	OE	15.00	15.30	2.0%		
Weekend	Per Hour	OE	20.00	20.40	2.0%		
Ayres Room							
Weekday	Per Hour	OE	15.00	15.30	2.0%		
Weekend	Per Hour	OE	20.00	20.40	2.0%		
Combined Wallace & Ayres Rooms							
Weekday	Per Hour	OE	20.00	20.40	2.0%		
Weekend	Per Hour	OE	30.00	30.60	2.0%		
Hawkins Room							
Weekday	Per Hour	OE	15.00	15.30	2.0%		
Weekend	Per Hour	OE	20.00	20.40	2.0%		
Mansey							
Weekday	Per Hour	OE	15.00	15.30	2.0%		
Weekend	Per Hour	OE	20.00	20.40	2.0%		
Regular Use							
Main Hall - Miles Rafe Room							
Weekday	Per Hour	OE	20.00	20.40	2.0%		
Weekend	Per Hour	OE	40.00	40.80	2.0%		
All day hire	Per Day	OE	1,000.00	1,020.00	2.0%		
Exclusive Use	Per Hour		90.00	91.80	2.0%		
Wallace Room							
Weekday	Per Hour	OE	10.00	10.20	2.0%		
Weekend	Per Hour	OE	15.00	15.30	2.0%		
Ayres Room							
Weekday	Per Hour	OE	10.00	10.20	2.0%		
Weekend	Per Hour	OE	15.00	15.30	2.0%		
Combined Wallace & Ayres Rooms							
Weekday	Per Hour	OE	15.00	15.30	2.0%		
Weekend	Per Hour	OE	20.00	20.40	2.0%		
Hawkins Room							
Weekday	Per Hour	OE	10.00	10.20	2.0%		
Weekend	Per Hour	OE	15.00	15.30	2.0%		
Mansey							
Weekday	Per Hour	OE	10.00	10.20	2.0%		
Weekend	Per Hour	OE	15.00	15.30	2.0%		
Performing Rights Tariff							
		OE		3% of hire charge			not required if hirer can sufficient provide their own PRS certificate

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

Community Services
Schedule of Fees and Charges for 2020/2021

	Unit of	VAT	Existing		%		2019/20	Proposed
	Charge	Indicator	Charge	Charge	Increase		Budget	Additional
			£	£			£	Yield
								£
Careline								
- Careline Customers: (excluding VAT)	Per Month	OS	19.07	20.00	4.9%	Additional fee of £2 per additional invoice generated for new customers not paying by Direct Debit	466,746	22,871
- Housing Associations	Contracts and pricing individually agreed							

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

Environment Services
Schedule of Fees and Charges 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Waste Recycling							
Green Waste Collection							
Standard Charge:							
	1 bin	per Annum	OO	65.00	0.0%	906,000	0
	Purchase of bin *	per Item	OO	20.00	25.0%		
Black 140 litre refuse bin	Purchase of bin *	per Item	OO	20.00	25.0%		
Black 240 litre refuse bin	Purchase of bin *	per Item	OO	25.00	0.0%		

* This charge recovers the cost of purchasing and delivering the bin.

Vat Indicator:

OS = Standard
OE = Exempt
OZ = Zero Rated
OO = Outside Scope

Environment Services
Schedule of Fees and Charges 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £
Environmental Health							
Food							
Surrender Certificates for Unfit Food		OS	180.00	185.00	2.8%	3,000	60
Export Certificates for Food		OS	180.00	185.00	2.8%		
Statement of Fact		OS	180.00	185.00	2.8%		
Premises Endorsement For Export				100.00			
Re-visits for Food Hygiene Rating			200.00	200.00	0.0%		
Food Hygiene Training Course			75.00	75.00	0.0%		
Private Water Supply							
Risk Assessments	Per Request + Per Hour	OS	169.00 59.00	175.00 60.00	3.6% 1.7%	1,000	47
Sampling	Per Request	OS	62.00	65.00	4.8%		
			53.00	55.00	3.8%		
Investigations	Per Hour	OS	62.00	65.00	4.8%		
Authorisations	Per Request + Per Hour	OS	103.00 53.00	105.00 55.00	1.9% 3.8%		
Analysis	Per Request	OS	22.00	25.00	13.6%		
			+ laboratory fees				

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

Environment Services
Schedule of Fees and Charges 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £		
Animal Control									
Stray Dogs	Per Occasion	OO	25.00	25.00	0.0%	1,500	0		
<u>Rats and Mice</u>									
Domestic #	Per Treatment	OS	75.00	80.00	6.7%	}	}		
Domestic - Call out		OS	40.00	45.00	12.5%				
Reduced Charge *		OS	40.00	45.00	12.5%				
Reduced Charge Call out *		OS	20.00	25.00	25.0%				
Commercial	Per Hour	OS	75.00	80.00	6.7%				
Commercial - Call out		OS	40.00	45.00	12.5%				
<u>Wasps</u>									
Domestic	Per Visit	OS	65.00	70.00	7.7%				
Domestic - Call out		OS	35.00	40.00	14.3%				
Reduced Charge *	Per Visit	OS	35.00	40.00	14.3%				
Reduced Charge Call out *		OS	20.00	25.00	25.0%				
Commercial	Per Hour	OS	65.00	80.00	23.1%				
Commercial - Call out		OS	35.00	45.00	28.6%	36,500	4,490		
<u>Casual Treatments / Other Insects</u> (Including Fleas)									
Fleas	Per Visit	OS	80.00	85.00	6.3%	}	}		
Reduced charge*	Per Visit	OS	40.00	45.00	12.5%				
Bed Bugs	Per Visit	OS	80.00	85.00	6.3%				
Reduced charge*	Per Visit	OS	40.00	45.00	12.5%				
Cockroaches	Per Visit	OS	80.00	85.00	6.3%				
Reduced charge*	Per Visit	OS	40.00	45.00	12.5%				
Cluster Flies	Per Visit	OS	110.00	115.00	4.5%				
Reduced charge*	Per Visit	OS	60.00	65.00	8.3%				
Carpet Moths	Per Visit	OS	110.00	115.00	4.5%				
Reduced charge*	Per Visit	OS	60.00	65.00	8.3%				
	Per Visit	OS	40.00	45.00	12.5%				
Advice visits or callout charge for missed appointments									
Pharaoh's Ants	Per Visit	OS	Price subject to survey	Price subject to survey					

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

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

Environment
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield
Licences							
Animal Welfare							
Boarding for Cats and Dogs - Kennels							
Part A (Application and Renewal Fee)			384.00	384.00	0.0%		
Part B (Grant Fee)			300.00	300.00	0.0%		
Total Fee			<u>684.00</u>	<u>684.00</u>	0.0%		
Boarding for Dogs - Home Boarding							
Part A			334.00	334.00	0.0%		
Part B			300.00	300.00	0.0%		
Total Fee			<u>634.00</u>	<u>634.00</u>	0.0%		
Boarding for Dogs - Day Care							
Part A			384.00	384.00	0.0%		
Part B			300.00	300.00	0.0%		
Total Fee			<u>684.00</u>	<u>684.00</u>	0.0%		
Breeding Dogs(excl vet fee)							
Part A			334.00	334.00	0.0%		
Part B			300.00	300.00	0.0%		
Total Fee			<u>634.00</u>	<u>634.00</u>	0.0%		
Hiring Horses (excl vet fee)							
1 - 8 horses							
Part A			384.00	384.00	0.0%		
Part B			325.00	325.00	0.0%		
Total Fee			<u>709.00</u>	<u>709.00</u>	0.0%		
9 - 15 horses							
Part A			459.00	459.00	0.0%		
Part B			325.00	325.00	0.0%		
Total Fee			<u>784.00</u>	<u>784.00</u>	0.0%		
Over 15 horses							
Part A			534.00	534.00	0.0%		
Part B			325.00	325.00	0.0%		
Total Fee			<u>859.00</u>	<u>859.00</u>	0.0%		
Selling Animals as Pets							
Part A			334.00	334.00	0.0%		
Part B			300.00	300.00	0.0%		
Total Fee			<u>634.00</u>	<u>634.00</u>	0.0%		
Exhibition of Animals							
Part A			334.00	334.00	0.0%		
Part B			300.00	300.00	0.0%		
Total Fee			<u>634.00</u>	<u>634.00</u>	0.0%		
For each additional activity (to the main activity) the fee is half the standard application and grant fee.							
Each additional inspection/visit			150.00	150.00	0.0%		
Each advisory visit			150.00	150.00	0.0%		
Variation to the licence (inclusive of one visit)			200.00	200.00	0.0%		
Re-evaluation of rating (inclusive of one visit)			200.00	200.00	0.0%		
Variations to reduce licensable activities/numbers of animals			75.00	75.00	0.0%	140,000	1,400
Transfer due to death of licensee			75.00	75.00	0.0%	*	

Environment

Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield
Other							
Cosmetic Piercing, Electrolysis, Acupuncture	per premise	OO	200.00	210.00	5.0%		
Cosmetic Piercing, Electrolysis, Acupuncture	per person combined	OO	200.00	210.00	5.0%		
	fee for premises and personal licence	OO	290.00	300.00	3.4%		
Cosmetic Piercing, Electrolysis, Acupuncture							
Tattooing	per premise	OO	220.00	230.00	4.5%		
Tattooing	per person combined	OO	220.00	230.00	4.5%		
	fee for premises and personal licence	OO	310.00	320.00	3.2%		
Tattooing							
Semi-permanent skin colouring	per premises	OO	220.00	230.00	4.5%		
Semi-permanent skin colouring	per person combined	OO	220.00	230.00	4.5%		
	fee for premises and personal licence	OO	310.00	320.00	3.2%		
Semi-permanent skin colouring							
Street Trading							
a) Sole Trader	Annual	OO	290.00	296.00	2.1%		
b) Schedule 2 event - up to 50 traders	Annual	OO	300.00	306.00	2.0%		
c) Schedule 2 event - 51 or more traders	Annual	OO	230.00	240.00	4.3%		
d) Schedule 2 event - up to 50 traders	Single Event	OO	140.00	143.00	2.1%		
e) Schedule 2 event - 51 or more traders	Single Event	OO	150.00	160.00	6.7%		

Environment
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield
Scrap Metal Dealers Licence							
a) Site - new application		OO	470.00	480.00	2.1%		
b) Site - renewal		OO	270.00	275.00	1.9%		
c) Site to collectors - variation		OO	410.00	418.00	2.0%		
d) Collectors - new application		OO	430.00	438.00	1.9%		
e) Collectors - renewal		OO	230.00	235.00	2.2%		
f) Collectors to Site - variation		OO	470.00	480.00	2.1%		
Please Note:							
All of these fees are subject to consideration by the licensing regulatory committee of consultation responses.							
<i>Hackney Carriage - Vehicles (not adapted) *</i>							
- less than 5 years old	Annual	OO	291.00	297.00	2.1%		
- 5 years old and over - first 6 months		OO	291.00	297.00	2.1%		
- 5 years old and over - second 6 months		OO	84.00	85.00	1.2%		
<i>Hackney Carriage - Vehicles (adapted) *</i>							
- under 5 years old	Annual	OO	105.00	110.00	4.8%		
- 5 years old and over - first 6 months		OO	105.00	110.00	4.8%		
- 5 years old and over - second 6 months		OO	84.00	85.00	1.2%		
<i>Missed Appointments (Vehicle Test)</i>	Per Test	OO	72.00	75.00	4.2%		
<i>Re-testing of vehicles following failure</i>	Per Test	OS	72.00	75.00	4.2%		
<i>Private Hire - Operators - renewal (5 vehicles and less)</i>	5 years	OO	125.00	130.00	4.0%		
<i>Private Hire - Operators - renewal (more than 5 vehicles)</i>	5 years	OO	176.00	180.00	2.3%		
<i>Private Hire - New Operators (5 vehicles and less)</i>	5 years	OO	150.00	153.00	2.0%		
<i>Private Hire - New Operators (more than 5 vehicles)</i>	5 years	OO	197.00	200.00	1.5%		
<i>Private Hire - New Operators (5 vehicles and less)</i>	5 years	OO	221.00	225.00	1.8%		
<i>Private Hire -New Operators (more than 5 vehicles)</i>	5 years	OO	268.00	275.00	2.6%		
<i>Private Hire - Vehicles (not adapted) *</i>							
- under 5 years old	Annual	OO	291.00	297.00	2.1%		
- 5 years and over - first 6 months		OO	288.00	294.00	2.1%		
- 5 years and over - second 6 months		OO	84.00	86.00	2.4%		
<i>Private Hire - Vehicles (adapted) *</i>							
- under 5 years old	Annual	OO	105.00	107.00	1.9%		
- 5 years and over - first 6 months		OO	105.00	107.00	1.9%		
- 5 years and over - second 6 months		OO	84.00	86.00	2.4%		
<i>Hackney carriage / private hire - New driver</i>	3 years	OO	269.00	275.00	2.2%		
<i>Hackney carriage / private hire licence renewal</i>	3 years	OO	175.00	179.00	2.3%		
<i>Hackney carriage / private hire - New driver</i>	1 year	OO	111.00	115.00	3.6%		
<i>Hackney carriage / private hire licence renewal</i>	1 year	OO	71.00	73.00	2.8%		
						131,510	2,630

Environment
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield
<i>Private Hire only - New driver</i>	3 years	OO	269.00	275.00	2.2%		
<i>Private Hire only licence renewal</i>	3 years	OO	175.00	179.00	2.3%		
<i>Private Hire only- New driver</i>	1 year	OO	111.00	114.00	2.7%		
<i>Private Hire only licence renewal</i>	1 year	OO	71.00	73.00	2.8%		
<i>Knowledge test</i>	Per Test	OO	72.00	74.00	2.8%		
<i>Resit / non-attendance fee for Knowledge test</i>	Per Test	OO	72.00	74.00	2.8%		
<i>Surrender and replacement of Hackney Carriage / Private Hire Licence</i>		OO	84.00	86.00	2.4%		
<i>Hackney Carriage and Private Hire</i>							
- Replacement plate bracket		OS	10.30	11.00	6.8%		
- New/Replacement plate & window disc		OS	20.50	21.00	2.4%		
- Replacement driver's badge		OO	10.30	11.00	6.8%		
- Change of address		OS	10.30	11.00	6.8%		
Transfer of P/H to H/C (new badge, knowledge test and admin)		OO	92.20	95.00	3.0%		
<i>Gambling Act 2005</i>	Various		Please see website for individual fees				
- Including lotteries, permits, premises, etc							
Licensing Act 2003							
- Personal	New	OO	37.00	38.00	2.7%		
- Premises	Initial/Variation	OO	Various depending on rateable value				
- Premises: Sex Establishment	from -according to RV	OO	4,690.00	4,800.00	2.3%		
- Premises	Annual Fee	OO	Various depending on rateable value				* included above
- Premises	DPS Variations, etc	OO	23.00	23.00	0.0%		
- Temporary Event Notice	Per Event	OO	21.00	21.00	0.0%		
<i>Data Barring Service (previously CRB)</i>	Per Applicant	OO	60.00	62.00	3.3%		
<i>Vat Indicator:</i>							
	OS = Standard						
	OE = Exempt						
	OZ = Zero Rated						
	OO = Outside Scope						

Please Note:
All of these fees are subject to consideration by the licensing regulatory committee of consultation responses.

Housing Services
Schedule of Fees and Charges for 2020/2021

	Unit of Charge	VAT Indicator	Existing Charge £	Proposed Charge £	% Increase	2019/20 Budget £	Proposed Additional Yield £		
General Fund Housing									
Houses in Multiple Occupation (HMO)									
Five yearly - per property (new application)		OO	590.00	640.00	8.5%	4,000	160		
Five yearly - per property (renewal)		OO	520.00	560.00	7.7%				
Caravan Site Licence Fees									
Site Licence Applications		OO							
No. of pitches	1 - 5		479.00	491.55	2.6%				
	6 - 24		503.00	517.93	3.0%				
	25 - 99		552.00	570.69	3.4%				
Site Licence Variations		OO							
No. of pitches	1 - 5		313.00	313.00	0.0%				
	6 - 24		325.00	325.58	0.2%				
	25 - 99		350.00	351.96	0.6%				
Licence Transfer	All		150.00	151.36	0.9%				
Annual Fee	1 - 5		55.00	60.00	9.1%				
	6 - 24		110.00	120.00	9.1%				
	25 - 99		220.00	240.00	9.1%				
Property Inspections									
Property Inspections for Immigration/ Foreign Office/Visa Application purposes		OS	160.00	170.00	6.3%				
Officer time for works in default (Subject to Statutory maximum charge of £300)	Per Hour	OO	60.00	60.00	0.0%				
Officer time for Housing Act enforcement (Subject to Statutory maximum charge of £300)	Per Hour	OO	60.00	60.00	0.0%				
Vat Indicator:	OS = Standard OE = Exempt OZ = Zero Rated OO = Outside Scope								

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Schedule of Reserves and Balances - Actual and Projected

General Fund	31/3/2019	2019/20		2020/21			2021/22			2022/23		
	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000	Balance £'000	In £'000	Out £'000
Revenue												
General Fund Working Balance	3,693		-493	3,200			3,200			3,200		
	3,693	0	-493	3,200	0	0	3,200	0	0	3,200	0	0
Capital												
Non-Earmarked Capital Reserves												
Revenue Reserve Fund	23	1,101	-1,102	22	1,050	-1,050	22	1,000	-1,000	22	1,000	-1,000
General Fund Capital Receipts	5,023	1,477	-1,040	5,460	500	-3,050	2,910	500		3,410	500	
Property Investment Advisory Board	1,012	1,164	?	2,176	260	?	2,436	330	?	2,766	210	?
	6,058	3,742	-2,142	7,658	1,810	-4,100	5,368	1,830	-1,000	6,198	1,710	-1,000
Earmarked Reserves												
Asset Development Reserve	920		-730	190		-190	0			0		
Potential SANG site acquisitions	1,000		?	1,000		-1,000	0			0		
Renewals Fund (to replace vehicles and equipment)	13		-4	9			9			9		
Placeshaping Reserve - Farnham	258		-100	158		-158	0			0		
Infrastructure Initiatives	100		?	100		?	100			100		
Climate Change Projects					200		200	?		200	?	
	2,291	0	-834	1,457	200	-1,348	309	0	0	109	0	0
General Fund Total	12,042	3,742	-3,469	12,315	2,010	-5,448	8,877	1,830	-1,000	9,507	1,710	-1,000

Balance
£'000
3,200
3,200
22
3,910
2,976
6,908
0
0
9
0
100
200
109
10,217

General Fund Capital Bids - 2020/21 - 2024/25

No.	Project	2020/21 Proposed	← Indicative Projects in future years →				Total	Revenue Contribution	← Proposed funding for 2020/21 →				External Grants	Capital Receipts
			2021/22	2022/23	2023/24	2024/25			Revenue Budget	S106	CIL	Trust Funds		
Business Transformation														
1	Replace Proxy Server	25,000					25,000	25,000						
2	IT Infrastructure Upgrades	7,000					7,000	7,000						
3	Provision for IT projects - usage to be agreed at IT Strategy Board	150,000					150,000	150,000						
4	Business Transformation	60,000	20,000				80,000	60,000						
5	Central Office Maintenance	130,000					130,000		130,000					
6	Wey Centre Re-roofing	36,000					36,000	35,000		1,000				
7	Bus Shelter Replacement	-	24,000				24,000	-						
8	Customer Services	100,000					100,000	100,000						
Commercial Services														
9	Land and Asset Review	15,000					15,000	15,000						
10	Leisure Centre Client Rolling Programme	148,500					148,500	108,500	40,000					
11	Haslemere LC Client Rolling Programme	41,000					41,000					41,000		
12	Woolmer Hill 3G pitch	175,000					175,000			175,000				
13	Borough Hall - lighting	-	8,500				8,500	-						
14	Farnham Park footpath/cycle way		30,000	415,000			445,000	-						
15	Godalming Greenway		359,000				359,000	-						
16	Greenspace Infrastructure & Environmental Improvements	126,000					126,000	50,000		76,000				
17	Film Waverley		8,000				8,000	-						
18	Greenspace strategy	25,000					25,000	25,000						
19	Playground Repairs	58,130					58,130	14,720		43,410				
20	Broadwater Park	-	47,000				47,000							
21	Pavilions	14,890	30,000				44,890	14,890						
22	Woolmer Hill pavilion	70,000					70,000	70,000						
23	Badshot Lea pavilion	51,110					51,110			51,110				
24	Oak Processionary Moth & Ash Dieback	50,000	59,000	59,000			168,000	50,000						
25	Higher Level Stewardship Schemes	130,000	130,000	130,000			390,000	55,660					74,340	
Environment														
26	Air Quality schools programme	8,000					8,000	8,000						
27	Air Quality Monitoring	5,000					5,000	5,000						
28	Assure Database upgrade	8,000					8,000	8,000						
29	Surrey Environment Partnership Flats Project	69,100					69,100	34,550					34,550	
30	Waste & Recycling Container replacement	85,000	90,000	90,000	90,000	90,000	445,000	20,000		5,000			60,000	
31	Car Park Rolling Programme	165,500	334,000	275,000	246,500	167,000	1,188,000	165,500						
General Fund Housing														
32	Disabled Facilities Grants	644,240					644,240						644,240	
33	Safe & Warm Grants	100,000					100,000						100,000	
Total Requests		2,497,470	1,139,500	969,000	336,500	257,000	5,199,470	1,021,820	170,000	176,520	175,000	41,000	913,130	-
Salary Recharges		84,380					84,380	28,180						56,200
Total Programme		2,581,850					5,283,850	1,050,000	170,000	176,520	175,000	41,000	913,130	56,200

Note - table above does not include slippage from capital schemes approved in previous years

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WAVERLEY BOROUGH COUNCIL

ENVIRONMENT O&S – 13 JANUARY 2020

HOUSING O&S – 14 JANUARY 2020

COMMUNITY WELLBEING – 15 JANUARY 2020

VALUE FOR MONEY AND CUSTOMER SERVICE O&S – 20 JANUARY 2020]

Title:

SERVICE PLANS 2020-2023
(3 YEAR ROLLING PLANS)

Portfolio Holder: All members of the Executive

Head of Service: All Heads of Service

Key decision: No

Access: Public

1. **Purpose and summary**

- 1.1. The Service Plans have been prepared by Heads of Service in collaboration with their teams and Portfolio Holders to set out the service objectives for the coming three years in line with the [Corporate Strategy 2019-2023](#) and the Medium Term Financial Plan 2020-2023.
- 1.2. Last year the Council reviewed its approach to service planning, changing them from annual plans, to three yearly rolling plans. This approach allows not only for an easier alignment with the Council's Medium Term Financial Plan (MTFP), but also a better transparency on delivery of multi-year projects and other initiatives. Key business as usual activities are set out for the year ahead and will be monitored as part of the annual review process to reflect the needs of the organisation. Progress on Service Plans will be reported on a quarterly basis through the Corporate Performance Report.
- 1.3. It is worth noting that the service plans are an operational management tool and as such are laid out in a way which allows easy and clear understanding of key functions performed by teams and the specific timescale set for their delivery as well as highlighting potential risks should an action was not completed. The plans also contain a list of ongoing service and corporate level projects.
- 1.4. Each of the Overview and Scrutiny Committees will be asked to review in full or specific sections of those Service Plans which represent the areas under their remit as listed below:

Environment O&S – 13 January 2020

- Planning & Economic Development Service Plan 2020-23 (except for Economic Development)
- Environment Service Plan 2020-23 (except for Licensing)
- Green Spaces only from Commercial Services Service Plan 2020-23

Housing O&S – 14 January 2020

- Housing Operations Service Plan 2020-23 (Full Plan)
- Housing Delivery & Communities Service Plan 2020-23 (except for Communities section)

Community Wellbeing O&S – 15 January 2020

- Commercial Services Service Plan 2020-23 (except for Building Control and Green Spaces)
- Communities only from Housing Delivery & Communities Service Plan 2020-23
- Licensing only from Environment Service Plan 2020-23

VFM and Customer Service O&S – 20 January 2020

- Business Transformation Service Plan 2020-23 (Full Plan)
- Finance and Property Service Plan 2020-23 (Full Plan)
- Policy and Governance Service Plan 2020-23 (Full Plan)
- Building Control only from Commercial Services Service Plan 2020-23
- Economic Development only from Planning and Economic Development Service Plan 2020-23

2. Recommendation

It is recommended that the Overview & Scrutiny Committees consider the Service Plans for 2020-23 as set out at Annexe 1 relevant to their remit, and make any observations or comments to the Executive.

