

To: All Members and Substitute Members of
the Overview and Scrutiny Committee -
Resources
(Other Members for Information)

When calling please ask for:
Leila Manzoor, Democratic Services Officer
Legal & Democratic Services
E-mail: Leila.manzoor@waverley.gov.uk
Direct line: 01483 523224
Date: 3 November 2023

Membership of the Overview and Scrutiny Committee - Resources

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	Cllr Michaela Wicks

Substitutes

Cllr Connor Relleen	Cllr Phoebe Sullivan
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Members who are unable to attend this meeting must submit apologies by the end of Monday, 6 November 2023 to enable a substitute to be arranged.

Dear Councillor

A meeting of the OVERVIEW AND SCRUTINY COMMITTEE - RESOURCES will be held as follows:

DATE: TUESDAY, 14 NOVEMBER 2023
TIME: 7.00 PM
PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, THE BURYS,
GODALMING

The Agenda for the Meeting is set out below.

The meeting can be viewed remotely via [Waverley Borough Council's YouTube channel](#) or by visiting www.waverley.gov.uk/webcast.

Yours sincerely

Susan Sale,
Executive Head of Legal & Democratic Services & Monitoring Officer

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Waverley Corporate Strategy 2020 - 2025

Vision

Our vision is that Waverley will be environmentally, economically and financially sustainable with healthy, inclusive communities and housing available for all who need it.

Our strategic priorities:

- ✓ Local, open, participative government
- ✓ Supporting a strong, resilient local economy
- ✓ Taking action on Climate Emergency and protecting the environment
- ✓ Good quality housing for all income levels and age groups
- ✓ Effective strategic planning and development management to meet the needs of our communities
- ✓ Improving the health and wellbeing of our residents and communities
- ✓ Financial sustainability

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.

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 **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 6th November 2023 to enable a substitute to be arranged, if applicable.

2 **MINUTES** (Pages 7 - 18)

To confirm the Minutes of the Meeting held on 19th September 2023 and published on the Council's website.

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 written questions is 5pm on Tuesday 7th November 2023.

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 written questions is 5pm on Tuesday 7th November 2023.

6 **COMMITTEE WORK PROGRAMME** (Pages 19 - 34)

The Resources Overview & Scrutiny Committee is responsible for managing its work programme.

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 1 of the work programme.

The Executive Forward Plan has also been attached for Members' reference.

7 Q2 CORPORATE PERFORMANCE REPORT 2023-24 (Pages 35 - 100)

The Corporate Performance Report provides an analysis of the Council's performance for the second quarter of 2023-24. The report, as set out at Annexe 1, is being presented to each of the Overview and Scrutiny Committees for comment and so that they may make any recommendations that they resolve to the Executive.

Jenny Sturgess and Heads of Service to highlight areas relating to this committees remit (pages to note are Pages 44-79 of the Agenda papers).

8 GENERAL FUND MID-YEAR MTFP REVIEW 2023/24 (Pages 101 - 127)

Committee to note the following and resolve to make any recommendations to the Executive:

- The 2023/24 forecast outturn position for the General Fund;
- The emerging pressures and risks set out in the report;
- The position regarding the General Fund capital programme and individual capital projects.

9 HOUSING REVENUE ACCOUNT MID-YEAR REVIEW 2023/24 (Pages 129 - 150)

Committee to note the following and resolve to make any recommendations to the Executive:

- The 2023/24 forecast outturn position for the Housing Revenue Account;
- The emerging pressures and risks set out in the report;
- The position regarding the HRA capital programme and New Development Scheme.

10 HOUSING REVENUE ACCOUNT - NEW BUILD HOUSING DELIVERY - ELSTEAD & OCKFORD RIDGE (Pages 151 - 232)

The purpose of this report is to provide members with an overview of the proposed new build housing schemes which are in a position to bring forward to planning and procurement of a build contractor with a view to enter into contract to deliver the new sustainable homes. The report also seeks Member approval to the recommendations made for each project as set out in the business cases within Exempt Annexes 1(a) & (b) and associated appendices using the financial strategy approved by Full Council on 13 December 2022.

Recommendation to Overview and Scrutiny Committee (Resources)

It is recommended that the Overview and Scrutiny Committee;

- Considers the report and information within the annexes and appendices, as well as the recommendations to Executive as set out in the business cases in Exempt Annexe 1 (a) & (b) of this report and 2.2 and 2.3 in the cover report; and
- resolves whether to make any recommendations to the Executive.

11 HOUSING DELIVERY - 12 NEW HOMES AT WOODSIDE PARK, CATTESHALL LANE (Pages 233 - 244)

The purpose of this report is to seek formal approval to enter into a legal agreements with the developer for the acquisition of the land and delivery of 12 new homes in Catteshall Lane, Godalming.

Members already considered and approved the business cases for and delivery of these homes and full project budget at a meeting of Full Council on 13 December 2022. However, due to the time delay in securing the planning consent for the development the developer has sought an additional sum to reflect build cost inflation and market conditions since the Council expressed an interest in this opportunity. Due to this an additional budget is required to ensure that the contingency is in place when we enter into legal agreement for the land and build of the 12 new homes. The scheme remains financially viable.

Recommendation to Overview and Scrutiny Committee (Resources)

It is recommended that the Overview and Scrutiny Committee;

- Considers the report and information within the exempt annexes and the recommendations (2.2 (i-v) set out in the report; and
- Resolves whether to make any recommendations to the Executive.

12 NEW BUILD HOUSING DELIVERY - WITLEY (Pages 245 - 304)

The purpose of this report is to provide members with details of and seek Member approval to the acquisition of three new homes through S106 on a developer site at Wheeler Street, Witley.

Recommendation to Overview and Scrutiny Committee (Resources)

It is recommended that the Overview and Scrutiny Committee;

- Considers the report and information within the Annexes to the report, together with recommendations (2.1 i-iv) made in the report; and
- Resolves whether to make any recommendations to the Executive.

13 EXCLUSION OF PRESS AND PUBLIC

To consider, if necessary, 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 Committee agrees:

- (1) that the public be excluded from the meeting during consideration of the following matter 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 item, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in Paragraph 1 & 3 of the revised Part 1 of Schedule 12A to the Local Government Act 1972; and
- (2) that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

14 RESOURCING OF WAVERLEY BOROUGH COUNCIL IN-HOUSE LEGAL SERVICES FUNCTION (EXEMPT) (Pages 305 - 324)

Committee to receive and review the draft Exempt Executive Report on the Resourcing of Legal Services in advance of the Executive meeting on 28 November and to resolve whether to make any recommendations to the Executive.

15 PROPERTY INVESTMENT QUARTERLY REPORT & PERFORMANCE UPDATE (EXEMPT) (Pages 325 - 328)

Caroline Wallis (Asset Investment Manager) to introduce the item.
Committee to scrutinise the performance of the Council's property portfolio.

16 CRANLEIGH LEISURE CENTRE - FINANCIAL ASPECTS REVIEW (EXEMPT) (Pages 329 - 351)

Candice Keet (Senior Accountant) to introduce the item.
Committee to receive and review the financial analysis of the Cranleigh Leisure Centre New Build project, for which funding was approved by Full Council on 17th October 2023.

Officer contacts:

Jake Chambers, Senior Democratic Services Officer (Scrutiny)

Tel. 01483 523044 or email: Jake.chambers@waverley.gov.uk

Leila Manzoor, Democratic Services Officer

Tel. 01483 523224 or email: Leila.manzoor@waverley.gov.uk

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

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Resources Overview & Scrutiny Committee 2023/24 - work programme

Part 1 of 4: Recommendations made

Ref	Agenda Item	Recommendation	Meeting date	Made to	Agreed?	Details
R23-09-19-13.1	69 High Street, Godalming	To request that the Executive: <ul style="list-style-type: none"> Conduct a full review of the 69 High Street project, including Lessons Learned for the future. 	19/09/2023	Executive	Deferred - Matter referred back to Resources O&S Committee for clarification	The Leader sought clarification through the Scrutiny Officer, whether the Chair of the Overview and Scrutiny Committee – Resources would like the review of the 69 High Street project to be undertaken by the Executive or an Overview and Scrutiny Sub-committee, as good governance practice would indicate that the review not be undertaken by the body that was delivering the project. This will be picked up at next meeting of the O&S Resources Committee.

Part 2 of 4: Other resolutions

Ref	Agenda Item	Resolution	Meeting date	Status	Actioned to	Timescale	Details of current status

Part 3 of 4: Upcoming items

Ref	Title	Purpose for scrutiny	Leader Member/Officer	Date for O&S consideration	Date for Executive decision (if applicable)
2	Annual Complaints Report 2022/23 and Letter from Ombudsmen	To scrutinise complaints performance and Ombudsmen investigations.	Sue Petzold	Deferred	Deferred
3	Mid-year MTFP review and HRA business plan review 2023/24	To scrutinise review of Council's MTFP and HRA Business plan	Rosie Plaistow and Candice Keet	14 Nov 2023	28 Nov 2023
4	Q2 Corporate Performance Report 2023-24	To scrutinise the Council's performance of the areas and KPIs within the Committee's remit	Jenny Sturgess & EHoS	14 Nov 2023	N/A
5	Guildford and Waverley Transformation and Collaboration Programme	Committee to look at Collaboration report (once approved by Executive)	Robin Taylor	19 Mar 2024	28 Nov 2023
6	Property Investment quarterly report & Property performance update (standing item)	To receive an item detailing the performance of the property portfolio	Caroline Wallis	14 Nov 2023	N/A

7	HRA New Build Housing Delivery – Elstead & Ockford Ridge	To scrutinise proposals for Housing Delivery New Build in Elstead and Ockford Ridge	Louisa Blundell	14 Nov 2023	28 Nov 2023
8	Housing Delivery - 12 new homes at Woodside Park, Catteshall Lane	To scrutinise proposals to seek formal approval to enter into land and build agreements for the acquisition of 12 new homes at Woodside Park with relevant delegations to officers and additional budget from reserves.	Louisa Blundell	14 Nov 2023	28 Nov 2023
9	Housing Delivery – Witley	Delivery of 3 new homes for affordable rent at Wheeler Street, Witley, through land acquisition and build agreement with a developer	Louisa Blundell	14 Nov 2023	28 Nov 2023
10	Homelessness Strategy, Action Plan and Update Report	Scrutinise a revised Strategy and Action Plan, and review an update on the Council's effort to prevent homelessness in the past year.	Micheal Rivers/Andrew Smith	19 Mar 2024	28 Nov 2023
11	Corporate Strategy 2023-2027	To scrutinise revisions to the Corporate Strategy 2023-27	Robin Taylor	TBC	28 Nov/12 Dec
12	Equalities, Diversity & Inclusion Policy	To scrutinise the Policy.	Robin Taylor	TBC	6 Feb 24
13	Community Asset Transfer Policy	To approve policies to enable the transfer of assets to Town and Parish councils. (Revised title - October 2023)	Caroline Wallis	TBC	TBC
14	General Fund Budget 2024/25, Capital Programme 2024/25 and Medium	To consider the budget and make recommendations as appropriate	Richard Bates/Rosie	Jan 2024	Feb 24

	Term Financial Plan 2024/25 - 2027/28		Plaistow/Candice Keet		
15	Capital Strategy 2024/25 - Incorporating Treasury Management and Asset Management Investment Strategy	To review the Capital Strategy, the Treasury Management Strategy and the Asset Management Investment Strategy and make recommendations to Executive as appropriate.	Candice Keet	Jan 2024	Feb 24
16	Council Tax Setting 2024/25	To consider Council Tax rates 2024/25.	Candice Keet	Jan 2024	Feb 24

Part 4 of 4: Task and Finish groups

Subject	Objective	Key issues	Chair	Lead officer	Status	Progress	Target Completion Date
Workforce Profile Review	Full review of the current Workforce Profile data provided and consideration of other future data that might be provided, in what format and how this information can be effectively benchmarked.	<ul style="list-style-type: none"> • Which workforce data should Waverley report on • Which data is most effective in identifying challenging areas and informing future decisions? • Which organisations should we be benchmarking ourselves against ? 	Cllr Barker-Lomax	Jon Formby	In progress	To be confirmed – first meeting scheduled for 16/11/23	TBC
Housing Scrutiny Review Group - Review of Waverley Housing's	The Resources O&S Committee raised concerns regarding the Housing Services Key Performance Indicators and expressed an	The main focus areas of the review will be to scrutinise adherence to the consumer standards:	To be decided	Andrew Smith	Pending – To be confirmed by Scrutiny Officer	Pending – To be confirmed by Scrutiny Officer	July 2024

<p>adherence to Regulator of Social Housing Consumer Standards.</p>	<p>interest in scrutinising the delivery and outcomes of services for Waverley tenants.</p> <p>From 1 April 2024, the Regulator of Social Housing will have new powers to help improve the quality of housing and services for all social housing tenants. A proactive inspection regime will be introduced with all social landlords inspected every four years.</p> <p>The O&S review will scrutinise how the housing services meets or plans to meet the regulatory consumer standards, thus giving oversight and analysis of the landlord services.</p>	<ul style="list-style-type: none"> • The Safety and Quality Standard, • The Transparency, Influence and Accountability Standard, • The Neighbourhood and Community Standard, and • The Tenancy Standard <p>To give assurance that the housing service are accountable and providing quality homes and services, prioritising tenants safety, treating tenants with respect and being open and honest with tenants.</p>					
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Waverley Borough Council Forward Plan of Key Decisions

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

This Forward Plan sets out those **Key Decisions** which the Executive expects to take over forthcoming months. 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. Other decisions to be made by the Executive may also be included.

Please direct any enquiries about the Forward Plan to the Democratic Services Manager, Ben Bix, by email committees@waverley.gov.uk.

Executive Forward Plan for the period 30th October, 2023 onwards

Topic	Decision	Decision taker	Key	Anticipated earliest (or next) date for decision	Contact officer	Portfolio holder
Software Contract for Regulatory Services E3	Contract for replacement software to support Regulatory Services functions as a result of support for current system being withdrawn w.e.f. 31 March 2024	Executive	Yes	31 Oct 2023	Richard Homewood, Executive Head of Regulatory Services	PORTFOLIO HOLDER FOR ENFORCEMENT AND REGULATORY SERVICES
Community Asset Transfer Policy	To approve policies to enable the transfer of assets to Town and Parish councils. (Revised title - October 2023)	Executive	Yes	28 Nov 2023	Executive Head of Assets and Property	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
Resourcing of Waverley Borough Council In-House Legal Services Function E1	To support proposals for increased in-house legal resource.	Executive	Yes	28 Nov 2023	Susan Sale, Joint Executive Head of Legal & Democratic Services	LEADER OF THE COUNCIL & PORTFOLIO HOLDER FOR POLICY, GOVERNANCE AND COMMUNICATIONS

<p>Guildford and Waverley Transformation and Collaboration Programme</p>	<ol style="list-style-type: none"> 1. To seek agreement to the Executives working more jointly on these matters in the future, e.g. by way of simultaneous meetings. 2. To seek agreement to interim staffing arrangements. 3. To seek a mandate to progress other issues e.g. co-location and single officer structure, and receive a report back in October. 	Executive	Yes	28 Nov 2023	Robin Taylor, Executive Head of Organisational Development	PORTFOLIO HOLDER FOR ORGANISATIONAL DEVELOPMENT AND GOVERNANCE
<p>New Build Housing Cedar Close, Farnham E3</p>	<p>To update Executive on the need to undertake some latent defect remediation work to three homes at Cedar Close, Farnham. To seek formal approval enter into contract to deliver the works and associated delegations.</p>	Executive	Yes	28 Nov 2023	Louisa Blundell, Housing Development Manager	CO-PORTFOLIO HOLDER FOR HOUSING (OPERATIONS AND SERVICES)

<p>Housing Delivery - Churt E3</p>	<p>The purpose of this report is to seek Executive approval to demolish the existing community room and former staff accommodation ahead of approval of a full business case for the scheme at Parkhurst Fields to deliver a development with a net gain of sustainable homes to meet local housing need.</p>	<p>Executive</p>	<p>Yes</p>	<p>28 Nov 2023</p>	<p>Louisa Blundell, Housing Development Manager</p>	<p>CO-PORTFOLIO HOLDER FOR HOUSING (DELIVERY)</p>	<p>Overview and Scrutiny Committee - Resources</p>
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<p>Housing Revenue Account - New Build Housing Delivery E3</p>	<p>To provide Executive with an overview of the proposed new build housing schemes which are in a position to proceed to planning and subject to this contract and to seek member approval to recommendations and relevant delegations made for each scheme as set out in Annexes to the report.</p>	Executive	Yes	28 Nov 2023	Louisa Blundell, Housing Development Manager	CO-PORTFOLIO HOLDER FOR HOUSING (DELIVERY)
<p>Housing Delivery - 12 new homes at Woodside Park, Catteshall Lane E3</p>	<p>Report to seek formal approval enter into land and build agreements for the acquisition of 12 new homes at Woodside Park with relevant delegations to officers and additional budget from reserves.</p>	Executive	Yes	28 Nov 2023	Louisa Blundell, Housing Development Manager	CO-PORTFOLIO HOLDER FOR HOUSING (DELIVERY)

