

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW AND SCRUTINY - RESOURCES - 20 MARCH 2023

**Present**

Cllr Stephen Mulliner (Chair)	Cllr Chris Howard
Cllr Joan Heagin (Vice Chair)	Cllr Peter Martin
Cllr Dave Busby	Cllr John Neale
Cllr Jerome Davidson	Cllr Peter Nicholson
Cllr Brian Edmonds	

**Apologies**

Cllr Jan Floyd-Douglass and Cllr George Wilson

**Also Present**

11 APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 1)

Apologies for absence were received from Councillors Jan Floyd-Douglas and Councillor George Wilson.

12 DECLARATIONS OF INTERESTS (Agenda item 2)

No declarations of interest were received.

13 MINUTES (Agenda item 3)

Councillor Martin raised concerns that the minutes of the meeting held on the 20th of February 2023 had not been attached to the agenda pack or published on the website. Councillor Mulliner sought clarity from officers on this and urged for these minutes to be finalised and published as soon as possible. He also urged officers to ensure the cycle of minutes is kept up to date.

Councillor Edmonds pointed out that he was not marked as present at the previous meeting and an answer to his question regarding leisure centre heating costs was not included in the minutes. Leila Manzoor, Democratic Services Officer, explained that there was no answer given to his question during the meeting and thus it was not included in the minutes. Councillor Edmonds was advised to re-submit his question to officers offline and gain a clearer response. Leila Manzoor agreed to amend the minutes to include Councillor Edmond's attendance at the meeting.

14 QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 4)

No questions received.

15 QUESTIONS FROM MEMBERS (Agenda item 5)

Members noted that the written question and response were not circulated prior to the meeting and the Chair advised officers to circulate this to Members.

Councillor Brian Edmonds has asked the following question, which relates to Agenda Item 9, the Housing Development Update, specifically the Ockford Ridge Refurbishment.

“Reports to Council and Committees must be self-contained for reasoned consideration. The Executive’s agenda recommendation p52 to the Committee does not include the “how” it has “given reasoned consideration” to the Committee’s report, which raises the following unresolved concerns.

The Executives response should have included reference to statutory investment guidance and “quantitative indicators that allow councillors and the public to assess the local authority’s total risk exposure as a result of this decision.” This includes the requested quantification of the net carbon reduction.

The National Audit Office and the Public Accounts Committee has expressed concerns that Local authorities are exposing themselves to too much financial risk through borrowing and investment decisions; “members do not always have sufficient expertise to understand the complex transactions that they have ultimate responsibility for approving.”

In terms of capacity, skills and culture it would assist if the action taken to ensure that the elected members and statutory officers involved in this critical investment have been provided with appropriate capacity skills and information was advised. Reference paragraph 48 STATUTORY GUIDANCE ON LOCAL GOVERNMENT INVESTMENTS (3rd Edition). Transparency in this process has become essential considering its cost escalation occurring with project delay. It is requested that the portfolio holders with more comprehensive and familiarity with statutory investment guidance could provide transparency to a less familiar councillor on these issues.

The UK has passed legislation requiring new homes to produce at least 75% less carbon from 2025. Yet it places no limits on the upfront carbon emissions needed to build or dispose of them.” It is advised that “homes at Ockford Ridge will be net zero carbon in lifetime operation, meaning that the carbon emissions associated with the building’s energy on an annual basis are zero or negative.” Transparency is requested for carbon lifecycle analysis upon which this statement is made.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/678866/Guidance\\_on\\_local\\_government\\_investments.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/678866/Guidance_on_local_government_investments.pdf)

Response to Councillor Edmonds:

“The Statutory Guidance that Cllr Edmonds’ refers to, the Statutory Guidance on Local Government Investments (3rd Edition), defines an investment (in paragraph 4) as covering “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.”

This type of investment is covered by Waverley's Capital Strategy 2023-2028, incorporating the Treasury Management and Asset Management Investment Strategy, which was approved by Council in February 2023.

The Overview & Scrutiny – Resources Committee scrutinised the draft Capital Strategy at its meeting on 23 January 2023, and recommended to the Executive that the wording of the Capital Strategy be simplified so that it can be more readily understood by Members. The Portfolio Holder (Cllr Merryweather) has said that he is happy to work with Cllr Mulliner, and any other councillors who wish to contribute, to develop a plain(er) English version of the Capital Strategy.

The Ockford Ridge Refurbishment is an investment in Waverley's own housing stock and is being dealt with in the same way any investment in our current housing stock would be under Waverley's Asset Investment Strategy.

The decision to approve the additional budget for Phase 4 of the Ockford Ridge Refurbishment is one for Full Council, to be considered on 21 March. The additional budget, if approved, will be released from reserves and will not require the council to borrow to fund this workstream.

With regard to the last paragraph of Cllr Edmonds' question, our sustainable building services consultants have calculated the carbon emission savings per year by comparing the existing kgCO<sub>2</sub>/m<sup>2</sup>/year for the existing homes and as a result of the proposed work. Based on these initial assessments and across the range of property types the CO<sub>2</sub> savings of kg/m<sup>2</sup>/year is between 50.96 and 58.7 or a reduction of carbon emissions per year between 3368 to 6411 kg CO<sub>2</sub>. In terms of calculation of expected payback period in years, this will require further information some of which is currently unknown. For example, confirmation of the embodied carbon within the products specified and capture of direct and indirect carbon emissions through delivery of the project.”