3. Reason for the recommendation

The annual review process of service plans is a subject of internal as well as external scrutiny in which the O&S committees play a crucial role. The scrutiny committees review the proposals and pass their comments and recommendations to the Executive for their consideration ahead of the approval process.

4. Relationship to the Corporate Strategy and Service Plan(s)

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

5. Implications of decision(s)

5.1 Resource (Finance, procurement, staffing, IT)

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

5.2 Risk management

Risk management has been built into the format of the plans, allowing visibility of any potential impact should an action fail to be delivered.

5.3 Legal

There are no legal implications arising directly from this report. Heads of Service will identify which of their Service Plan Actions/Outputs will require legal support and

4. Relationship to the Corporate Strategy and Service Plan(s)

will discuss in advance with the Legal Services team their requirements, including internal and/or external (if necessary) legal resource and budgeting for that support.

5.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion 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.

5.5 Climate emergency declaration

Each service has reviewed their proposals to take into consideration new environmental and sustainability objectives arising from the [Corporate Strategy 2019-2023](#) in light of [Climate Emergency](#) introduced by the Council in September 2019. Further revision of the objectives might be required once the Climate Emergency Action Plan has been created and approved.

6. Consultation and engagement

- 6.1 The preparation of Service Plans take place in early autumn alongside the budget planning process and will include consultation proposals where appropriate. The Plans are discussed with the Portfolio Holders and go through an internal sign off process by the Senior Management Team. The external scrutiny stage starts with the review by the Overview and Scrutiny Committees at January cycle and final approval by the Executive at February/March meeting.

7. Other options considered

- 7.1 Not applicable

8. Governance journey

- 8.1 The Overview and Scrutiny Committees will pass on their comments and recommendations to the Executive who will take these into consideration when approving the proposals. Once approved the Service Plans will guide the Council's operations for the coming year and the next scheduled review will take place in autumn 2020, when the new proposals for the year 2021-2024 will be considered.

Annexes:

Annexe 1 (Service Plans, presented in the order as set out in paragraph 1.4)

Background Papers

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

CONTACT OFFICER:

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Name: Nora Copping
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Agreed and signed off by:

Legal Services: Agreed on 13 December 2019

Head of Finance: Agreed in the SMT meeting on 5 November 2019

Strategic Director: Agreed in the SMT meeting on 5 November 2019

Portfolio Holder: Agreed in the Executive Briefing on 3 December 2019

Service Plan 2020-2023

Head of Service:	David Allum
Strategic Director:	Annie Righton
Portfolio Holders:	Cllr John Neale

Service: **Business Transformation**

Service Profile

The Customer and Corporate Services are made up of five services areas:

- **Business Transformation.** A new team created in March 2019 to transform and improve Council's services through delivery of Business Transformation Plan and a suit of projects within it.
- **IT.** The IT team maintain our core systems and infrastructure as well as supporting service teams in business development and functional improvement projects.
- **Support Services** (Reception, Switchboard, Scanning, Post Room, Print Services, Locality Office). The Support Services Team provide front line customer services and a back office administration function.
- **Facilities Management** (Cleaning, Security, Staff Restaurant). The Facilities Team manage our central headquarters directly and support staff in satellite buildings also. They also provide an internal and external cleaning service to a number of clients and run the staff restaurant including the preparation and distribution of community meals.
- **Property and Engineering** (Drainage, Street Furniture, Corporate Property, Asset Management). The Team maintain our corporate assets and provide technical expertise and project management across all council services.

Service Team: **Business Transformation**

Team Leader: **Wendy Cooper - Business Transformation Manager**

Business As Usual - Annual

Outcome 1. **Ensure the corporate Business Transformation Programme is on track to deliver the required cashable savings**

Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT1.1	The Business Transformation Programme has 10 work-streams designed to deliver £1m of cashable savings over a three year period. It is vital that the project is appropriately managed	A capital bid of £100k will be made for 2020/2021 and additional resources for staffing costs will also need to be identified	01/04/20	31/03/21	Business Transformation Manager (WC)	The medium term financial plan will not be delivered

Team Projects - All projects overseen by the team are listed in the Corporate and Service Projects section below

Service Team: **Customer Service**

Team Leader: **David Allum - Head of Business Transformation**

Business As Usual - Annual

Outcome 2. **Improve customer satisfaction perceptions by encouraging and fostering a culture of positive customer services across Council Services**

Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT2.1	Continue to work and engage with service area team leaders to enhance consistency and positive practice across the Council	Within existing budgets	01/04/20	31/03/21	Head of Customer and Business Transformation (DA)	Inconsistency and variable levels of service are more likely to be experienced by customers. The action will be required whilst the existing delivery model perpetuates.
SP20/21BT2.2	Continue to run a programme of mystery shopping to enhance good practice and eradicate poor practice	Within existing budgets	01/04/20	31/03/21	Head of Business Transformation (DA)	Inconsistency and variable levels of service are more likely to be experienced by customers
SP20/21BT2.3	Maintain dialogue with Foresight Group members and Team Leaders throughout the customer services review project implementation phase	Within existing budgets	01/04/20	31/03/21	Head of Business Transformation (DA)	Staff disengagement could act as a barrier to the development of this service area

Page 8 of 8

Service Team: Facilities **Team Leader: Steve Holt - Facilities Manager**

Business As Usual - Annual

Outcome 3. Provide an effective support infrastructure to Members and Staff						
Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT3.1	Ensure safety and security arrangements and systems are effective	Within existing budgets	01/04/20	31/03/21	Facilities Manager (SH)	There is an increased risk of user safety being compromised
SP20/21BT3.2	Ensure use of web-cast equipment and other Council Chamber and Member based facilities are maximised and effective	Within existing budgets	01/04/20	31/03/21	Facilities Manager (SH)	Reputational damage can be sustained if there are interruptions to the smooth running of the democratic process
SP20/21BT3.3	Ensure high standards for cleaning of the Burys as evidenced by the outcome of the internal survey	Within existing budgets	01/04/20	31/03/21	Facilities Manager (SH)	Reputational damage can be created by poor premises conditions

Outcome 4. Continue to operate a profitable external cleaning service						
Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT4.1	Continue to provide cost effective cleaning services to the Housing Department which generate improved satisfaction ratings as compared to previous providers	Within existing budgets	01/04/20	31/03/21	Facilities Manager (SH)	The Housing Department will have low satisfaction levels and may have to procure a more expensive alternative

Team Projects - Multi-year

Outcome 5. Provide a profitable staff catering service						
Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
Page 83 PR19BT5.1	Ensure staff satisfaction increases as evidenced by internal survey returns.	Within existing budgets	01/04/19	30/11/19	Facilities Manager (SH)	These metrics are an important aspect of the effectiveness of our service offer

Service Team: IT

Team Leader: Linda Frame - IT Manager

Business As Usual - Annual

Outcome 6. Maintain and improve the IT infrastructure which supports the activity of the Council						
Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT6.1	Design and deliver a capital investment programme which will maintain and enhance the IT infrastructure and applications.	Capital bids of in excess of over £200k projected for 2020/2021	01/04/20	31/03/21	IT Manager (LF)	The integrity of the IT systems may be compromised
SP20/21BT6.2	Recruit and retain the staff resource to provide service users with the advice and support they require to derive maximum benefit from IT infrastructure	Within existing budget	01/04/20	31/03/21	IT Manager (LF)	If adequate support is not in place this will lead to inefficient practice amongst service users

SP20/21BT6.3	Ensure support systems and back up arrangements are in place to minimise service disruption.	Within existing budget	01/04/20	31/03/21	IT Manager (LF)	Service failure can lead to significant disruption, dissatisfaction and cost
SP20/21BT6.4	Ensure Members are provided and supported with appropriate technology to enable them to discharge their duties effectively	Capital bids will be needed according to demand and requirements	01/04/20	31/03/21	IT Manager (LF)	Members ability to operate effectively will be compromised

Outcome 7. Enable service areas to evolve and improve their service offer by facilitating business development.

Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT7.1	Complete the implementation of a new core system for Building Control, Planning and potentially Land Charges and Environmental Health	Some additional capital investment may be needed in addition to that already secured	01/04/20	31/03/21	IT Manager (LF)	Service areas will not benefit from optimum system support
SP20/21BT7.2	Implement programme for incremental movement to externally based services beginning with Exchange and SharePoint	Within existing budgets	01/04/20	31/03/21	IT Manager (LF)	The Council's infrastructure will not be based on the optimum platform

Team Projects - Multi-year

Outcome 8. Support the Customer Service Project in developing the technological solutions to match review outcomes

Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR19BT8.1	Provide and facilitate the solutions needed to maximise channel shift, automation and a corporate customer services team	Significant capital bids	01/04/19	31/12/20	IT Manager (LF)/Head of Business Transformation (DA)	This work is vital to the delivery of the customer service review objectives

Service Team: Support Services

Team Leader: Helen Bower - Support Services Manager

Business As Usual - Annual

Outcome 9. Provide an effective support service function to all Council departments and stakeholders

Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT9.1	Provide effective and efficient post, scanning and print services to all service areas. This will be tested via an annual internal survey	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	Delays in print and post services can contribute to lower user satisfaction with the service provided
SP20/21BT9.2	Continue to procure and contract manage mobile and landline services	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	By monitoring delivery and market movements we can reduce costs
SP20/21BT9.3	Re-structure staff resource to match reducing demand as technological solutions are applied	Within existing budget	01/04/20	31/03/21	Support Services Manager (HB)	It is important that workflow is mirrored by staff resource if we are going to be operating efficiently.

Outcome 10. Improve customer satisfaction by delivering an effective reception service at The Burys and Farnham Locality Office

Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT10.1	Ensure the day-time and evening reception offer at The Burys is of high quality as evidenced by the annual satisfaction survey	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	Disappointing contact at the point of access can generate a negative reputation.
SP20/21BT10.2	Provide an effective service to the visitors to Farnham Locality Office	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	Disappointing contact at the point of access can generate a negative reputation.

Outcome 11. Maintain high satisfaction standards by providing a high quality community meals service

Corporate Priority: High quality public services for all, including sports, leisure, arts, culture and open spaces

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT11.1	Ensure high quality meals continue to be delivered to our customer base in Godalming	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	Vulnerable members of the community will lose this valued service

SP20/21BT11.2	Effectively market the service to further increase take-up and enhance service viability	Within existing budgets	01/04/20	31/03/21	Support Services Manager (HB)	The service becomes unviable and has to cease.
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Team Projects - Multi-year

N/A

Service Team: Property and Engineering

Team Leader: Nick Laker - Property and Engineering Manager

Business As Usual - Annual

Outcome 12.	Ensure corporate buildings are safe by effective management of assets					
	Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT12.1	Ensure the corporate asset database is up to date, accurate and meets all health and safety requirements.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	The potential of a serious health and safety breach and significant cost implications
SP20/21BT12.2	Ensure all fire risk assessments are carried out to all corporate buildings including pavilions.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	There will be an increased chance of a fire and a greater chance of casualties as a result of any fire, if appropriate measures and controls are not in place.
SP20/21BT12.3	Maintain an effective staff resource to provide a technical competent and responsive service.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	Any failure to effectively manage assets will increase the potential of health and safety breaches and/or reactive maintenance
SP20/21BT12.4	Provide detailed and accurate performance management data to evidence the effectiveness of the inspection regime.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	Corporate decision makers will not have the information they need to scrutinise the effectiveness of the function

SP20/21BT12.5	Assess viability of reducing all corporate assets to be carbon neutral	The initial assessment can be done within existing budgets, investment will be needed to carry out any works	01/01/20	30/06/20	Property and Engineering Manager (NL)	We will have buildings which do not respond to the climate emergency scenario
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Outcome 13.	Minimise flood incidents by monitoring, maintaining and managing watercourses within the borough					
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Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21BT13.1	Continue to work effectively with our key partners (Surrey CC, Environmental Agency and Local Flood Groups) in providing a collaborative approach and solution to water management.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	Increased chances of flooding
SP20/21BT13.2	Ensure appropriate inspection and maintenance arrangements are in place to maximise flood prevention.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	Increased chances of flooding
SP20/21BT13.3	Continue to provide an out of hours flood response service.	Within existing budgets	01/04/20	31/03/21	Property and Engineering Manager (NL)	Reputational damage if residents are unable to access advice

Page 8

Team Projects - Multi-year						
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Outcome 14.	Review and determine the corporate strategy for the maintenance of Waverley owned bus shelters					
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Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR20BT14.1	Consult with Towns and Parishes about the future management of bus shelters	Consultation can be done within existing budgets	01/01/20	30/06/20	Head of Business Transformation (DA)	The Council will continue to have responsibility for the management and maintenance of these assets

Corporate & Service Level Projects (Service wide or cross cutting projects) - Multi-year						
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Outcome 15.	Business Transformation Programme - Review of Staff Business Travel CPR19-1					
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Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR19BT15.1	To review staff business travel arrangements, out of pocket travel expenses (such as mileage allowances and rates) and parking, identifying alternative cheaper arrangements in support of climate change.	There is a possibility of external legal fees to support a robust change of employment terms and conditions - if a case for change is approved	01/10/19	31/03/20	Business Transformation Manager (WC)	The medium term financial plan will not be delivered

Outcome 16.	Business Transformation Programme - Service Reviews					
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Corporate Priority: A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR19BT16.1	With the relevant service manager comprehensively review Planning Services operating model, structures and processes to deliver a more modern and efficient and making strong use of technology CPR19-2	Within existing budgets	01/10/19	31/03/22	Business Transformation Manager (WC)	The medium term financial plan will not be delivered
PR19BT16.2	With the relevant service manager comprehensively review Building Control operating model, structures and processes to deliver a more modern and efficient and making strong use of technology CPR19-3	Within existing budgets	01/11/19	31/10/20	Business Transformation Manager (WC)	The medium term financial plan will not be delivered
PR19BT16.3	With the relevant service manager comprehensively review Housing Options structures and processes to deliver a more modern and efficient and making strong use of technology CPR19-4	Within existing budgets	01/09/19	31/03/20	Head of Business Transformation (DA)	The medium term financial plan will not be delivered
PR20BT16.4	With the relevant service manager comprehensively review Licensing, structures and processes to deliver a more modern and efficient and making strong use of technology CPR19-5	Within existing budgets	01/04/20	31/03/21	Business Transformation Manager (WC)	The medium term financial plan will not be delivered

Outcome 17.	Business Transformation Programme - Ensure the post and print delivery model is the most cost effective that can be achieved without compromising quality standards CPR19-6					
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Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
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BT16.1	Comprehensively review all existing external contracts regarding post and printing services and explore alternative delivery models	Within existing budgets	01/04/20	31/03/20	Support Services Manager (HB) / Business Transformation Manager (WC)	Services will be costing more than the market may be able to bear
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Outcome 18.	Business Transformation Programme - Customer Services Programme - Implement the corporate customer services project ensuring the delivery of the key objectives including cashable savings and improved satisfaction with Council services					
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Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR18BT18.1	Lead the Corporate Review and co-ordinate the work carried out by the individual work-streams.	Capital submission submitted for £150k for 2019/2020 and a further £100k in 2020/2021	Project commenced in September 2018	Project expected to complete by March 2022	Business Transformation Manager (WC) / Head of Business Transformation (DA)	Projected cashable savings will not be delivered thus impacting on budget planning
PR19BT18.2	Engage effectively with partner organisations to deliver cross boundary solutions where the business case can be proven	Potentially additional investment may be required	01/04/19	31/03/22	Business Transformation Manager (WC)	Any missed opportunity may result in unnecessary additional cost and poorer accessibility from the customer perspective
PR19BT18.3	Lead the Channel Shift work-stream and in conjunction with other service areas (e.g. IT) develop options and solutions which can deliver on the business plan objectives	On overall capital bid has been submitted for the Customer Service work programme	01/04/19	31/03/21	Business Transformation Manager (WC)	Cashable savings are envisaged. If these are not realised it could impact on the overall budget position.

Outcome 19.	Business Transformation Programme - Enforcement and Inspection CPR19-7					
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Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR19BT19.1	With the relevant service managers comprehensively review enforcement and inspection activities and individual services operating model, structures and processes to recommend for delivery an alternative delivery model with a focus on being more modern and efficient and making use of technology.	Within existing budgets	01/11/19	31/12/21	Service Improvement Manager (AH)	The medium term financial plan will not be delivered

Outcome 20.	Business Transformation Programme - The Burys - Identify a viable option for the Council as regards office accommodation and the future of The Burys CPR19-8					
	Corporate Priority: A sense of responsibility for our environment promoting biodiversity and protecting our planet/A financially sound Waverley with infrastructure and services fit for the future/Responsible planning and development, supporting place-shaping and local engagement in planning policy					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR20BT20.1	Within the One Public Estate initiative work with our partner organisations to define realistic options for the re-development of this site which will deliver cashable savings	Additional resource will be required. A budget of £200k has been bid for in addition to further bids made to One Public Estate	01/04/19	31/03/22	Head of Business Transformation (DA) / Business Transformation Manager (WC)	If options are not identified we will have or find the resources to maintain the ever increasing costs associated with The Burys

Service Plan 2020-2023

Head of Service:	Peter Vickers
Strategic Director:	Graeme Clark
Portfolio Holders:	Cllr Mark Merryweather

Service: **Finance and Property Services**

Service Profile 2020-23

The Revenues and Benefits Service is responsible for the collection of council tax and business rates, the payment of housing benefit and council tax support. The key objectives for the service are:

- to provide a cost-effective revenue service that achieves the maximum collection rate possible for the Council Tax and Business Rates due from residents and businesses in the Borough
- to ensure our customers receive their entitlement to benefit to help them meet their housing costs and to make payments quickly and accurately.

The Finance Service provides a wide range of accountancy and exchequer services to internal and external customers. The key objectives for the service are:

- to ensure robust and effective management of Waverley's financial resources with clear and transparent reporting of the Council's accounts and transactions
- to give clear advice to Members, staff and other organisations to support sound decision making and prudent financial management
- to manage all of the Council's incoming and outgoing financial transactions in accordance with good practice and Waverley's policy and control framework

Asset Management Team (was Estates and Valuations). The Team manage the property investment portfolio and seek to increase and enhance this by further acquisitions. (This team moved to finance service remit March 2019). Also provide professional asset management advice to council services and support the management of the wider diverse operational asset base.

Service Team: Housing Benefit Service **Team Leader: Nicky Harvey - Revenues and Benefits Manager**

Business As Usual - Annual

Outcome 1.	Waverley residents receive an efficient and accessible Housing Benefit Service.					
	Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21F1.1	All new housing benefit claims are responded to and provisionally assessed on the day of receipt.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Delay in entitlement assessment will negatively impact on claimants housing security
SP20/21F1.2	Service performance standards (new claims and changes in circumstances processing) are within target turnaround days.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Delay in entitlement assessment will negatively impact on claimants housing security

SP20/21F1.3	Weekly review of service performance data with the Housing Benefits team and Head of Finance and Property to inform service delivery planning.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Service performance is not understood, corrective action cannot be taken.
SP20/21F1.4	Maintain dialogue with Department for Work and Pensions (DWP) to comply with their requirements for the implementation of Full Universal Credit (UC) (for all new working age claimants) from October 2018.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Gap in service resulting in a detrimental impact on claimants moving over the Universal Credit
SP20/21F1.5	Housing benefit subsidy financial performance will be reviewed monthly to maintain benefit calculation accuracy rate within the DWP performance parameters.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Financial impact on the council.

Team Projects - Multi-year

Outcome 2. Support the Corporate Channel Shift project objectives.

Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PR20F2.1	Collaborate with the Channel Shift initiative to develop customer self service functionality.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Failure to deliver the full outcomes and objectives of channel shift.

Service Team: Revenues Service

Team Leader: Nicky Harvey - Revenues and Benefits Manager

Business As Usual - Annual

Outcome 3. Achieve 99% collection for local taxation.

Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F3.1	Weekly review of service performance data with the service manager and Head of Finance and Property to inform service delivery planning.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Poor customer service, negative impact on tax base and collection rates

F3.2	Implement processes within the Revenue service to ensure all incoming correspondence is cleared in one working day from receipt.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Poor customer service, negative impact on tax base and collection rates
F3.3	Ensure effective risk based processes are in place to maximise the tax base.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Tax base will be eroded
F3.4	Develop a centralised systems and processes controls team to ensure an accurate tax base administration, government returns, financial controls and maintain Civica system integrity.	none	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Tax base will be eroded, inaccurate data, Civica system not compliant.

Team Projects - Multi-year

Outcome 4. Service is redesigned and integrated with the Benefit Service						
Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F4.1	Integrate the Revenues Service and Benefits service into a single service.	none, will be contained within the revenue budget.	01/04/20	31/03/21	Revenues and Benefits Manager (NH)	Economies of scale and improved efficiencies will not be realised.

