

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE - RESOURCES - 19  
SEPTEMBER 2023

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

**Present**

Cllr Peter Martin (Chair)	Cllr Jerome Davidson
Cllr Andrew Laughton (Vice Chair)	Cllr Andy MacLeod
Cllr Lauren Atkins	Cllr Peter Nicholson
Cllr Zoe Barker-Lomax	Cllr Terry Weldon
Cllr Janet Crowe	

**Apologies**

Cllr Michaela Wicks

**Also Present**

Cllr Jerry Hyman, Cllr Jane Austin

32 APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 1)

There were apologies for absence received from Cllr Michaela Wicks.

33 MINUTES (Agenda item 2)

The Committee agreed to that the minutes of the meeting on 19<sup>th</sup> July 2023 were an accurate and correct account.

Formation of a Workforce Profile sub-group

The chair highlighted that during the previous meeting, concerns were raised regarding the workforce, specifically staff turnover, absence data and benchmarking. Jon Formby, the HR manager, had circulated a scoping document addressing these concerns. Two members, Cllr Barker-Lomax and Cllr Davidson, expressed their interest in joining the sub-committee. The Chair agreed to join for at least the first meeting. The sub-committee's purpose was to investigate areas of workforce challenge and collect relevant statistics.

Formation of a Scrutiny sub-Group for Waverley's Housing

A proposal was discussed to establish a scrutiny group for examining Waverley's housing. Cllr Atkins, Cllr Wicks and Cllr Laughton volunteered to join and were appointed to the Working Group. The group's focus would be on evaluating the housing service and adherence to the Consumer Standards set by the Regulator for Social Housing. Its goal would be to meet two to three times before reporting back to the committee.

34 DECLARATIONS OF INTERESTS (Agenda item 3)

There were no Declarations received.

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

There were no questions received.

36 QUESTIONS FROM MEMBERS (Agenda item 5)

There were no questions received.

37 GODALMING AND FARNHAM BID REPORTS (Agenda item 6)

Catherine Knight, Economic Development Manager, presented details about the Business Improvement Districts (BIDs) in Godalming and Farnham. Frances Pearce (Farnham BID Project Manager) and Alex Ferguson (Godalming BID Project Manager) attended the meeting to present their respective BIDs. They provided information on proposed budgets and goals for these BIDs. The central aim of these BIDs was to attract more investment into the high streets, focusing on marketing, cleanliness, business support, and access/travel. Key points discussed included:

Farnham BID:

- Farnham had 420 business-rated units with a rateable value of over £15 million, generating an income of over £300,000 per year.
- Priorities included marketing and promotion, a digital High Street, cleanliness, business support, and access and travel.
- Marketing initiatives would work closely with the Town Council and include website development and brand creation.
- Cleanliness focused on reducing business-related crime and anti-social behavior while promoting the feel-good factor.
- Business support aimed at offering information and investment pursuit, reducing business costs through collective procurement.
- Creating incentive programs for businesses was part of the plan.
- A town center manager would oversee these efforts, reporting back to the BID board.

Godalming BID:

- Godalming had around 280 business units within the BID boundary with a rateable value exceeding £8.5 million, generating an income of £173,000 per year.
- Priorities included marketing, a digital High Street, cleanliness, business support, and access and travel.
- The goal was to differentiate Godalming from neighboring shopping areas.
- They planned to invest in a website, loyalty schemes, public Wi-Fi, and wayfinding solutions.
- The BID would provide skills training and networking opportunities for businesses.
- A part-time project manager was to be hired, reporting back to the BID board.

Both BIDs emphasized working together and collaborating on collective procurement for services like waste management and merchant services.

Cllr Laughton inquired about the projected timelines for implementing the various initiatives within the BIDs. Catherine clarified that the timeline would depend on the nature of each initiative, with some expected to roll out within the next six months and others over a year.

The Committee raised concerns about ensuring a proper balance between Godalming and Farnham, so that resources were distributed equitably. Catherine assured that the BIDs aimed to be as balanced as possible and would evaluate their success over time.