New Build Housing Delivery - Witley E3	Delivery of 3 new homes for affordable rent at Wheeler Street, Witley, through land acquisition and build agreement with a developer	Executive	Yes	28 Nov 2023	Louisa Blundell, Housing Development Manager	CO-PORTFOLIO HOLDER FOR HOUSING (DELIVERY)
Surveillance Policy		Executive Council	No	28 Nov 2023 12 Dec 2023	Susan Sale, Joint Executive Head of Legal & Democratic Services	LEADER OF THE COUNCIL & PORTFOLIO HOLDER FOR POLICY, GOVERNANCE AND COMMUNICATIONS LEADER OF THE COUNCIL & PORTFOLIO HOLDER FOR POLICY, GOVERNANCE AND COMMUNICATIONS
Homelessness Strategy 2023-2028	To adopt Waverley's Homelessness Strategy 2023-2028	Executive	Yes	28 Nov 2023	Michael Rivers, Housing Needs Manager	CO-PORTFOLIO HOLDER FOR HOUSING (DELIVERY)

Central Godalming Regeneration Project E3	To close the project and agree new project start up, with reallocation of funds.	Executive	Yes	28 Nov 2023	Debbie Smith, Development Programme Manager	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
HRA mid-year review 2023/24	To consider a mid-year review of the HRA Business Plan including any reprioritisation of capital schemes.	Executive Council	Yes	28 Nov 2023 12 Dec 2023	Candice Keet, Lead Service Accountant	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
General Fund mid-year MTFP review 2023/24	To note the position and make recommendations to Council as appropriate.	Executive Council	Yes	28 Nov 2023 12 Dec 2023	Executive Head of Finance Rosie Plaistowe-Melham, Senior Accountant	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
Economic Development Strategy review	To approve the revised Economic Development Strategy.	Executive Council	Yes	9 Jan 2024 20 Feb 2024	Executive Head of Regeneration and Planning Policy	PORTFOLIO HOLDER FOR PLANNING AND ECONOMIC DEVELOPMENT PORTFOLIO HOLDER FOR PLANNING AND ECONOMIC DEVELOPMENT

Corporate Strategy 2024-2028	To recommend a revised Corporate Strategy to Council.	Executive Council	Yes	9 Jan 2024 20 Feb 2024	Executive Head of Organisational Development	LEADER OF THE COUNCIL & PORTFOLIO HOLDER FOR POLICY, GOVERNANCE AND COMMUNICATIONS
HRA Planned Works	<ul style="list-style-type: none"> • HRA External decorations and roofline works • HRA Roofing • HRA windows and doors • HRA planned works Select Framework for general building works 	Co-Portfolio Holder for Housing (Operations and Services) Executive Co-Portfolio Holder for Housing Decisions	Yes	25 Jan 2024 25 Jan 2024	Annalisa Howson, Service Development Manager	CO-PORTFOLIO HOLDER FOR HOUSING (OPERATIONS AND SERVICES) CO-PORTFOLIO HOLDER FOR HOUSING (OPERATIONS AND SERVICES)
Equalities, Diversity & Inclusion Policy	To approve a corporate EDI Policy	Executive	Yes	6 Feb 2024	Executive Head of Organisational Development	PORTFOLIO HOLDER FOR COMMUNITY SERVICES, LEISURE AND EDI

Capital Strategy 2024/25 - Incorporating Treasury Management and Asset Management Investment Strategy	To review the Capital Strategy, the Treasury Management Strategy and the Asset Management Investment Strategy and make recommendations to Council as appropriate.	Executive Council	Yes	6 Feb 2024 20 Feb 2024	Candice Keet, Lead Service Accountant	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
General Fund Budget 2024/25, Capital Programme 2024/25 and Medium Term Financial Plan 2024/25 - 2027/28	To consider the Budget and make recommendations to Council as appropriate.	Executive Council	Yes	6 Feb 2024 20 Feb 2024	Candice Keet, Lead Service Accountant	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY
Council Tax Setting 2024/25		Council	Yes	20 Feb 2024	Candice Keet, Lead Service Accountant	PORTFOLIO HOLDER FOR FINANCE, ASSETS AND PROPERTY

The agenda for each Executive meeting will be published 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 Key Decisions before they are considered at a meeting of the Executive and consultation will be undertaken with relevant interested parties and stakeholders where necessary.

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

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

[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].

Waverley Borough Council

Report to: Resources Overview and Scrutiny Committee

Date: 2 November 2023

Ward(s) affected: All

Report of Director: All Executive Heads of Service

Author: Jenny Sturgess, Policy and Performance Officer

Tel: 01483 523 465

Email: jennifer.sturgess@waverley.gov.uk

Executive Portfolio Holder responsible: All Portfolio Holders

Report Status: Open

Corporate Performance Report Q2 2023-24 (July – September 2023)

1. Executive Summary

The Corporate Performance Report, Annexe 1, provides an analysis of the Council's performance for the second quarter of 2023/24. The report is being presented to each of the Overview and Scrutiny Committees for comment and any recommendations the Committee may wish to make to the Joint Management Team or the Executive.

2. Recommendation to Overview & Scrutiny Committee:

It is recommended that the Overview & Scrutiny Committee:

- considers the performance of the service areas under its remit as set out in Annexe 1 to this report and makes any recommendations to the Joint Management Team or the Executive, as appropriate.

3. Reason(s) for Recommendation:

The quarterly review of the Council's performance is subject to internal as well as external scrutiny in which the O&S committees play a crucial role. This approach allows for a transparent assessment of how each service performs against its set goals and targets. It also allows the O&S Committees to raise any areas of concern to the Joint Management Team or the Executive, which in turn drives service improvement.

4. Purpose of Report

The focus of this comprehensive report is the corporate level performance analysis. The data is collated at the end of each quarter and a broad range of measures have been included to provide a comprehensive picture, and these are:

- Key performance indicators
- Progress of Internal Audit recommendations
- Complaints monitoring
- Workforce data
- Financial forecasting
- Housing Delivery monitoring

5. Strategic Priorities

Review of the Council's performance in all service areas is central to delivering all of the strategic priorities.

6. Background

- 6.1 The Council's Performance Management Framework provides the governance structure to enable the delivery of the Council's objectives. Performance monitoring is conducted at all levels of the organisation, from the strategic corporate level, through the operational/team level, leading to individual staff performance targets.

- 6.2 The report is comprised of the corporate overview section with the Chief Executive's and Section 151 Officer's (Executive Head of Finance) comments, followed by service specific sections with Executive Heads of Service feedback on the performance in their area. The report is used as a performance management tool by senior management.

- 6.3 Although the report contains information about all services, each of the Overview & Scrutiny Committees is only required to consider those sections of the report, specific to its service area remit, and this has been clearly outlined in section 2 'Report Sections Summary with Scrutiny Remits of O&S Committees' of Annexe 1.

7. Consultations

The report goes through an internal sign off process by the Joint Management Team. The external scrutiny stage starts with the Overview and Scrutiny Committees at the quarterly committee cycle and any recommendations made travel to the Executive for consideration and response.

8. Key Risks

The scrutiny process of key performance indicators, goals and targets, laid out in this report, allows for an ongoing assessment of potential risks arising from underperformance and the monitoring of improvement or mitigation actions put in place to address potential issues.

9. Financial Implications

The report presents the performance status of a wide range of measures from across the Council, including the quarterly update on the budget position.

10. Legal Implications

There are no legal implications arising directly from this report, however some indicators are based on statutory returns, which the council must make to the Government.

11. Human Resource Implications

The report presents the performance status of a wide range of measures from across the Council, including the quarterly update on the staffing situation.

12. Equality and Diversity Implications

There are no direct equality, diversity or inclusion implications resulting from 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.

13. Climate Change/Sustainability Implications

The report does not have direct climate change implications. Service Plans, which are monitored in this report, take into consideration new environmental and sustainability objectives arising from the [Corporate Strategy 2020-2025](#) in light of the [Climate Emergency](#) introduced by the Council in September 2019.

14. Suggested issues for overview and scrutiny

Feedback is sought on the performance of the service areas under its remit as set out in Annexe 1 to this report and any recommendations made to the Joint Management Team or the Executive, as appropriate.

15. Background Papers

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

16. Appendices

Annexe 1: Corporate Performance Report Q2 2023/24

Please ensure the following service areas have signed off your report. Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	18/10/2023
Legal / Governance	18/10/2023
HR	18/10/2023
Equalities	18/10/2023
Lead Councillor	31/10/2023
CMB	
Executive Briefing/Liaison	
Committee Services	

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Corporate Performance Report Q2 2023/24

Document Version: Final

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1. Performance Assessment with RAG Rating (Red, Amber, Green)

The Report content has been presented in a visual format and a further explanation of the RAG rating used throughout the report can be found in the tables below.

1.1 Performance Indicators RAG Rating per Status Type

Key Performance Indicators (KPIs) Status Types	Explanation of the Status Type
Data only or Data Not Available/ collection on pause (in Grey)	Data only indicators are those that monitor performance of an area which has not yet established performance patterns allowing an improvement target to be introduced, or those which are out of our direct control such as the number of queries we receive from our residents. We also indicate in grey, statistics for which we were not able to obtain up-to-date figures or areas for which the monitoring activity has been temporarily suspended/paused.
Green	The indicator has performed on or above a set target, no concern.
Amber	Up to 5% off target – Officers investigate the causes of underperformance to establish if an improvement action is required.
Red	More than 5% off target – Officers investigate the causes of underperformance to establish if an improvement action is required.

1.2 Service Plans, Internal Audit, Project Management

Action Status Types	Explanation of the Status Rating Type
Completed – on track (in Green)	Action was completed: on time, within the budget & resources achieving desired outcome.
On Track (in Green)	Action is on track to complete on time, within the budget & resources and expected to achieve desired outcome.
Completed – off track (in Amber)	Action was completed but off track meaning that: Was delivered not on time or/and Requiring additional budget or resources or/and Not fully achieving desired outcome
Off track – action taken / in hand (in Amber)	Action has fallen slightly off target: on time or/and budget or resources or/and or quality, however corrective/improvement actions are already being undertaken to bring it back on track.
Partially Completed	Action has not been fully achieved
Off track – requires escalation (in Red)	Action has fallen significantly off track: on time or/and budget or resources or/and quality and a managerial intervention/escalation is required in order to bring it back on track.
Cancelled (in Grey)	Cancelled Action Status indicates that we will no longer pursue delivery of this action.
Deferred (in Grey)	Deferred Action Status indicates that the action will not be pursued at present but will/might be in the future.

Action Status Types	Explanation of the Status Rating Type
Transferred (in Grey)	Transferred Action Status indicates that although the action was not yet fully completed its delivery will continue in the coming year or that the action ownership has now changed.

Reporting periods

O&S cycle	Quarter	Reporting Period	Data Collection and Report Preparation	Report details
September O&S	Q1	1 April to 30 June	July and August	Corporate Performance Report
November O&S	Q2	1 July to 30 September	October	Corporate Performance Report
January O&S	Service Plans	September to October	November and December	Service Plans proposals for each Service Area for the year ahead
March O&S	Q3	1 October to 31 December	January and February	Corporate Performance Report & Annual KPIs Review (standalone report)
June O&S	Q4	1 January to 31 March	April and May	Corporate Performance Report, including End of Year Outturn

2. Report Sections Summary with Scrutiny Remits of O&S Committees

Each of the Overview and Scrutiny Committees has a defined scrutiny remit for specific service areas within this report and these are listed below.

2.1 Resources O&S Committee – required to scrutinise only these specific sections:

- [Corporate Dashboard](#) – page 4
- [Assets and Property](#) – page 12
- [Communications and Customer Service](#) – page 16
- [Finance](#) – page 19
- [Housing Services](#) – page 23
- [Legal and Democratic Services](#) – page 30
- [Organisational Development](#) – page 32
- [Regeneration and Planning Policy](#) – page 35
(Corporate capital projects and housing delivery)

2.2 Services O&S Committee – required to scrutinise only these specific sections:

- [Regeneration and Planning Policy](#) – page 35
(Economic development; planning policy, design, conservation, transport; and regeneration)
- [Commercial Services](#) – page 39
- [Community Services](#) – page 43
- [Environmental Services](#) – page 46

- [Planning Development](#) – page 50
- [Regulatory Services](#) - page 54

3. Corporate Dashboards – Summary of All Services (remit of Resources O&S)

3.1 Performance Summary from the Management Board on Key Successes, Lessons Learnt, Areas of Concern – Q2 2023/24

3.1.1 Q2 2023/24 Chief Executive’s summary:

This is the Q2 performance report covering July to September 2023.

Each chapter provides detail and commentary on how Waverley Borough Council services have performed. As they illustrate, speed in determining Planning applications – which had been a concern since a decline in 2021 – has recovered and the Department for Levelling Up, Housing and Communities has written to the Council to confirm that it is not minded to intervene.

Other notable events of this quarter were:

- Winning a national Local Authority Building Control ‘excellence award’.
- A Green Flag award for Badshot Lea Pond and Orchard, in addition to the other ten parks and open spaces that have been recognised in this way.
- Cranleigh businesses voting in favour of the planned Cranleigh Business Improvement District.
- The Mayor’s charity gala concert raising funds for The Meath Epilepsy Charity and Skillway.

Tom Horwood, Chief Executive

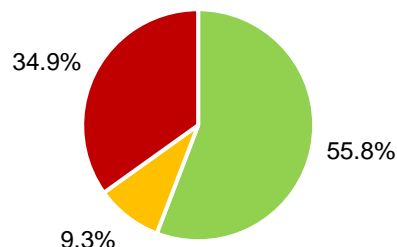
3.2 Summary of All Corporate Key Performance Indicators per status

3.2.1 Table with Q2 2023/24 Summary of all corporate indicators with assigned targets

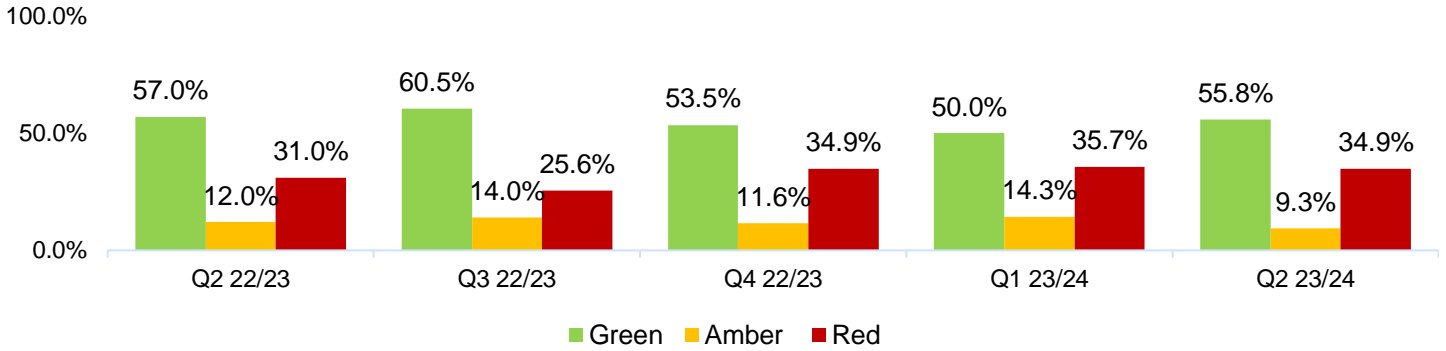
All Corporate KPIs

Total	100%	43
Green on target	55.8%	24
Amber - less than 5% off target	9.3%	4
Red - over 5% off target	34.9%	15

Data only	N/A	25
Data not available or paused	N/A	0



Performance indicators - % per status Q2 2022/23 to Q2 2023/24



3.2.2 Comment:

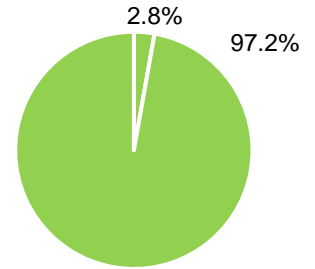
Further service specific details can be found in the individual service dashboards.

3.3 Summary of Service Plans Progress Status

3.3.1 Table with the overall Q2 2023/24 Service Plans Progress Status

Q2 update on progress of all Service Plan actions 2023/26

Total	100%	502
Completed	7.2%	36
On track	92.8%	466
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



3.3.2 Comment:

At the end of the first quarter, 92.8% of actions were on track and 7.2% had been completed.

3.4 Summary of All Internal Audit Recommendations

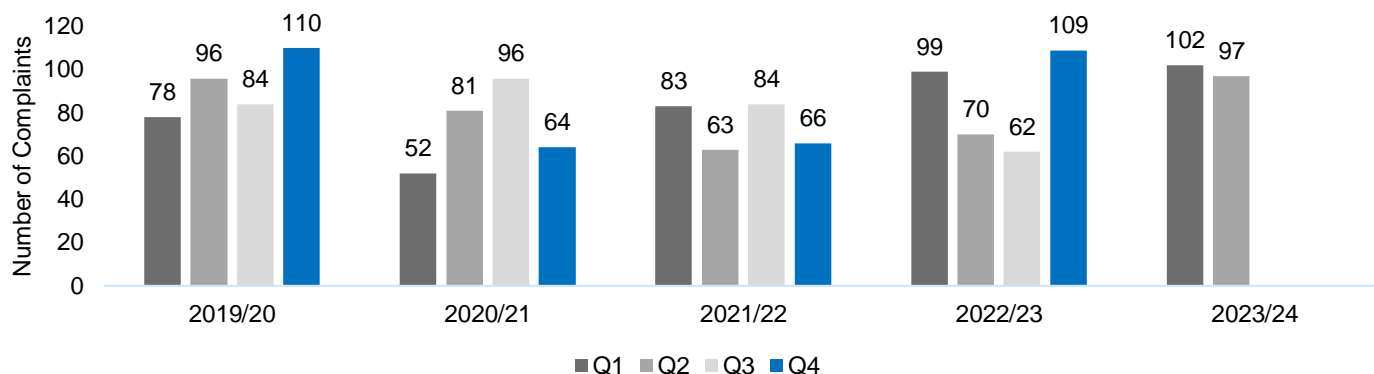
3.4.1 Comment:

The Internal Audit section is included for information only as the scrutiny function for this area falls under the remit of the Audit Committee, which monitors the delivery of Internal Audit recommendations at their quarterly meetings.