Service Team: Finance (Accountancy & Exchequer)

Team Leader: Walter Stockdale - Financial Services Manager

Business As Usual - Annual

Outcome 5. Robust budget monitoring arrangements are in place that is commensurate with the size, risk, complexity and volatility associated with particular revenue budgets and capital schemes.						
Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F5.1	Ensure the monthly management reporting is accurate, risk based and tailored to specific audiences.	none	01/04/20	31/03/21	Accountant Manager (RP)	Inappropriate management information will impact decision making and governance.

F5.2	Develop the online budget monitoring process to incorporate forecast updates actioned by service managers.	none	01/04/20	31/03/21	Accountant Manager (RP)	Process will be cumbersome and inaccurate, wasting significant time.
F5.3	Ensure all services are supported with proactive financial management and support.	none	01/04/20	31/03/21	Accountant Manager (RP)	Services carrying higher financial risk will not be adequately managed leading to potential financial loss.
F5.4	Roll out the Income and Debt Management policy to services supported by recovery procedures appropriate to clientele.	none	01/03/19	01/06/20	Senior Accountant (FH)	Debt will not be ineffectively managed resulting in under recovery and inefficient processes.

Outcome 6. An effective process is in place to ensure the Council has a balanced General Fund annual budget and robust Medium Term Financial Plan.						
Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F6.1	Ensure management are engaged in effective service planning and review processes.	none	01/04/20	31/03/21	Head of Finance and Property (PV)	Lack of understanding and buy-in to the current and future financial situation.
F6.2	Review previous year annual outturn against current year performance and future budget requirements with Heads of Service.	none	01/06/20	31/12/20	Head of Finance and Property (PV)	Mis-aligned and uninformed management decisions.
F6.3	Ensure the Value for Money Scrutiny committee and Executive are briefed on the all decisions that impact on the Medium Term Financial Plan.	none	01/04/20	31/03/21	Head of Finance and Property (PV)	Decisions are taken out of line with the Medium Term Financial Plan.
F6.4	Lead on developing and implementing actions plans to ensure a balanced annual budget and Medium Term Financial Plan.	none	01/04/20	31/03/21	Head of Finance and Property (PV)	Unsound financial situation
F6.5	Lead on risk and governance management ensuring sound financial decision making.	none	01/04/20	31/03/21	Head of Finance and Property (PV)	Unsound financial situation

Service Team: Asset Management (formerly Estate and Valuation) | Team Leader: Caroline Wallis - Asset Manager

Business As Usual - Annual

Outcome 7. Increase revenue from the commercial portfolio						
Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F7.1	Acquire new properties generating revenue to increase overall income in line with the Medium Term Financial Plan.	Significant additional resource will be needed from reserves or from borrowing	01/04/20	31/03/21	Asset Manager (CW)	This will impact negatively of budget projections
F7.2	Effectively manage the investment property portfolio to ensure income levels match or exceed budget targets	Within existing budgets	01/04/20	31/03/21	Asset Manager (CW)	This will impact negatively of budget projections
F7.3	Ensure skilled staff recruited and/or retained	Within existing budgets	01/04/20	31/03/21	Head of Finance and Property	Insufficient skilled resource will negatively impact on our ability to meet this objective

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Team Projects - Multi-year

Outcome 8. Service is redesigned and integrated with the Benefit Service						
Corporate Priority: Promote and sustain a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
F8.1	Review the function of the Asset Management team and align the service to the councils asset management priorities. Structure the team capacity and operational procedures appropriately to match the needs of the business.	none, will be contained within the revenue budget.	01/07/19	01/03/20	Head of Finance and Property	Service capacity will not be focused on delivering outcomes such as the MTFP target of £900k.

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Service Plan 2020-2023

Head of Service:	Robin Taylor
Strategic Director:	Tom Horwood
Portfolio Holders:	Cllr John Ward, Cllr Paul Follows

Service: **Policy and Governance**

Service Profile

Policy and Governance is comprised of 6 teams: Democratic Services; Legal Services; Human Resources; Corporate Policy; Communications and Engagement; and Elections. The Head of Policy and Governance is also the Council's Monitoring Officer.

The Service exists to:

1. Support democratic, transparent, informed and high quality decision-making by Waverley's Elected Councillors (Democratic Services);
2. Provide high quality advice to ensure the Council acts lawfully and transparently and search and provide vital information to house and property buyers in Waverley (Legal Services and Land Charges);
3. Promote a positive and committed staff culture, develop and retain talented staff and ensure Waverley is able to compete effectively in the employment market and be seen as an attractive employer in the local community (Human Resources);
4. Ensure Waverley has a clear vision, robust plans and policies and an effective performance management culture and policy support for the Overview & Scrutiny Committees (Corporate Policy);
5. Ensure that the council effectively communicates and engages with communities, customers and other stakeholders, ensuring their concerns and ideas are heard and understood by the council (Communications and Engagement);
6. Prepare for, organise and conduct all types of elections, polls and referendums held in the Waverley Borough (Elections); and
7. Maintain high standards of governance and ethical conduct (Monitoring Officer Function).

Service Team: Corporate Policy

Team Leader: Louise Norie - Corporate Policy Manager

Business As Usual - annual

Outcome 1.	The Council has a Corporate Strategy in place, underpinned by an effective performance management framework and culture					
	Corporate Priority: ALL					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action

PG 1.1	Support effective performance management Ensure that the Council's Performance Management Framework delivers accurate and timely information to decision-makers and key stakeholders.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Performance doesn't improve
PG 1.2	Support effective policy development Ensure that the Council takes a robust and consistent approach to policy development, including clear and documented review and version control processes for strategies, policies and procedures.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Poor or inconsistent policy-making
PG 1.3	Support effective project management Ensure that the Council has, and consistently uses, an up to date Project Management Framework, including common protocols and templates, which drives the delivery of all projects to the required standard of quality, cost and time.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Scope creep, non delivery, lack of focus.

Outcome 2.	Scrutiny at Waverley is done really well, adding value and improving policy development and decision-making					
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Corporate Priority: Open, democratic and participative governance						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 2.1	Provide policy support to O&S Committees Provide excellent scrutiny policy support to all four O&S committees to deliver an ambitious, valuable and responsive scrutiny programme that supports organisational policy development and good decision-making.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Scrutiny is ineffectual and does not add value.
PG 2.2	Provide policy support on O&S projects and working groups Drive O&S task and finish groups by drafting scopes, coordinating officer input, and researching and producing relevant supporting documents.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Task and finish groups would achieve low quality outcomes.
PG 2.3	Develop a positive scrutiny culture Foster positive relationships with Scrutiny Chairs, Vice Chairs, Portfolio Holders and service managers to ensure Scrutiny functions well and supports the Council in making good decisions.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Scrutiny objectives would not be achieved satisfactorily.

Outcome 3.	Customer complaints are dealt with effectively and that the council learns from them.					
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Corporate Priority: ALL						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
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PG 3.1	<i>Support colleagues in responding to customer complaints</i> Work with colleagues to ensure all complaints are handled in accordance with Council's corporate complaints policy in a timely and sensitive manner.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Waverley's reputation is damaged and customer expectations are not met
PG 3.2	<i>Learn from customer complaints</i> Quarterly monitoring of complaints and lessons learnt is carried out with the help of Complaints Administrators and reported to Management Board and Councillors.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Lessons are not learnt and services don't improve.

Outcome 4.	The principles of equality and diversity are embedded into the Council's policy development and decision-making processes
	Corporate Priority: the value and worth of all residents, regardless of income, wealth, age, disability, race, religion, gender or sexual orientation

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 4.1	<i>Take a corporate lead on equality and diversity</i> Coordinate the Corporate Equality Group which provides the necessary challenge over equality issues and ensures that the Council is aware of the need to have 'due regard' to the provisions of the Equality Act 2010 in their decision making.	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	Non compliance and not benefitting from diversity
PG 4.2	<i>Assess the equality impact of new policies and initiatives</i> Champion the need for Equality Impact Assessments to be undertaken when policies are being developed and provide effective corporate policy support on them	Within existing budgets	01/04/20	31/03/21	Corporate Policy Manager (LN)	EQIAs not routinely or properly done

Team Projects - multi year

Outcome 5.	The Council actively engages with the Local Government Boundary Commission review of Waverley Borough Council					
	Corporate Priority: open, democratic and participative governance					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action

PG 5.1	<p>Actively engage, as the key stakeholder, with the Local Government Boundary Commission's review of Waverley Borough Council's ward boundaries</p> <p>(i) Provide information and data to the review team; (ii) Facilitate an active and open discussion locally about ward boundaries and representation and draft a formal consultation response to be considered by the LGBC.</p>	Within existing budgets.	01/04/20	31/03/23	Corporate Policy Manager (LN)	The LGBC's review and their conclusions and recommendations do not take account of the Council's perspective, ideas and requirements.
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Service Team: Communications and Engagement	Team Leader: Harri Robinson - Communications and Engagement Manager
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Business As Usual - annual

Outcome 6	The Council achieves the vision and objectives set out within its Communications and Engagement Strategy 2019-2022					
Corporate Priority: protect, support and empower Waverley's communities by changing the way that the council is organised and operates						
Page 100 Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 6.1	<p>Get the team fundamentals right (strategic objective 1)</p> <p>(i) Develop and follow: communications and engagement protocols; an annual work programme; response time performance targets; and better business processes including a clearer process for internal customers wishing to access support. (ii) Provide a timely, targeted and positive media relations service and ensure key council representatives are trained and briefed prior to interviews. (iii) support the council when dealing with civil emergencies or business continuity issues by issuing advice and support on messages to go out to staff.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Communications and engagement activity is unplanned, unfocused and haphazard which ultimately reduces its impact.
PG 6.2	<p>Create a corporate narrative (strategic objective 2)</p> <p>Identify what the council wants to achieve and be known for - and put that aspiration into a story that translates to everyone; that has the power to inspire staff, excite partners, attract customers and potential employees and resonate with community influencers and residents.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Messages from the Council are full of jargon, uninspiring and easily forgotten

PG 6.3	<p><i>Develop a proactive and planned approach to communications and engagement (strategic objective 3)</i> Develop and work within an agreed annual forward plan, signed off by the Senior Management Team and the Executive, that prioritises pre-planned targeted engagement activity whilst still allowing time and resource to deal with unexpected events and emergencies.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Communications and engagement activity is unplanned and haphazard which ultimately reduces its impact.
PG 6.4	<p><i>Advise and support colleagues on how to effectively communicate and engage (strategic objective 4)</i> (i) Provide staff with toolkits and templates to create simple posters and press releases which will be quality-checked before publication and press releases (ii) Recommend quality external support, when this is required, for photography, videography and graphic design. (iii) Train and encourage frontline staff to take ownership of creating content for our social media channels, including using smartphones to take photos and videos and gaining the appropriate photo consents</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	The knowledge, talent and resources of staff across the organisation are not utilised.
PG 6.5	<p><i>Develop a scientific approach to communications and engagement (strategic objective 5)</i> Embed a more scientific, planned and strategic approach to communications and engagement through the use of: established and tested models; research; targeted and audience-led campaigns; audience testing and evaluation.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Communications and engagement activity is unplanned and haphazard which ultimately reduces its impact.
PG 6.6	<p><i>Make time for creative and human communications (strategic objective 6)</i> (i) Focus on real people and real stories to ensure messages stand out and can be re-told (ii) Take advantage of the new methods, technologies and channels used by our target audiences and, in the case of social media, adapt approaches to keep up with ever-changing algorithms so our content is seen. (iii) Continue to cater for those who prefer to receive traditional, paper-based content.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Messages from the Council are full of jargon, uninspiring and easily forgotten

PG 6.7	<p>Engage and listen to residents and customers (strategic objective 7) (i) Learning. Use data and demographics to provide us with a broad picture of the borough's population, which will help us to predict their needs and preferred interests and communications channels, as well as giving us the background to ensure any future engagement exercise is representative. (ii) Listening and engaging. The Council will develop a comprehensive programme of public engagement, including the use of listening panels, focus groups and workshops, events, online surveys and public consultations.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	The Council tells but it does not listen and learn. Insights from communities, customers and stakeholders are not heard.
PG 6.8	<p>Make the most of digital (strategic objective 8) (i) Conduct an internal review of all our channels and develop a new social media strategy, supported by a calendar of content, a recruitment of social media staff 'champions' and training to support them to provide content (ii) Review and improve our website to make sure it meets customer needs and encourages channel-shift</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	The Council's approach becomes dated and out of step with changing customer demand and expectations.
PG 6.9	<p>Develop a more commercial approach to communications and engagement (strategic objective 9) (i) Support the marketing and promotion of our paid-for and statutory services (ii) Sell at least £3,000 worth of advertising space in each edition of the Your Waverley magazine to generate income for the council.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Lower income.
PG 6.10	<p>Adopt and promote an ethical approach to communications and engagement (strategic objective 10) Ensure ethics underpin every aspect of our practice, from storing data to the accuracy of our messaging, transparency and trust.</p>	Within existing budgets.	01/04/20	31/03/21	Communications and Engagement Manager (HR)	Breach of trust and respect.

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Service Team: Democratic Services / Monitoring Officer function	Team Leader: Fiona Cameron - Democratic Services Manager
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Business As Usual - annual

Outcome 7.	The Council's decision-making is democratic, transparent, and informed and councillors are supported to function effectively					
	Corporate Priority: open, democratic and participative governance; develop a more open, inclusive approach to communications and decision-making					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action

PG 7.1	Support committee meetings Provide effective democratic support to all Council committees and key internal committees.	Within existing budgets.	01/04/20	31/03/21	Democratic Services Manager (FC)	Non compliance
PG 7.2	Facilitate good scrutiny Work with Policy colleagues to deliver a Scrutiny programme that Councillors are fully engaged with.	Within existing budgets.	01/04/20	31/03/21	Democratic Services Manager (FC)	Scrutiny is ineffectual and does not add value
PG 7.3	Use IT to save money and be more efficient Continue to develop functionality of Modern.Gov to increase efficiencies in working practices.	Within existing budgets.	01/04/20	31/03/21	Democratic Services Manager (FC)	Increased costs
PG 7.4	Deliver a programme of Councillor Learning and Development Building on the Councillor induction programme provided in 2019, provide a range of individual and group information, learning and development opportunities to councillors to support them in their community representative, committee and community leadership roles.	Within existing budgets.	01/04/20	31/03/21	Democratic Services Manager (FC)	Councillors do not have the information and skills required to carry out their roles effectively.
PG 7.5	Provide effective support to the Mayor Support the Mayor and Deputy Mayor in their civic and ceremonial roles by providing effective secretarial/PA support and coordinating a range of visits, events and activities.	Within existing budgets.	01/04/20	31/03/21	Democratic Services Manager (FC)	Mayor not supported / impact on community events

Outcome 8. The Council functions properly, with high standards of governance and ethical conduct						
Corporate Priority: open, democratic and participative governance						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 8.1	Provide advice and guidance Support councillors and officers to identify and deal appropriately with any potential conflicts of interests to ensure democratic and transparent decision-making.	Within existing budgets.	01/04/20	31/03/21	Head of Policy and Governance (Monitoring Officer) (RT)	
PG 8.2	Resolve any complaints and questions about council procedure and conduct Respond to complaints made to the Monitoring Officer or questions that arise with respect to Councillors' Codes of Conduct, aiming to resolve matters and ensure any lessons are learnt.	Within existing budgets.	01/04/20	31/03/21	Head of Policy and Governance (Monitoring Officer) (RT)	

PG 8.3	Ensure our governance protocols remain fit for purpose and efficient Work with the Standards Committee to monitor the effectiveness of the Council's Constitution and Scheme of Delegation on an ongoing basis to ensure they enable quick, transparent democratic processes.	Within existing budgets.	01/04/20	31/03/21	Head of Policy and Governance (Monitoring Officer) (RT)	Non compliance / lack of confidence in the Council's approach
PG 8.4	Appoint and consult as appropriate Independent Persons to the Council Manage liaison with Independent Persons as part of Surrey Authorities Independent Persons consortium and consult them as necessary, in line with the Council's arrangements for dealing with standards allegations against elected members.	Within existing budgets.	01/04/20	31/03/21	Head of Policy and Governance (Monitoring Officer) (RT)	
PG 8.5	Keep all registers of interest up to date Ensure Waverley and Town and Parish Councils' Councillors' interests are properly recorded	Within existing budgets.	01/04/20	31/03/21	Head of Policy and Governance (Monitoring Officer) (RT)	

Team Projects - multi year

Page 104	Outcome 9.	Councillors are supported to undertake a comprehensive review of the Council's Governance arrangements				
		Corporate Priority: develop a more open, inclusive approach to communications and decision-making				
	Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 9.1	Provide officer support, guidance and advice to the Governance Review Working Group (i) Support the councillor working group to explore the question of what governance arrangements would best enable Waverley Borough Council to be a 'fairer, balanced and more transparent Council' (ii) Research and develop options and/or proposals for new or revised governance arrangements that are transparent, accountable, inclusive and efficient.	Within existing budgets.	01/04/20	TBC	Head of Policy and Governance (RT) Borough Solicitor (DB) Democratic Services Manager (FC)	The Council's governance arrangements may not be optimised or may not reflect the wishes of councillors.
PG 9.2	Support the development of any conclusions and recommendations for change or continuity in respect of governance. Support the development of reports to the Executive, Standards Committee and Full Council as required.	Within existing budgets.	01/04/20	31/03/23		

Outcome 10.	Committee papers are provided and read electronically, ensuring better data protection, lower costs and lower carbon footprint
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Corporate Priority: take steps towards our aim of becoming a net zero-carbon council by 2030 encouraging carbon reduction and carbon offsetting; a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 10.1	<p>Identify and resolve any barriers to use of existing Mod.Gov by all councillors and officers to access and use all committee papers electronically.</p> <p>Consider technical and non-technical e.g.. Software; hardware; accessibility; training and development; formatting.</p>	TBC	01/04/20	TBC	Democratic Services Manager (FC)	Higher costs, less secure data, higher carbon footprint.
PG 10.2	<p>Consideration by Full Council</p> <p>Proposals for transition to electronic provision of agenda papers to be considered by Standards Committee and ultimately full Council. Any accessibility issues to be identified and resolved by Equality Impact Assessment.</p>	TBC	01/04/20	31/03/23		

Service Team: Elections **Team Leader: Louise Stamp - Interim Electoral Services Manager**

Business As Usual - annual

Outcome 11.	The Council prepares for, organises and conducts all types of elections, polls and referendums held in the Waverley borough.					
Corporate Priority: open, democratic and participative governance; take steps towards our aim of becoming a net zero-carbon council by 2030 encouraging carbon reduction and carbon offsetting						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 11.1	Conduct fair and transparent elections Complete preparations for and conduct of any elections as required.	Within existing budgets with specific elections expenses recharged as appropriate.	01/04/20	31/03/21	Electoral Services Manager (LS)	Non compliance
PG 11.2	Canvass Prepare for and conduct annual voter registration canvass process.		01/04/20	31/03/21	Electoral Services Manager (LS)	
PG 11.3	Conduct fair and transparent referendums, polls and ballots Prepare for and conduct all neighbourhood planning referendums, By-Elections and 'Business Improvement District' ballots as required.		01/04/20	31/03/21	Electoral Services Manager (LS)	

Outcome 12. Maintain the electoral register

	Corporate Priority: open, democratic and participative governance					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 12.1	Maintain the electoral register Deliver the electoral registration service for the Borough	Within existing budgets.	01/04/20	31/03/21	Electoral Services Manager (LS)	Non compliance

Team Projects - multi year

Outcome 13.	100% of door-to-door electoral canvassing activity is paperless, ensuring better data protection, lower costs and lower carbon footprint					
	Corporate Priority: open, democratic and participative governance; take steps towards our aim of becoming a net zero-carbon council by 2030 encouraging carbon reduction and carbon offsetting					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 13.1	Move to a 100% paperless process for door-to-door canvassing Equipment, training and instructions to be provided to all canvassers	Within existing budgets - tbc	01/04/20	31/03/23	Electoral Services Manager (LS)	Higher costs, less secure data, higher carbon footprint.