Councillor Martin expressed disappointment that the minutes of the meeting held on the 20th of February had not been made available sooner. He stated that the executive had received comments made by the Resources O&S Committee regarding the Ockford Ridge Deep Retrofit project but there was no indication of the comments made to full council on the 21st of March 2023.

16 BUSINESS IMPROVEMENT DISTRICTS - CRANLEIGH, FARNHAM AND GODALMING (Agenda item 6)

Dawn Hudd, Joint Strategic Director, and Catherine Knight, Economic Development Manager, presented the BID report.

The presentation highlighted that Waverley Borough Council (WBC) was the collector and the levy payer and that there were currently 18 WBC owned units with a total of £36,010 annual payable levy. It was noted that the levy is different to business rates and can be from 1 to 2%. Dawn Hudd explained that Waverley is responsible for collecting this levy and the Baseline Agreement is indicated in the report, including the postal ballot system. It was also explained that the total additional investment value between 2023-2028 would total around £3,065,000.

Dawn Hudd responded to queries from Councillors Neale and Martin. She explained that the only costs incurred by the Council would be the cost for the

collection of the levy, especially the procurement of additional software to collect the levy and the cost of the administration of the BID. The Chair commented on the cost of commercial software indicated in the report and suggested that Waverley should look into ways of decreasing these costs.

France Pearce, Cranleigh BID Project Manager, presented the Cranleigh BID to the Committee. The data showed that there were 181 businesses in the Cranleigh Boundary which would generate an annual total of around £94,000 a year with the levy set at 2%. It was also noted that retail made up 73% of the rateable values, followed by the office sector. Frances Pearce noted that the Cranleigh BID had completed the feasibility and consultation stages and is currently at the stage where the initial Business Plan and Budget have been drafted. The ballot period would begin in June 2023.

In response to queries from Members, Frances Pearce clarified that the 2% levy was decided before the voting stage and the task group had agreed to this. Dawn Hudd, Joint Strategic Director, also clarified that one vote would be allowed per property, regardless of the rateable value of the property.

*The Committee resolved to agree to the recommendations in the report.*

17 COMMITTEE WORK PROGRAMME AND EXECUTIVE FORWARD PROGRAMME  
(Agenda item 7)

Louise Norie, Corporate Policy Manager, explained that there was only one item on the work programme going forward as there will be a new committee elected and new items would be pending.

Councillor Martin enquired about a formal announcement to be made by the Leader on the Godalming Regeneration Programme. Officers stated that they would enquire about this and provide an update outside of the meeting.

18 ASSET MANAGEMENT (Agenda item 8)

Hugh Wagstaff, Head of Housing Operations, presented the report. Key points were highlighted in the report, including;

- Procurement of the contract for the stock condition surveys and administrative problems around the contract have been resolved, pilot before Easter and after Easter a full survey programme will be implemented
- External contractors procurement register status
- Identified funding for an energy efficiency officer to ensure carbon efficiency of Waverley homes
- Damp and mould policy would be brought forward this summer
- Update on commissioned surveys on fire alarms in the senior living scheme

Councillor Edmonds commented on item 3.12, enquiring about why damp and mould complaints were on the increase. Hugh Wagstaff, Head of Housing Operations, explained that damp and mould had gained publicity recently with the Housing Ombudsman Enquiry and the awareness in British media, raising awareness that the structure of buildings must be investigated. Hugh Wagstaff noted that the Council have been learning lessons from national publicity. Officers

have also circulated a newsletter to tenants to encourage tenants to report cases of damp and mould and the is required to Council to respond effectively.

In response to Councillor Heagin's enquiry about damp and mould complaints, Hugh Wagstaff explained that damp and mould complaints would only be treated as a corporate complaint if there was a service breakdown and the tenant had not received an adequate response. Otherwise they would be picked up by the service team.

*The Committee agreed to the recommendations in the report.*

19 HOUSING DEVELOPMENT UPDATE (Agenda item 9)

Andrew Smith, Executive Head of Housing, updated the Committee on the scheme at Chiddngfold and Ockford Ridge.

In response to Councillor Neale's query, Andrew Smith informed Members that work at Weyside Court was to begin imminently and this would have little disruption to tenants as the project would involve the conversion of previous staff accommodation into tenant housing units.

20 CORPORATE PERFORMANCE REPORT Q3 (Agenda item 10)

Councillor Martin referred to page 66 and queried when the council could expect a response. Dawn Hudd stated that the Council would expect a response by Early April from the Department for Levelling Up, Housing and Communities, concerning Planning performance, particularly relating to speed of decision-making over the last two years and DLUHC's consideration of whether to designate some councils.

Councillor Edmonds enquired about the 14% adverse impact on Planning Development (page 63). Councillor Heagin pointed out that the answer to his question could be found on page 120, item 14.6.2 (Summary Comment on revenue position at the quarter end).