For further details please refer to the latest [Review of Progress in the implementation of Internal Audit Actions](#) (from the Audit Committee 11 September 2023)

3.5 Summary of All Complaints – Q2 2023/24

Total Number of Complaints (Level 1, Level 2 and Ombudsmen) for the period 1 April 2019 - 30 June 2023)



Q1 Complaints Summary Table

	Number of complaints	Number responded to within target timeframe	Percentage responded to within target timeframe	Target
Total complaints	97			
Level 1 Total	67	32	47.8%	95%
Level 2 Total	30	26	86.7%	95%
Ombudsman Total	0		N/A	

*Details of Local Government & Social Care Ombudsman (LGSCO) decisions can be found on: <https://www.lgo.org.uk/decisions>. Housing Ombudsman (HOS) doesn't currently publish their decisions.

3.5.1 Comment:

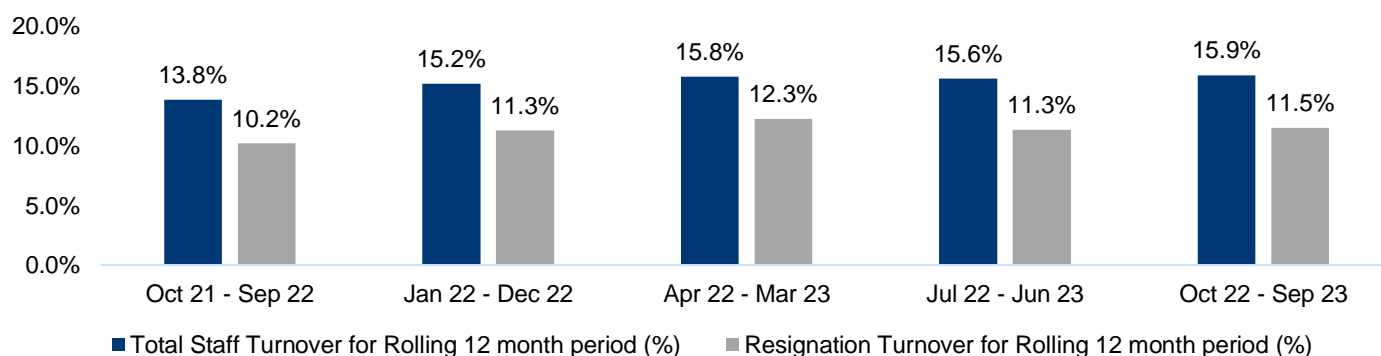
Further details of service specific performance can be found under individual dashboards, with the information on corporate complaints indicators performance included in the Communications and Customer Service Dashboard.

3.6 Summary of Workforce Data – Corporate Overview

Waverley’s staff are critical to delivering the Council’s immediate priorities and for ensuring that the organisation is able to respond to the opportunities and challenges ahead. The following KPIs demonstrate our staff turnover and employee sickness absence levels over a 12-month rolling period.

3.6.1 Staff Turnover

Percentage of Total Staff Turnover (Rolling 12 months) Q2 22/23 - Q2 23/24

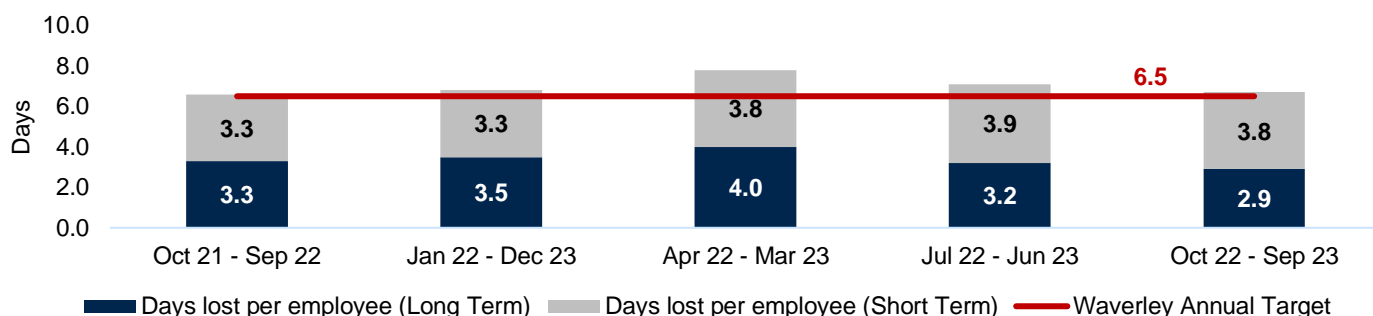


Comment: The overall turnover figure and resignation turnover for the rolling period to October 2022 to September 2023 continues to remain higher than the comparable position of 12 months ago. Local authorities across the board are seeing a general increase in staff turnover as in certain areas as pools of suitable candidates are very low and it is a very candidate driven market creating opportunities for staff to move on. In certain areas, such as Finance staff are being targeted fairly aggressively by head-hunters to prise them from one organisation to another and challenging areas such as Planning continue nationally and locally. We have a challenging situation as we manage our way through the collaboration with Guildford which creates more instability and makes us more vulnerable to staff movements as they may look to seek stability in other organisations. This is compounded by a cross societal change post Covid of employees looking at and considering other working options and mobility increases not just within professions but also career changes. We have recently restarted the Waverley Wellbeing Group and are now actively working on different interventions to improve team cohesion and a feeling of belonging at Waverley as well as encouraging Managers to hold regular team meeting and training events.

Jon Formby HR Manager

3.6.2 Absence Data

Absence Data Rolling 12 months (Q2 22/23 - Q2 23/24)



Comment: Overall sickness levels in this most recent quarter have reduced, primarily due to the resolution of some longer-term sickness cases. Short term sickness levels continue to be higher than they were in the rolling period 12 months ago and remain a concern. There are a number of factors behind these figures which continue to create a challenging situation, such as a recent increase in Covid cases, which is likely to develop further in the Winter months. This was seen nationally due to a new variant. We are also currently looking at how we can change the focus of the fit to work policy towards a more supportive document, in terms of language and practice and then how we can skill up the managers to be more supportive and preventative in terms of their approach to absence. We have also stressed the importance to the Managers Group that it important to report in a timely fashion to Human Resource any potential absence cases so we can bring forward interventions such as support for mental health or Occupational health Assessments at the earliest opportunity to reduce absence length and allow us to bring forward earlier, plans for staged return to work processes.

Jon Formby HR Manager

3.7 Finance update on budget position and progress against the delivery of General Fund Medium Term Financial Plan (MTFP) – Q1 2023/24

3.7.1 Section 151 Officer summary Q2 2023/2024

The tables below show the forecast against budget, for the General Fund and HRA, revenue and capital budgets. The most significant risk to Waverley's finances is inflation and economic volatility impacting income. These risks have been appropriately considered in the 2023/24 budget; the forecast shows that there is some pressure on income streams but overall is currently being contained.

The finance summary table below shows an overall favourable variance for the first quarter of £234k, on General Fund revenue, the biggest single item being increased treasury deposit interest received due to increases in the bank base rate.

The HRA outturn is a net £65k favourable, with an under achievement of rent income due to an increase in void levels above the assumed 1%. This reduced void performance impacts both income and costs negatively. Similarly to the General Fund, treasury deposit interest income above the level anticipated is supporting the HRA.

In summary, the council went into the financial year with a high level of economic uncertainty and a was anticipating some degree of financial challenge. This was pre-empted in the 2023/24 budget and the finances are being carefully managed.

Richard Bates, Interim Executive Head of Finance and S151 Officer

3.7.2 Progress of Medium-Term Financial Plan (MTFP) delivery

The 2022/23 financial outturn was within the overall MTFP agreed by Council in February 2023 and returned a surplus to reserves.

Currently the higher than anticipated inflation on costs experienced in year have been contained within the net revenue account budget. There are some signs that income is struggling in many areas and expected recovery from Covid-19 is slowing which may carry into future years. The offset of these issues is partially due to the improved position of treasury investment income with higher than expected interest rates however is also anticipated to continue.

At this stage, the various savings and efficiency programmes are on track to deliver the MTFP savings targets and will continue to be closely monitored. The MTFP and HRA business plan have been reviewed mid-year and will be travelling through the committee process.

Richard Bates, Interim Executive Head of Finance and S151 Officer

3.7.3 General Fund Account Summary Table

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Assets & Property					
Expenditure	3,712	3,664	-48	Favourable	-1%
Income	-4,715	-4,727	-12	Favourable	0%
Assets & Property Total	-1,003	-1,063	-60	Favourable	6%
Commercial Services					
Expenditure	7,395	7,204	-192	Favourable	-3%

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Income	-10,716	-10,147	569	Adverse	-5%
Commercial Services Total	-3,321	-2,943	377	Adverse	-11%
Communication & Customer Services					
Expenditure	4,132	4,126	-6	Favourable	0%
Income	-3,766	-3,766	0	Adverse	0%
Communication & Customer Services Total	366	359	-6	Favourable	-2%
Community Services					
Expenditure	2,536	2,527	-9	Favourable	0%
Income	-1,328	-1,276	52	Adverse	-4%
Community Services Total	1,208	1,251	43	Adverse	4%
Environmental Services					
Expenditure	11,853	11,801	-52	Favourable	0%
Income	-4,168	-4,088	80	Adverse	-2%
Environmental Services Total	7,686	7,713	28	Adverse	0%
Finance					
Expenditure	25,854	26,116	262	Adverse	1%
Income	-24,878	-26,017	-1,139	Favourable	5%
Finance Total	976	99	-877	Favourable	-90%
General Fund Housing					
Expenditure	2,407	2,389	-18	Favourable	-1%
Income	-2,103	-2,103	0	Adverse	0%
General Fund Housing Total	304	286	-18	Favourable	-6%
Joint Management					
Expenditure	2,315	2,331	16	Adverse	1%
Income	-2,311	-2,311	0	Adverse	0%
Joint Management Total	4	20	16	Adverse	449%
Legal & Democratic Services					
Expenditure	4,072	4,035	-37	Favourable	-1%
Income	-2,406	-2,406	-	Adverse	0%
Legal & Democratic Services Total	1,666	1,629	-37	Favourable	-2%
Organisational Development					
Expenditure	5,117	4,948	-168	Favourable	-3%
Income	-2,327	-2,327	0	Adverse	0%
Organisational Development Total	2,790	2,622	-168	Favourable	-6%
Planning Development					
Expenditure	6,492	6,559	67	Adverse	1%
Income	-4,129	-3,938	191	Adverse	-5%
Planning Development Total	2,362	2,621	258	Adverse	11%

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Regeneration & Planning Policy					
Expenditure	2,656	2,638	-19	Favourable	-1%
Income	-1,478	-1,478	0	Adverse	0%
Regeneration & Planning Policy total	1,178	1,160	-19	Favourable	-2%
Regulatory Services					
Expenditure	4,041	3,968	-73	Favourable	-2%
Income	-3,202	-3,138	64	Adverse	-2%
Regulatory Services Total	840	831	-9	Favourable	-1%
GF Funding					
Expenditure	2,230	2,468	238	Adverse	11%
Income	-17,287	-17,287	0	Adverse	0%
GF Funding Total	-15,056	-14,819	238	Adverse	-2%
Grand Total	-2	-235	-234	Favourable	

Capital

	Approved Budget £'000	Forecast Outturn £'000	Sum of Savings £'000	Sum of Carry forward £'000
Capital Assets & Property				
Assets	7,646	3,173	-	-4,473
Capital Communication & Customer Services				
Communication and Customer Services	447	447	-	-
Capital Commercial Services				
Commercial Services	2,034	2,034	-	-
Capital Community Services				
Community Services	905	905	-	-
Capital Environmental Services				
Environmental Services	2,380	1,995	-41	-344
Capital Finance Services				
Finance	168	168	-	-
Capital Organisational Development				
Organisational Development	537	468	-68	-
Capital Regeneration & Planning Policy				
Regeneration and Planning Policy	605	601	-4	-
Capital Regulatory Services				
Regulatory Services	65	65	-	-
Grand Total	14,792	9,860	-114	-4,817

HRA summary - Revenue

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Housing Services					
Expenditure	30,184	30,399	215	Adverse	1%
Income	-37,300	-37,479	-179	Favourable	0%
Housing Services Total	-7,116	-7,080	36	Adverse	-1%
HRA funding					
Expenditure	12,261	12,222	-38	Favourable	0%
Income	-5,136	-5,136	-	Adverse	0%
HRA funding Total	7,125	7,086	-38	Favourable	-1%
Regeneration and Planning Policy					
Expenditure	456	394	-62	Favourable	-14%
Income	-465	-465	-	Adverse	0%
Regeneration and Planning Policy Total	-9	-71	-62	Favourable	670%
Grand Total	0	-65	-65	Favourable	

HRA – Core Capital

	Approved Budget £'000	Forecast Outturn £'000	Sum of Savings £'000	Sum of Carry forward £'000
Communal & Estate works	190	190	-	-
Health & Safety Works	1,121	1,121	-	-
MRA Prog Decent Homes Occupied Properties	900	900	-	-
MRA Prog Decent Homes Void Properties	630	630	-	-
MRA Prog Disabled Adaptations Occupied Properties	300	300	-	-
MRA Programmed work	3,716	3,504	-212	-
Roofing & Associated works	1,230	980	-250	-
St James Court	140	140	-	-
Structural & Damp works	247	247	-	-
Windows & Doors	450	45		
Grand Total	8,925	8,463	-462	-

New Build/Stock Remodelling

	Approved Budget £'000	Forecast Outturn £'000	Sum of Savings £'000	Sum of Carry forward £'000
Chiddingfold schemes	7,525	2,900	-	-4,625
HRA Feasibility Studies	511	511	-	-
Latent defects	189	189	-	-
Ockford Ridge schemes	4,613	4,613	-	-
Pre-development Expenditure	170	170	-	-
Zero carbon retrofit pilot	1,739	1,739	-	-
85 Aarons Hill Starter Homes (Land adj)	819	400	-	-419
Borough Wide Refurbishment	339	339	-	-
Catteshall Lane	2,845	700	-	-2,145
Grand Total	18,753	11,563	-	7,190

4. Service Dashboard – Assets and Property (remit of Resources O&S)

This service area includes Assets (Property and Land); Engineers and Facilities

4.1 Key Lessons Learnt, Areas of Concerns

4.1.1 Summary from Executive Head of Service – Q2 2023/24

Assets

Business as usual for the Asset Team managing the Council's asset base of operational and commercial properties (excluding the housing stock) which includes lease renewals and negotiations, rent reviews, licences and access requests. The team also supports the Asset Investment Strategy which it has been actively working towards by bringing in a corporate approach to asset management and pursuing asset investment which, under the current Government guidelines, means working the Council's current asset base to achieve best value and initiating projects to improve the Borough.

To the end of Quarter 2 the team's performance is summarised below:

Acquisitions

- There were no acquisitions being actively pursued in Q1. Acquisitions will be in support of the Corporate Strategy objectives and comply with the Council's Asset Investment Strategy, the Chartered Institute of Public Finance and Accountancy's Prudential Code of Practice and the Governments guidance on allowable spend with the emphasis on affordability, prudence and sustainability.
- 38 Weybourne Road Farnham – terms agreed to purchase from Housing Association for HRA; report to CMB July 2023. Acquisition completed for HRA colleagues.

Leases

- Citizens Advice Guildford – new lease granted 1 June 23 for 36 Bridge St, Godalming and Montrose House, Farnham (extended to whole building) completed.

- St John Ambulance – new lease and licence granted 20 April 2023 for space at High Lane Community Centre Haslemere
- The Burys top floor – leases to Ethical Lettings (to gain rental stream and collaborative working with Waverley’s Homelessness team) and Ian Williams (housing contractor) with legal.
- 3 Langham Park Godalming – current tenant surrendered first floor office but retained ground floor from 1 August 2023 on a 10 year term at Market rent and in solicitors hands. First floor office has been marketed and is also under offer.
- Currently working on numerous sports/community leases: Holloway Hill Sports Association (pavilion), Godalming Cricket Club, Godalming Tennis Club, Frensham Sailing Club, Frensham Pond Angling Club, Haslemere Rugby Club, Football Club at Coxcombe Rec, Garden Close Community Room, Gorselands Community Room
- Completion imminent: Lease renewal for part of central car park Farnham leased in from NatWest; lease renewal Age UK at Wey Court community room (Meadrow Farncombe), lease Scouts Haslemere, Haslemere Youth Hub temporary licence,
- Broadwater Golf Club settlement completed.