Service Team: Human Resources | **Team Leader: Sally Kipping - HR Manager**

Business As Usual - annual

Outcome 14.	Waverley's HR function is built on solid foundations (Priority 1 of the Council's HR Strategy 2018-2023)					
	Corporate Priority: ALL					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 14.1	Monitor and analyse HR data Develop an evidence based approach to HR by formulating monthly, quarterly and annual employment reports which share key workforce data and analyses trends in order to address current and future challenges for our services.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	

PG 14.2	Improve the efficiency of our payroll function Utilising our HR and payroll system iTrent to improve the input and analysis of data in order to provide a cohesive automated service.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	HR strategic direction is undermined by unwieldy, unclear or inefficient processes
PG 14.3	Empower managers to manage effectively using self-service tools Develop a self service approach to HR by training the HR team and managers to use our HR and Payroll systems to input, update and manage data about their teams.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 14.4	Manage documents and data digitally Install an automated HR document management system which allows all employee files to become paperless and integrates with our payroll system.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 14.5	Review and improve team processes Collate data for HR, payroll, recruitment, L&D, and employee relations. Based on the statistical analysis, measure the performance of the HR team and make adjustments to working policy, process and practice.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 14.6	Develop the HR team to ensure they reach their full professional potential. Team to be fully trained and competent in the correct skills and expertise to provide timely and accurate advice at all times.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Recruitment and retention issues / negative impact on customer service and support
PG 14.7	Build strong professional HR relationships and networks Network with the Local Government Association, Surrey HR Partnership and South East Employers by advising on employment related projects and benchmarking surveys to ensure we are at the forefront of best practice and working collaboratively with our communities.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Not benefitting from others' knowledge and best practice

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Outcome 15.	We attract, recruit and nurture staff talent (Priority 2 of the Council's HR Strategy 2018-2023)					
	Corporate Priority: ALL					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 15.1	Streamline and improve our recruitment processes Review recruitment procedures and systems internally and externally to create a lean pro-active service which reduces re-advertising, vacancy rates and time to recruit.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Recruitment retention processes are inefficient
PG 15.2	Identify skills gaps and grow internal talent to plug these Identify how to manage skills gap trends and growing our own talent within the business to ensure we have transferrable skills and career opportunities.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	We over rely on external talent / lack of resilience

PG 15.3	Plan and deliver apprenticeship and graduate programmes Support a wider group of development opportunities for apprentices, graduates, work experience and internships which in turn aims to improve our recruitment and retention.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Lack of longer term succession planning / benefitting from fresh perspectives
PG 15.4	Respond to the HR implications of Brexit Review and react to the wider political, economic and social issues including the elections and Brexit.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Non compliance / opportunity costs

Outcome 16.	We retain, recognise and reward staff effectively and appropriately (Priority 3 of the Council's HR Strategy 2018-2023)					
	Corporate Priority: ALL					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 16.1	Understand and respond to our gender pay gap Analyse and address where appropriate our Gender Pay Gap differences on an annual basis in preparation for the statutory duty to report our statistics at the end of the financial year.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Lack of competitiveness in the market place / impact on budget / higher than desired turnover / loss of organisational knowledge
PG 16.2	Make sure our pay structure is fit for purpose and appropriate Review how our pay structure can be adapted and funded within the Medium Term Financial Plan and alongside the annual Joint Negotiating Committee in conjunction with the end of the financial year.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 16.3	Provide competitive staff benefits Review and develop the existing benefits scheme to ensure it is clear, flexible and competitive.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 16.4	Support and promote positive mental health and well-being Develop our Time to Change pledge and Wellbeing Charter at each committee meeting to reflect the trends and challenges in our workforce, locally and nationally.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 16.5	Reward results, not presentism Promote a remote working performance based culture in line with current technology and flexible working practices.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	

Outcome 17.	Staff and elected members learn and develop the skills, knowledge and experience they need to achieve their full potential (Priority 4 of the Council's HR Strategy 2018-2023)					
	Corporate Priority: ALL					

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 17.1	Provide an effective corporate framework for managing staff performance Review of our annual Performance Agreement and 1:1 meeting framework, setting and achievement of SMART objectives to ensure its usage is relevant for each forthcoming financial year starting in April.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	Staff do not develop and learn, impacting on recruitment and retention and also the ability of the organisation to deliver against its objectives
PG 17.2	Ensure staff identify and access the development opportunities they need Develop an online on-boarding process for staff within their first year of employment to improve training and understanding of development opportunities available.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 17.3	Consult all staff on their views Undertake an annual Staff Survey and ensure the Council responds to all actions arising from the Investors In People inspection.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	
PG 17.4	Create career pathways and develop leadership capacity Creation of clear capabilities, career pathways and leadership skills for managers and those developing their roles in the business.	Within existing budgets.	01/04/20	31/03/21	HR Manager (SK)	

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Service Team: Legal Services **Team Leader: Daniel Bainbridge - Borough Solicitor**

Business As Usual - annual

Outcome 18.	High quality and timely dedicated legal advice supports the council's delivery of services and strategic projects and ensures the Council acts lawfully, transparently and ethically					
Corporate Priority: ALL						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 18.1	Provide high quality and timely legal advice Work with officers and Members to identify, plan and budget for legal support in order to support key corporate priorities and ensure the Council acts lawfully, transparently and ethically.	Instructions met by existing budgets through re-charges or costed as part of larger project	01/04/20	31/03/21	Borough Solicitor (DB)	Non compliance / reputational damage / costs / strategic risk
PG 18.2	Identify the need for and commission external legal advice and support as required. Work in partnership with other Surrey authorities to replace existing Surrey Framework with a series of new framework agreements.		01/04/20	31/03/21	Borough Solicitor (DB)	

PG 18.3	<p>Support the delivery of vital local infrastructure through planning agreements Work closely with colleagues in planning to coordinate Community Infrastructure Levy (CIL) and Section 106 agreements to ensure local development is supported with appropriate infrastructure.</p>	larger project budgets as required	01/04/20	31/03/21	Borough Solicitor (DB)	strategic risk
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Outcome 19.	Maintain high performance in turning around land charges search requests					
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Corporate Priority: ALL						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 19.1	<p>Deliver a high quality land charges service to customers Process customer requests, ensuring all searches are properly conducted in line with legislative and other requirements.</p>	Within existing budgets.	01/04/20	31/03/21	Legal Business Manager (LA)	Non compliance / reputational damage / costs / strategic risk
PG 19.2	<p>Deliver a timely land charges service Over a 12-month period, the average turnaround time for full searches is 7 working days and does not at any point exceed 10 working days.</p>	Within existing budgets.	01/04/20	31/03/21	Legal Business Manager (LA)	Non compliance / reputational damage / costs / strategic risk

Outcome 20.	Lead and manage the Council's approach to Information Governance, ensuring it is fully compliant					
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Corporate Priority: ALL						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
PG 20.1	<p>Comply with the Data Protection Act 2018 Ensure the Council effectively and efficiently manages and governs data in line with the Act.</p>	Within existing budgets.	01/04/20	31/03/21	Borough Solicitor (DB) / Data Protection Officer (AF)	Non compliance / reputational damage / costs / strategic risk
PG 20.2	<p>Respond to Freedom of Information Requests Ensure FOI requests are properly processed within the statutory deadlines set</p>	Within existing budgets.	01/04/20	31/03/21	Deputy Borough Solicitor (DB) / Information Rights Coordinator (SC)	Non compliance / reputational damage / costs / strategic risk

Team Projects - multi year						
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Outcome 21.	Deliver IT improvements to support efficient working practices and excellent customer service in Legal Services and Land Charges						
	Corporate Priority: ALL						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action	
PG 21.1	<i>IKEN Case Management System</i> Utilise the functionality of our IKEN legal service case management system to provide consistent communication with internal customers and to meet agreed targets for acting on instructions and providing legal advice.	Within existing budgets.	01/04/20	31/03/23	Legal Business Manager (LA)	Systems not optimal	
Corporate & Service Level Projects (Service wide or cross cutting projects)							
Outcome 22.	An Employee Engagement Strategy is in place						
	Corporate Priority: ALL						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action	
PG 22.1	<i>Develop and implement an Employee Engagement Strategy</i> HR and Communications to jointly develop and implement a strategy for internal staff communications and engagement.	Within existing budgets.	01/04/20	31/03/23	HR Manager (SK) / Communications and Engagement Manager (HR)	Staff not fully engaged which impacts on recruitment and retention and delivery / performance	
Outcome 23.	Unnecessary demand on the service is reduced and levels of customer self-service increase						
	Corporate Priority: a financially sound Waverley, with infrastructure and services fit for the future						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action	

<p>PG 23.1</p>	<p>Analyse failure demand within the service Review processes, policies and approaches across all functions within the service that create unnecessary demand due to processes being too complex, information not being fully available or easy to understand.</p> <p>Promote customer self-service and simplified processes Support customers of the service to, wherever possible, access the information they need online and to be able to use that information to support them in their management or decision-making role.</p>	<p>Within existing budgets</p>	<p>01/04/20</p>	<p>31/03/23</p>	<p>Head of Policy and Governance (RT)</p>	<p>Scarce resource is allocated to providing support that is only needed to due to overly complex processes, lack of clarity or lack of self-service options</p>
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<p>Outcome 24.</p>	<p>The Council's business transformation programme is properly supported by HR, legal, democratic and corporate policy functions</p>					
<p>Corporate Priority: a financially sound Waverley, with infrastructure and services fit for the future</p>						
<p>Ref. No.</p>	<p>Actions / Outputs</p>	<p>Reference any additional resources needed</p>	<p>Start Date</p>	<p>End Date</p>	<p>Lead Officer</p>	<p>Impact of not completing the action</p>
<p>PG 24.1</p>	<p>Actively engage with the Council's business transformation programme and ensure that HR, legal, democratic, and corporate policy issues are identified early and allocated the necessary time and resources to be worked through.</p>	<p>Within existing budgets</p>	<p>01/04/20</p>	<p>31/03/23</p>	<p>Head of Policy and Governance (RT)</p>	<p>Time, cost or quality implications for the business transformation programme</p>

Service Plan 2020-2023

Head of Service:	Kelvin Mills
Strategic Director:	Graeme Clark
Portfolio Holders:	Cllr Mark Merryweather, Cllr Nick Palmer, Cllr David Beaman, Cllr Andy Macleod

Service:	Commercial Services
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Service Profile

The Communities Service is comprised of 6 teams which deliver specific functions:

- **Arts and Culture** – supports the cultural services within the borough maximising funding for arts and culture. Oversees and manages community facilities and museums in our towns and villages
- **Careline** - offer a community alarm service to help people live longer and independently at home.
- **Parks and Countryside** – The Parks team manage our grounds maintenance contractor who looks after the greenspaces throughout the Borough ensuring quality greenspace, sports pitches and play areas. The Ranger Team manage and maintain the countryside areas within Waverley ownership ensuring accessibility and biodiversity in line with national and local policy.
- **Waverley Training Services** – delivers apprenticeships and study programs for young people to help them into employment and further education.
- **Leisure** - The primary focus of the leisure team is the contract management of Places Leisure who operate our five leisure centres, ensuring a high quality of service and maximising usage. In addition the team focus on increasing physical activity and the health and wellbeing of the residents of Waverley.
- **Building Control** (including Street Naming) is concerned with the structure, safety, accessibility and sustainability of development. The Team provides pre application advice, assesses building control applications and notices and carries out enforcement of unauthorised work. Waverley Building Control operates in a commercial environment and is in competition with Approved Inspectors. They are working to a 3 year Business Plan approved by Council 2016, which envisages the budget to break even by the end of 2019/20.

Service Team: Building Control

Section Manager: Jane Clement - Business Manager - Building Control

Business As Usual - Annual

Outcome 30.	Building Control delivers high performing service and breaks even on budget					
	Corporate Priority: To deliver a financially sound Waverley					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action

CS30.1	Break even on budget, balance fees and costs	Finance	01/10/20	31/03/21	Head of Commercial Services	Under achievement on income, unable to re-invest in service and may require additional subsidy from the Council. Customer satisfaction drops and alternative operators are used lessening the council's ability to influence construction within the borough.
CS30.2	Promote BC and SNN service to achieve 10%+ uplift and efficient SNN (tie in with UPRN / CS objectives)	Communications	01/10/20	31/03/21	Business Manager (Building Control) (JC)	As Above
CS30.3	Promote in-depth pre-application service at pre-Planning stage	Head of Planning	01/10/20	31/03/21	Business Manager (Building Control) (JC)	Unrealised income and service awareness. Opportunity to influence building construction positively to reflect climate emergency is missed.

Outcome 31.	Building Control and SNN applications are processed in a timely, customer focused manner					
	Corporate Priority: <i>'value and worth for all residents'</i>					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
CS31.1	Validation checks carried out within 24 hours of receipt of a	Horizon Reporting / Power BI	01/10/20	31/03/21	Business Manager (Building Control) (JC)	. Customer satisfaction drops and alternative operators are used lessening the council's ability to influence construction within the borough.

CS31.2	Street Naming applications processed within 4-6 weeks	None	01/10/20	31/03/21	Business Manager (Building Control) (JC)	Customer satisfaction drops and alternative operators are used lessening the council's ability to influence construction within the borough.
CS31.3	85% Building Control plans checked within 10 working days	Horizon Reporting / Power BI	01/10/20	31/03/21	Business Manager (Building Control) (JC)	Customer satisfaction drops and alternative operators are used lessening the council's ability to influence construction within the borough.
CS31.4	Customer survey response 90%+ Good and Above	Survey Monkey	01/10/20	31/03/21	Business Manager (Building Control) (JC)	Customer satisfaction drops and alternative operators are used lessening the council's ability to influence construction within the borough.

Team Projects

Outcome 32.	Building Control & Street Naming will be electronic achieving efficiencies and aligning with CS objectives for customer access					
	Corporate Priority: More open communication with residents					
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
CS32.1	Carry out Systems Thinking Review on the Building Control Service to identify efficiencies in process / application and align with Corporate CS objectives	Runnymede / Consultant	01/01/20	30/06/20	Head of Commercial Services	Cost and service efficiencies left un-realised, clunky time intensive process, wasted resource, customers unable to access records

CS32.2	Implement agile working for Building Control	Horizon / IT Services / mobile equipment	01/04/19	01/10/19	Business Manager (Building Control) (JC)	If IT not delivered on time; inefficiencies and reduced customer service may occur due to continued reliance on paper systems.
CS32.3	Develop electronic case management system for SNN	IT Project Manager (RM)	01/06/19	31/03/20	Business Manager (Building Control) (JC)	Records not linked in to customer, CS objective not met

Outcome 33. Review Business Plan and align service with national building control requirements						
Corporate Priority: High quality public services						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
CS33.1	Carry out full review of the BC business plan	Finance	01/01/20	31/07/20	Business Manager (Building Control) (JC)	Business plan is outdated and service diminishes along with income
CS33.2	Identify direction of travel for Building Control, facilitate training and development to bring service up to new and emerging standards	MHCLG/LABC	01/04/20	31/06/2020	Business Manager (Building Control) (JC)	Service cannot meet the demands to fully enforce the building regulations. Council exposed to risk.
CS33.3	Identify additional new or existing skills to support the Council's Climate priority and achieve zero carbon target	Business Transformation	01/04/20	31/03/21	Business Manager (Building Control) (JC)	Climate Emergency priority not met

Service Plan 2020-2023

Head of Service:	Zac Ellwood
Strategic Director:	Graeme Clark
Portfolio Holders:	Cllr Andy MacLeod, Cllr Nick Palmer, Cllr John Neale

Service: **Planning and Economic Development**

Service Profile

The Planning Service includes three Sections:

- **Development Management** provides general planning and pre application advice to customers; The Team also validates and processes planning and analogous applications and makes recommendations on these to the Council, for them to be decided by Members at Committee meetings or by the Head of Planning under Delegated Powers. Subsequent appeals against refusals are defended on behalf of the Council. The performance of the Section is monitored by Government indicators for speed and quality (major appeal success).The consequence of underperformance is designation under special measures.

The Planning Enforcement Team investigates alleged breaches of planning control and takes formal action to remedy breaches when necessary.

- **Planning Policy** covers the preparation of Local Plans, and the monitoring of policies. It monitors the receipt and spending of S106 agreements and will support the implementation of CIL, once implemented. The Projects Team provides specialist advice on design, heritage and trees/landscaping.

- **Economic Development** - charged with delivering the recently adopted strategy making Waverley a business friendly borough.

Service Team: Economic Development

Team Leader: Gill Dally, Catherine Knight, Debbie Smith

Business As Usual - Annual

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P20.1	Support Waverley's businesses through council procurement processes to create opportunities to bid for council contracts.	None	01/04/20	31/03/21	Economic Development Project Officer (GD/CK)	Reduces opportunities for Waverley business to bid for contracts

Outcome 20. Sustainable business and employment growth is encouraged in our urban and rural areas.

Corporate Priority: A thriving local economy, supporting local businesses and employment

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P20.1	Support Waverley's businesses through council procurement processes to create opportunities to bid for council contracts.	None	01/04/20	31/03/21	Economic Development Project Officer (GD/CK)	Reduces opportunities for Waverley business to bid for contracts

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P20.1	Support Waverley's businesses through council procurement processes to create opportunities to bid for council contracts.	None	01/04/20	31/03/21	Economic Development Project Officer (GD/CK)	Reduces opportunities for Waverley business to bid for contracts

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P20.1	Support Waverley's businesses through council procurement processes to create opportunities to bid for council contracts.	None	01/04/20	31/03/21	Economic Development Project Officer (GD/CK)	Reduces opportunities for Waverley business to bid for contracts

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P21.1	Support and promote rural businesses working closely with key partners such as parish councils, the National Trust, Surrey Hills Area of Outstanding Natural Beauty and the National Farmers' Union.	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	Risk of not delivering the actions and outcomes of the new Economic Development Strategy
SP20/21P21.2	Respond and support local businesses to changes in national and local priorities such as Brexit.	Officer time	01/04/20	31/03/21	Economic Development Project Officer (GD)/ Economic Development Partnerships Officer (CK)	Risk of businesses feeling isolated and unsupported

Outcome 22. Suitable communication channels to reach businesses, investors and homeworkers are developed

Corporate Priority: A thriving local economy, supporting local businesses and employment

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P22.1	Development of external website hub and regular e-newsletter to increase awareness of Council's support of business partners, investment opportunities and promotion of council properties.	Budget £10k / Communications / external provider	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)/Estates	Risk of not delivering the actions and outcomes of the new Economic Development Strategy

Outcome 23. High quality business and employment support is provided with key partners (EM3, Growth Hub and Business South)

Corporate Priority: A thriving local economy, supporting local businesses and employment

Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P23.1	Maximise the value of support to new and existing businesses through management of our business support contracts. Retendering of Enterprise First and Business South contracts in 2020	ED Budget	01/04/20	31/03/21	Economic Development Project Officer (GD) /Economic Development Partnerships Officer (CK)	Risk of organisations not delivering the outcomes of their SLAs

SP20/21P23.2	Work with the Surrey Futures working group to create a "Place ambition for Surrey"	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	Potential gap in partnership working if not involved
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Outcome 24.	Support healthy town centres by working closely with the local chambers and town clerks					
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Corporate Priority: A thriving local economy, supporting local businesses and employment						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P24.1	Support the development of four Business Improvement Districts (BID) for the four town centres. Establish baseline agreements and possibly support with private investment fund software for the Business Rates levy.	£15k for software	01/04/20	31/03/21	Economic Development Partnerships Officer (CK) with Legal, Environment and Electoral Services.	Risk of not delivering the actions and outcomes of the new ED Strategy. Poor PR for WBC
SP20/21P24.2	Sponsor and support the cross Waverley chambers events	£10k officer time per year	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	Risk of not delivering the actions and outcomes of the new ED Strategy

Outcome 25.	The actions of the Economic Development Strategy Action Plan (2018 - 2023) are delivered and monitored					
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Corporate Priority: A thriving local economy, supporting local businesses and employment						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P25.1	Present performance indicators of action plan to Overview and Scrutiny annually.	Democratic Services	01/14/2020	30/03/23	Economic Development Partnerships Officer (CK)	Failure to update councillors on progress

Outcome 26.	Business skills and employment opportunities are created across the borough					
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Corporate Priority: A thriving local economy, supporting local businesses and employment						
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Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P26.1	Create business skills and employment opportunities with Waverley Training Services	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)/ Centre Manager WTS (AOS)/RP	Risk of not delivering the actions and outcomes of the new ED Strategy
SP20/21P26.2	Work with the local job and opportunities clubs to help address unemployment in deprived wards	ED Budget	01/04/20	31/03/21	Economic Development Project Officer (GD)	Job clubs closing / no specialised service in these communities
SP20/21P26.3	Support UCA graduates staying and working in the borough	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK/GD), + Estates	Loss of potential skills to local economy
SP20/21P26.4	Support education establishments to maximise opportunities to work with local communities	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK/GD)	As above

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Outcome 27. Visitor economy initiatives are supported						
Corporate Priority: A thriving local economy, supporting local businesses and employment						
Ref. No.	Actions / Outputs	Reference any additional resources needed	Start Date	End Date	Lead Officer	Impact of not completing the action
SP20/21P27.1	Evaluate the value of the local visitor economy on annual or biennial basis.	£1.5k	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	Not understanding or increasing local visitor economy for local businesses
SP20/21P27.2	Work with Visit Surrey to find a long term solution for supporting the tourism sector	Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	Reduction in visitors negative impact on local businesses

SP20/21P27.3	Produce marketing materials to promote tourism and the visitor economy in the Borough	ED Budget	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)/Community Development Officer - Arts (CH)	Tourism businesses not promoted.
SP20/21P27.4	Hold quarterly tourism and performing arts venue events.	ED Budget / Officer time	01/04/20	31/03/21	Economic Development Partnerships Officer (CK)	No network opportunities

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WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE O&S COMMITTEE 20 JANUARY 2020

ENVIRONMENT O&S COMMITTEE 13 JANUARY 2020

Title:

PLANNING APPEALS PERFORMANCE AND COSTS ARISING FROM JUDICIAL REVIEWS

Portfolio Holder: Councillor N Palmer

Head of Service: Zac Ellwood, Head of Planning and Economic Development

Key decision: No

Access: Public

1. Purpose and summary

1.1 This report has been prepared in response to Councillor interest in the cost implications of both planning appeals and judicial reviews relating to planning matters. It is intended to present this report to both the Value for Money and Customer Service and Environment Overview and Scrutiny Committees in January 2020. The purpose of the report is to inform Members of the planning appeals process and the results of appeal decisions. It further informs Members of the implications of appeal decisions for the Council and makes recommendations for improvements in respect of planning decision-making. Brief commentary is also provided in respect of the costs associated with the judicial review into the Waverley Local Plan Part 1.

2. Recommendation

2.1 It is recommended that the Committee notes this report and makes any observations.

3. Reason for the recommendation

Introduction

3.1 If an applicant does not agree with a decision that a local planning authority (LPA) has made on a planning application, listed building consent, or related application, they have a right to appeal to the Planning Inspectorate, an Executive Agency of the Ministry for Housing, Communities and Local Government. The vast majority of appeals made relate to situations where the LPA has refused to grant permission/consent, but an applicant may also appeal against a condition(s) attached to an approval, should they be aggrieved. Similarly, there is a right to appeal against non-determination if the authority has not decided a planning

application within the statutory time limits set down by central government (the so-called 8 week, 13 week and 16 week targets). At present there is no third party right to appeal in England and Wales.

3.2 At the point of making an appeal, there is no fee for either party (with the exception of enforcement-related appeals) and the general principle is that the respective parties should meet their own costs in making or defending an appeal, as applicable. Where a claim for unreasonable behaviour from either party is made against the other and this claim is substantiated, an Inspector can award costs against the party responsible for this behaviour. On occasion, a claim for costs may not be made by either party but the Inspector can unilaterally make a cost award to the party affected by unreasonable behaviour.

3.3 Planning appeals can proceed via a number of different routes. The appellant can request that an appeal proceeds via a certain route but ultimately it is the Inspectorate's decision as to the procedure by which each appeal will be heard. These routes are:

- Written representations (including householder development appeals) – the simplest and most common procedure whereby an Inspector receives written submissions from both parties and makes a decision following a site inspection, which can either be accompanied or unaccompanied.
- Informal Hearings – this involves the submission of written evidence by the main parties with a similar process and timeframe to that used for written representation appeals. However, the process will also include an informal hearing that takes the form of a round-the-table discussion that will be led by the planning inspector. It is intended to be an informal process and allows for all parties to respond to any questions that the inspector might have, and to let everyone make their case known.
- Inquiries - this is a more formal procedure than the hearing route and is usually used for complex cases where legal issues may need to be considered. The main parties will usually have legal representatives to present their case and to cross-examine any witnesses. All parties have the opportunity to present their case, and witnesses are likely to be questioned by the inspector and the other parties as to the evidence that they have presented, including technical or specialist knowledge that needs to be carefully presented and understood by the inspector. An inquiry may take one or several days, or in some cases weeks. The length of the inquiry will depend on the complexity of the case and the number of witnesses involved.