Cllr Weldon recommended involving businesses and residents actively to ensure community engagement. Both BIDs affirmed their intention to consult with businesses and incorporate their feedback.

Cllr Atkins expressed her support for the vision behind the BIDs but raised concerns about effective execution. She pointed out that with a total levy of £470,000, which includes £73,000 from Waverley, it's a significant sum, especially in cost-conscious times. She emphasised the importance of ensuring that the individuals managing the BIDs are highly competent. She cited examples of successful and failed BIDs, such as Winchester and the Isle of Wight, and sought assurance on the recruitment process.

Catherine noted that Mosaic, the consultancy firm, clarified that they had a robust recruitment process, and Mosaic's extensive experience in successful bids nationwide helped ensure that qualified candidates would be selected for key positions.

Cllr MacLeod shared support but questioned the budget of £495,000 for four staff over five years, wondering if it included only salaries. Catherine explained that the initial setup would involve one full-time member of staff, with the possibility of shared resources between Farnham and Godalming.

Catherine elaborated on the return on investment, emphasizing that levy payers would receive regular reports, including weekly or bi-weekly updates, annual reports, and an AGM. Additionally, the council would have a non-voting representative within each BID board to ensure transparency and communication.

Cllr Macleod raised concerns about Haslemere's absence from the bid, noting that they initially showed interest. Catherine further explained that Haslemere's decision to opt out of the BID was related to having resolved some local issues and having enough income from the business centre. This decision, however, didn't impact the three participating towns – Godalming, Farnham, and Cranleigh.

A question arose about the levy collection and whether it could be split among four towns if Haslemere decided to join. Catherine explained that Waverley was in the process of purchasing civica software, which would need all three yes votes to proceed. If Haslemere were to join, the cost would be divided, and economies of scale would come into play, making the collection more efficient.

The Committee discussed the costs associated with supporting the BIDs. One participant expressed confusion about the end costs to Waverly and sought clarification on whether these costs would be allocated proportionately or if new staff members would need to be recruited.

The response provided by Catherine indicated that the ongoing costs per annum would amount to £44,000. These costs were associated with owning properties within the three areas, and Finance identified the need for a full-time staff member to manage levy collection, chasing, and the statutory role of the local authority. This would entail the reclamation of money from the BID organisations.

There was mention of a one-time capex cost of £43,000 for software. This cost was contingent on all three BIDs being approved, and, therefore, Cranleigh had postponed its start date until after the ballot results.

The discussion then shifted to additional funding and contributions from charity shops. It was clarified that bids have the ability to seek additional funding through various means. This included the possibility of applying for funding from local funds, parish councils, or town councils. An example was cited where a colleague secured a significant investment of £3 million for a town through an application for funding from Surrey County Council.

In response to a query about charity shops, it was noted that they would be required to contribute 2% of their rateable value, regardless of whether they pay business rates. The contribution was determined based on the rateable value of the property.

Some links have are provided, following the successful Cranleigh BID result.

Declaration: [Waverley Borough council - BID Ballots](#)

Press release: [Read our latest news | Council updates | Waverley Borough Council cranleighbid.co.uk](#)

The Committee noted the business plans of the BIDs as submitted. Participants also acknowledged and noted the cost to Waverly Borough Council as a business rate payer in the event that the two BID ballots are successful. There were no further comments made.

### 38 OCKFORD RIDGE DEEP RETROFIT UPDATE (Agenda item 7)

This project involved the deep retrofit of seven houses and had been previously approved by the Council. The Chair requested an update on the project's progress.

Louisa Blundell, Housing Development Manager, proceeded to provide an update on the Ockford Ridge Deep Retrofit. She shared a brief presentation, including images illustrating the project's phases and objectives. This retrofit program constituted the fourth phase, involving the use of renewable energy and external insulation to enhance building fabric. The presentation demonstrated properties before and after retrofitting, showcasing the introduction of gas boilers and other upgrades in this phase.

Louisa highlighted that this phase aimed to remove gas boilers and introduce green technologies, including new windows, doors, external insulation, electric vehicle

charging points, solar panels, and air source heat pumps. Additionally, a “switcher unit” was introduced to enable tenants to monitor and understand their property’s functionality.