Easements

- Temporary access licence capital receipts of £24,000
- Further easements are under negotiation throughout the borough but mainly in Alfold and Cranleigh areas

Projects brought forward

- Fairground Car Park – proposal for mixed use food store and housing as per LPP2 – working with property experts to finalise tender documents for procurement Q4
- Weydown Road – enabling project. Haslemere Hub relocation and upgrade of car park
- 69 High Street – proposal for mixed use scheme of much needed affordable housing on Godalming high street with retail frontage. Project progressing AFL due to be signed. Design consultation with retailer progressing well. Project, QS and Planning support tendered and instructed
- Wey Court East –AFL signed. Contractor on site September 23 Expected completion date of May 24.
- UCA projects to be progressed
- Broadwater Project
- Wey Hill – in negotiations with Scouts and Homewoods to regulate lease terms to allow for development

Other

- First drafting of two new policies to strengthen governance and transparency around management of the Council’s assets - Asset Transfer Policy and Assets at Less than Best Consideration to be taken to Executive 5 September 2023 for adoption.
- Updating EPCs on 14 properties completed
- SANG land negotiations at Farnham Park
- Rent reviews on trading estates progressing.
- Terrier Audit
- Insurance valuations
- Asset valuations progressing
- Leisure Centre Operating contract – property support

- Dilapidation claim The Edge

Engineers

In Quarter 2 of this year work has progressed as usual, our main work-streams including:

- Working with the Environmental Services Team progress is being made in undertaking this year's maintenance programme. Work is being undertaken on the specification of the Lower Hart car park tree root protection, also resurfacing to Central Car Park, Farnham and Croft Road, Godalming are being undertaken this month.
- Working with the Parks and Countryside Team on pavilion improvement works and maintenance, with Broadwater Park Pavilion refurbishment the main project and is progressing well, and further works are being tendered for external improvements.
- The Engineers have also carried out surveys and prepared tenders for drainage and car park / footpath for the Parks team on their Car Parks, with most of these works completed.
- In this last quarter the Engineers have carried out several maintenance projects for the Housing sections which involved road/ footpath repairs and condition surveys.
- The Engineers have also assisted the Assets team with their development projects as well as making sure that all council non-housing properties are fully compliant under Health & Safety regulations.

All though this year we have seen very few flooding issues, we have been working closely with other flood risk authorities and our regular liaison meetings are continuing to take place. Through these meetings we have secured an agreement with Surrey County Council for them to fund the culvert clearance and drainage replacement work at Elstead, although this has been delayed by matters out of our control, it is now planned to start late summer / autumn.

Facilities

Fleet - A business case has been submitted for additional fleet for the Building Control Team. Have ordered 4 cars on a Lease for 2 years

Second Floor - Two organisations interested in space on the second floor and negotiations are underway being led by the Assets Team. Ethical lettings have moved in, Waiting for Ian Williams to finalise lease.

Cleaning - Retaining and recruiting cleaners continues to be a major challenge in the current employment climate and is being kept under review.

Marieke van der Reijden, Executive Head of Assets and Property

4.2 Key Performance Indicators Status

4.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

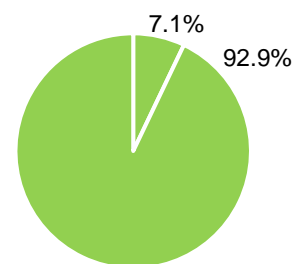
There are currently no Performance Indicators for Assets and Property.

4.3 Service Plans – Progress Status

4.3.1 Summary Table and Pie Chart

Q2 Progress on Assets & Property Service Plans 2023/26

Total	100%	28
Completed	7.1%	2
On track	92.9%	26
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



4.3.2 Summary comment on the service plans

All service plan actions are on track or have been completed.

4.4 Internal Audit Actions Progress Status

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

4.5 Complaints Statistics

4.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

4.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

4.5.3 Summary Comment on the statistics

No complaints were received this quarter.

4.6 Finance Position at the end of the quarter

4.6.1 Service's General Fund Account Table

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/Favourable	% Variance
Assets and Property					

Expenditure	3,712	3,664	-48	Favourable	-1%
Income	-4,715	-4,727	-12	Favourable	0%
Assets and Property Total	-1,003	-1,063	-60	Favourable	6%

Capital Assets and Property

	Approved Budget	Forecast Outturn	Sum of Carry forward
	£'000	£'000	£'000
Assets	7,646	3,173	-4,473

4.6.2 Summary Comment

The forecast variance has come about due to:

- Engineers - reduced maintenance spend this year on The Burys pending the planned re-development.
- Property – this includes the projects on Wey Court East, Fairground Car Park and 69 High Street, Godalming which are underway and will continue into 2023/24. The final outturn will be reported on completion of each project.

5. Service Dashboard – Communications and Customer Services (remit of Resources O&S)

This service area includes Communications and Engagement; Complaints, Ombudsman; Customer Services, case management (GBC only); Digital services; ICT and business systems.

5.1 Key Successes & Lessons Learnt, Areas of Concerns

5.1.1 Summary from Executive Head of Service – Q2 2023-24

Following the successful appointment of our previous apprentice to a role within the team, we are pleased to be able to welcome our new apprentice to the ICT service desk. We appreciate the opportunity to have apprentices within the service and to be able to “grow our own” talent within the team. We also successfully recruited to a new assistant communications and social media officer and are looking forward to welcoming them shortly.

Work has also been ongoing to continue to move our online forms to our CRM system, improving the customer experience but also providing valuable insight into customer online interactions with us, that can help shape our digital offering in the future. We have also held two workshops this quarter for staff to support with writing for the web in an accessible way that were well attended, and internal comms have also started to raise awareness of the new Web content accessibility guidelines that we are expecting next year.

Complaints

This quarter there has unfortunately been a drop in response times to complaints. This is mainly due to work pressures within the services. We have worked closely with the service with the lowest response rate to reconfirm and support them with the process for complaints, so we expect to see a change in these stats next quarter. Corporately we continue to work with all services to help improve

response times. Training has now begun for complaints administrators to help support them in using the system and the complaints process, for some this is refresher training, for others they are new to the role of complaints administrators. We will also be attending the next managers group to provide an update on complaints and reshare the complaints process. The changes that were made to the website and online form for customers to log a complaint are also seeing benefits with less service requests accidentally being logged via this route. This means that customers are getting to the right support faster.

We have also received a consultation from the LGSCO regarding changes to their guidance on managing and responding to complaints that we will be required to adhere to. We are currently reviewing the proposed changes and will be responding to the consultation in Q3.

Nicola Haymes, Executive Head of Communications and Customer Service

5.2 Key Performance Indicators Status

5.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
CC1a	The number of complaints received - Level 1 (data only)	No.	47	32	64	76	67	Data only
CC1b	The % of complaints responded to on time - Level 1 (higher outturn is better)	%	80.9%	87.5%	56.3%	59.2%	47.8%	95%
CC2a	The number of complaints received - Level 2 (data only)	No.	31	24	39	25	30	Data only
CC2b	The % of complaints responded to on time - Level 2 (higher outturn is better)	%	100%	96%	95%	100%	86.7%	95%
CC4a	Average time taken to respond to Media Enquiries within the 48h target (excluding weekends and Bank Holidays.)	Hours	16.33	6.81	10.24	5.29	3.25	48 hours
CC4b	Total Number of Media Enquiries received in a quarter.	No.	35	29	43	43	52	Data only
CC4c	Average time taken to respond to social media posts within the 24h target (excluding weekends and Bank Holidays.)	Hours	19.5	7	49 minutes	3.55	14.2	24 hours
CC4d	Total number of social media posts received in a quarter.	No.	1010	868	911	925	1105	Data only
CC5	Number of external enquiries received by the Customer Service Centre Team (CSC) in a quarter (including phone calls, online forms and other emails)	No	32,816	28,371	33,416	35,525	34,442	Data only

* Target for CC6 to be introduced once clear trend emerges.

5.2.2 Comment:

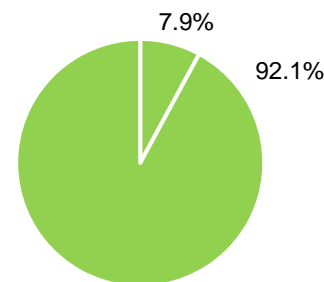
The majority of KPIs are positive however the complaints response times are not at the level they should be. Individual services will provide detail regarding the performance of complaints and reasons for delays in their service dashboards, however corporately we continue to take steps to improve and provide as much support to services as we can to respond to these complaints. Further details of this can be found in 5.1.1

5.3 Service Plans – Progress Status

5.3.1 Summary Table and Pie Chart

Q2 Progress on Communication & Customer Service Service Plans 2023/26

Total	100%	38
Completed	7.9%	3
On track	92.1%	35
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



5.3.2 Summary comment on the service plans

All service plan actions are on track or have been completed.

5.4 Internal Audit Actions Progress Status

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

5.5 Complaints Statistics

5.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

5.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

5.5.3 Summary Comment on the statistics

No complaints were received this quarter.

5.6 Finance Position at the end of the quarter

5.6.1 Service's General Fund Account Table

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Communications and Customer Services					
Expenditure	4,132	4,126	6	Favourable	0%
Income	-3,766	-3,766	-	Adverse	0%

Communication and Customer Services Total	366	359	6	Favourable	-2%
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Capital Communications and Customer Services

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
IT	447	447	-

5.6.2 Summary Comment

There is no forecast variance for this area.

6. Service Dashboard – Finance (remit of Resources O&S)

This service area includes Finance and accounting (General fund/Housing Revenue Account); Internal audit; Procurement; Revenues and Benefits

6.1 Key Successes & Lessons Learnt, Areas of Concerns

6.1.1 Summary from Executive Head of Service – Q2 2023/24

The Housing Benefit: The Housing Benefit Service are performing to plan and within capacity. Regular DWP partnership liaison meetings and data return confirm we continue to perform well within the DWP guidelines of processing times for both New Claims and Change of Circumstances. Discretionary Housing Payments (DHP) continue to be paid to customers affected by key welfare changes.

The Revenues Team: Council tax statistics indicate that the collection rate has returned to pre lockdown levels. Business rates collection has improved upon last year but is still down on pre pandemic levels and businesses are struggling to overcome the impact of the pandemic.

The recovery function has now been brought back “in house” and more robust recovery cycles are in place.

Businesses have had support from the government with Supporting Small Business Rate Relief and Transitional Relief following the Revaluation from 01/04/2023. The retail and hospitality sector have benefited from an increased retail discount from 01/04/2023 to support recovery.

The Finance team are performing to usual timetables and are awaiting the 2022/23 financial statements audit to begin in the Autumn.

Richard Bates, Interim Executive Head of Finance

6.2 Key Performance Indicators Status

6.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description	Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
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F1	Percentage of Council Tax collected (cumulative target Q1-Q4, 24.8%,49.5%, 74.3%, 99.0%) (higher outturn is better)	%	56.5%	84.1%	97.7%	29.1%	55.3%	49.5%
F2	Percentage of Non-domestic Rates Collected (cumulative target Q1-Q4, 24.8%,49.5%, 74.3%, 99.0%) (higher outturn is better)	%	49.8%	77.7%	96.6%	27.3%	50.2%	49.5%
F3	Percentage of invoices paid within 30 days or within supplier payment terms (higher outturn is better)	%	96.7%	96.4%	95.7%	94.5%	92.5%	98%
F4	Time taken to process Housing Benefit new claims (lower outturn is better)	Days	10	11	11	11	10	Data only
F5	Time taken to process Housing Benefit change events (lower outturn is better)	Days	6	5	3	4	3	Data only

6.2.2 Comment:

All the performance indicators are within acceptable parameters – This has been a difficult year for council tax and business rate payers and the overall collection rates reflect a better position than was expected due to effects of the cost-of-living crisis.

Cost of Living Grants have been paid to many Taxpayers to help with the ongoing cost of living crisis.

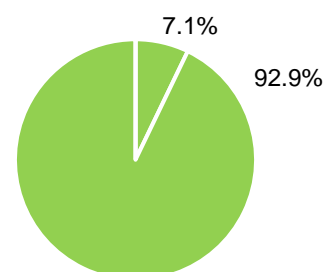
F3 off target mostly due to a significant volume of invoices for agency staff in planning that were delayed in payment following a change of officers in planning responsible for reviewing these invoices and has now been resolved.

6.3 Service Plans 2022/23

6.3.1 Summary Table and Pie Chart

Q2 Progress on Finance Service Plans 2023/26

Total	100%	28
Completed	7.1%	2
On track	92.9%	26
Off track - action taken / in hand	0.0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



6.3.2 Comment:

All service plan actions are on track or have been completed.

6.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 the following Internal Audit Actions were outstanding for this service area:

IA23/10.005 Debt Recovery Policy and Procedure

IA23/10.006 Procedure Documents

IA23/10.007 System Access

For further details please refer to the latest [Review of Progress in the implementation of Internal Audit Actions](#) (from the Audit Committee 11 September 2023)

6.5 Complaints Statistics

6.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	1	5	3	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	1	5	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	100%	100%	0%	95%

6.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	1	3	2	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	1	3	2	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	100%	100%	100%	95%

6.5.3 Summary Comment on the statistics

We have a number of challenging people that are going through all levels of complaints, mainly about the reason why they do not need to pay Council Tax. The responses needed take a long time to prepare and often a coordinated response which other services, such as legal. We do our best to get responses out as soon as we can but will look to improve this.

6.6 Finance Position at the end of the quarter

6.6.1 Finance General Fund Account Table

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Finance					
Expenditure	25,854	26,116	262	Adverse	1%
Income	-24,878	-26,017	-1,139	Favourable	5%
Finance Total	976	99	-877	Favourable	-90%

Capital Finance

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Finance	168	168	-

6.6.2 Summary Comment on General Fund position at the quarter end

Services are generally performing within budget and capacity with small savings in staffing budgets forecast.

Increases in bank base rate and increased interest rate offerings on investments has improved the overall achievement of treasury management investment income against approved budget. Some of this interest income is allocated to the HRA account as it relates to HRA balances, therefore the HRA will also benefit from this favourable position.

6.6.3 Treasury management

Treasury management performance is reported in the table below to the period ended September 2023.

Year	Average External Daily Investment	Average days invested in year	Annual interest receipts (ext)	Ext. Budget (excl.£170k HRA)	Rate of return%	Bank base rate
14/15	£57m	79	£374,229	£330,000	0.65%	0.50%
15/16	£60m	93	£473,981	£330,000	0.77%	0.50%
16/17	£66m	93	£489,461	£430,000	0.73%	0.25%
17/18	£68m	92	£448,907	£285,000	0.65%	0.50%
18/19	£70m	117	£667,617	£463,146	0.92%	0.75%
19/20	£77m	177	£906,000	£630,000	1.12%	0.10%
20/21	£77.5m	156	£660,137	£630,000	0.86%	0.10%
21/22	£79m	176	£502,657	£220,000	0.60%	0.75%
22/23	£86.4m	200	£1.703m	£390,000	1.64%	4.25%
23/24	£88m	138	£3.39m forecast	£1.83m	3.45%	5.25%
For comparison shown below are the key stats for 22/23 as at September 2022.						
22/23	£79m	134	£1.408k forecast	£390,000	1.11%	1.75%

The Treasury Management Strategy contains several Treasury Management Parameters (TMPs) that set out the framework with for all treasury management investments and are reported on quarterly by exception as required by the Treasury Management Code of Practice. There are no exceptions to report, and all investment activity is within the parameters approved by Council in February 2023.

7. Service Dashboard – Housing Services (remit of Resources O&S)

This service area includes Homelessness; Housing advice; Housing maintenance and repairs; Landlord services, Housing Development and Strategy and Enabling.

7.1 Key Successes & Lessons Learnt, Areas of Concerns

7.1.1 Summary from Executive Head of Service – Q2 2023/24

Landlord Services

Over the summer the Teams continued to focus on priorities to address and improve compliance, damp and mould and responsive repairs services.

Following a period of vacancies and employment of interim staff the Compliance Team is now fully staffed, including a Compliance Manager, Compliance Gas and Electrical Safety Officer and Mechanical and Electrical Manager. The new postholders have made a positive start.

The Asset Team successfully recruited to new posts: a Land Officer and Assistant Housing Asset Data Analyst. These officers will ensure the service maintains robust accurate records on housing property and land.

The Property Services Team have worked on an Aids and Adaptations review, following the Housing Ombudsman's finding of maladministration due to extensive delays in a particular case. A comprehensive action plan has been developed to assess the performance and identify areas of improvement within the service, which was presented to the Landlord Service Advisory Board – Executive Working Group in October.

Progress was made on procurement projects for the Asset Management IT system, fire equipment servicing, aids and adaptations works and buy back of former council properties.

During the quarter the Fire Safety Policy and the Damp and Mould Policy were approved providing clear guidance on the responsibilities and aims of the Landlord Service to ensure tenants are safe in their homes.

The Service Improvement Team shared reflections and learning following the summer housing conferences at the July Landlord Services Advisory Board. The Team also worked with the Board to provide feedback to the Regulator of Social Housing proposed consumer standards consultation.

Partnership working has been the focus for the Housing Management Team. Close working with the Police and other agencies has led to the successful resolution and closure of some longer term cases. The Team also prioritises vulnerable tenants to help sustain their tenancies and address issues such as hoarding and exploitation. The Resettlement Team are working with refugees in council homes, providing practical advice and assistance to support integration.