3.4 Appeals against enforcement notices can also take any of the above routes, depending on the complexity and whether any evidence needs to be tested on oath. There are seven grounds upon which an enforcement appeal can be made, namely:

- Ground (a) – that planning permission should be granted for what is alleged in the enforcement notice.
- Ground (b) – that the breach of planning control alleged has not occurred as

a matter of fact.

- Ground (c) – that there has not been a breach of planning control.
- Ground (d) – that at the time the enforcement note was issued, it was too late to take enforcement action against the matters stated in the notice.
- Ground (e) – that the notice was not properly served on everyone with an interest in the land.
- Ground (f) – that the steps required by the notice exceed what is necessary to remedy any breach of planning control.
- Ground (g) – that the time given to comply with the notice is too short.

Appeals costs

- 3.5 Defending any appeal decision comes at a cost to the Council. At the very least, officer time will be spent dealing with an appeal, and the greater the complexity of the issues being challenged, the more the appeal will cost the Council. There are certain topic areas for which the Council may not have sufficient in-house expertise (for example, specialist landscape or highways knowledge) and it will, often, be necessary to seek the services of expert witnesses to assist in defending the Council's position.
- 3.6 An appeal that proceeds down the Inquiry route will be likely to incur further costs as it is usually necessary for the Council to procure the services of a barrister. An inquiry can last more than a single day and often does. Although Waverley is a part of the Surrey Legal Services Framework Agreement and, therefore, can benefit from complete legal fees, it is still a service that carries significant cost burden for the Council.
- 3.7 A further area capable of attracting financial burden to the Council is 'cost awards' for unreasonable behaviour. In most cases, the appellant makes a request to the Planning Inspectorate citing what they consider to have been an examples(s) of unreasonable behaviour. The Council is given an opportunity to respond to this, but ultimately it is a matter for the Inspector to decide whether or not an award is justified. Occasionally, the Inspector can unilaterally decide to make an award of costs against one or either (or both) of the parties where they feel the party(ies) have behaved unreasonably without a specific request having been made. However, this is relatively rare. Although such cost awards against the Council on the grounds of unreasonable behaviour are, thankfully, not frequent, they nonetheless can be high in value and are added to the already significant expense of defending an appeal. National Planning Practice Guidance (NPPG) defines 'unreasonable behaviour' as:
- Introducing fresh and substantial evidence at a late stage necessitating an adjournment or extra expense for preparatory work that would not otherwise have arisen
 - Withdrawal of any reason for refusal.
 - Prolonging the proceedings by introducing a new reason for refusal.

- Providing information that is shown to be manifestly inaccurate or untrue.

3.8 It is important to note that, while the Council has a budget for defending its position at appeal through, for example, the instruction of Counsel and expert witnesses, it does not have a defined budget to cover costs awards and needs to seek a supplementary estimate to pay for these. Furthermore, cost awards can be reputationally damaging for the Council. The right for Waverley BC to request a cost award against an appellant for unreasonable behaviour exists, but is rarely invoked. Given that we do receive a number of spurious appeals each year where proposals are clearly contrary to the development plan and without material considerations that could possibly be sufficient to overcome the policy objections, and also encounter other examples of unreasonable behaviour (such as listed in paragraph 3.7), consideration should be given to challenging such behaviours more regularly, where justified.

3.9 Tables showing the approximate costs of defending planning appeals since April 2018 are presented below. These do not include the cost of multiple officers' time as the case officer, their line manager and a planning lawyer will typically all be involved in preparing for an appeal.

	April 2018 – March 2019 (78 appeals) - £'s	April 2019 – date (66 appeals) - £'s
Legal costs	105,010	79,930
Expert witness costs	22,706	40,480
Cost awards against WBC	1,500 (1 appeal)	53,693 (2 appeals)*
Total	127,716	120,410

*WA/2018/0545 – Land at Waverley's Folly, St Georges Road, Badshot Lea (outline applications for 23 dwellings) – appeal allowed.

WA/2018/1230 - Green Lane Farm, Green Lane, Badshot Lea (section 73 application to reduce the affordable housing provision from 43% to 30%, add conservatories and other minor amendments) – appeal allowed.

3.10 It should be noted that both of the cost claims made this financial year have not yet been agreed by the Council and have been passed to an independent costs assessor to negotiate on the Council's behalf, as is normal practice at Waverley. Generally speaking, negotiations tend to be successful in reducing the value of such cost claims. For example, the cost claim in the previous financial year was originally £3,000 but the assessors negotiated this down by 50%.

Government monitoring

3.11 The Government monitors local planning authorities' planning appeal performance through the proportion of appeals that are allowed following a refusal of planning permission on both major and minor development. The threshold for designation on applications for both major and non-major development, above which a local planning authority is eligible for designation, is 10 per cent of an authority's total number of decisions on applications made during the assessment period being overturned at appeal. If a local planning authority exceeds this threshold in either of these categories, it risks becoming 'designated' by the Government in relation

to the particular category exceeded. Currently, the Council is performing at a level of 8% for major applications and 3.1% for minor applications and is not at immediate risk of designation.

- 3.12 Upon designation of a local planning authority, applicants are able to apply directly to the Planning Inspectorate for the determination of any planning application falling within that particular category. The consequences of this are threefold: losing local accountability for making decisions; reputational damage; and loss of income through planning fees.

Analysis

Figures for allowed appeals

- 3.13 Since April 2017, the Planning Inspectorate has determined 244 planning appeals against decisions made by Waverley Borough Council. Of these appeal decisions, approximately 40% have been allowed. These decisions can be broken down as follows:

- 3.14 Committee decisions:
Of the 244 appeal decisions, 60 were considered by a planning committee. 34 of these appeals were allowed, 19 (56%) of which had carried an officer recommendation to grant permission. 26 of the appeals were dismissed, 13 (54%) of which had carried an officer recommendation to grant permission. These decisions can be broken down further by examining which Committee the applications were considered by:

Planning Committee	Number of appeals	Number of allowed appeals	Number of overturned officer recommendations
Eastern	12	8 (62%)	6
Central	10	3 (30%)	1
Western	17	11 (65%)	7
Southern	13	8 (62%)	3
JPC	8	4 (50%)	3
Total	60	34 (57%)	20

- 3.15 Delegated decisions:
184 appeal decisions were the result of decisions delegated to officers under the Scheme of Delegation. Of these decisions, 60 appeals (33%) were allowed and 124 were dismissed.

- 3.16 Enforcement appeals:
Since April 2017, Waverley has issued 12 Enforcement Notices, all under delegated powers. Of these 12 notices, 6 were appealed and 1 is still within its appeal period. Of the 6 notices that were appealed, 2 were dismissed and 4 are still awaiting a decision. No enforcement appeals have been allowed.

Commonly occurring themes within allowed appeals

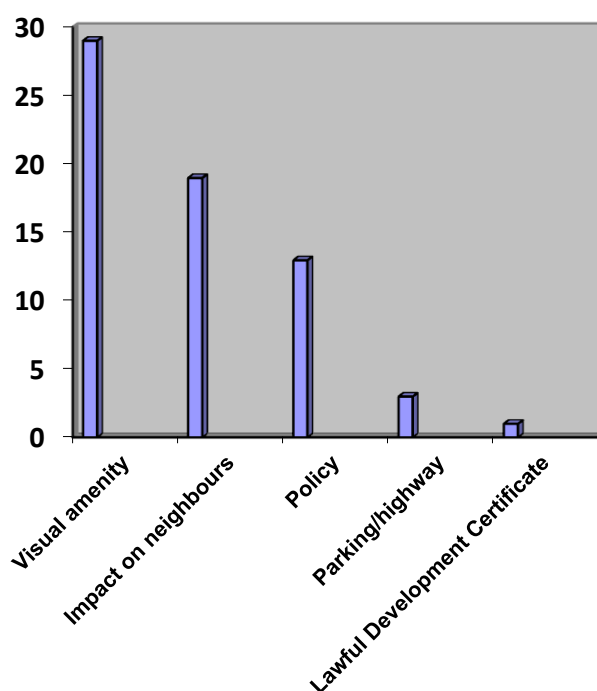
- 3.17 The Service monitors appeals performance through performance indicators; two national and one local. P3 is the local indicator which monitors the cumulative

performance across all planning appeals and the target is that no more than 30% of the total number of appeals made should be allowed.

3.18 For the past four quarters, this target has been exceeded by more than 5% and an assessment has, therefore, been undertaken to establish any common themes within these quarters which may have contributed to the number of allowed appeals.

3.19 Certain common themes have been identified and these are illustrated in Figure 1 below. It should be noted that the local indicator (P3) includes the “other” category of planning applications as well as the “major” and “minor” categories which are enumerated in the national indicators. Waverley is currently meeting the two national indicators so it follows that the under-performance is substantially in the “other” category, that is, householder applications.

Figure 1: Common themes over last four quarters (note that some appeal decisions disagreed with the Council in more than one area)



Visual amenity

3.20 It is clear that the most common area of disagreement between Inspectors and the Council relates to visual amenity. Visual amenity captures a range of planning judgements such as character, appearance and design and naturally includes an element of subjectivity.

Neighbour impact

3.21 Impact on neighbours was the second highest area of disagreement. This is, again, an area where planning judgement must be exercised and includes issues such as loss of privacy and outlook.

Policy impact

- 3.22 The application of policy and, in particular relating to Green Belt, sustainability and ecology, was the next main area for disagreement. Decisions in this area are matters of judgement with regard to how much local circumstances challenge an adopted policy position.
- 3.23 The above brief analysis demonstrates there are certain themes with regard to Inspectors' decisions against the Council. It should be comforting to Members that these relate mainly to judgement issues which can be addressed locally rather than challenging technical issues where Members are not qualified to make the decision.

Suggested improvements

- 3.24 Waverley's policies and other guidance seek to ensure that the highest quality of development is achieved and it is possible to suggest ways in which decision-making can be improved to achieve as much quality as possible within the confines of national guidance. This gives Members and officers scope to work together to improve appeals performance and a number of areas for improvement may be identified for further discussion.

Quarterly appeals analysis

- 3.25 The reintroduction of quarterly appeals analysis to each Committee so that lessons can be learned, where necessary. This will enable Members and officers to ensure that decisions can be robustly defended at appeal and will improve appeals performance. The analysis has in recent months been reintroduced to the Joint Planning Committee but will now also go on a quarterly basis to each Area Planning Committee

Revisions to the pre-application advice process

- 3.26 Revisions to the pre-application process to involve Ward Members at the most appropriate stages in order to avoid inappropriate involvement at a later point in the process. This will ensure that Members' concerns regarding elements of certain schemes can be addressed as early as possible and potentially unreasonable reasons for refusal can be avoided.

Planning committee structures

- 3.27 A review of the impact of our committee structures on appeals performance will be undertaken. Any changes to the committee structure will be considered by the Standards Committee and is subject to decision by Full Council.

Training for Members and Officers

- 3.28 More effective training is needed for all Planning Committee Members and planning officers to ensure appropriate skills and greater knowledge in decision making. This should include emphasis on contentious areas of planning judgement so that, again, any decisions are well considered, reasoned and robust.

Revision of Scheme of Delegation

- 3.29 A review of the Scheme of Delegation may identify areas where more clarity can be given to Members on process. This is likely to have implications for the number of applications which need to come to committee for determination. Any changes to the committee structure will be considered by the Standards Committee and subject to decision by Full Council.

Improvement of committee reports

- 3.30 Shorter, more focused committee reports with a greater emphasis on and clarity over the matters that are appropriate for consideration. This will bring focus to Members' considerations and will reduce the number of unreasonable reasons for refusal that could constitute unreasonable behaviour later at the appeal stage. The new format for reports has already been introduced and will be further refined as necessary.

Local Plan Judicial Review

- 3.31 At November's meeting of Value for Money and Customer Service Overview and Scrutiny, the question of how much the Council has spent to date on defending its position on Part 1 of the Local Plan. Advice has been received that £105,664 has been spent to date with some invoices outstanding.

4. Relationship to the Corporate Strategy and Service Plan

- 4.1 This report relates directly to the Council's vision of 'responsible planning and development, supporting place-shaping and local engagement in planning policy'.

Outcome 4 of the Planning and Economic Development Service Plan 2020/23 is for planning appeals to be 'defended to ensure Council's Local Plan policies and Government targets for quality indicator are met and "Special Measures" designation is avoided'. This report contributes to the understanding of Waverley's performance on planning appeals and the value for money achieved in defending them.

5. Implications of decision

5.1 Resource (Finance, procurement, staffing, IT)

The costs arising from costs awards at planning appeals are not budgeted for so supplementary estimates are required as costs awards arise.

5.2 Risk management

The risk of not addressing the identified issues is that it may lead to further financial risk to the Council.

5.3 Legal

There are no direct legal implications arising from this report itself but legal resources will be required to progress individual cases.

5. Implications of decision

5.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion 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.

5.5 Climate emergency declaration

Planning plays a critical part in the Council's response to the Council's climate emergency declaration with regard to the preparation of planning policies and their subsequent implementation.

6. Consultation and engagement

6.1 This report responds to comments made in Overview and Scrutiny Committees.

7. Other options considered

7.1 Not applicable.

8. Governance journey

8.1 The purpose of this report is to inform the O&S Committee of the implications of appeal decisions for the Council. The suggested improvements, as set out at paragraph 3.24 onwards, may require further approval and the appropriate governance process will be followed in each case. Any changes to the committee structure or Scheme of Delegation will be considered by the Standards Committee and be subject to a decision by Full Council.

Background Papers

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

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Agreed and signed off by:

Legal Services:

Head of Finance:

Strategic Director:

Portfolio Holder:

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WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE O & S COMMITTEE

20 JANUARY 2020

Title:

Capital Strategy 2020/2021
Incorporating Treasury Management Strategy and Property Investment Strategy

Portfolio Holder: Cllr Mark Merryweather

Head of Service: Peter Vickers

Key decision: Yes

Access: Public

1. Purpose and summary

- 1.1 It is a statutory requirement for local authorities to produce an annual Capital Strategy. The Capital Strategy brings together the Council's detailed policies, procedures and plans relating to cash investments and property assets. It incorporates the Treasury Management Framework, Prudential Indicators and Property Investment Strategy for 2020/2021.

2. Recommendation

- 2.1 It is recommended that Capital Strategy for 2020/2021 be approved.

Recommendation for Overview and Scrutiny Committee

The Value for Money O&S Committee consider this report, and pass comments and observations to the Executive.

3. Reason for the recommendation

- 3.1 The Council has to comply with The Prudential Code for Capital Finance in Local Authorities (the Code) issued by CIPFA which requires local authorities to determine capital expenditure and investment decisions that are affordable, prudent and sustainable, and to set limits on the amount they can afford to borrow in the context of capital planning. This requires effective strategic planning and a decision making framework.
- 3.2 The Capital Strategy provides this framework and its purpose is to:
- (a) place decisions about borrowing in the context of the overall longer term financial position of the Council.
 - (b) provide improved links between revenue and capital budgets.
 - (c) give a clear and concise view of how the Council determines its priorities for capital investment, decides how much it can afford to borrow and sets its risk

appetite.

- (d) give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

3.3 CIPFA has also produced the Treasury Management Code to provide a framework for effective treasury management in the public sector to help local authorities:

- develop and maintenance clear objectives for their treasury management activities
- ensure effective risk management
- provide transparency for treasury management decisions
- pursue value for money and measure performance
- maintain and develop the professional competence of staff
- assist those involved in the regulation and review of treasury management

The key documents which require annual approval by the Council are detailed in annexes 3-5.

3.4 It is likely that the Council will need to borrow in future years to acquire and/or develop commercial property assets in order to generate revenue for the General Fund budget and to support the local economy. The Treasury Management Framework contains the Council's borrowing strategy.

3.5 The Prudential Code requires local authorities to self-regulate the affordability, prudence and sustainability of capital expenditure, borrowing plans and treasury management decisions, by setting and revising a range of prudential indicators.

- affordability - over all the years it will have a financial impact on the Council
- Prudence - exercise caution in taking capital investment decisions
- Sustainability - capital investment consider the cost of maintaining assets

The prudential indicators are designed to support and record local decision making in a manner that is publicly accountable and reflects individual circumstances.

The Council's indicators are contained at Annexe 6.

4. Relationship to the Corporate Strategy and Service Plan

4.1 The Capital Strategy provides a governance framework around capital investment to ensure resources are in the right place to deliver the key priorities set out in the Corporate Strategy.

4.2 The Council will only consider property investments that support the Corporate Strategy and the Medium Term Financial Plan (MTFP).

5. Implications of decision

Resource (Finance, procurement, staffing, IT)

5.1 The Council collects around £200 million of income per annum and has, on average, £70m each day deposited within financial institutions and other local authorities.

With the introduction of HRA Self-financing in 2012/13 the Treasury Framework also includes borrowing (originally of £192m) and in future this could also include borrowing to support commercial investment.

Risk management

- 5.2 The Capital Strategy describes how the Council determines its priorities for capital investment and decides how much it can afford to borrow.
- 5.3 The Treasury Management Framework details the control of the risks associated with cash deposits and cash flows, banking, money market transactions and borrowing and the pursuit of optimum performance consistent with those risks. It requires the achievement of an appropriate balance between risk and return and, therefore, plays a key role in the generation of income required to support service provision.

Legal

- 5.4 The Code and the Code of Practice on Treasury Management supports the provisions of the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) Regulations 2003 and support strategic planning for capital investment at a local level. Compliance with both codes is a statutory requirement for local authorities.

Equality, diversity and inclusion

- 5.4 There are no direct equality, diversity or inclusion 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.

Climate emergency declaration

- 5.5 In undertaking property investment the Council will support the Climate Change Emergency and honour the commitment to becoming carbon neutral by excluding certain assets from being considered as potential investments. This is detailed in the Property Investment Strategy.

6. Consultation and engagement

- 6.1 Members were invited to briefings on the Medium Term Financial Plan and Budget at the end of November. The O&S Budget Strategy Working Group has reviewed the draft MTFP.

Comments from VFM O&S Committee to be added.

7. Other options considered

- 7.1 It is a statutory requirement for local authorities to produce an annual Capital Strategy.

8. Governance journey

8.1 This report will be considered by the Value for Money O&S Committee prior to submission to the Executive, and then Council.

Annexes:

Annexe 1 – Capital Strategy infographic

Annexe 2 – Capital Strategy - brings together the Council's detailed policies, procedures and plans relating to cash investments and property assets.

Annexe 3 – Treasury Management Policy - sets out the headline objectives of the Treasury Management function

Annexe 4 – Treasury Management Strategy - sets out the way in which the Council's policy objectives for Treasury Management will be achieved and the high level approach to borrowing and treasury investment.

Annexe 5 – Treasury Management Investment Strategy - sets out how the Council's treasury investments will be managed, in accordance with the Treasury Management Strategy, and how this will help achieve Waverley's policy objectives.

Annexe 6 – Prudential Indicators

Annexe 7 – Property Investment Strategy

Background Papers

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

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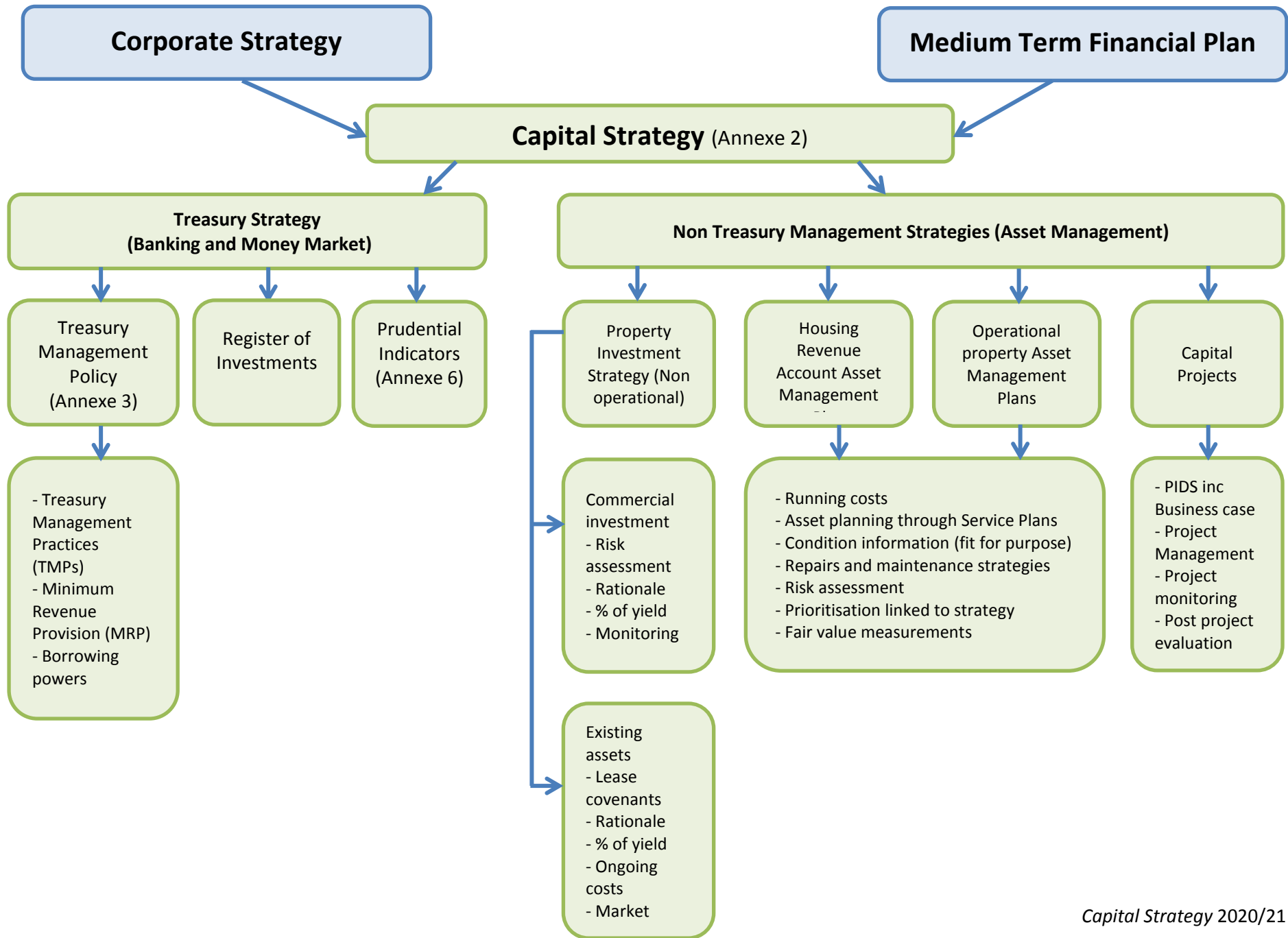
Agreed and signed off by:

Legal Services: date

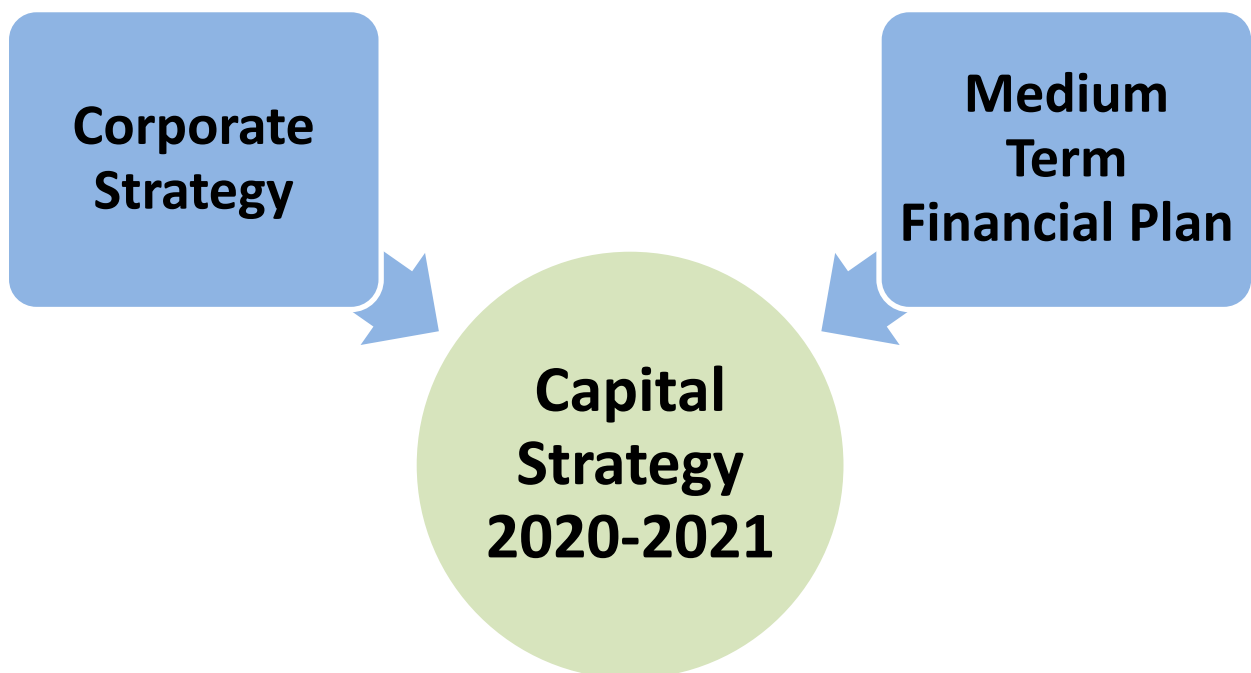
Head of Finance: date

Strategic Director: date

Portfolio Holder: date



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<i>Owned by:</i>	<i>Vicki Basley</i>
<i>Version:</i>	<i>3.0</i>
<i>Executive/Council Approval date:</i>	<i>February 2020</i>
<i>Date for review:</i>	<i>February 2021</i>

1. Introduction

1.1 Description

The Capital Strategy (the Strategy) brings together Waverley Borough Council's (Waverley's) detailed policies, procedures and plans relating to cash investments and property assets.

This three-year Strategy sets out how Waverley will manage the investment of its capital resources and the financing of capital expenditure in order to contribute towards the achievement of its key objectives and priorities.

The Strategy includes the appraisal process for determining capital investment decisions and the process for analysing funding requirements.

The Strategy also provides a framework by which capital expenditure decisions are made as required by the Prudential Code for Capital Finance in Local Authorities to provide good governance.

2. Structure of the Capital Strategy

The Capital Strategy sets out Waverley's processes for the various stages and aspects of considering and carrying out capital projects.

- Scope (section 2.1)
- Project initiation (section 2.2)
- Prioritisation of capital projects (section 2.3)
- Monitoring and evaluating projects (section 2.4)
- Revenue implications (section 2.5)
- Framework for the management and monitoring of the capital programme (section 2.6)

1.2 Objectives

The objectives of the Strategy are to:

- prioritise and deploy capital resources in advancement of the Corporate Objectives
- support service plans
- invest in assets that reflect the corporate priorities
- manage Waverley's investments, property and other assets effectively and efficiently

- Funding of capital projects (section 2.7)
- Asset Management (section 2.8)
- Affordable housing (section 2.9)
- Asset reviews (section 2.10)

2.1 Scope

The Strategy covers all capital investment and capital expenditure decisions undertaken by Waverley as an individual local authority and also those entered into by Waverley under group or partnership arrangements.

2.2 Project Initiation

Capital projects will be subject to a robust justification process which brings together a clear business case with sufficiently detailed costings to ensure that the rationale for the decision can be easily understood.

Proposals must be subject to independent oversight and review in terms of validation arrangements, estimated figures and project milestones.

Business cases must be prepared in accordance with Waverley's Project Management toolkit.

The business case must state where responsibility for project delivery lies and which officers are responsible for each task in the project.

For larger projects where feasibility is less certain, viability assessments will be required before bids are made for capital funding. This includes undertaking all preparatory work to fully understand the requirements of a project before capital funding is sought.

An assessment of officer resource requirements and availability must be included in proposals to ensure that both delivery of projects and day-to-day work is covered. That assessment must include a time based resource plan to highlight significant pressure on resources.

A formal process for supervision and review of the capital project at regular and defined intervals must be annexed to the business case to ensure that the project

will be subject to thorough oversight for its duration.

2.3 Deciding on the prioritisation of capital projects

Proposed capital projects will be assessed in relation to alternative potential projects and on impact to financial resilience against the following criteria:

- Strategic fit – corporate objectives that are being met by the expenditure
- Identified need – why the project is required eg vital repairs to or major non-revenue maintenance of existing assets
- Achievability – this may include alternatives to direct expenditure by Waverley such as partnerships with others, rent or buy options and other alternative delivery vehicles
- Affordability and resource use – to ensure that total capital investment and expenditure remains within relevant limits if the project is approved
- Practicality and deliverability
- Revenue generation to be achieved from the proposed capital investment
- Non-monetary impacts such as future economic growth, social well-being or environmental benefit

2.4 Monitoring and evaluating projects

In assessing potential capital projects Waverley will have regard to:

- Governance arrangements
- How each scheme will be reviewed
- The formal approval process

2.4.1 Governance process for approval and monitoring of capital expenditure

For all capital investment the appropriate level of due diligence will be undertaken with the extent and depth reflecting the level of risk being considered in accordance with Waverley's Risk Appetite Statement.

Due diligence process and procedures will include:

- Scrutiny of the capital programme by the Value for Money and Customer Service Overview & Scrutiny Committee
- Identification of the risk to both the capital investment and the anticipated revenue generation
- Understanding the potential impact on the financial sustainability of Waverley if the risks are realised
- Identifying assets being held for security against any potential debt or charges on assets
- Seeking independent and expert advice where necessary

The Strategic Director (Section 151 Officer) is responsible for ensuring that Members are adequately informed and understand the risks of capital investment decisions.

2.4.2 How each scheme will be reviewed

The business case put forward for a capital project will be reviewed to ensure it takes account of stewardship, value for money, prudence, sustainability and affordability.

Investment decisions will consider risk and reward and all the criteria set out in section 2.3.

The phasing of projects over more than one financial year will be assessed to ensure timetabling of plans and budgeting is realistic and funding is available over the life of the project.

Contingency budgets will be considered as part of the review process to increase transparency of budgeting and to avoid over-budgeting of funds.

2.4.3 The formal approval process

The Capital Programme will be put to Council for formal approval together with funding requirements and, if successful, will form Waverley's capital programme which is the plan of capital investment for future years.

This ensures Waverley's overall capital strategy, governance procedures and risk appetite are fully understood by all members.

2.5 Revenue Implications

The revenue implications of capital investment must always be considered in prioritising projects and making investment decisions. Revenue implications include increases and decreases in both income and costs.

Items with negative revenue implications include:

- cost of borrowing (including Minimum Revenue Provision)
- loss of investment income if reserves or useable capital receipts are used
- running costs associated with an acquired asset such as:
 - salaries of employees or management fees or other outsourcing costs
 - heat and light etc
 - administrative support costs
 - future maintenance

Items with positive revenue implications include:

- additional income
- any positive impact of investment and economic growth on Waverley's council tax base and business rates income
- direct revenue savings
- savings from efficiencies

2.6 Framework for the management and monitoring of the Capital Programme

A Project Manager will be assigned to each project to oversee planning, delivery, management, skills assessment and governance of capital projects.

Project management must be used on every project irrespective of funding source.

There is a standard approach to project management that is used across Waverley. It consists of a standardised set of project documentation which allows a thorough and transparent overview of projects and the assessment of project progress against initial plans and milestones. These documents include risk registers and project baselines.

The finance system is used as a tool for budget management and is accessed by both finance staff and project managers to give up to date information on project spend.

Close monitoring and reporting of slippage is undertaken to give more timely reporting which then allows for greater flexibility with capital spend allowing opportunities for alternative projects to be introduced.

Full requirements in regard to management of financial information can be found in Waverley's Financial Regulations.

2.7 Funding of capital projects

2.7.1 Funding

Proposals for capital projects shall identify the capital funding requirements for the timescale of the project.

Capital funding must be appropriate for the project. Possible sources are:

- Reserves
- Capital receipts – from the sale of assets or finance lease receipts
- Government grants – such as disabled facilities grant funding
- Third party grants and contributions
- Community infrastructure Levy
- Revenue contributions
- Other developer contributions
- National Lottery
- Heritage Lottery Fund
- Matched funding
- External (prudential) borrowing
- Internal borrowing

Any restrictions on borrowing or funding of ongoing capital finance eg HRA requirements must be assessed.

If grant funding is being sought, the project appraisal process must include bidding timeframes and the likely success of being awarded a grant.

2.7.2 Flexible use of capital receipts until 2021/22

Local authorities are permitted to use capital receipts to fund projects which are forecast to generate ongoing savings.

If Waverley plans to use this funding option for one or more capital projects a document must be prepared listing the projects, the expected savings or service transformation outcome for each project, and the impact on Waverley's prudential indicators.

2.7.3 Borrowing

Waverley's approach to borrowing is set out in the Treasury Management Framework.

Waverley may consider internal or external borrowing.

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

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

Minimum revenue provision (MRP) – local authorities are required to set aside a 'prudent' amount of their revenues each year as a provision for the repayment of debt'. Prudent provision should ensure that debt is repaid over a period that is reasonably similar to the period over which the capital expenditure is expected to provide benefit.

2.8 Asset Management

Waverley's arrangements for the corporate review of existing assets are contained in the Strategic Asset Management Plans and the Housing Revenue Account Asset Management Strategy. These provide frameworks for the operational work of asset management and the aims and objectives and the current property portfolio and the plan of asset management including acquisitions. These assets, together with Waverley's other assets, are held in the Asset Register which is maintained and updated on a regular basis.

2.8.1 Property Investment

These are investments made outside the normal treasury management activity and are taken with the aim of supporting corporate priorities through property investment.

The detail is contained in the Property Investment Strategy which documents the elements of the Investment Strategy:

- Supporting corporate priorities
- Investment principles
- Legal powers
- Funding
- Acquisition process
- Governance and due diligence
- Exit strategy
- Performance reporting

The Executive has authority to bid, negotiate and complete on property acquisitions and investments as set out in the Property Investment Strategy.

Performance is monitored by the Value for Money Overview and Scrutiny Committee.

2.9 Affordable Housing

Waverley recognises the demand for affordable housing.

In addressing this need it will consider a range of options:

- Private developments, including investment as part of the Property Investment Strategy
- Build new homes from within the Housing Revenue Account within the limitations of the self-financing reforms.
- Seek alternative approaches for financing and supporting house building such as establishing council-owned housing companies and developing new relationships with delivery partners such as housing associations and private developers.
- The acquisition and appropriation of land and the transfer of assets from the HRA to the General Fund.

2.10 Asset reviews

As part of service planning asset reviews will be undertaken to consider the use of existing property and whether it can be better used in achieving the corporate priorities. The use of assets needs to be considered as customers' needs and expectations change.

3. Other Considerations

All capital schemes must comply with Waverley's policies and legislation such as the Financial Regulations and Contract Procurement Rules.

Reference should also be made to other strategies and plans, namely:

- Corporate Strategy 2019-2023
- Property Investment Strategy 2020-21
- Treasury Management Framework for 2020-21
- Housing Revenue Account Asset Management Strategy 2015-20
- Financial Regulations 2019-20
- Contract Procurement Rules 2019-20
- Tax Strategy 2019-20
- Risk Appetite Statement (Executive 5 February 2019)
- Medium Term Financial Plan 2020-24

Glossary

CIPFA – Chartered Institute of Public Finance and Accountancy

HRA – Housing Revenue Account

MRP - Minimum Revenue Provision

Property Terrier – information system for property assets

Treasury Management Policy

Waverley adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), which identifies three key principles which Local Authorities should apply:

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

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

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

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

The Council will receive reports on its treasury management policy and practices and the Executive will receive reports on treasury activities and performance, including, as a minimum, the annual framework in advance of the year.

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

The Council nominates the Value for Money Overview and Scrutiny Committee to be responsible for ensuring effective scrutiny of the treasury management framework.

Overall policy:

Waverley defines its Treasury Management Policy objectives as:

The effective management of Waverley's banking and cash deposits and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks in order to ensure that financial resources are available at the right time to deliver Waverley's service priorities.

Risk:

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

Value for money:

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

Borrowing:

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

Investment (Cash deposits):

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

Ethical Investment:

Investment guidance, both statutory and from CIPFA, makes clear that all investing must adopt security, liquidity and yield principles and ethical issues must play a subordinate role to those priorities.

Treasury Management Strategy Statement 2020-2021
(incorporating Treasury Management Practice statements)

Overall policy:

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

Investments:

Waverley's policy is to give security a higher priority than rate of return/yield. Waverley's strategy and day-to-day practice, therefore, continue to be refined, within the boundaries set out in the Treasury Strategy (Annexe 6), in response to market conditions.

Risk:

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

- to lend only to those institutions which fit Waverley's policy in terms of financial standing, credit ratings etc;
- generally to restrict lending to terms of one year or less or to cover precept dates or known expenditure commitments, except where the Strategic Director (S151 Officer) or Head of Finance agree to an investment within Waverley's criteria over a longer period if interest rates are favourable;
- to identify financial limits for each counterparty institution depending on the quality of its financial ratings;
- to make all money market investments in GBP sterling thus avoiding exchange rate risk;
- that Waverley's general preference is for fixed rate investments for budgetary certainty and the avoidance of yield risk and
- to consider other forms of investment that are not part of treasury management activity, such as property acquisitions, on a case by case basis subject to a comprehensive business case being presented to Members including analysis of risk and viability. This is set out in a separate Property Investment Strategy.

Waverley will also use available market intelligence as appropriate to aid investment and borrowing decision making.

Value for money:

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

Borrowing Strategy:

The HRA self-financing implementation required the HRA to pay the Government £189m in March 2012. Waverley borrowed £184m in March 2012 for this purpose with £5m being met by an internal loan. Waverley adopted a flexible approach to this borrowing in consultation with treasury management advisers.

External Borrowing

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

- Affordability
- Maturity profile of existing debt
- To achieve interest rate and avoid refinancing risk
- Borrowing source

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

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

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

In addition, temporary borrowing for the purposes of financing day-to-day expenditure commitments is allowed for short periods if economic on the day.

Borrowing in Advance of Need

Waverley will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that Waverley can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the year.

Internal Borrowing

Internal borrowing, the use of cash rather than external borrowing, may be considered if investment returns are low and counterparty risk is an issue. Borrowing rates will be monitored to assess whether it is prudent to use of cash instead of external borrowing.

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded

with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure.

Overall, borrowing will be managed within the Authorised Limit for External Debt (See Prudential Indicator 8).

Minimum Revenue Provision (MRP) Policy Statement

One of the underpinning principles of the Local Authority financial system is that all capital expenditure has to be financed either from capital receipts, capital grants (or other contributions) or eventually from revenue income. MRP is a statutory mechanism for allocating funds out of revenue income to repay unfinanced capital spend (from borrowing or credit arrangements).

The scheme of MRP requires Local Authorities to set aside some of their revenues as provision for unfinanced capital spend each year of an amount considered to be 'prudent' having regard to the recommendations in the Ministry of Housing and Local Government (MHCLG) guidance. Prudent provision should ensure there is a balance between matching MRP to a period over which the capital expenditure provides benefits.

In advance of each financial year a Local Authority should prepare a statement of its policy on making MRP in respect of that year and submit it to Council for approval.

Waverley's MRP

- Will not be nil or a negative charge except where the Capital Financing Requirement (CFR) is nil or goes into the negative or to offset a previous overpayment of MRP.
- Where the CFR is nil or negative on the last day of the financial year, indicating the provision of debt is equal to or greater than the debt incurred, no MRP will be made in the following financial year.
- The implications of MRP will be assessed at the point of making a decision to incur capital expenditure.
- Waverley will reassess the MRP charge each year.

Options for Prudent Provision of MRP

The methods available to calculate a prudent provision are:

1. Make a provision over the estimated life of the asset for which the borrowing is undertaken, either:
 - Equal instalment method – equal annual amounts over the estimated life of the asset.
 - Annuity method – link MRP to the flow of benefits from an asset where the benefits are expected to increase in later years.
- or
2. Match MRP to the depreciation charges that will be generated by the assets that have been acquired
 - MRP continues until the provision made is equal to the original amount of the debt and may then cease.

- On disposal of the asset the charge will continue but capital receipts or other funding sources can be applied at any time to repay all or part of the outstanding debt.
- If only part of the expenditure on the asset is financed by debt, the depreciation provision is proportionately reduced.

The MHCLG guidance allows for limited flexibility in the calculation of MRP. Waverley will assess the appropriate option to adopt in advance of the commencement of MRP. However, if Waverley departs significantly from the guidance, or if it is a large, complex, novel scheme, legal and external audit will be consulted with the proposed approach as appropriate.

Commencement of MRP

- MRP will commence in the financial year following the one in which the unfinanced capital expenditure is incurred. In the case of a new asset MRP would begin in the financial year following the one in which the asset becomes operational.
- MRP will not be provided for Assets under Construction. MRP on debt will commence, proportionally, as each stage of the project transfers to Assets in Use.

Estimated Useful life of assets for calculating MRP

The useful life will not normally exceed a maximum of 50 years. Waverley may only exceed this maximum in two scenarios:

- Where Waverley has an opinion from an appropriately qualified professional advisor that the asset will deliver service functionality for more than 50 years. The life suggested by the professional advisor may then be used.
- For a lease, where the length of the lease exceeds 50 years, the length of the lease may be used.

Unfinanced capital expenditure on:	Estimated useful life for MRP
Investment Properties	50 years
Land and Heritage assets	50 years
Buildings	40 years (unless valuer indicates otherwise)
Vehicles and Equipment	7-15 years
IT Equipment	3-10 years
Car Parks	25 years

Leases

For finance leases, or where a right-of-use asset is on the balance sheet, the MRP requirement is met by a charge equal to the element of the rent/charge that goes to write down the balance sheet liability.

Housing Assets

The duty to make MRP does not extend to cover borrowing or credit arrangements used to finance capital expenditure of the Housing Revenue Account.

Treasury Management Practices (TMPs)

TMP1 Risk Management

General Statement

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

Credit and Counterparty Risk Management

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

Liquidity Risk Management

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

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

Interest Rate Risk Management

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

Exchange Rate Risk Management

Waverley's current approved policy allows cash investments solely in GBP sterling because other currency deals expose Waverley to an additional level of risk. Accordingly, Waverley does not have an exchange rate risk management strategy at this time. Should market conditions change such that foreign currency deals become appropriate, this

Treasury Management Practice will be developed to cover this and approval for such a policy change will be sought from Council.

Inflation Risk Management

Waverley will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.

Refinancing Risk Management

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

Legal and Regulatory Risk Management

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

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

Fraud, Error and Corruption, and Contingency Management

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

Market Risk Management

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

TMP2 Performance Measurement

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

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

TMP3 Decision-making and Analysis

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

TMP4 Approved Instruments, Methods and Techniques

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

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

TMP5 Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements

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

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

If Waverley has to depart from these principles, the Strategic Director (S151 Officer) will ensure that the reasons are properly reported in accordance with TMP6 *Reporting requirements and management information arrangements* and the implications properly considered and evaluated.

The Strategic Director (S151 Officer) will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management and the arrangements for absence cover. The responsible officer will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out.

TMP6 Reporting Requirements and Management Information Arrangements

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

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

- the performance of the treasury management function.

The Executive will receive:

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

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

TMP7 Budgeting, Accounting and Audit Arrangements

The Strategic Director (S151 Officer) will prepare, and the Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at a minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 *Risk management*, TMP2 *Performance measurement* and TMP6 *Approved instruments, methods and techniques*. The Strategic Director (S151 Officer) will exercise effective controls over this budget and will report upon and recommend any changes required in accordance with TMP6 *Reporting requirements and management information arrangements*.

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

TMP8 Cash and Cash Flow Management

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of Waverley will be under the control of the Strategic Director (S151 Officer) and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis and the Strategic Director (S151 Officer) will ensure that these are adequate for the purposes of monitoring compliance with TMP1[1] liquidity risk management.

TMP9 Money Laundering

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

TMP10 Training and Qualifications

CIPFA's Code of Practice requires the *responsible officer* (for Waverley that is the Strategic Director (S151 Officer)) to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

Waverley recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Strategic Director (S151 Officer) will recommend and implement the necessary arrangements.

The Strategic Director (S151 Officer) will ensure that Members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

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

TMP11 Use of External Service Providers

Waverley recognises that responsibility for treasury management decisions remains with Waverley at all times. Waverley recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons, which have been submitted to a full evaluation of the costs and benefits. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Strategic Director (S151 Officer).

TMP12 Corporate Governance

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

Waverley has adopted and has implemented the key principles of the Code. This action, together with the other arrangements detailed in this document, is considered vital to the achievement of proper corporate governance in treasury management, and the Strategic Director (S151 Officer) will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Treasury Management Strategy 2020-2021

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

The 2020-2021 Strategy is framed against the backdrop of current market conditions. Despite a generally depressed market since 2008, current market conditions are much more stable. The results of the Bank of England's 2018 UK bank stress tests was that "the UK banking system is resilient to deep simultaneous recessions in the UK and global economies...". Other factors include the potential impact of Brexit on interest rates and the increased activity in Local Government peer-to-peer transactions which afford more security in the market. On a local level, the Strategy also recognises the significant levels of cash accumulated by Waverley, mainly due to the accumulated HRA funds, which will be spent on delivering the HRA capital programmes over the medium term.