She further mentioned that they had engaged the contractor, who was in the fifth week of the program. Progress included the soft stripping of properties and preparing for the reconstruction of the building fabric and external insulation. Louisa emphasized that the contractor had worked well with neighboring properties and collaborated to create social value and community benefits as part of the contract.

The Chair mentioned the previous discussions about the substantial costs of the project, which raised considerations such as demolition and rebuilding.

Louisa Blundell, Housing Delivery Manger, pointed out that there would be an opportunity for committee members to see a demonstration of the air source heat pumps on October 3rd at the WBC headquarters, and encouraged members to attend.

Members inquired about the latest estimate for the total project cost and whether the finish date was still on target. Louisa responded that they had a project meeting the following day and had just conducted the first valuation. She assured that currently, the project was on target, and she would provide updates as the project progressed.

### 39 COLLABORATION UPDATE (Agenda item 9)

The Chair emphasized the importance of staying informed about the progress of the WBC & GBC Collaboration and Business Transformation initiative, acknowledging its significance for both councils.

Robin Taylor, the Executive Head of Organisational Development, then presented on the collaboration initiative between Waverley and Guildford Borough Councils. His presentation covered various aspects and milestones of the collaboration, providing a comprehensive overview of the progress made.

- Robin highlighted the partnership vision, emphasizing that the collaboration aimed to protect and enhance priority services while maintaining separate democratic organisations for each council.
- He clarified that the initiative did not seek to merge the two councils, and the vision was to form a stable basis for future collaboration discussions.
- The governance arrangements were discussed, including key dates and actions leading to the formation of the Joint Management Team (JMT). The JMT structure became operational on October 1, 2022.
- The creation of a collaboration risk assessment was mentioned, and Robin noted the Joint Governance Committee’s role in periodically reviewing the Inter-Authority Agreement (IAA) and risk register.

Robin provided an overview of the progress made in terms of savings. The Joint Management Team and business support-related costs for Waverley and Guildford had achieved savings that exceeded the initial targets.

He discussed several examples of efficiencies achieved through collaboration, including a shared contract with a supplier for emergency response, a shared staff well-being survey, and the appointment of shared staff positions in key areas. Robin emphasised the principle of “invest to save,” noting that both Waverley and Guildford would need to invest in change management resources to realise savings.

The presentation highlighted challenges and opportunities associated with the collaboration. Robin mentioned that the Joint Management Team, would proceed with a focus on business cases.

The challenge of IT integration was also addressed, acknowledging the complexities of merging two organisations with separate IT portfolios. Robin emphasised that the approach to IT integration would be on a case-by-case basis, aligning with the collaborative vision’s commitment to harmonising processes unless there’s a compelling reason not to.

*The Chair opened the floor for questions.*

The Committee expressed appreciation for the case-by-case approach to IT integration and the emphasis on efficiency while retaining the sovereignty of both councils.

The Chair raised concerns about the situation in Guildford and the potential issuance of a Section 114 notice, as well as the recruitment and retention of senior officers. He also expressed concerns about the allocation of time by the Joint Management Team.

Robin explained that the allocation of time by the Joint Management Team is a subject discussed and managed at the Joint Governance Committee, with measures in place to mitigate imbalances. The work is dynamic and often benefits both authorities.

Regarding the use of interim staff, Robin stressed that interims are used when necessary, especially for statutory roles. The goal is to avoid making incorrect permanent appointments and instead use interim staff to fill gaps while addressing Recruitment and Retention challenges.

He acknowledged the Recruitment and Retention challenges and mentioned that Workforce Development plans are being developed for both authorities, focusing on succession planning, Learning and Development, Recruitment and Retention, and pay and reward. These plans are designed to address these critical issues for both councils.

The meeting concluded with the discussion of the collaboration program’s timetable, with no specific date set for when it will come to the committee, as this is dependent on the report being finalised and going to the Guildford and Waverley Executives (31<sup>st</sup> October at the earliest). It was acknowledged that members need to be aware of the potential workload and engagement as the program progresses.