Strategy and Enabling

Work has progressed in a number of key areas:

- Delivering the Year 2 action plan for the Affordable Homes Delivery Strategy 2022-2025: *Build More; Build Better; Build for Life*.
- The Team has focused on securing lower rents at planning stage, meeting the new definition of Locally Affordable Homes set out in the Strategy. Social rents and lower affordable rents are much needed in Waverley in the context of very high house prices and a national cost-of-living crisis. Officers have successfully negotiated social rents (the lowest rents of all, equivalent to around 55% of market rent) and secured in s.106 agreements.
- Twenty seven affordable homes were completed by the Council's affordable housing partners, A2 Dominion, Aster, Metropolitan Thames Valley Housing, Southern and VIVID. A further 17 homes with Legal and General affordable homes at Woodside Park, Catteshall Lane, have been built and are awaiting planning conditions signoff before they can be occupied. Works

started on site on 3 affordable homes at Sturt Farm in Haslemere. Planning permission was granted for 119 affordable homes, including 33 of the 65 affordable homes at Hurst Farm, Milford, to be provided at social rents.

- The Team supported the Planning Policy team on the new evidence base for the forthcoming Local Plan update, contributing to the consultant’s brief for the Housing and Economic Development Needs Assessment (HEDNA). A financial contribution will be made from Housing towards this important piece of work, which will become our latest evidence of affordable housing need.
- Officers worked closely with the Rural Housing Enabler to support Parish Councils with affordable housing, including obtaining advice from national rural networks on Designated Rural Areas, to support a Parish Council interested in applying for additional designations to stop rural affordable homes being lost to the Right to Buy. Discussions on affordable housing need continued with Wonerish Parish Council, which is considering a housing needs survey.
- Officers worked with the Community Safety team to address anti-social behaviour on a new housing association development.
- ‘Additional Affordable Housing’, funded by Homes England, continues to pose some challenges during negotiations with developers and affordable housing providers. Discussions are ongoing with Homes England to work towards a resolution.
- The Housing Strategy & Enabling Team worked closely with Surrey County Council on the updated Joint Strategic Needs Assessment, on the Autism Strategy Housing workstream, and with the Adult Social Care Team to explore a site for an Extra Care scheme.

Homelessness and Housing Options

The Housing Options and HomeChoice Teams continued to prevent homelessness during the summer. There were three households in temporary accommodation at the end of September 2023 compared with 8 in March 2023 which is welcome but homeless demand continues to be high. There were 198 new homeless approaches this quarter compared to 214 last quarter. The team continue to see an increase in caseload year on year. There are currently two vacancies within the team which is impacting caseload and staff wellbeing.

The Homechoice Team has continued to advertise and let social housing tenancies and, along with the Options Team, manage the Council’s Housing Register.

Andrew Smith, Executive Head of Housing

7.2 Key Performance Indicators Status

7.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
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H1 (NI)	Number of homeless households in temporary accommodation at the end of the quarter (lower outturn is better)	No.	3	7	8	2	3	<5
H2	Total current tenants rent arrears as a percentage of the total estimated gross debit (lower outturn is better)	%	0.9%	1.0%	0.9%	1.0%	1.2%	1%
H3	Average number of working days taken to re-let 'normal void' property (lower outturn is better)	Days	26	31	30	39	39	25
H4	Percentage of annual boiler services and gas safety checks undertaken on time (higher outturn is better)	%	99.7%	99.4%	99.3%	99.9%	99%	100%
H5a	Responsive Repairs: How would you rate the overall service you have received? (Tenants' view of the service) (higher outturn is better)	%	77%	79%	74%	74%	81%	90%
H5b	Responsive Repairs: Average number of days to complete a repair (lower outturn is better)	Days	20	20	22	27	12	7
H6a	Responsive Repairs: Was repair completed right first time? (Tenants' view of the service) (higher outturn is better)	%	68%	61%	64%	62%	68%	78%
H6b	Responsive Repairs: Percentage of jobs not completed within 28 days (lower outturn is better) *	%	14.0%	13.0%	22.0%	39.0%	13%	10%
H7	% of tenancy audits completed against scheduled appointments in a quarter.	%	Suspended until April 2023			100%	80%	95%
H8	Number of Affordable homes - Granted planning permission (Data only - higher outturn is better)	No.	7	9	33	0	119	Data only
H9	Number of Affordable homes - Started on site within a quarter (Data only - higher outturn is better)	No.	76	69	99	3	3	Data only
H10	Total Number of affordable homes delivered by the Council and other providers (gross) (Data only - higher outturn is better)	No.	78	58	84	3	27	Data only
H10a	Number of affordable homes delivered other providers (gross) (Data only - higher outturn is better)	No.	78	58	84	3	27	Data only
H10b	Number of affordable homes delivered by the Council (gross) (Data only - higher outturn is better)	No.	0	0	0	0	0	Data only

7.2.2 Comment:

Rents:

The Rents Team have failed to maintain the target for the first time since covid. This is due to a number of complex cases, that are nearing solutions, and the teams aim to avoid evictions. 1,600 tenants are in arrears, with 1,000 owing less than £100 and 25 tenants owing over £2,000. 90% of tenants in arrears are engaged with their Rent Accounts officer and have repayment plans in place. The team also remain under resourced with one staff vacancy and another on long term absence.

Relets:

The Team continues to be challenged by the target with an increase in the number of empty homes, embedding new contracts and increase in works required to homes. A Relet Review is underway, with the introduction of dedicated officer for tenancy end and starts to support tenants through the process. The findings of the Relet Review will be presented to the Landlord Services Advisory Board on 30 November to give an update on progress and plans to improve performance.

Gas Safety:

Following the challenges with the previous contract and embedding of new contractor the team pleased to see the continued improvement in performance. As at the end of September 11 homes were without a valid gas safety certificate, due to issues with access and appointments. Two have since been completed at the start of October. Of the nine remaining the majority are overdue by less than a month and two were due in August.

Responsive Repairs and Voids:

There continues to be challenges with meeting the responsive repairs and voids targets, but the team are working well together and seeing a level of improvement and progress in performance. Consideration is also being given to strengthening the team in terms of contract management. The Housing Operations Manager and Responsive Repairs Contract Manager presented to Landlord Services Advisory Board on 28 September to give an update on progress and plans to improve performance. They advised that they have reviewed their operational management structure to provide more clarity on roles and responsibilities, reviewed the supply chain, recruited seven new operatives and completed a performance review leading to the departure of underperforming operatives. Performance data shared identified:

1. between 1,100 and 1,200 repair jobs per month,
2. the reduction in work in progress as a backlog in jobs is addressed, from 1,280 in April to 668 in August, and
3. an improvement in performance with 100% emergency, 98% urgent and 84% jobs completed in timescale in August, compared to 85%, 63% and 57% in April.

Tenancy Audits:

The audit target was not fully met due to a significant increase in caseload for the Housing Management team in recent months. The team are prioritising their cases by category in order to reduce numbers and have a target through to March.

7.2.3 Affordable Homes Delivery

UNITS	TENURE	SCHEME	PROVIDER	COMPLETED
6	4 X 3 bedroom Shared ownership; 2 X 3 bedroom Affordable rent	Amber Waterside/ Cranleigh Nurseries	A2	25.09.2023
7	4 x 2 bedroom 2 x 3 bedroom Affordable rent; 1 x 3 bedroom	Firethorn Farm, Plough Lane, Ewhurst	Aster	24.08.2023

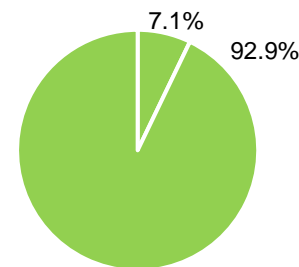
	Shared ownership			
8	8 x 1 bedroom flat Shared ownership	Brightwells, Farnham	Metropolitan Thames Valley Housing	18.08.2023
4	4 x 3 bedroom Shared ownership	Ockford Park Godalming	Southern	27.07.2023
2	2 x 3 bedroom Shared ownership	Waverley Folly/Goslings Place	VIVID	11.08.2023

7.3 Service Plans – Progress Status

7.3.1 Summary Table and Pie Chart

Q2 Progress on Housing Services Service Plans 2023/26

Total	100%	42
Completed	7.1%	3
On track	92.9%	39
Off track - action taken / in hand	0.0%	0
Off track - requires escalation	0.0%	0
Cancelled / Deferred /Transferred	0.0%	0



7.3.2 Summary comment on the service plans

Comment: All service plan actions are completed or on track.

7.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 the following Internal Audit Actions, from the Use and Occupation charges audit, were outstanding for this service area as they were due end of September:

IA23/08.001.1 Training

IA23/08.001.3 Local Policy (due end Oct)

IA23/08.002.1 Tenancy Audits

IA23/08.003.1 Staff Training

IA23/08.004.1 Performance Management

For further details please refer to the latest Review of Progress in the implementation of Internal Audit Actions (from the Audit Committee 11 September 2023). Please note the outstanding actions were completed the first week of October.

7.5 Complaints Statistics

7.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	23	34	44	32	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		19	26	26	18	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	82.6%	76.5%	59.1%	56.3%	95%

7.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	23	12	14	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	22	12	12	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	95.7%	100%	85.7%	95%

7.5.3 Summary Comment on the statistics

Due to an increase in complexity of complaints the Team has had challenges in investigating and responding to tenants within the timescales.

Overall there has been a decrease in complaints however, the level of complaints related to damp and mould has increased, following the tragic death of Awaab Ishak in Rochdale and the national campaign 'Make Things Right' The Executive Head of Housing is reviewing resources to improve capacity to respond to complaints. The Make Things Right campaign has been relaunched this autumn.

7.6 Finance Position at the end of the quarter

7.6.1 Housing Services General Fund Account Table

General Fund Account					
Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Housing Services					
Expenditure	2,407	2,389	-18	Favourable	-1%
Income	-2,103	-2,103	-	Adverse	0%
General Fund Housing Services Total	304	286	-18	Favourable	-6%

HRA					
	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Housing Services					

Expenditure	30,184	30,399	215	Adverse	1%
Income	-37,300	-37,479	-179	Favourable	0%
Housing Services Total	-7,116	-7,080	36	Adverse	-1%

HRA – Core Capital

	Approved Budget £'000	Forecast Outturn £'000	Sum of Savings £'000
Communal & Estate works	190	190	
Health & Safety Works	1,121	1,121	
MRA Prog Decent Homes Occupied Properties	900	900	
MRA Prog Decent Homes Void Properties	630	630	
MRA Prog Disabled Adaptations Occupied Properties	300	300	
MRA Programmed work	3,716	3,504	-212
Roofing & Associated works	1,230	980	-250
St James Court	140	140	
Structural & Damp works	247	247	
Windows & Doors	450	45	
Grand Total	8,925	8,463	-462

New Build/Stock Remodelling

	Approved Budget £'000	Forecast Outturn £'000	Sum of Carry forward £'000
Chiddingfold schemes	7,525	2,900	-4,625
HRA Feasibility Studies	511	511	-
Latent defects	189	189	-
Ockford Ridge schemes	4,613	4,613	-
Pre-development Expenditure	170	170	-
Zero carbon retrofit pilot	1,739	1,739	-
85 Aarons Hill Starter Homes (Land adj)	819	819	-419
Borough Wide Refurbishment	339	339	-
Catteshall Lane	2,845	700	-2,145
Grand Total	18,753	11,563	-7,190

7.6.2 Summary Comment on revenue position at the quarter end

General Fund income and expenditure has a currently favourable forecast due to staff savings.

HRA shows overall adverse variance due to additional costs due to number and works of voids. However, the HRA including regeneration is overall favourable.

HRA Capital programme shows overall favourable variance from savings in procurement and delays in programme timeframes. The team are looking to increase other programmes to use the forecasted saving.

The New Build budgets were updated following the strategic review on the Housing Revenue Account in 2022/23. Seven million will be carried forward to 2024/5 due to delays in planning, procurement and contract negotiation.

NB Further details can be found in the HRA Business Plan mid-year review.

8. Service Dashboard – Legal and Democratic Services (remit of Resources O&S)

This service includes Democratic and committee services; Elections; Executive and civic support; GDPR; Information security; governance; Legal; Overview and scrutiny support.

8.1 Key Successes & Lessons Learnt, Areas of Concerns

8.1.1 Summary from Executive Head of Service – Q2 2023/24

Work completed in Q2 23/24 included:

- The Democratic Services Manager and Senior Democratic Services Officer (Scrutiny) have started their roles;
- An Interim Senior Governance Officer has returned to the Council to support and energise governance change and constitution projects;
- Systems and processes have been improved to better enable the administration and publication of portfolio holder decisions and delegated decisions made by senior officers;
- Successful delivery of the Cranleigh BID ballot;
- Recruiting a Finance Administrator to support the newly created Financial Control Panel;
- Organising successful fundraising events for the Mayoral charities;
- Continuing to monitor and review the efficiency of the business support provided to the JMT, Leaders and Mayor and write business cases for growth and improvement;
- Executive support assuming responsibility for the administration of key officer meetings, notably CMB and JMT;
- Sealing process now rolled out for officers;
- Exploring the staff sharing opportunities with Guildford in the spirit of Council's collaboration plans;
- Recruited an interim Legal Business Manager to bolster admin support in legal services;
- Working on plans introduce increased resilience re processing of access to information requests

I would like to thank the committed and hard-working staff in the elections, democratic services, legal and executive support teams for their contribution through a challenging period of change.

Susan Sale, Executive Head of Legal and Democratic Services

8.2 Key Performance Indicators Status

8.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
LD1a	Number of Data Protection Subject Access Requests received.	No.	14	9	12	18	13	Data only
LD1b	Percentage of Data Protection Subject Access Requests responded to within statutory timeframe	%	92.86%	100%	75%	100%	100%	100%
LD2a	Number of Freedom of Information (FOI) and Environmental Information Regulations Requests (EIR) received.	No.	108	110	179	180	179	Data only
LD2b	Percentage of FOI and EIR requests responded to within statutory timescale (target of 95% up to Q4 22/23)	%	72.2%	93.8%	94.8%	89.8%	88.7%	90%
			Target 95%					

8.2.2 Comment:

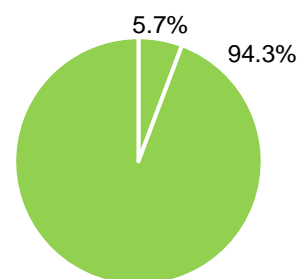
The compliance rate for responding to FOI requests has dropped during both Q1 and Q2 due to a lack of resource and resilience in staffing this function, exacerbated by annual leave and sickness absence. A growth bid for additional resources is currently being proposed and is likely to come before the Executive in November 2023.

8.3 Service Plans – Progress Status

8.3.1 Summary Table and Pie Chart

Q2 Progress on Legal & Democratic Service Plans 2023/26

Total	100%	35
Completed	5.7%	2
On track	94.3%	33
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



8.3.2 Comment:

All service plan actions are on track or have been completed.

8.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 the following Internal Audit Actions were outstanding for this service area:

IA22/SP/04.003.1 Training

IA22/SP/04.007.1 Job descriptions

IA22/SP/04.007.3 Backup cover

For further details please refer to the latest [Review of Progress in the implementation of Internal Audit Actions](#) (from the Audit Committee 11 September 2023)

8.5 Complaints Statistics

8.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	1	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	0%	N/A	95%

8.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

8.5.3 Summary Comment on the complaints statistics

No complaints were received this quarter.

8.6 Finance Position at the end of the quarter

8.6.1 Legal and Democratic Service General Fund Account Table

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Legal and Democratic Services					
Expenditure	4,385	4,299	-86	Favourable	-2%
Income	-2,830	-2,817	13	Adverse	0%
Legal and Democratic Services Total	1,554	1,482	-72	Favourable	-5%

8.6.2 Summary Comment

The budget position is favourable as a result of savings on staffing, members allowances and travel costs.

9. Service Dashboard – Organisational Development (remit of Resources O&S)

This service includes: Business transformation; Climate change and sustainability; Human Resources, Learning and Development, payroll; Strategy, policy and performance; Programme assurance; Risk management; and business continuity.

9.1 Key Successes & Lessons Learnt, Areas of Concerns

9.1.1 Summary from Executive Head of Service – Q2 2023/24

Quarter 2 highlights:

- I was very pleased to appoint Delma Bryant as the Council's new Sustainability Manager;
- Annual review and refresh of the Climate Neutrality Action Plan;
- First Annual Data Management report submitted to Audit and Risk Committee (in line with Information and Data Management Programme);
- Research and development of key workforce development approaches including agile working and gender pay gap action plan;
- 0.5 days reduction per employee in total staff sickness absence (KPI OD2), moving the indicator from red to amber.
- Continuing progress of the Waverley/Guildford Transformation and Collaboration programme work in advance of Executive report scheduled for consideration later this calendar year (recommendations will include the involvement of both authorities' overview and scrutiny functions).