The statutory guidance requires Waverley to determine a number of limits and guidelines for its treasury activity including 'specified' and 'non-specified' investments. Specified investments are those held in sterling with a maturity of no more than a year and must be with the UK Government, UK local authorities or "high" credit rated institutions. Non-specified investments are any investments that do not meet the above criteria. Given the market conditions described above the limit of 'non-specified investments' held at any point in time will be £30million as below. Officers would expect that the majority of non specified investments would be with other Local Authorities for added security. Non specified investments will be non specified only by virtue of being for one year or more.

To meet the requirements of the Regulations it is proposed that the following policy and limits apply to all of Waverley's investment activity in 2020-2021:

- Cash deposits only (subject to the exception of CCLA (Churches, Charities and Local Authorities) investments) with UK Local Authorities and the UK Government, Housing Associations and institutions assessed as having a 'high credit quality'.
- 'High credit quality' means having AAA rating for sterling money market funds or a minimum rating of A- for any banks and building societies, and being considered to have high credit credentials after taking account of the factors listed below.
- Waverley will not make any non-specified cash investments other than when the investment is non-specified by virtue of it being for a period of more than one year. Such an investment will only be with an 'approved counterparty' and will be subject to an assessment of risk. Generally, longer-term investments over one year will be with other Local Authorities in order to reduce counterparty risk.
- £10million is the maximum deposit in any single specified organisation at any one time.
- £20m is the total deposit with any group - £10m the maximum with any single member of that group.

- Up to date information gathered by officers, together with specialist advice if appropriate, will be used to ensure compliance with the strategy.
- The maximum total investment at any one time that can prudently be committed for more than one year is £30 million.
- If cashflow certainty can be demonstrated over the longer term, Waverley will consider investing in property provided that a business case is presented to Members including a risk and viability assessment.
- The Strategic Director (S151 Officer) can seek the Executive approval to change the above limits during the year if necessary, provided that it is in the best interests of Waverley to do so.

Every investment will have a ratings check on the day of the investment and a list of potential counterparties will be prepared and approved by the S151 Officer before 1st April each year and updated throughout the year. In relation to the Annual Treasury Management Strategy, investments have ongoing ratings checks, beyond just the day of investment, and ratings are continually monitored internally and changes reported.

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

- The major objective of managing daily cash balances to meet cash flow commitments remains the priority although it is recognised that, to some extent, some stability has been evident so longer term investment decisions are now possible subject to consideration of capital spending plans.
- In addition to the thresholds above, the maximum amount invested in any single specified organisation will generally be restricted to no more than 20% of the overall total external investments at that time.
- Investments are also monitored on a sector basis and judgments made as to the appropriate level within each sector taking into account appropriate treasury management information.
- General Market information is also used to enable some targeting of investment partners and the objective views of the credit agencies still have a value and are monitored more regularly.
- Close monitoring of credit ratings at the point of transaction including consideration of the 'future outlook' assessment.
- Increased frequency of updating the list of preferred organisations for investment with reduced working maximum limits for lower rated counterparties.

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

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

- Credit rating 'future outlook' assessments
- Published credit ratings for financial institutions
- Economic fundamentals (for example Net Debt as a percentage of GDP)

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

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

Prudential Indicators

The Capital Strategy provides a framework by which capital expenditure decisions are made as required by the Prudential Code for Capital Finance in Local Authorities. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview, confirm capital expenditure plans and provide information to support decision making on borrowing, affordability, prudence and sustainability.

The Code is not prescriptive on the indicators, as they designed to support and record local decision making, but they must cover four areas:

- prudential indicators for capital expenditure
- prudential indicators for affordability
- prudential indicators for external debt
- prudential indicators for treasury management.

Indicator 1 - Estimate of total capital expenditure to be incurred

The estimates of capital expenditure Waverley plans to incur during the forthcoming financial years are:

	2018-19 Actual £m	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
General Fund	2	4	7	2	2
Housing Revenue Account	6	16	13	17	15
Commercial activities/non-treasury investments *	0	0	100	0	0
Total	8	20	120	19	17

* Commercial activities/non-treasury investments relate to areas such as capital spend on investment properties

The table below summaries the above capital expenditure plans and how these will be financed by capital or revenue resources. Any shortfall in resources results in a funding borrowing need.

	2018-19 Actual £m	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
Capital Receipts	2	7	10	9	9
Capital Grants	1	1	2	1	1
Capital Reserves	0	1	0	0	0
Revenue	5	11	8	9	7
Borrowing	0	0	100	0	0
Total	8	20	120	19	17

Indicator 2 - Financing Costs

Financing costs are made up of interest paid, interest and investment income and amounts required for the statutory provision of debt (including repayments of principal, interest and minimum revenue provision).

	2018-19 Actual £'000	2019-20 Estimate £'000	2020-21 Estimate £'000	2021-22 Estimate £'000	2022-23 Estimate £'000
General Fund	-602	-750	-536	1,464	1,464
Housing Revenue Account	9,238	9,684	9,790	10,418	13,276

Indicator 3 - Net Revenue Stream

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

	2018-19 Actual £'000	2019-20 Estimate £'000	2020-21 Estimate £'000	2021-22 Estimate £'000	2022-23 Estimate £'000
General Fund - Taxation and non specific grant income	14,869	13,211	12,941	11,750	11,350
Housing Revenue Account – Rent income	29,973	30,036	30,011	30,974	31,909

Indicator 4 - Financing Costs to Net Revenue Stream

	2018-19 Actual	2019-20 Estimate	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate
General Fund	-4.0%	-5.7%	-4.1%	12.5%	12.9%
Housing Revenue Account	30.8%	32.2%	32.6%	33.6%	41.6%

Indicator 5 - Capital Financing Requirement (CFR)

The CFR is the amount of capital spending that has not yet been financed by revenue, capital receipts or usable reserves. It measures the underlying need to borrow for capital purposes.

The borrowing may not necessarily take place externally if the Council judges it prudent to make use of cash that it has invested to adopt an efficient and effective treasury management strategy. This is known as 'internal borrowing'.

The Housing Revenue Account self-financing debt is deemed to be capital expenditure under the regulations and forms part of the calculation of the CFR.

	2018-19 Actual £m	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £'000	2022-23 Estimate £'000
General Fund	6	5	106	103	101
Housing Revenue Account	185	181	176	171	163
Total	191	186	282	274	264

Indicator 6 - Gross debt and the Capital Financing Requirement

In order to ensure that over the medium term debt will only be for a capital purpose, external debt should not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
Gross debt	271	266	258
Capital Financing Requirement (Indicator 5)	282	274	264

Treasury Indicators

Indicator 7 - External Debt

The prudential indicator for the authorised level of external debt is the focus of corporate decision making and managerial control as it is the immediate means by which Waverley complies with the legislative requirement to keep under review the amount it can afford to borrow.

The actual external debt is taken from Waverley's Balance Sheet.

Actual External Debt as at 31/03/2020	£m
Borrowing	176
Other Long-term Liabilities	0
Total	176

Indicator 8 - Authorised limit for external debt

The Authorised Limit sets the maximum level of external borrowing, excluding investments, for Waverley and represents a limit beyond which Waverley cannot borrow until the indicator is reviewed or amended. It establishes the upper boundary of borrowing based on a realistic assessment of the risks and reflects a level of borrowing which, while not desirable, could be affordable but may not be sustainable.

It must also encompass borrowing for temporary purposes. While cash flows are currently managed using the investment portfolio it is possible that short-term borrowing may be necessary but is not currently expected.

This Prudential Indicator separately identifies borrowing from other long term liabilities.

In approving this limit, the Council is approving the limit as required under section 3(1) of the Local Government Act 2003.

	2018-19 Actual £m	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
General Fund	50	50	110	110	110
Housing Revenue Account	188	188	188	188	188
Total	238	238	298	298	298

Indicator 9 - Operational Boundary

This indicator is a means by which external debt is managed to ensure it remains within the self-imposed limit. It is the focus of day-to-day treasury management activity.

It is lower than the authorised limit in order to allow for cash flow variations that may lead to the occasional breach of the operational boundary. A breach is highly unlikely but any breach would then alert the Council to the imminent breach of the authorised limit and corrective action can then be taken.

	2018-19 Actual £m	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
General Fund	40	40	100	100	100
Housing Revenue Account	188	188	188	188	188
Total	228	228	288	288	288

Indicator 10 - Maturity Structure of Borrowing

The following table shows the amount of borrowing that is maturing in each period expressed as a percentage of total borrowing from 2020-21.

	Upper Limit	Lower Limit
0 to 5 years	24%	24%
5 to 10 years	35%	35%
Over 10 years	41%	41%

Indicator 11 - Total principal sums invested for periods longer than a year

Were Waverley to invest, or plan to invest, for periods longer than a year, it has set the following limits for each forward financial year for the maturing of such investments. This allows Waverley to contain its exposure to the possibility of loss that might arise as a result of having to borrow short term at higher interest rates or see early repayment or redemption of principal sums invested. This indicator also demonstrates that Waverley is not borrowing more money than it needs, or in advance of need, purely to profit through investment from the extra borrowing.

	2019-20 Estimate £m	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m
The upper limit of principal sums invested for periods of more than 365 days	30	30	30	30



<i>Owned by:</i>	<i>Vicki Basley</i>
<i>Council Approval date:</i>	<i>February 2020</i>
<i>Date for review:</i>	<i>February 2021</i>

1. Introduction

- 1.1 The Council holds property assets for two reasons:
1. Service delivery (operational assets)
 2. Investment to support corporate priorities
- 1.2 The General Fund Property Investment Strategy relates to 2. above and sets out the basis on which the Council intends to:
- Make property investments (through purchase or development)
 - Provide on-going management of the investment property portfolio
 - Report portfolio performance to officers and Members
- 1.3 All land and property will be acquired and held for a clearly defined purpose within clearly defined legal powers and in accordance with the corporate priorities.
- 1.4 This Strategy will be subject to review by the Property Investment Advisory Board (PIAB) and form part of the suite of documents under the Capital Strategy. Any material changes in year will be referred to the Executive for approval.

2. Elements of the Investment Strategy



3. Key Objectives

3.1 The key objectives are to:

Returns

- Acquire or develop properties or land that provide long term investment
- Obtain yield at least in line with Treasury Management targets
- Maximise return whilst minimizing risk through asset management plans
- Prioritise investments that yield optimal rent growth and stable income
- Consider proportionality of income from commercial property on the Council's revenue budget

Risk

- Build a risk/return balanced property portfolio
- Diversify through class and location
- Protect capital invested in property acquisitions
- Obtain stable growth

Governance

- Develop a governance framework that facilitates working in the open market

4. Link to Corporate Strategy and other Strategies

4.1 The Council will only consider property investments that support the Corporate Strategy and the Medium Term Finance Plan (MTFP).

4.2 The MTFP includes a target for net new income from commercial investment property of £1.2million across the next four years from 2020/2021. The Council will set an upper limit on the proportion of commercial income to net service expenditure of 20%.

5. Investment Principles

5.1 The Council will consider residential and commercial property investment opportunities in accordance with legal advice both inside and outside the Borough.

5.2 Investments inside the Borough are most likely to be able to support the Corporate Strategy.

5.3 Opportunities for investment outside the Borough will be considered in accordance with legal advice and will be prioritised within the Council's area of economic influence. The area of economic influence is defined as areas where the residents of the Borough flow through for employment, social, environmental reasons as well as those areas defined in the Local Enterprise Partnerships (LEPs).

5.4 Property considered for investment will be assessed against the following criteria:

	Criteria	Excellent	Very good	Acceptable
General	Yield (will be assessed with reference to the Treasury Management Strategy)	5-6%	4-5%	Net rate of return after borrowing costs not less than the required rate set out in the TMS
	Lot size (cost)	£5m plus	£1-5M	Less than £1m
Commercial	Tenure	Freehold	125+ year lease	50-125 year lease
	Occupiers lease length	Greater than 10 years	5-10 years	Less than 5 years (with business case)
	Location	Major prime	Micro prime	Major secondary
	Repair terms	FRI	IRI (remainder 100% recoverable)	IRI (remainder partially recoverable)
	Tenancy Strength (if occupied)	Single tenant with strong financial covenant	Single tenant with strong financial covenant or, where multi-let, a suitable spread of risk across tenants commensurate with the type of property	Multiple tenants with strong financial covenants
Residential		Assured short-term tenancies in accordance with legal requirements	Assured short-term tenancies in accordance with legal requirements	Assured short-term tenancies in accordance with legal requirements

- 5.5 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 for the improved property.
- 5.6 An investment may 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.
- 5.7 Consideration may also be given to acquisitions that focus on growth and provide opportunities for future development potential.

6. Legal Powers

6.1 The Council has powers to:

- i) Invest, pursuant to Section 12 of the Local Government Act 2003 (LGA 2003) and an Investment Strategy; for any purpose relevant to its functions under any enactment and for the process of the prudent management of its financial affairs.
- ii) Borrow, pursuant to Sections 1-6 inclusive of LGA 2003.

In both cases this is subject to Section 15 of LGA 2003: a duty to “have regard to” Guidance from CIPFA and MHCLG.

6.2 The Council also has other relevant powers. These include:

- (1) Section 120 of LGA 1972: a power to acquire land; and
- (2) General Power of Competence (GOPC), pursuant to Section 1 of LA 2011.

6.3 The powers enable the Council to invest in:-

- Commercial property; and
- Residential property.

6.4 When making investments the Council will consider, amongst other things, the type of property and the location.

6.5 Every proposal submitted to the PIAB shall identify the legal powers under which the Council will invest having regard to legal opinion taken and supplementary legal advice where appropriate.

7. Funding

7.1 The Council will fund property investments from:

- General Fund revenue reserves and Capital receipts
- External borrowing (in accordance with the Treasury Management Strategy)
- Internal borrowing (in accordance with the Treasury Management Strategy)

7.2 Borrowing to fund or part-fund a property investment will comply with the Prudential Code issued by the Chartered Institute of Public Finance and Accountancy. This requires borrowing to be affordable, sustainable and provide value for money as reasonably determined by the Council.

7.3 The Council’s approved Treasury Management Strategy includes property investment within its scope. The Council will comply with the requirement for all local authority investments whilst recognising the inherent lack of liquidity of property investments.

7.4 The proportion of overall borrowing to the Council’s Capital Financing Requirement will be in line with the Prudential Indicators contained in the Treasury Management Strategy.

7.5 Minimum Revenue Provision (MRP) will be charged annually as a revenue cost to the General Fund in accordance with the MRP policy contained in the Treasury Management Framework. MRP will form part of the annual financing cost used to calculate the net return on each investment funded or part-funded by borrowed funds (external and internal).

8. Acquisitions Process

8.1 Acquisitions will be sourced from:

- Property searches
- Direct approach to or from vendor (off market deals)
- Third party agents
- Unsolicited introductions from agents
- Joint ventures with another local authority, developer or investor

8.2 The Asset Manager will undertake the initial consideration of an investment opportunity, employing an appropriate investment appraisal in line with this strategy.

8.3 Suitable investment opportunities will undergo qualitative and quantitative appraisal (Financial modelling) in order to establish its acceptability as an investment.

8.4 External professional advice will be sought where necessary, in accordance with the Council's Contract Procurement Rules.

8.5 For tenanted acquisitions each property and its tenant(s) will be fully appraised both physically and financially using industry standard techniques to ensure the yield offered is acceptable for the level of overall risk involved. An example risk spreadsheet is shown at Appendix 1.

8.6 A business case will be produced and supported by financial modelling which will include, where appropriate:

- i) Yield calculations (Initial, equivalent and reversionary)
- ii) Financing costs
- iii) Life cycle costs to be borne by the Council
- iv) Net rate of return calculation
- v) Discounted cash flow analysis
- vi) Sensitivity analysis of cash flow
- vii) Exit Strategy, including trigger points
- viii) Financial implications of exit strategy
- ix) General Fund impact

8.7 Residential schemes will be subject to assessment through the ProVal system for residential development to determine financial viability.

8.8 All suitable opportunities will be referred to the IAB for consideration. The IAB will review each proposal in accordance with its Terms of Reference.

8.9 Decisions will be undertaken in accordance with the Scheme of Delegation and referred to the Executive or Full Council for approval as appropriate.

8.10 Following approval the Asset Manager will be instructed to express an interest in the property. If successful due diligence will be activated.

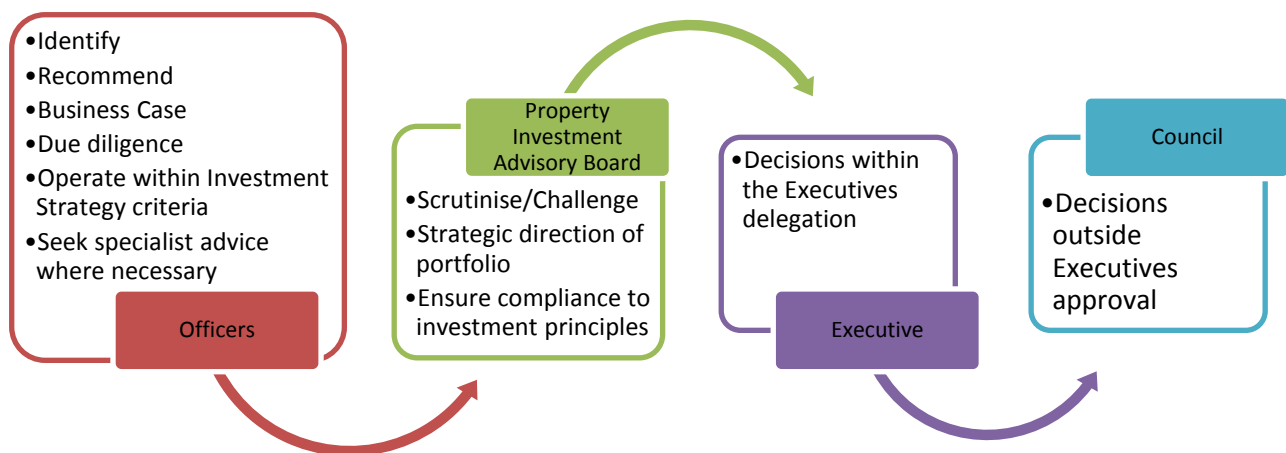
9. Governance and Due Diligence

9.1 Prior to any investments the Council makes it will first determine:

- The reason for the investment
- The powers under which the investment is made
- The extent to which the capital invested is placed at risk
- The impact of any potential losses on financial sustainability

The governance process will be reviewed on a regular basis to take account of changes in legal powers, the market and other conditions to ensure it is robust.

9.2 The Governance framework will comprise:



9.3 Due diligence will include:

Evaluation:

- Compliance to Investment Principles
- Legal power under which the Council will invest
- Assessment of legal issues in relation to property

Risk Analysis

- Risk appetite
- Assessment of sector risk and asset risk
- Reputational issues

Property Analysis

- Independent valuation of property from external agent
- Land Registry title checks
- Formal building condition survey
- Independent assessment of asset life
- Any necessary environmental and flood risk investigations

Financial Analysis

- Financial assessment of tenant(s)
- Assessment of the impact of any potential abortive costs and how they will be funded
- Assessment of impact of default or significant loss in value and how it will be funded
- Allowance for future costs, income shortfall and management of assets
- Formal estimate of any re-instatement costs

Risk

9.4 Risk will be assessed in line with the Council's Risk Management Framework and Risk Appetite Statement. The Business Case for the investment will assess each risk domain documented in the Risk Management Framework.

9.5 Risk will be minimised through:

- Compliance to the investment criteria
- Completion of due diligence
- Having management strategies in place for each property
- Having an exit strategy for each property, including trigger points and operating parameters

9.6 Once approval is in place, subject to a satisfactory outcome to the due diligence and after liaison with the Portfolio Holder for Property and Finance, Legal Services will be instructed to proceed to completion.

10. Property Development

10.1 The Council will consider opportunities for development, either buy or build, for:

- Residential property
- Commercial property
- Land assembly
- Conversion of assets

10.2 Delivery options will include:

- Partnership working and Joint Ventures
- Self build
- Contract development with a Developer

10.3 Residential development will be undertaken within the General Fund under Section 12 of the Local Government Act 2003 to achieve market rent or sale.

11. Property Management

11.1 The assets will be managed in accordance with the Strategic Asset Management Plans held under the Capital Strategy.

11.2 On acquisition, an Asset Management Plan will be drawn up for each asset in line with the characteristics of the type of asset. The plan will specify the timeframe

over which performance will be assessed and the short, medium and long-term objectives of holding the asset.

12. Performance Reporting

12.1 A quarterly Performance Report for properties acquired under this Strategy will be submitted to the Value for Money Overview & Scrutiny Committee as part of the Council's performance reporting.

12.2 Performance measures will be set to check:

- Ongoing security of investment
- Ongoing yield
- Fair value against purchase price
- Lifecycle costs required to maintain the income potential

Underperformance on these measures may trigger the exit strategy.

12.3 Performance will be monitored to ensure results are being delivered and to consider if the portfolio meets the needs of the Council or if any rebalancing is required.

13. Exit Strategy

13.1 Each property within the portfolio will have an Exit Strategy to ensure that where there is a predicted risk of change in market/obsolescence or the required return on the property is not being achieved action can be taken to protect the Council's finances from further loss.

13.2 Options for consideration will include:

- Disposal – sell the asset and realise the investment cash
- Alternative uses – based on market demand
- Transfer to operational property for service delivery

13.3 An Exit Strategy may be triggered in the following circumstances:

- Long term void and unable to attract good quality replacement tenants at acceptable rent levels
- Maintenance liability of the building
- The age and specification of the building affects the ability to let the property
- The management costs of the property affect the yield
- The use or user changes
- The reaching of a specific time period for being void based on the property's normal void turnaround period of a comparable property

14. Other considerations

Skills and Expertise

- 14.1 The Council invests in its Asset Management Team through training to enable staff to:
- Identify investment opportunities
 - Undertake property management
 - Know when to divest the asset
- 14.2 External support will be sought where appropriate according to:
- Complexity of transaction
 - Nature of acquisition
 - Independence requirement
 - Skills and capacity of internal team
 - Time dependency of transaction
- 14.3 Management of property (commercial and residential) may be through an agent where the service charge gives best value or where multi-let properties favour external expertise.