Robin also confirmed that he is willing to provide regular updates on the progress of the Collaboration to the O&S Resources Committee and suggested that an informal session could also be considered.

40 CORPORATE PERFORMANCE REPORT Q1 (Agenda item 8)

Jenny Sturgess introduced the Q1 Corporate Performance Report (2023-24) to the Committee.

Cllr Hyman registered to speak and was allocated 4 minutes to make his statements. Cllr Hyman sought an update on the exploration of gas at Loxely Well and inquired about whether this information was still considered exempt. He also raised concerns regarding a legal challenge in relation to the Waverley Lane Quantum Fields development and requested information on the progress made.

The Chair inquired about the staff turnover and absence data within the report.

In response to these concerns, Robin Taylor, Executive Head of Organisational Development, explained that the HR team was closely collaborating with the heads of service to address challenges in staff development and retention, particularly in the planning department. The Chair mentioned that it was a challenging situation, especially with recruitment and retention of planners. Regarding the Loxely Well and Waverley Lane update, it was decided that this would be provided as a written comment after the meeting.

The Chair raised a query regarding the financial outcomes on page 71 of the report, specifically about the favorable finance outcome of £373,000. It was explained that a substantial portion of this was attributed to additional treasury management income, which resulted from higher interest rates, with a projected outcome of 3.23% for the year.

A question was raised about the Holloway Sports Association lease mentioned on page 13 of the report. Jenny Stugess assured that a separate response would be provided.

Further concerns were brought up about the substantial number of complaints mentioned in the report, particularly related to CC1B levels. It was noted that these levels were still high, and the outturn was not as expected. The committee inquired about the projected status at the end of the next quarter.

Jenny Sturgess confirmed that a written response would be provided to address these concerns.

Cllr Austin raised questions about the gas safety certificates data and the increase in the number of empty homes, along with concerns about privacy in the CCTV senior living scheme. Specifically, she inquired whether there had been a consultation on these matters.

Andrew Smith, Executive Head of Housing, explained that they had self-referred to the Regulator for Social Housing when they discovered that the gas certificates were out of date. A task force was established to address this issue, which partly stemmed from the transition of the gas contractor. A new system was implemented to ensure that certificates remained up-to-date, and they received confirmation from the RSH that they were not found in breach as a social landlord.

Cllr Macleod raised questions about penalty arrangements for underperforming contractors. Andre Smith stated that he would need to investigate this further and provide an answer at a later time.

The topic of staff turnover rates was brought up, specifically in reference to section 9.2 of the report. The committee sought information on long-term sickness, contractual terms for long-term sick staff, and the occupational health measures in place to facilitate their return to work.

Robin Taylor, Executive Head of Organisational Development, explained that while there wasn't a specific target for staff turnover rates, they were being closely monitored, especially in comparison to the broader Surrey region. The organization aimed to maintain a manageable turnover rate, and there were contractual terms in place. Measures included an occupational health provider, a well-being program, and a staff sickness service, which provided health and welfare advice when staff reported sickness. These details were intended to be discussed in the working group referenced at the beginning of the meeting.

Cllr Weldon raised a question regarding the absence of housing delivery in Haslemere. Louisa clarified that there were indeed housing delivery plans in place for Haslemere, but they were not yet publicly disclosed. She offered to follow up offline with additional details.

Cllr Nicholson made an inquiry about the cost of living grants, specifically related to the number of grants distributed and the percentage of savings achieved. Candice Keet, Senior Accountant, indicated that there had been several cost of living payments, with major ones being the energy rebate and housing support fund. The exact figures were to be provided separately.

The Chair extended congratulations to the Treasury team for the expected annual interest receipts, which were highlighted on page 23.

Robin Taylor, Executive Head of Organisational Development, confirmed that they were continuing their efforts to recruit a permanent S151 Officer, with an advertisement due to be reissued.

The committee acknowledged concerns about staff sickness and retention KPIs. It was also mentioned that five sections in housing were underperforming, considerably responsive repairs and voids.