Robin Taylor

Executive Head of Organisational Development

9.2 Key Performance Indicators Status

9.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
OD1	Total Staff Turnover for Rolling 12 month period (%) (data only)	%	13.8%	15.2%	15.8%	15.6%	15.9%	Data only
OD2	Total Staff Short & Long term Sickness Absence - Working Days Lost per Employee - Rolling 12 months (lower outturn is better)	Days	6.6	6.8	7.8	7.1	6.6	6.52
OD2a	Short term Sickness Absence	Days	3.3	3.3	3.8	3.9	3.8	6.52
OD2b	Long term Sickness Absence		3.3	3.5	4.0	3.2	2.9	

9.2.2 Comment:

OD1

The overall turnover figure and resignation turnover for the rolling period to October 2022 to September 2023 continues to remain higher than the comparable position of 12 months ago. Local authorities across the board are seeing a general increase in staff turnover as in certain areas as pools of suitable candidates are very low and it is a very candidate driven market creating opportunities for staff to move on. In certain areas, such as Finance staff are being targeted fairly aggressively by head-hunters to prise them from one organisation to another and challenging areas such as Planning continue nationally and locally. We have a challenging situation as we manage our way through the collaboration with Guildford which creates more instability and makes us more vulnerable to staff movements as they may look to seek stability in other organisations. This is compounded by a cross societal change post Covid of employees looking at and considering other working options and mobility increases not just within professions but also career changes. We have recently restarted the Waverley Wellbeing Group and are now actively working on different

interventions to improve team cohesion and a feeling of belonging at Waverley as well as encouraging Managers to hold regular team meeting and training events.

Benchmarking. 9 of the 11 District Authorities in Surrey shared their staff turnover figures for quarter 2. Of that comparison group, Waverley’s figure of 15.9% compared to a mean average of 14.9% and a modal average of 15.6%.

OD2

Overall sickness levels in this most recent quarter have reduced, primarily due to the resolution of some longer-term sickness cases. Short term sickness levels continue to be higher than they were in the rolling period 12 months ago and remain a concern. There are a number of factors behind these figures which continue to create a challenging situation, such as a recent increase in Covid cases, which is likely to develop further in the Winter months. This was seen nationally due to a new variant. We are also currently looking at how we can change the focus of the fit to work policy towards a more supportive document, in terms of language and practice and then how we can skill up the managers to be more supportive and preventative in terms of their approach to absence. We have also stressed the importance to the Managers Group that it important to report in a timely fashion to Human Resource any potential absence cases so we can bring forward interventions such as support for mental health or Occupational health Assessments at the earliest opportunity to reduce absence length and allow us to bring forward earlier, plans for staged return to work processes.

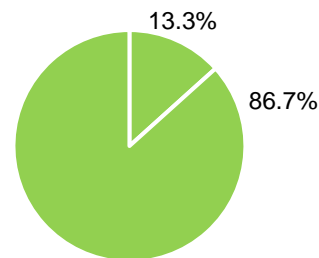
Benchmarking. 9 of the 11 District Authorities in Surrey shared their sickness figures for quarter 2. Of that comparison group, Waverley’s figure of 6.6 days compared to a mean average of 8.2 days and a modal average of 8.2 days.

9.3 Service Plans – Progress Status

9.3.1 Summary Table and Pie Chart

Q2 Progress on Organisational Development Service Plans 2023/26

Total	100%	60
Completed	13.3%	8
On track	86.7%	52
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



9.3.2 Summary Comment on the service plans

All service plan actions are on track or have been completed.

9.4 Internal Audit Actions Progress Status

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

9.5 Complaints Statistics

9.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	1	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	1	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	100%	N/A	95%

9.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	1	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	1	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	100%	95%

9.5.3 Summary Comment on the complaints statistics

One complaint received during Quarter 2 was responded to within the required timeframe.

9.6 Finance Position at the end of the quarter

9.6.1 Organisational Development General Fund Account Table

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Organisational Development					
Expenditure	5,117	4,948	-168	Favourable	-3%
Income	-2,327	-2,327	0	Adverse	0%
Organisational Development Total	2,790	2,622	-168	Favourable	-6%

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000
Capital Organisational Development			
Organisational Development	537	468	69

9.6.2 Summary Comment

The forecast underspend partly relates to temporary staffing vacancies within the service.

10. Service Dashboard – Regeneration and Planning Policy (remit of Resources and Services O&S)

This service area includes Corporate Capital Projects; Economic development; Housing delivery; Planning policy, design, conservation, transport; and Regeneration.

10.1 Key Successes & Lessons Learnt, Areas of Concerns

10.1.1 Summary from Executive Head of Service – Q2 2023/24

Planning Policy (including planning policy, local plans, and planning projects)

A paper regarding the scope of the new Local Plan was reported to the Executive and Overview & Scrutiny Committees during September. The Local Plan Executive Working Group has met in Q2 and has been considering the scope of the vision in the new Local Plan.

The tender for appointing consultants to prepare the Housing and Economic Development Needs Assessment is currently open and the Planning Policy team are working to prepare briefs for other evidence base documents.

The Local Plan Officer Working Group has met and considered themes for inclusion in the vision for the new Local Plan and the team are planning to meet with the group within the next few weeks to discuss evidence base documents.

The date for LPP2 Hearings has been confirmed for 7th and 8th November 2023.

The Alfold Neighbourhood Plan has been independently examined and found to be sound subject to some minor changes. The Parish Council are happy with the suggested changes from the Examiner and the Referendum is scheduled for 7 December.

The Cranleigh Neighbourhood Plan has been submitted to the Council for independent examination and an examiner has been appointed. The Elstead and Weyburn Neighbourhood Plan is at examination and a hearing date has been set for Thursday 16 November.

Recruitment activity has been ongoing for a vacant planning technician and planning policy officer roles, as well as a CIL officer post.

Economic Development

The business plans for Farnham and Godalming BIDs were presented at September Overview and Scrutiny Committee, with the Executive subsequently agreeing that WBC vote “yes” in the respective ballots in October 2023. Results of the ballots will be announced on 1st November. Behind the scenes, work is underway to make arrangements to administer the levy collection for Cranleigh BID which was formed earlier this year.

Work has been progressing to finalise the new Economic Development Strategy and action plan, which it is anticipated will be shared with stakeholders for comment before progressing through the Council governance route in Quarter 3.

The team has been working with Guildford Borough Council, Tandridge and SCC to launch the Rural England Prosperity Fund grant programme, which forms part of the UK Shared Prosperity Fund (UKSPF) levelling up monies. This will provide the opportunity for businesses and community groups to bid for capital grants of between £2,500 and £50,000 to support rural development, jobs, growth and community enterprise. In parallel, the 15 projects supported by the Council’s broader UKSPF allocation have funding agreements in place with the Council and are starting to deliver against the outcomes and outputs anticipated – for example the Creative Business Programme, based at The Maltings, will launch in October 2023.

The refreshed Business Waverley website was soft launched in this quarter, featuring an enhanced business directory. Monthly e-newsletters continue to be issued, with articles linking to the website to generate traffic. This includes reports providing information on vacancy rates and footfall in the eight

high streets: [Health of our high streets \(businesswaverley.co.uk\)](http://businesswaverley.co.uk) and promotion of the Council's business support contract with IncuHive.

Corporate projects

The following activity took place on the various projects mentioned below:

- Full Council approved the business case and various recommendations for 69 High Street, Godalming, enabling the design work to continue towards submission of a planning application later in the year. The procurement of a multi-disciplinary team to support this work progressed with appointments scheduled in October.
- Wey Court East received unanimous grant of planning permission at Committee, following which the contractor has started on site with early strip-out works initially.
- The new 3G pitch at Woolmer Hill has been completed and is in use with a temporary arrangement for bookings and maintenance works.
- Work is underway with Crest and SCC to understand the timelines for anticipated handover of the car park back to Waverley, and discussions are progressing to consider the options to deliver a wider foot and cycle bridge linked to the development.
- An Outline Business Cases for Fairground Car Park and enabling project for the Youth Hub is being drafted.

Housing delivery

The delivery of the new build affordable housing programme continues for schemes with full budget approval and those in the pre-development phase. A number of key highlights include:

- Ockford Ridge, Godalming Deep Retrofit Pilot: Niblock Building Contractors Limited have begun works which are progressing well and are scheduled for completion in Spring 2024.
- Downhurst Road, Ewhurst: Waverley Building Control have assessed the properties concerned as Dangerous Structures under the Building Act 1984. Disconnections continue ahead of demolition later this year.
- Aarons Hill, Godalming: Extension to Pre-Construction Services Agreement issued, with main works set to commence in November 2023.
- Riverside Court, Farnham: Fowler Building Contractors Ltd commenced on site in September and the two new homes should be completed by mid-January 2024.
- Parkhurst Fields, Churt: Updated costs are being sought for demolition, building works, and consultants fees. Former staff accommodation currently in use under licence, with demolition works anticipated to commence in early 2024 (end of February/ March) so as to implement the planning consent.
- Chiddingfold (5 sites): Contract documents are being prepared for issue to the contractor.

Predevelopment work continues to bring forward other sites for business case approval, and the team is supporting several corporate projects which incorporate housing delivery.

Abi Lewis, Executive Head of Regeneration and Planning Policy

10.2 Key Performance Indicators Status

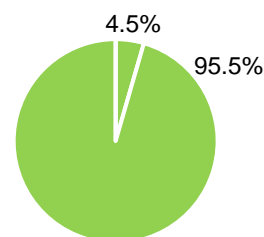
RP1 – Actual number of dwellings commenced and RP2 – Actual number of dwellings completed will be reported on an annual basis.

10.3 Service Plans – Progress Status

10.3.1 Summary Table and Pie Chart

Q2 Progress on Regeneration & Planning Policy Service Plans 2023/26

Total	100%	67
Completed	4.5%	3
On track	95.5%	64
Off track - action taken / in hand	0.0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred / Transferred	0%	0



10.3.2 Summary comment on the service plans

All actions remain on track at present.

10.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 there were no outstanding Internal Audit Actions for this service area.

10.5 Complaints Statistics

10.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

10.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	1	1	2	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	1	1	2	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	100%	100%	100%	95%

10.5.3 Summary Comment on the statistics

Two level 2 complaints were received in Quarter 2, both of which related to Planning Policy (specifically Community Infrastructure Levy) and responses issued within the required timeframe.

10.6 Finance Position at the end of the quarter

10.6.1 Regeneration & Planning Policy General Fund Account Table

General Fund Account					
Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Regeneration & Planning Policy					
Expenditure	2,656	2,638	-19	Favourable	-1%
Income	-1,478	-1,478	-	Adverse	0%
Regeneration & Planning Policy Total	1,178	1,160	-19	Favourable	-2%

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Regeneration & Planning Policy HRA					
Expenditure	456	394	-62	Favourable	-14%
Income	-465	-465	-	Adverse	0%
Regeneration & Planning Policy Total	-9	-71	-62	Favourable	670%

10.6.2 Regeneration & Planning Policy Capital

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Capital Regeneration & Planning Policy			
Regeneration & Planning Policy	605	601	-4

10.6.3 Summary Comment on revenue position at the quarter end

The favourable forecast on general fund Regeneration and Planning Policy mainly relates to a £20k savings within the Economic Development service due to the budget for the EM3 LEP contribution no longer being required. The savings within the HRA relates to forecast vacancy savings within the Development Management team.

10.6.4 Summary Comment on capital position at the quarter end

The £4,000 variance is related to Waggon Yard – it is the balance of funds from previous years that are no longer required following receipt of Surrey Empty Homes funds.

11. Service Dashboard – Commercial Services (remit of Services O&S)

This service area includes Events; Heritage; Leisure; Parking (On and Off Street); Waverley Training Services, Leisure and Building Control (including Street Naming).

11.1 Key Successes & Lessons Learnt, Areas of Concerns

11.1.1 Summary from Executive Head of Service – Q2 2023/24

Leisure

Cranleigh leisure centre moved to the next crucial phase of the project, the detailed design stage which will start in the next quarter. Throughout this quarter stakeholder engagement took place with key groups in the area where the timelines, setting and facility mix were explained. Feedback was sought on each of these elements and on how their 'business' could be affected during the build phase and beyond. This is merely the start, further stakeholder engagement which will take place throughout the remainder of the year. All of which will feed into concept designs and ultimately a fixed design. It is at this stage we will be able to test the market, as the construction field has experienced challenges over the last year and prices are fluctuating, we hope that with an increased budget to reflect these challenges that we can deliver this fantastic project.

The Edge has been a more frustrating workstream. Waverley has worked hard with Surrey County Council (SCC) to help find a solution to reopen the Hall. We believe a solution has been found and are working hard to make this happen as quickly as possible. During this period the Leaders of Surrey and Waverley committed to opening the facilities and committed funds to help achieve an interim arrangement whilst Surrey decide the best way forward. Waverley would like to thank Woolmer Hill Sports Association for their work through this period overseeing the operation of the new 3G pitch and ATP2. It was also pleasing to see that SCC were able to grant a license to the Hockey Club to use ATP1 throughout this period ensuring league fixtures and training could continue.

Parking

Usage of car parks have somewhat stalled during this quarter and Waverley is now showing projected figures below pre-covid levels. This usage will help inform discussions around budgeting for the next financial year.

This quarter saw the advertising of a new Car Parking Manager role which will be vital to maintaining standards and growing usage in our car parks. Two long standing employees retired during this period, and we wish them every success in their next chapter. Once the new manager is in place, we will look to re-structure the service as we are now holding three vacant posts which is significant in a team of six.

Brightwells Yard was a focus for the team this quarter with the car park nearing completion. As handover nears it is prudent for Waverley to ensure the 'building' we receive is fit for purpose. To mitigate this risk, we have appointed car park specialists to assist with the hand over process. Brightwells Yard will be Waverley's first multi-storey car park and that brings different management requirements.

Building Control & Street naming

This has been a much busier quarter for the service with application numbers increasing. This has been challenging for the team as we have been one surveyor down. This has meant prioritising of site visits over plan checking; hence we are slightly behind target. We have successfully recruited to the vacant surveyor position and will be back to full strength in the next quarter. Our Addressing Team won two LABC awards this period with the manager winning an individual award. This is a testament to the professionalism of the team.

Waverley Training Services (WTS)

Now we are back to a near full strength tutor team we are confident that performance for learners will improve over the coming months. The newly appointed Teaching and Learning Manager has introduced new efficient ways of working that we are confident will positively impact on achievements.

Arts & Culture

The Memorial Hall is operating well and is achieving the initial targets set and the Borough Hall performance has increased considerably this year adjusting to a venue to hire as opposed to putting on events itself.

The Museum of Farnham project is progressing well with the procurement of specialist support. Communications around this project are being created as this is a fascinating heritage project with significant public interest.

Kelvin Mills, Executive Head of Commercial Services

11.2 Key Performance Indicators Status

11.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
C1	Total number of visits to Waverley leisure centres (higher outturn is better)	Visits	373,127	386,293	439,645	377,587	242,437	Data only
C2	Total number of attendees of the health and wellbeing activities throughout the borough in a quarter (higher outturn is better)	No.	2,920	2,390	5,273	3,016	966	Data only
C3	Percentage of complete building control applications checked within 10 days (higher outturn is better) (P8)	%	92.5%	92.5%	91.4%	77.7%	81.6%	80%
C4	Apprentice overall success rate per quarter (higher outturn is better)	%	75.0%	75.0%	76.1%	64.0%	72.4%	65%
C5	Apprentice timely success rate in gaining qualification in the time expected (higher outturn is better)	%	70.0%	70.0%	74.6%	56.0%	72.4%	60%
C6	Number of apprentices on study programmes (cumulative year to date with the annual target of 30) (higher outturn is better)	No.	18	19	19	19	6	Data only

11.2.2 Comment:

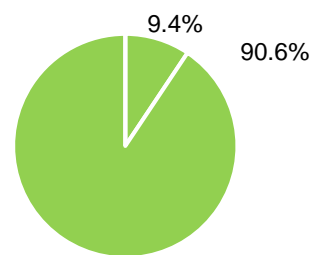
C1 and C2 - These figures, as they stand, cannot be compared to previous quarters as the data collection is not comparable with Places Leisure. Areas that have been identified already include the omission of club usage and any sports hall (group) booking data, and therefore do not provide a true reflection of current usage. We will be working through data collection and reporting with EA to understand their systems and to ensure that all usage is accurately reported moving forwards.

11.3 Service Plans – Progress Status

11.3.1 Summary Table and Pie Chart

Q2 Progress on Commercial Services Service Plans 2023/26

Total	100%	32
Completed	9.4%	3
On track	90.6%	29
Off track - action taken / in hand	0.0%	0
Off track - requires escalation	0.0%	0
Cancelled / Deferred /Transferred	2.6%	0



11.3.2 Summary comment on the service plans

All service plans are complete or on target.

11.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 there were no outstanding Internal Audit actions for this service area.

11.5 Complaints Statistics

11.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	1	1	3	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number	New service structure effective 1 Oct 2022	0	0	1	3	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	0%	N/A	100%	95%

11.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	1	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	1	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	100%	95%

11.5.3 Summary Comment on the statistics

Complaints received were responded to within the required timeframe.

11.6 Finance Position at the end of the quarter

11.6.1 Service’s General Fund Account Table

Services	Approved Budget	Forecast Outturn	Forecast variance	Adverse/ Favourable	% variance
Commercial Services					
Expenditure	7,395	7,204	-192	Favourable	-3%
Income	-10,716	-10,147	569	Adverse	-5%
Commercial Services Total	-3,321	-2,943	377	Adverse	-11%

The dip in car park usage is difficult to mitigate as even a small drop has a considerable financial impact. We will continue to monitor income performance and mitigate where possible.

Capital Commercial

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Commercial Services	2,034	2,034	-

11.6.2 Summary Comment on General Fund and capital position at the quarter end

Capital expenditure is behind programme as current resources are limited in the Parking Team where a significant element of the capital programme sits. We will aim to carry over funds budget set aside for improving our pay and display machines.