Voids and rent arrears

- 14.4 The Council is exposed to the risk of void periods or tenants defaulting on payment of rent. Loss of income and holding and re-letting costs will be met from a void reserve and managed in line with each individual asset plan.
- 14.5 Void periods will be kept under review to determine at which point the exit strategy for the asset will be triggered in accordance with the asset management plan for that asset.

Subsidised Rent

- 14.6 Investment property yields must reflect market conditions and be in line with individual asset management strategies.
- 14.7 Investment properties will not be subject to Council determined rent subsidy or reduction for operational purposes. Such proposals will trigger the exit strategy for that specific asset including the capital and revenue budget implications of the transfer to operational.
- 14.8 Residential investment properties will be on assured short-term tenancies and will not be subject to Right to Buy.

Legacy portfolio

14.9 Assets held prior to 1 April 2018 are part of this Investment Strategy unless they qualify as operational assets.

14.10 This will be assessed for:

- Performance
- Risk
- Maintenance requirements
- Yield

14.11 Legacy properties will have their individual asset management plans, including exit strategies.

Environmental considerations

14.12 The Council has declared a Climate Change Emergency and made a commitment to becoming carbon neutral. In undertaking property investment the Council will honor these commitments by setting an example and excluding certain assets from being considered as potential investments if they are not in alignment with these commitments. Assets that will not be considered for investment therefore include, but are not limited to, petrol stations and airports and those that would require special consideration include, but are not limited to, car parks and depots.

15. Sector diversification

15.1 At 31 December 2019, the property portfolio is made up as follows:

Sector	Units	Fair Value £'000	Annual Rent £'000	Gross Yield %
Office	7	11,089	644	5.8
Supermarket	1	7,625	305	4.0
Industrial	30	6,196	295	4.8
Retail	1	641	71	11.0
Total	39	25,551	1,315	

Location	Units	Fair Value £'000	Annual Rent £'000	Gross Yield %
Cranleigh	0	0	0	0.0
Godalming	1	758	56	3.0
Haslemere	1	328	23	7.1
Farnham	37	24,465	1,236	5.0
Total	39	25,551	1,315	

16. Investment Checklist

16.1 The following check list will be used to determined decisions on whether proposed investments can be undertaken.

<ul style="list-style-type: none">▪ Can we acquire commercial and residential property?
<ul style="list-style-type: none">– What are the legal powers to support the acquisition and, crucially, are they powers specifically to acquire property or to make investments?
<ul style="list-style-type: none">– Where borrowing is required, what are the powers available to support the taking out of loans?
<ul style="list-style-type: none">▪ Should we acquire commercial and residential property?
<ul style="list-style-type: none">– Can the Council justify the exercise of the legal powers in the way proposed?
<ul style="list-style-type: none">– Does the Council's decisions have proper regard for the statutory guidance?
<ul style="list-style-type: none">– Does the Council's decisions have proper regard for the Prudential Code in terms of affordability, prudence and proportionality?
<ul style="list-style-type: none">– Is the acquisition defensible under the best value duty?
<ul style="list-style-type: none">▪ Will we acquire commercial and residential property?
<ul style="list-style-type: none">– Is the proposal consistent with the Council's Corporate Strategy and Medium Term Financial Plan?
<ul style="list-style-type: none">– Can the proposal be accommodated within the Council's Treasury Management Strategy and Property Investment Strategy?
<ul style="list-style-type: none">– Does the Council have the necessary competence to take the proposed decision?
<ul style="list-style-type: none">– Does the Council have appropriate skills to manage the asset?

Appendix 1

Investment Analysis template

Source			
Property type			
Address			
Location			
Built			
Condition			
Area	sq ft		
Tenure			
Unexpired term			
Tenants(s) inc underlettings			
Use/alienation			
Repair			
Occupancy rate		%	
Rent		£	
OMV		£	
Management Costs %		%	
Net income after management fees		£	
Term	years		
Rent reviews			
Lease renewal			
Break option			
Asking price		£	£ CV/ sq ft
Yield			
Net initial		%	% less management costs
Net equivalent		%	% less management costs
True equivalent			
Net reversionary		%	% less management costs
Agents Intro fee		£	
Condition Report		£	
Due Diligence		£	
Legal		£	
SDLT		£	
Management costs		£	
Refurb costs		£	
Total		£	
Strengths	Weakness	Opportunities	Threats

eg <ul style="list-style-type: none"> • In Borough • Fully let • FRI • Location • Parking • Modern 	eg <ul style="list-style-type: none"> • Tenants break • Years remain 	eg <ul style="list-style-type: none"> • Rental growth • Restructure of lease • WBC could utilise 	eg <ul style="list-style-type: none"> • Tenant may exercise break
Conclusion Pursue as potential acquisition/do not pursue			

Glossary

Due diligence: A process to ensure correct documents and searches are complete and that the proposed purchase is legally and financially viable.

Fair value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Freehold: The ownership of a property in perpetuity

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

IRI: Internal Repair & Insuring

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

Local Enterprise Partnerships (LEPs): Local business led partnerships between local authorities and businesses and play a central role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs.

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 Revenue Provision (MRP): MRP is a statutory mechanism for allocating funds out of revenue income to repay debt (from borrowing or credit arrangements) for capital spend that is unfinanced.

PIAB: Property Investment Advisory Board

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.

Yield: The earnings generated and realised on an investment over a period of time (generally annually). It is expressed as a percentage based on the invested amount, modified for MRP and any other appropriate adjustments, or on the current market value.

(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.

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

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Property Investment Strategy 2020/2021 – main changes

New Strategy Page no.		Current approved Strategy	Proposed New Strategy
2	1. Introduction	This references the budget shortfall. The budget detail is contained in the Medium Term Financial Plan.	The Introduction has been kept to the purpose of the Property Investment Strategy.
2	1. Introduction	Reference to a Property Investment Company as an alternative vehicle for property investment.	This has been removed as Counsel advice confirms the activity the Council may consider with regard to property investment can be undertaken within specific legal powers.
3	3. Key Objectives		The key objectives for property investment have been defined.
5	6. Legal Powers		Legal powers have been specified following advice from Counsel.
7	9. Governance and Due Diligence		This section has been strengthened and now includes a governance framework.
8	9.4 – 9.6 Risk		A specific section on risk has been added.
8	10. Property Development		This recognises the need for the Council to actively consider property development as a way of achieving property investment.
9	12. Exit Strategy	The current strategy does not address the need for an exit strategy.	The need for an exit strategy for each property has been recognised to enable action to be taken should the property fail to achieve the required level of performance.
9	14. Other considerations		This includes recognising: <ul style="list-style-type: none"> the need for the right skills and experience the performance of the legacy portfolio
11	14.12 Environmental considerations		To honor the Council's Climate Change Emergency and carbon neutral commitment
11	15. Sector diversification		The table has been amended to reflect the General Fund only.
16	16. Investment Checklist	The Investment Acquisition Procedure is a procedural process.	A checklist has been added to ensure the basic questions have been addressed. (as per CIPFA guidance)
	Investment Advisory Board (IAB) Terms of Reference		These have been removed as they do not belong in the strategy. The PIAB is part of the governance framework at 9.2.

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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 the Scrutiny tracker of recommendations for the municipal year.
- Section B – 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 C – Lists live in-depth scrutiny task and finish groups, including objectives, key issues and progress.

Section A

Scrutiny Tracker 2019/20

Value for Money and Customer Service O&S Scrutiny Tracker				
Meeting date	Agenda item	Recommendation / action	Officer / Executive response	Timescale
18 November 2019	Budget Strategy Working Group Interim Report	RECOMMENDATION: the MTFP is modelled in at least the level of detail contained in the BSWG spreadsheet with updated estimates for new cost and income items accompanied by prudent timing estimates.	The spreadsheets will be maintained at the level of detail provided by the BSWG.	N/A
		RECOMMENDATION: transformation costs should be carefully estimated with regard to both quantum and timing and included in the MTFP model.	Once these have been estimated they will be included within the model.	
		RECOMMENDATION: the MTFP should be extended to 2023/24 to reflect the fact that it is the first year in which retained Business Rates are forecast to make no contribution.	The MTFP is extended to 2023/24.	N/A
		RECOMMENDATION: Providing the SCC application to the Secretary of State in relation to the expansion of Godalming Leisure Centre car park is not, on enquiry, expected to encounter difficulties in securing approval , that the design work preparatory to a planning application should be commissioned without delay, subject to Leisure Programme Board approval	Officers have been made aware of the possibility that the application could be subject to delay as a result of a challenge regarding the status of the land and so the design work preparatory to planning will be commissioned at a later stage.	

Value for Money and Customer Service Overview and Scrutiny Committee

	Review of Complaints Closed in 2018/19	ACTION: given the higher number of complaints for Housing Operations compared to other services, the Committee requested officers undertake some research into the number of complaints of other local authorities with a similar level of housing stock	Officers are undertaking this research and the results will be reported in due course (possibly under Corporate Performance Reports).	March 2020
16 September 2019	Draft Commercial Strategy	ACTION: the Committee made several suggestions: having milestones and timelines for the projects within the summary; separating projects to explicitly include Waverley Training Services, Careline and Building Control; making explicit mention that Waverley will be looking outside its current customer base in order to increase income; and for the Strategy to return to the Committee once it has been developed further.	Progress on the Strategy will be brought back to this Committee within the 'Commercial Strategy – income generation projects' recurring item.	Ongoing
24 June 2019	Corporate Performance Reports Q4	ACTION: for officers to circulate a summary of all appeals over the past year broken down by planning committee/delegated authority with particular reference to the cost implications and value for money.	The January agenda for this committee includes a report on cost implications of planning appeals.	January 2020
	Work programming	ACTION: for the Portfolio Holder to address the Committee regarding finalisation of Community Infrastructure Levy governance arrangements and any anticipated change of policy direction.	Officers will liaise with Executive members to achieve this.	TBC
19 November 2018	Corporate Performance Report Q2	ACTION: the Committee requested that officers undertake further analysis on turnover and a report on the findings comes to this Committee.	The Committee has added this item to its work programme in the Workforce Profile.	March 2020

Value for Money and Customer Service Overview and Scrutiny Committee

	Property Investment Strategy Quarterly Property Acquisition Report	ACTION: the Committee requested that a brief narrative explanation be included in the report to bring the headlines to the Committee's attention.	Officers will include this in future reports.	March 2020
26 June 2017	Performance Management Report	ACTION: to receive suggestions from officers for establishing customer satisfaction baseline data.	Update from September 2018 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 came to this committee in September 2019.

Section B

Work programme 2019/20

Subject	Purpose for Scrutiny	Lead Member / Officer	Date for O&S consideration	Date for Executive decision (if applicable)
Corporate Performance Report	To scrutinise the performance of the areas within the Committee's remit.	Heads of Service / Nora Copping	Quarterly	N/A
Commercial Strategy – income generation projects	To scrutinise the progress of specified income generation work-streams with the Commercial Strategy against the targets within the Medium Term Financial Plan (not on the January 2020 agenda).	Kelvin Mills	Standing item	N/A
Brightwells Yard	To monitor the income generation element of the Brightwells Yard development (not on the January 2020 agenda).	Kelvin Mills	Standing item (when appropriate)	N/A
Budget Strategy Working Group Update	To receive an update on the progress of the working group. (This item will be replaced with a written report for the January 2020 meeting).	Peter Vickers / Yasmine Makin	Standing item	N/A
Property Investment quarterly report (exempt)	To receive an item detailing the performance of property portfolio (not on the January 2020 agenda).	Peter Vickers	Quarterly	N/A
Budget Strategy Working Group	To receive a written report on the outcomes so far.	Yasmine Makin / Peter Vickers / Cllr Mulliner	January 2019	February 2020
General Fund (GF) Budget 2020/21 and Medium Term Financial Plan	To consider the GF Budget 2020/21 including GF capital programme and fees and charges and MTFP.	Graeme Clark / Peter Vickers	January 2020	February 2020
Property Investment Strategy	Following review of the Strategy by the Property Investment Advisory Board, to scrutinise the Strategy in light of its application and results over the past year.	Peter Vickers	January 2020	February 2020

Value for Money and Customer Service Overview and Scrutiny Committee

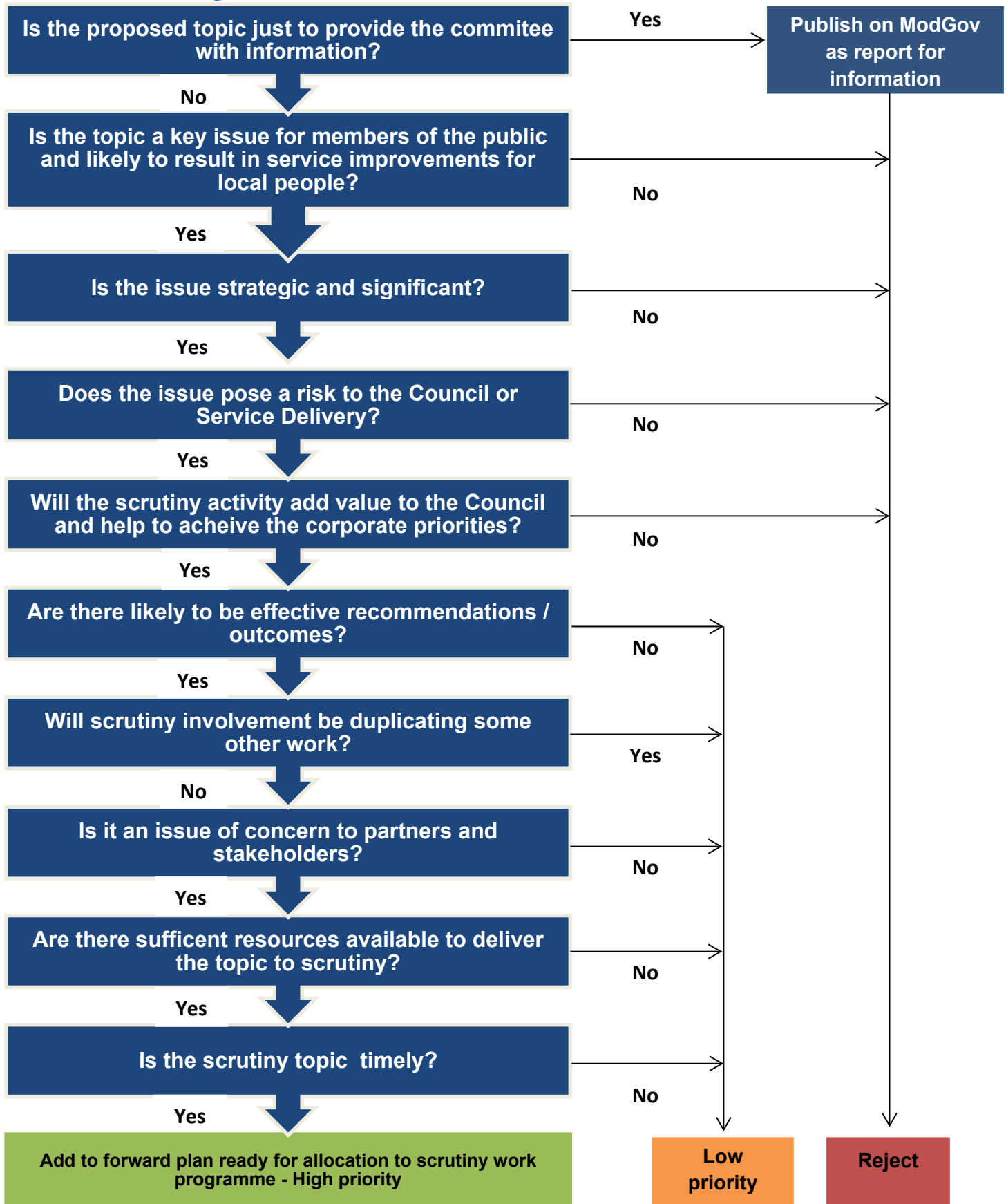
Subject	Purpose for Scrutiny	Lead Member / Officer	Date for O&S consideration	Date for Executive decision (if applicable)
Capital Strategy	To scrutinise the Strategy.	Peter Vickers	January 2020	February 2020
Service Plans	To scrutinise the 2020/21 – 2022/23 service plans for the relevant services.	Louise Norie	January 2020	February 2020
Cost implications of planning appeals report	To receive the report requested at the June meeting on the cost implications of planning appeals (scoped at the November 2019 meeting).	Beth Howland-Smith	January 2020	N/A
Workforce profile report	To understand the latest figures concerning the workforce (including focus on sickness).	Sally Kipping / Robin Taylor	March 2020	N/A
Budget Strategy Working Group report	To receive a report from the BSWG.	Yasmine Makin / Cllr Mulliner	March 2020	TBC
Economic Development Strategy (EDS) action plan	To scrutinise performance against the EDS action plan.	Chris Berry / Catherine Knight	March 2020	N/A
Community Infrastructure Levy (CIL)	Introduction and background to CIL in preparation for the June 2020 scrutiny item on this work programme.	Graeme Clark	March 2020	N/A
Community Infrastructure Levy (CIL)	To receive and scrutinise the annual review of CIL governance arrangements after the first bidding round.	Graeme Clark	June 2020	N/A
Car parking (in relation to the remit of the Committee)	To scrutinise the income element of car parking, with particular focus on its relevance to meeting the Medium Term Financial Plan.	Peter Vickers / Graeme Clark	TBC	TBC

Section C

Scrutiny Reviews 2019/20

Subject	Objective	Key issues	Lead officer	Progress
Budget Strategy Working Group	To strategically support the MTFP initiatives by implementing a support strategy that investigates the reduction of costs through efficiency measures and divesting services alongside a transformation programme.	<ul style="list-style-type: none"> • Medium term financial plan • Budget gap • Revenue support grant • Income generation • Participatory budgeting • Service delivery • Asset utilisation 	Peter Vickers	A written report on progress and outcomes so far was on the November 2019 agenda of this Committee, with further reports due on the January and possibly March 2020 O&S VFM CS agenda.

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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 1st January, 2020 onwards

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O & S
CORPORATE STRATEGY, POLICY AND GOVERNANCE, LEP AND PARTNERSHIP WORKING - CLLR JOHN WARD (LEADER)						
Pay Policy Statement	To make recommendations on the adoption of the Pay Policy Statement.	Council	No	February 2020	Robin Taylor, Head of Policy & Governance	VFM & CS O&S
CORPORATE STRATEGY, POLICY & GOVERNANCE, BENEFITS & WELFARE, AND COMMUNICATIONS - CLLR PAUL FOLLOWS (DEPUTY LEADER)						
Review of Governance arrangements	To make recommendations on changes to the Council's governance arrangements	Council	Yes	February 2020	Robin Taylor, Head of Policy & Governance	STANDARDS
FINANCE, ASSETS AND COMMERCIAL SERVICES - CLLR MARK MERRYWEATHER						
Property Acquisitions [E3]	To bring forward opportunities for approval as they arise	Executive	Yes	January 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Budget Management [E3]	To seek approval for budget variations, if required.	Executive	Yes	January 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O & S
Property Matters [E3]	To seek approval of property matters as they arise.	Executive	Yes	January 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Tax Strategy	To approve the revised Tax Strategy	Executive	Yes	January 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Policy on consent for the use of common land and council owned land and property	To agree a policy on responding to requests for the use of common land and council owned land and property	Executive	Yes	January 2020	Peter Vickers, Head of Finance and Property	ENVIRONMENT OS& O&S
General Fund Budget 2020/21	To make recommendations on the General Fund Budget 2020/21.	Council	Yes	February 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Capital Strategy 2020/21	To make recommendations on the Capital Strategy 2020/21.	Council	Yes	18 Feb 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Property Investment Strategy	To recommend adoption of a revised Property Investment Strategy	Council	Yes	February 2020	Peter Vickers, Head of Finance and Property	VFM & CS O&S
Medium Term Financial Plan 2020/21-2022/23	To recommend the MTFP and General Fund Budget 2020/21.	Council	Yes	February 2020	Peter Vickers, Head of Finance and Property	O&S committees
OPERATIONAL & ENFORCEMENT SERVICES - CLLR NICK PALMER						
Car Parking Strategy	To recommend to Council the adoption of a new Car Parking Strategy.	Council	Yes	February 2020	Richard Homewood, Head of Environmental Services	Environment O&S

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O & S
ENVIRONMENT AND SUSTAINABILITY - CLLR STEVE WILLIAMS						
Pesticides Policy	To approve a policy on the use of pesticides on Waverley Borough Council land.	Executive	Yes	February 2020	Richard Homewood, Head of Environmental Services	Environment O&S
Air Quality Action Plan	To note the AQ Annual Status Report 2019 and response from DEFRA, and to approve the revised AQ Action Plan.	Executive	Yes	April 2020	Richard Homewood, Head of Environmental Services	Environment O&S
Electric Vehicle Charging Strategy	To approve an EV Strategy for Waverley	Council	Yes	February 2020	Richard Homewood, Head of Environmental Services	Environment O&S
HEALTH, WELLBEING AND CULTURE - CLLR DAVID BEAMAN						
Leisure Centre Investment, Cranleigh	To update and agree next steps.	Executive	Yes	February 2020	Kelvin Mills, Head of Commercial Services	Community Wellbeing
Safeguarding Policy	Approval of the revised Safeguarding Policy	Council	Yes	April 2020	Andrew Smith, Head of Housing Delivery and Communities	Community Wellbeing
HOUSING AND COMMUNITY SAFETY - CLLR ANNE-MARIE ROSOMAN						
Responsive Repairs and Voids Contract [E3]	To agree the procurement of an interim contract	Executive	Yes	January 2020	Hugh Wagstaff, Head of Housing Operations	HOUSING O&S

TOPIC	DECISION	DECISION TAKER	KEY	ANTICIPATED EARLIEST (OR NEXT) DATE FOR DECISION	CONTACT OFFICER	O & S
HRA Business Plan 2020/21 to 2023/24	To recommend the HRA Business Plan to Council.	Council	Yes	February 2020	Hugh Wagstaff, Head of Housing Operations, Andrew Smith, Head of Housing Delivery and Communities	HOUSING O&S
PLANNING POLICY & SERVICES - CLLR ANDY MACLEOD						
Local Plan Part II - Approval to Publish	Approval for publication	Executive, Council	Yes	February 2020	Zac Ellwood, Head of Planning and Economic Development	Environment O&S
Local Plan Part II - Approval to submit	Approval to submit.	Executive, Council	Yes	June 2020	Zac Ellwood, Head of Planning and Economic Development	Environment O&S

Background Information

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

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

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

will appear after the name of the topic, along with an indication of which exempt paragraph(s) applies, most commonly:

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