In response to Councillor Martin's query, Peter Vickers, Section 151 Officer, explained that the £1million inflation contingency on the General Fund referred to in the report was built into the 22/23 budget and as inflation had been contained within the 22/23 budget, the contingency had not been used. This was due to services performing within budget and other favourable variants. He further clarified the wording in item 3.7.1, referring to the favourable variance increase on the General Fund, stating that the overall position is not as pessimistic as forecasted in the General Budget due to better than expected recovery from the pandemic.

Councillor Martin referred to the complaints figures received by the Council and requested clarification on why the figures were so high. Louise Norie, Corporate Policy Officer, informed the Board that there was an increase in complaints covering housing with the previous responsive repairs contractor. Annalisa Howson, Housing Service Improvement Manager, clarified that EM Williams, the new contractor for responsive repairs were working closely with the housing team to deal with these figures.

Councillor Martin further enquired about the staff turnover figures, and why these were higher than previous years and what would be considered as a good staff

turnover. Jenny Sturgess agreed to consult Robin Taylor and circulate an answer to this question outside of the meeting.

With reference to the Performance Indicator P1, Councillor Neale requested an update on the percentage of planning applications determined within 26 weeks. Louise Norrie, Corporate Policy Officer, noted that this issue would fall into the remit of the Services O&S but an answer will be provided by relevant officers outside of the meeting.

*Members were satisfied with the report and did not make any further recommendations.*

21 SERVICE PLANS 2023 - 2026 (Agenda item 11)

Dawn Hudd, Joint Strategic Director, presented the Service Plans to the Committee. Dawn Hudd noted that it is unusual for Service Plans to come to Committee as they are predominantly a management tool. She further explained they had been brought to the Committee because the Service Plans had been restructured to reflect the new Management structure.

Members agreed to the point that the service plans are a management tool for officers to manage their Service. However, Members noted that the documents were difficult to understand without the background knowledge needed and it would be helpful if changes in the document were highlighted for Members along with a summary. Members did not feel that they could comment on the Plans without this key information.

*The Committee resolved to request to the Executive that changes to the outcomes should be indicated along with a brief report that indicates the reasons for change. An executive summary identifying significant or critical issues should also be provided to the Committee. For Members to understand these documents better, a previous service plan entry should be provided alongside the new proposed entry with brief comments as to why the changes have been proposed.*

22 EXCLUSION OF PRESS AND PUBLIC (Agenda item 13)

23 PROPERTY INVESTMENT QUARTERLY REPORT (EXEMPT) (Agenda item )

Members discussed the Property Investment Quarterly Report. A number of updates were requested by Members, as follows:

- Councillor Martin requested an update on Broadwater Park and recommended this is added to the report. In response, Peter Vickers explained that the Golf Club negotiations had been concluded but these were due to go through the Executive in July, this is why it had not been mentioned in the report.
- An update on the Wey Hill, Haslemere scouts case was also requested. Marieke Van der Reijden informed Members that this had gone through but a confirmation will be sent to Members outside of the meeting.
- Councillor Mulliner enquired when the lease is due to be signed for 69 High Street. Marieke Van der Reijden informed Members that this was due to take place in March but would most likely happen by the end of June. She reported that the delay

was due to the legal aspect; process of appointing solicitors to act on the Council's behalf.

- Councillor Mulliner requested an update on the re-lease with Coppa Club. Although the lease is with Surrey County Council, Marieke Van der Reijden agreed to inform Members at a later date.

- Councillor Edmonds sought confirmation on the Waverley rates for affordable housing as mentioned under 69 High Street. Peter Vickers explained the rates are as follows; 4 bedroom property is 77% of the market and a 3 bedroom property is 66% of the market. However confirmation will be provided after the meeting.

Councillor Neale commented on the repairs at Brightwells House and requested a full report detailing what went wrong and how the Council will seek to avoid these mistakes in the future. Dawn Hudd reassured Members that works on Brightwells House were underway and that issues with the chimneys and roofing were in the process of being corrected. Councillor Neale stated that stricter monitoring needed to be in place to ensure planning and development works were taking place according to approved plans. He further suggested that a planning contractor or a Clerk of Works should be deployed to monitor progress of projects rather than relying on members of the public to flag them as a re-enforcement case. He noted that Government guidelines make planning conditions enforceable and therefore monitoring should take place. He further suggested that heritage officers should also be deployed to ensure no further damage to the heritage aspect of historical buildings. Members agreed to Councillor Neale's suggestions and recommended that this issue is passed to the Executive to consider how this can be achieved. Councillors raised concerns about whether this should be made exempt or if it is public interest to know. The Chair advised that the Executive can make the decision on this.

*The Committee resolved to recommend the following to the Executive:*

- *The O&S Resources Committee to receive a report on the outcome of the Brightwells House redevelopment and consider the best approach to monitoring listed building refurbishment.*
- *The Executive to consider how best to monitor large scale council projects to ensure they are built in accordance with agreed plans and planning conditions*

**The meeting commenced at 7.00 pm and concluded at 9.00 pm**

**Chairman**