12. Service Dashboard – Community Services (remit of Services O&S)

This service area Careline; Community grants; Community safety; Disabled facility grants, adaptations; Family support; Health and Wellbeing; Safeguarding; Supporting vulnerable people, migrants and refugees.

12.1 Key Successes & Lessons Learnt, Areas of Concerns

12.1.1 Summary from Executive Head of Service – Q2 2023/24

Community Challenges

As part of our continued work to support vulnerable people through the cost-of-living crisis in tandem with our voluntary sector partners and town and parish councils, we have helped 460 households through the Household Support Fund. We have allocated £98,000 from the fund to seven community groups and voluntary sector partners who link in with our communities directly.

Funding and staffing pressures continue to affect our statutory and community partnerships, and this is impacting on the delivery of services to our communities. Under our leadership we are progressing well with the collaboration work with statutory agencies to support our communities and have developed a health and wellbeing partnership with a focus on the wider determinants of health within the NHS Integrated Care Partnerships (ICP). We are helping to ensure that the health and wellbeing of our residents is not only determined and perceived through a clinical lens and that wider funding and community experience is utilised in the best way to meet the social and emotional needs of our communities.

Our Careline services continue to be impacted by the cost-of-living crisis in as much as some people are unable to afford this support when balanced with other household needs. We have 81 users on digital alarm packages and 1485 users with the traditional Tunstall live package. However, we lost 26

users in August as they were telecare only clients who paid one off fees for kit which is now out of warranty. This will be seen in our figures despite there being no monthly charge as they are still counted.

Community Safety and Safeguarding

We continue to see a rise in safeguarding cases and the pressures on Adult Social Care results in thresholds of intervention becoming higher. Our internal practice is constantly improving to ensure we mitigate the risk to our vulnerable people by ensuring robust action led case conferences are held with our partners in Adult Social Care and the Police. To help with this work we are hoping to recruit a corporate safeguarding officer.

We are continuing to deliver the Safer Waverley Partnership (SWP) plan and are working on a health and wellbeing strategy that will embrace the impact anti-social behaviour can have on resident wellbeing. We are seeing a rise in community triggers amongst our tenants that the Communities and Housing teams work together to resolve.

Refugee Resettlement

We continue to support the resettlement of refugee families from Syria and Afghanistan ensuring that access to education, health and financial support can help the families achieve independence. We are working on ensuring that our pledge to home 10 Afghan families under the resettlement scheme is achieved and this will align with the government initiative to move Afghan families under the ARAP resettlement schemes from bridging hotels into housing. We have 7 families with us currently and are linking in with the Home Office to receive a further 3.

The support for Ukrainian families under the Homes For Ukraine scheme continues and many of the families remain with their hosts, but there continues to be a serious decline in new expressions of interest to host families and we anticipate as the crisis continues that many of the families currently hosted will need accommodation. The team continues to work with families to find housing within the private sector, but many landlords are now requesting six months' rent in advance – which is a challenge, but we are utilising the government funding to support families make the transition.

Samantha Hutchison – Executive Head for Communities

12.2 Key Performance Indicators Status

12.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
CU1	Total number of Careline clients (data only, no target set - higher outturn is better)	Clients	1512	1476	1510	1500	1485	Data only
CU2	Total number of Careline calls per quarter (data only, no target set)	Calls	5359	6334	6219	6059	5864	Data only
CU3	Critical faults dealt with within 48 hours per quarter (higher outturn is better)	Faults %	100%	100%	100%	100%	100%	95%

12.2.2 Comment:

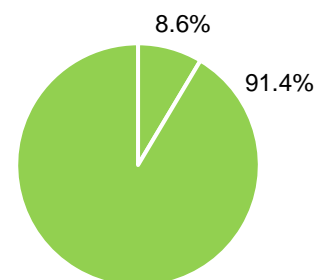
The total Careline customers for this quarter are 1485 and reflects the normal fluctuations we have with customer take up. The issues around equipment supply also impact this number.

12.3 Service Plans – Progress Status

12.3.1 Summary Table and Pie Chart

Q2 Progress on Community Services Service Plans 2023/26

Total	100%	35
Completed	8.6%	3
On track	91.4%	32
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



12.3.2 Summary comment on the service plans

All service plans are complete or on target.

12.4 Internal Audit Actions Progress Status

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

12.5 Complaints Statistics

12.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

12.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	0	0	0	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	0	0	0	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	N/A	N/A	N/A	95%

12.5.3 Summary Comment on the statistics

No complaints were received this quarter.

12.6 Finance Position at the end of the quarter

12.6.1 Community Service’s General Fund Account Table

General Fund Account

Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Community Services					
Expenditure	2,536	2,527	-9	Favourable	0%
Income	-1,328	-1,276	52	Adverse	-4%
Community Services Total	1,208	1,251	43	Adverse	4%

Capital Community Services

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Community Services	905	905	-

12.6.2 Summary Comment on revenue position at the quarter end

Due to the problems with our careline equipment supply, we have tried our best to install equipment at the rate of demand, and this will have impacted our income. The need continues to grow and move in the right direction.

13. Service Dashboard – Environmental Services (remit of Services O&S)

This service includes Bereavement; Green spaces, parks, countryside, trees; Fleet operations; Street Cleaning; Waste and recycling.

13.1 Key Successes & Lessons Learnt, Areas of Concerns

13.1.1 Summary from Executive Head of Service – Q2 2023/24

Waste Services -The Environmental Services Team has continued to work with our waste contractor to improve services around Waste and recycling and street cleansing, our field officer team has continued to build and maintain relationships with key Biffa staff members, which has led to a better understanding of issues on both sides of the contract and further embedding of good relationships between our two teams.

The operational issues affecting performance in Q1 have been resolved and performance on missed collections has returned to under 60 per 100 collections.

Greenspaces - Green Flag and In Bloom Awards - Ten of the councils' green spaces have, once again, been recognised by the Green Flag Award Scheme as some of the best in the world. Blackheath Common, Frensham Great Pond & Common, Mare Hill Common, Bealeswood Common, Summerlands Estate, Lammas Lands, Broadwater Park, Phillips Memorial Park, Farnham Park and Weybourne Nature Reserve have all received green flags for a further year. Farnham Park is also a recipient, once again, of a Green Heritage Site Accreditation supported by Historic England, for the management of its historic features. The council has also received another In Bloom in the Large Park category of South & Southeast in Bloom for the tenth year in a row. These awards recognise that the sites are well maintained and provide safe facilities for the local community, supporting not only health and wellbeing but also biodiversity.

Grounds maintenance contract - the Contract continues to perform well, despite the significant resource changes from the removal of SCC highway areas from the contract. We are getting minimal contacts from residents about SCC works, which is due to the good communication campaign and message that WBC have delivered. The new contract monitoring officer is settling well into their role and the team.

Playgrounds - Assets repairs continue this year, with works orders being raised to help maintain the 53 playgrounds we manage.

Playground consultations are now completed for sites; Lashmere Recreation Ground, Cranleigh, Wentworth Close, Weybourne and Combe Road Recreation Ground, Godalming. Tenders for these sites have been advertised and we hope to appoint the suppliers in Q3. The intention is to have these sites fully refurbished for Easter next year. Other consultation on playgrounds sites that are to be funded subject to a successful CIL application in Q3, are Border Road and Oak Cottages, Haslemere, Sandyhill, Farnham.

Countryside Rangers - Another busy year for the rangers managing the Frensham Great Pond and Common site, delivering the Higher-Level Stewardship schemes on the key SSSI sites and managing many other sites. Numbers visiting Frensham have been lower this year, which has impacted carparking income. So far to date in the first two quarters of the year, the invaluable volunteer workforce who are key to managing many sites have provided 2177 hours of hard work to the council.

Tree & Woodland Team – The Tree & Woodland Officer has decided to take early retirement following a period of long-term sick leave. We have recruited to fill this position already internally and we have also appointed a tree inspector who will start in Q3. Due to the internal appointed to the Tree & Woodland Officer position we now need to fill the vacant Tree officer role. Capacity issues have been a long standing for the team and will continue for some time until the vacant position is filled and new officers settle in. Support is being given by the Tree & Landscape team and we are having to really focus on essential works.

Events/Filming/Bookings - Bookings for fetes, fairs, fitness licences etc. continue this year. We have had no big budget film requests as of yet so far this year due to writers' strike and overall income is markedly down on budget expectations.

Tree Protection and Planning Consults - Conservation Area tree applications – 97.96% completed within 6wks period. The combined quarter average is 96.42% compared to the target of 95%.

Tree Management works applications – 95.52% completed with 8wk period The combined quarter average is 94.5% which is just below the target of 95%. This is due waiting for supporting documentation to be supplied, seeking of clarifications and delayed responses from Arboricultural contractors.

Chris Wheeler, Executive Head of Environmental Services

13.2 Key Performance Indicators Status

13.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

13.2.2 Comment:

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
E1*	Materials recovery facilities (MRF) Reject Rate (lower outturn is better)	%	4.0%	5.3%	9.1%	7.3%	Received Quarter in Arrears	5.00%
E3a	Number of refuse and recycling missed bins out of 100,000 collections per week (lower outturn is better)		60	63	63	80	58	40
	Achievement rate for refuse and recycling bin collections	%	99.94%	99.94%	99.94%	99.92%	99.94%	
E3b	Number of food waste missed bins out of 100,000 collections per week (lower outturn is better)		69	61	64	78	59	40
	Achievement rate for food waste bin collections	%	99.93%	99.94%	99.94%	99.92%	99.94%	
E NI191*	Residual household waste per household (lower outturn is better)	kg	82	87	94.9	90	Received Quarter in Arrears	90.00
E NI192*	Percentage of household waste sent for reuse, recycling and composting (higher outturn is better)	%	58.0%	57.9%	55.0%	58.9%	Received Quarter in Arrears	54.0%
E4	Percentage of tree applications determined within 8 weeks (higher outturn is better)	%	97.6%	98.2%	96.2%	93.5%	95.5%	95%

E1, NI191, NI192 – The MRF rejection rate, residual waste per household and recycling rate figures for the current quarter are not available. These figures are calculated by Surrey County Council and their Contractor who receive our recycling for processing, and it takes some time for these figures to be collated, verified and shared with Waverley BC. Historically we have only been able to report these figures a quarter in arrears.

The MRF rejection rate for Q1, has shown some improvement on Q4. Officers have examined previous values for this indicator and there doesn't appear to be any evident trend although there have been occasional higher levels of rejected material.

Residual Waste per household in Q1 is in line with targets after the normally heavier Q4.

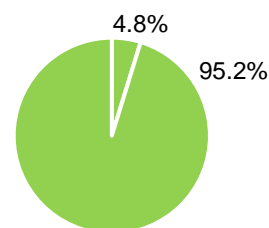
E3a, E3b – Missed bin figures for Q2 are provided but must be viewed with caution due to issues with the Council's customer reporting software, which is letting residents report a missed bin before the lorry turns up to empty it, even if the lorry is just an hour later than normal, so the figures include reports of missed bins that were not missed but simply picked up later than usual. Biffa expect to bring devices into use during Q3 and this will see the reporting software amended on the Council side and allow a faster reporting and response for genuine issues.

13.3 Service Plans – Progress Status

13.3.1 Summary Table and Pie Chart

Q2 Progress on Environmental Services Service Plans 2023/26

Total	100%	42
Completed	4.8%	2
On track	95.2%	40
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred / Transferred	0%	0



13.3.2 Comment:

All service plan actions are on track or complete.

13.4 Internal Audit Actions Progress Status

Comment: At the end of Q2 there are no outstanding Internal Audit Actions for this service area.

13.5 Complaints Statistics

13.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	2	19	13	19	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		2	4	2	3	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	100%	21%	15%	15.8%	95%

13.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	1	2	3	3	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		1	2	3	2	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	100%	100%	100%	66.7%	95%

13.5.3 Summary Comment on the statistics

The service has seen an increase in level 1 complaints in the quarter mainly related to a small number of repeated collection issues. The field team has been working with Biffa to investigate, understand the causes and put in place the necessary corrective actions. A complaints lead has also been appointed to ensure that timely responses are made to these complaints. It should be noted that, because of fortnightly collections of most waste commodities, it is often difficult to reach a formal resolution and confirmation within the timescales required for corporate complaints. Officers have therefore sought to work with the contractor to put quicker solutions in place and to report on that basis.

13.6 Finance Position at the end of the quarter

13.6.1 Environmental Services General Fund Account Table

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Environmental Services					
Expenditure	11,853	11,801	-52	Favourable	0%
Income	-4,168	-4,088	80	Adverse	-2%
Environmental Services Total	7,686	7,713	28	Adverse	0%

Capital

	Approved Budget £'000	Forecast Outturn £'000	Sum of Savings £'000	Sum of Carry Forward £'000
Environmental services	2,380	1,995	-41	-344

13.6.2 Summary Comment on General Fund and capital position at the quarter end

The lower than anticipated number of garden waste customers is reflected in the adverse revenue position set out in 13.6.1.

14. Service Dashboard – Planning Development (remit of Services O&S)

This service area includes Planning applications; Planning enforcement; Planning integration and improvement.

14.1 Key Successes & Lessons Learnt, Areas of Concerns

14.1.1 Summary from Executive Head of Service – Q2 2023/24

Development Management

Performance has continued to improve and be maintained through Q1, Q2, Q3 and Q4 for major, and non-major (including householder and other) applications with all categories exceeding the performance threshold. The encouraging news reported for September (Q2) in terms of the Government's performance threshold which is currently above 70% for the rolling 2-year period for Non major applications and 60% for major applications has been maintained in Q3 and Q4.

The Council has now received a response from DLUHC confirming that 'On 12 April 2023, the Secretary of State for Levelling Up, Housing and Communities wrote to you to express concern about the performance of Waverley Borough Council for the speed of decision-making for planning applications for non-major development. The Secretary of State advised that he expected the performance of your planning service to exceed our performance thresholds by June 2023 or he would use his powers to designate the authority later this year.

I have reviewed the actions your authority has taken to improve performance over consecutive quarters from October 2022 to June 2023 and am pleased to note that your performance on a rolling two-year average (71%), and your performance for the most recent quarter April to June 2023 (97%) is above the required threshold. I am therefore content not to designate your authority for poor performance at this time. I recognise that to do so may undermine the work your authority has already commenced and I wish to support your performance improvement.

I will continue to closely monitor the authority's performance. Should the authority not continue to demonstrate good performance in determining non-major applications at a level above the required average threshold, I will review whether to designate your authority for poor performance at a point in the future. 'The Council achieved the Governments major planning application threshold (60%) with 62.7% of Major application in time or an extension of time over the 2-year period to Q2 (September 2022) avoiding designation. Achieving this target has enabled the Council to now focus on reducing the overall number of planning applications on hand.

The Major and Non major applications performance for the last five quarters illustrating a very significant improvement which has placed performance figures in a healthy place for the two years rolling period to September 2023.

Officer vacancies have been temporarily been filled by contract staff given the positive news about not being designated a further recruitment campaign will now commence to recruit permanent staff.

Development Management (DM), which includes the Business Support team, is very much on an improved path of performance, as can be seen from the performance statistics, with many of the required targets being exceeded. Following on from the Planning Advisory Service (PAS) independent consultant review during Q1, a written review offered 10 recommendations for improvement, all of which have been actioned and implemented and we continue the work in progress with the PAS DM Challenge Toolkit. Over the next quarter a workshop will be held with staff (permanent and contractors) to identify further service improvements and develop a revised Action Plan.

Claire Upton-Brown, Executive Head of Planning Development

14.2 Key Performance Indicators Status

14.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
P1	Percentage of all planning applications determined within 26 weeks (higher outturn is better)	%	81.0%	95.8%	97.8%	93.1%	95.1%	100%
P151 (NI)	Processing of planning applications: Major applications - % determined within 13 weeks or with an agreed extension of time (NI157a) cumulative figure) (higher outturn is better)	%	92.9%	91.3%	100%	100%	100%	80%
P153 (NI)	Processing of planning applications: Non-major applications - % determined within 8 weeks (higher outturn is better)	%	82.8%	92.2%	96.4%	97.2%	93.6%	80%
P123 (NI)	Processing of planning applications: Other applications (higher outturn is better)	%	89.3%	97.6%	98.2%	97.3%	93.1%	90%
P2	Processing of all other residual applications - % determined within its target (Internal) (higher outturn is better)	%	81.8%	92.5%	92.9%	91.8%	81.7%	80%
P3	All planning appeals allowed out of all planning appeals determined (cumulative year to date) (lower outturn is better)	%	20.7%	22.2%	25.0%	40.0%	27.7%	30%
LP152	Major planning appeals allowed as a % of Major Application decisions made (cumulative) (P3) (lower outturn is better)	%	0%	1.8%	6.3%	0%	5.6%	10%
LP154	Non-Major planning appeals allowed as a % of Non-Major Application decisions made (cumulative) (lower outturn is better)	%	1.4%	1.5%	1.9%	5.6%	2.7%	10%

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
P4	Percentage of enforcement cases actioned within 12 weeks of receipt (higher outturn is better)	%	57.1%	91.2%	82.9%	47.5%	100%	75%
P6	Percentage of "Bronze Service Level" pre-application advice provided within 21 days (3 wks) target (higher outturn is better)	%	11.4%	18.2%	11.8%	25.0%	6.3%	Data only
P7a	Number of Local Land Charge searches received.	No.	506	312	328	377	357	Data only
P7b	Percentage of Local Land Charge searches responded to within 10 working days.	%	100%	99.7%	100%	100%	100%	100%

14.2.2 Comment:

P1 (Total planning applications determined within 26 weeks) – There continues to be a recovery from the dip in performance due to the decision over the covid period not to seek extensions of time. Extension of time are now sought where required and this change continues to have a positive impact on performance.