Andrew Smith, Executive Head of Housing, indicated that complaints data had increased, particularly regarding responsive repairs and damp and mold. It was recommended that the committee attend the Landlord Services Advisory Board meeting on the 28th of October 2023, where the responsive repairs contractor (Ian Williams) and the housing operations manager would provide a presentation on performance improvements. The contractor had acknowledged their underperformance and implemented various measures for improvement. It was suggested that the data for emergency repairs would likely look better in the next quarter. The difficulties in recruiting operatives and underperformance were attributed to sector-wide issues.

The Chair used his discretion to allow Cllr Hyman to ask further questions. Jerry raised questions about the Joint Collaboration Review Group (JCRG) and its setup,



as well as inquired about privacy concerns regarding the CCTV senior living scheme.

Cllr Macleod advised that updates on the JCRG would be provided at the Standards and General Purposes Committee meeting on 2nd October 2023. Regarding privacy concerns, Andrew Smith confirmed that there had been a consultation, and it was determined that tenants were in favor of the CCTV senior living scheme..

41 DLUHC REQUEST FOR BENCHMARKING DATA (Agenda item 10)

The Committee noted a set of letters from DLUHC detailing metrics that oflog planned to introduce. Candice Keet, Senior Accountant, shared an update sheet re: OFLOG metrics which have recently gone live. She noted that there were 7 metrics, weighting us against the median with our nearest neighbours and across England. She explained that a lot more narrative is needed within these headings although there is a lot of useful data included, regarding our reserves, noting that our reserve levels appear to be higher than average. In terms of our core spending powers and band D properties; these metrics seem to be in line.

The debt level metric is another cause for concern; however it was noted that the data uses HRA debt but General Fund income. HRA is in line with the median, therefore officers will go back to oflog about this. Candice confirmed that, going forward, the finance team will seek to bring in benchmarking data and narratives, to compare to like-for-like authorities where possible.

The Chair noted that the Govt. website suggests that the launch metrics in the agenda pack are only the beginning and more metrics around debt will be expected to come out. Candice confirmed that herself and Rosie Plaistow are the principle point of feedback through to the Secretary of State with regards to benchmarking data. Candice confirmed they will be using existing data such as returns and revenue out returns, to feedback on the usefulness of these metrics.

Candice noted a few useful links for benchmarking data, as follows:

[Local Authority Data Explorer - DLUHC Data Dashboards](#)  
[Live tables on local government finance - GOV.UK \(www.gov.uk\)](#)

The Committee noted the updates and suggested that oflog benchmarking updates continue to be brought to the Committee.

42 COMMITTEE WORK PROGRAMME (Agenda item 11)

The Committee agreed to the work programme attached and requested that the following items are added:

- Property Investment Quarterly Report and Property Performance Update (exempt)
- G&W Transformation and Collaboration items discussed by Robin Taylor
- Benchmarking tracking and updates to continue

43 EXCLUSION OF PRESS AND PUBLIC (Agenda item 12)

It is noted that Cllr Hyman was accidentally excluded from the exempt portion of this meeting, as he was attending remotely by Microsoft Zoom.

44 69 HIGH STREET, GODALMING (Agenda item 13)

2 Members registered to speak on the item;

- Cllr Hyman proposed that a vote should be taken before the exclusion of the press and public.
- Cllr Austin posed several questions related to valuations and comparisons to other purchases. Abi Lewis requested that Cllr Austin submit her questions in writing so that officers could issue a formal response.

The Committee considered the following recommendation of 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.

*All Members present voted in favour of the motion.*

THE SESSION WENT INTO EXEMPT.

[Discussion exempt]

THE MEETING WENT BACK INTO LIVE SESSION.

The Chair proposed 2 recommendations to the Executive, which the Committee voted on;

- i. The Committee expressed concerns regarding the acquisition and development of 69 High Street.
  - *4 Members voted in favour and 5 Members voted against*
- ii. The Committee expressed a desire for a full review to be undertaken, including lessons learned for the future.
  - *All Members voted in favour and the recommendation was therefore carried.*

**The Committee therefore resolved to recommend to the Executive;**

- **A full review of the 69 High Street project is to be undertaken, which includes lessons learned for the future.**

**The meeting commenced at 7.00 pm and concluded at 9.32 pm**

**Chairman**