P151 (Processing of major applications) –the continued very good performance 100% determined within 13 weeks or with an agreed extension of time, demonstrates on going and continued improvements made.

P153 (Processing of non-major applications) – Again, the figure of 93.6% determined either in 8 weeks or within an agreed extension of time represents a huge improvement over last year's performance.

P123 (Processing of other applications) – The performance against this target is exceptionally good at 93.1% and illustrates the step change in performance in the service.

P2 – (Processing of residual applications) – Exceeded target with 81.7%

P3, LP152, LP154 – (Appeals performance) – All the appeals KPIs have exceeded target

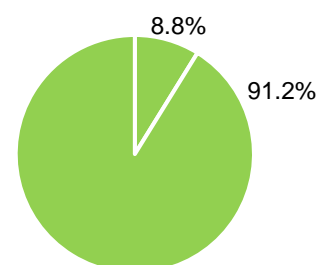
P4 -Enforcement - An improvement in performance to 100%.

14.3 Service Plans – Progress Status

14.3.1 Summary Table and Pie Chart

Q2 Progress on Planning Development Service Plans 2023/26

Total	100%	34
Completed	8.8%	3
On track	91.2%	31
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



14.3.2 Comment:

All service plan actions are complete or on track.

14.4 Internal Audit Actions Progress Status

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

14.5 Complaints Statistics

14.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	5	8	10	7	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		5	4	9	6	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	100%	50%	90%	85.7%	95%

14.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	1	9	4	7	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		1	8	4	6	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	100%	89%	100%	85.7%	95%

14.5.3 Summary Comment on the statistics

One Stage 1 complaint and one Stage 2 complaint were sent out late in this quarter. Late responses in both cases were due to capacity issues, more focus will be given to ensure all complaints are responded to within the agreed timelines.

14.6 Finance Position at the end of the quarter

14.6.1 Planning Development General Fund Account Table

General Fund Account					
Services	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	Adverse/ Favourable	% Variance
Planning Development					
Expenditure	6,492	6,559	67	Adverse	1%
Income	-4,129	-3,938	191	Adverse	-5%
Planning Development Total	2,362	2,621	258	Adverse	11%

14.6.2 Summary Comment on General Fund position at the quarter end

The general fund budgets show a satisfactory position however a close focus will need to be maintained on the number of posts that are being covered by contract staff. There has been a fall in the number of planning applications received in the last quarter in line with national trends and reflective of the impact of increased borrowing rates and cost of living. This will need to be closely monitored over the quarter to ensure that there is not budgetary pressure.

15. Service Dashboard – Regulatory Services (remit of Services O&S)

This service includes Air quality; Corporate health and safety; Emergency planning; Environmental health/crime; Food safety; Licensing; Private sector housing.

15.1 Key Successes & Lessons Learnt, Areas of Concerns

15.1.1 Summary from Executive Head of Service – Q2 2023/24

Activity across all of the Regulatory Services Teams remains at a high level and saw a busy Emergency Planning response supporting the community during further significant water outages affecting both Waverley and Guildford residents. Getting businesses back on track continues to be a priority for the food and safety and licensing teams and complaint levels remain high. The Environmental Enforcement Team has been kept busy with a significant investigation into the fly tipping of tyres.

Most notable this quarter was the conclusion of the Health & Safety prosecution of PGL at Hindhead which resulted in a £1m fine and costs of over £18,000 awarded to the Council.

I have to thank all of the teams for their continued enthusiasm and commitment to maintaining and delivering quality services in spite of the additional pressures they have been under, and I am sure Members would wish to do the same.

Environmental Health Food and Safety Team Q2

A total of 265 inspections of food business have been undertaken during Q2. The standards of food hygiene within businesses have been reported by officers as improved with only 15 being awarded a rating of 0,1 or 2 under the Food Hygiene Rating Scheme which indicates that they were not broadly compliant with legislative standards. Compliance inspections have been undertaken for 10 of these, which have confirmed improvement. Of the remaining 5, 3 are awaiting compliance checks and 2 are cricket clubs who will recommence food service and be reinspected at the start of the 2024 season. Of those food businesses inspected, 157 received written warnings and 1 business was issued with two formal notices requiring compliance. A low number of food businesses (4) have made requests for a Food Hygiene Rating Scheme revisit to reassess standards and provide a new Food Hygiene Rating. 2 official food samples were sent for analysis during the period, focussed on cider production. The number of requests received to register new food businesses within Waverley remained high at 54 (63 from Q1 and 35 from Q4 2022/23). This would suggest a positive continued growth in Waverley's food business sector.

The number of complaints from the public about hygiene standards observed within food businesses remained stable at 15 (from 17 in Q1), but the number of food poisoning allegations increased to 11 (8 in Q1). Official notifications of confirmed infectious disease cases also rose during the period to 82 (68 in Q1).

With regard to health and safety enforcement, inspections as part of the 'Gas Safety in Catering Premises Project' have continued during Q2. 25 food businesses who use gas appliances have been contacted to ensure that their gas safety inspection is up to date, and appliances are operating safely.

The team conducted 5 inspections relating to health and safety complaints which identified contraventions relating to defective lift equipment, unsatisfactory welfare provisions for staff and electrical hazards.

The service has received 24 workplace accident notifications during Q2 (18 in Q1). A total of 1 prohibition notice to prevent the use of an unsafe tractor at a golf club was issued. This tractor had resulted in the amputation of a driver's finger during seat adjustment. The sentencing hearing took place for the case Waverley vs PGL Travel Ltd in respect of two children being previously injured at

the PGL Marchants Hill Activity Centre in Hindhead. This resulted in a £1 million fine being issued and payment of full council costs. The case involved immense effort on the part of the Environmental Health (Food & Safety) Team, as well as the Council's Legal Team.

A total of 13 (10 in Q1) new special treatment licence applications were received.

Environmental Protection Team

During Quarter 2 of 2023/4 the Environmental Protection Team dealt with the following requests for service:

Complaint type	2022/23 full year	Qtr. 1 2023/24 <i>(updated)</i>	Qtr. 2 2023/24	2023/234 full year <i>(to date)</i>
Noise complaints	532	180	202	382
Planning consultations	733	110	145	255
Requests for information	344	84	62	146
Temporary Event Consultations	791	231	154	385
Premise License Consultations	61	16	26	42
Bonfire Complaints	103	22	38	60
St Trading requests for service	98	32	22	54
Pest control complaints	57	19	13	32
Other requests for service	525	130	95	225
Total	3244	824	757	1581

The Team have also:

- Been dealing with 37 more complex cases.
- Served five prior approval notices under the Control of Pollution Act 1974 to control out of hours noisy construction works. Five were served on Network Rail (signals being upgraded on the line between Farncombe and Petersfield) and two on Thames Water.
- Served three noise nuisance notices. Two notices concerned barking dogs (potential appeals pending) and one notice concerned crowing cockerels.
- Served one notice requiring information about land occupation regarding commercial bonfires giving rise to dark smoke.
- Led on a complaint about a property causing nuisance and ASB impacting on neighbours. Actions were taken and now Private Sector Housing is leading on investigations under the Housing Act.
- Worked with Housing and Community Safety on a complex neighbour dispute including noise complaints, with both parties raising Community Triggers, and corporate complaints.
- Worked with the owner of a petrol filling station, their contaminated land consultants, the Petroleum Officer, and Environment Agency to investigate and identify remedial actions to deal with gross contamination (petrol) under the petrol station and impacts off site.
- Continued to work with planning colleagues, WBC's consultant, the Environment Agency and Dunsfold Airport Ltd to find a way to deal with contamination on their site.
- Liaised with the Event Holder following Slade Fest to assess noise from the event and if any actions are required for further events. Few complaints despite the 5:00 hours finish time.

- Completed the Annual Air Quality Status Report 2023 and submitted it to Defra.
- Went out to tender for the provision of a 'Feasibility Study on Formal or Informal Low Emissions Zone(s) that could be adopted in Waverley'.
- Actively worked with the Surrey Air Alliance and SCC to take forward the Defra funded EV taxi project. Public Health secured a £25k grant to that end too.
- Worked with the Surrey Air Alliance to support the proposed Clean Air Night (solid fuel burning) campaign in January 2024. Public Health secured a £5k grant to take this project forward.
- Continued work to deal with street trading consents, animal activity licences and scrap metal dealer licences.
- Made joint visits with the Police to a premises where concerns were raised about dog breeding and conditions there. Note previously a dog breeding licence here was revoked.
- Renewed the stray dog control contract on 1 August 2023.
- Supported a new starter from mid-July who will lead on contamination issues.
- Supported work to deliver a replacement for the M3 database.

Private Sector Housing

Disabled Facilities Grant enquiries continue at a high level in Quarter 1. Part of the reason for this has to be greater awareness of grant availability as we continue to see referrals from private Occupational Therapists (OT) and also hospital OTs who are trying to arrange works to allow patients to return home.

The team has been impacted this quarter by sickness absence and the resignation of the grants officer. Steps are in progress to recruit a temporary replacement for 20hrs per week from a contractor.

We are anticipating an increase in HMO licence applications made to Waverley as the current five-year licences become due for renewal.

When HMO licensing was introduced in 2006 it applied to properties with 5 or more occupiers *and* 3 or more storeys. On 1 October 2018 new legislation came into force with the effect that all HMOs with 5 or more occupiers require a licence irrespective of the number of storeys. Under the original scheme we licensed 49 licences. Since the change in legislation, we have issued 62 more licences, although eleven of these would have been licensable under the old regime. HMO licences are issued with a schedule of works mainly to improve fire safety and provision of amenities.

The overall number of complaints about living conditions for the quarter was similar to pre-covid levels with a number of current and/or ongoing cases with formal notices served. Damp and mould complaints naturally increase during Autumn and winter. There are also works planned in relation to publishing the damp and mould action plan for private sector housing. The private sector housing team have also received training from an external provider in Housing Health and Safety Rating System (HHSRS) to ensure continuous professional development in assessing housing hazards, including damp and mould.

Complaints about illegal eviction and landlord harassment continue to be at a higher level than before probably due to the pressure on the private rented sector due to a shortage of rented accommodation.

The Council has a duty to arrange funerals for people dying in the Borough where there is no-one else to take responsibility. Where possible the team try to enable other parties to make the arrangements e.g., by accessing Social Fund payments. Where no other arrangement is possible the team will arrange the funeral and reclaim as much money as possible from the deceased's estate.

Under the Caravan Sites Control and Development Act 1960 any land that has planning permission for use as a caravan site must also have a site licence unless it falls within one of the exemptions under the Act. This allows the local authority to impose conditions for the health and safety of the residents. There are 38 licensed caravan sites in Waverley of which 33 are Gypsy, Roma and Traveller (GRT) sites.

Licensing

The Licensing Team has continued with a high volume of work.

There were 4 Committee hearings held this quarter (2 licensing applications, 1 licensing review hearing and 1 taxi driver hearing).

The Pavement Licence policy has been reviewed and updated.

The Licensing policy has been reviewed/consulted on and is going to Council on 17th October for final sign off.

The Taxi and Private Hire trade continues to generate significant activity. Complaints about trade activity rose from 14 in Qtr 1 to 24 in Qtr 2

- 16 DBS interviews were conducted with new or existing drivers, down from 22 last quarter. 97% of our current drivers are now registered with the DBS update service. The registration enables the Council to make regular (quarterly) DBS checks on the individuals.
- All drivers are checked against (NR3) National database of refusals and revocations and 15 local drivers have been added to the database (7 refusals and 8 revocations). We have conducted 478 searches of the database relating to new and existing drivers.
- 9 knowledge tests were taken this quarter, slightly down on last quarter (14).
- 15 new driver licences and driver renewals were issued (down from 23 last quarter) and 103 vehicle licences were processed over the quarter (down from 108 last quarter).

Pavement licensing

9 new applications were received this quarter, of which 1 was refused due to lack of available pavement width were it approved.

Street collections

14 street collections and 10 house to house collections took place in the quarter, compared to 11 and 11 respectively last quarter.

Small society lotteries

9 small society lottery licences were renewed this quarter, and 1 new licence was granted.

Environmental Enforcement

Staff development has been a priority during quarter 2 with the two new members of the team enthusiastically embracing their new roles. The appointment one of the team as Waste Contracts Manager and the return of the Deputy Environmental Enforcement Officer from maternity leave heralded a period of change and consolidation. Recruitment to the vacant post is underway.

The team have continued to focus on litter, street cleaning and waste removal contract work, ensuring that ad-hoc street clean requests are actioned by the waste contractor which is helped by the extra flexibility agreed last year within the contract. The close working relationships between waste contractor staff and Waverley Environmental Services Team has been maintained which enables better responses.

The continued focus on abandoned vehicles continues to show results with 6 Fixed Penalty Notices being issued during Q2 and 23 additional abandoned vehicle investigations being concluded. The conclusion of these cases resulted in removal of problem vehicles to complainants' satisfaction without the need for the vehicles to be taken by the Council. Persistent offenders that were previously targeted for abandoned vehicles in Q1 have now desisted in previous behaviours.

Fly tipping has remained at a high level although geographically seems to have changed significantly. There have been a series of large tyre fly tips in recent weeks and Officers have identified all local tyre fitting businesses and have started to visit them to check their waste transfer notices and waste duty of care documentation to see if potential offenders can be identified. Officers are now liaising with neighbouring authorities to continue to try to track down the offenders. The team have also started to regularly sign fly tipped areas with a view to using covert CCTV to identify offenders.

The speed of removal of fly tips has improved as a result of better liaison with Biffa. Government has increased the Fixed Penalty level for some offences and a report will come forward recommending adoption of these.

Emergency Planning:

Our Emergency Planning and Business Continuity response plans have once again been tested during this quarter in supporting the community and running business as usual in parallel. Overall, we feel the council working with partner agencies has performed very well in Q2.

The Council's resilience was tested in this quarter, primarily during another water outage at Thames Water in August, impacting properties in both Guildford and Waverley. The team worked closely with Guildford Borough Council colleagues and partner agencies to ensure we were ready to effectively respond when requested by the SLRF providing necessary aid to vulnerable members of the community. Work is also continuing between colleagues at Waverley BC, Guildford BC and Applied Resilience to review, combine and integrate emergency and business continuity plans and procedures. This is making good progress, and plans are currently being finalised. A number of Emergency Response roles across the council have now been recruited for, however we are still in discussions to recruit further to strengthen our resilience.

Event safety has continued to be a key focus during Q2, particularly with multiple upcoming bonfire events to be prepared for. Safety Advisory Group meetings took place for the major bonfire events, with colleagues from partner agencies attending these meetings to discuss and advise on improving their safety year on year. These meetings have been successful, with necessary changes being made to event plans and partners approaching these events with confidence that they will run as safely as possible.

The team has continued to complete their corporate Health and Safety responsibilities. The review process is continuing for the Corporate Health and Safety Policies, taking the opportunity to further the integration process with Guildford BC by taking their Health and Safety Policies into consideration during this review to ease future collaboration. Health and Safety building inspections took place throughout all corporate buildings during Q2 to ensure H&S standards remain high in all WBC workplaces. Alongside this, the team has continued to work with Housing colleagues to achieve safety compliance across WBC housing stock.

Climate Adaptation has also continued to also be a focus during Q2. Working alongside the Sustainability team, we have worked closely with SCC and various Boroughs across Surrey to begin creation of a Climate Change Adaptation Strategy and Action Plan to provide direction and objective for WBC to work towards adapting to the challenges of Climate Change.

Richard Homewood, Executive Head of Regulatory Services

15.2 Key Performance Indicators Status

15.2.1 Table of Service Specific Performance Indicators presenting data for the five past quarters and their performance against the target

PI reference	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
R1a	Average number of days to remove fly-tips (lower outturn is better)	Days	2	2	3	2	2	2
R1b	Number of fly tipping incidents in a quarter (Data only)		163	195	210	163	195	Data only
R2	Percentage of higher risk food premises inspections (category A&B) carried out within 28 days of being due (higher outturn is better)	%	100%	100%	100%	100%	100%	100%
R3	Food businesses with a 'Scores on the door' of 3 or over (higher outturn is better)	%	90.2%	91.3%	91.3%	96.6%	96.3%	Data only

15.2.2 Comment:

R1a, R1b – Performance on clearing fly tips has been maintained as we continue to work closely with Biffa. Numbers of fly tips reported has however risen compared to Qtr 1. Enforcement activity on fly tipping and abandoned vehicles remained a priority for the team.

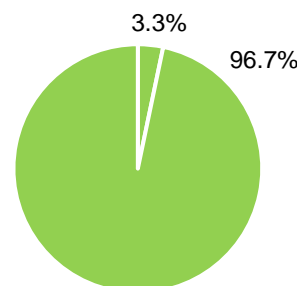
R2, R3 – As food inspections get back on track (100% for the fifth quarter in a row) standards in food businesses continue to improve and the number of food businesses with a score of 3 or over remains relatively stable.

15.3 Service Plans – Progress Status

15.3.1 Summary Table and Pie Chart

Q2 Progress on Regulatory Services Service Plans 2023/26

Total	100%	61
Completed	3.3%	2
On track	96.7%	59
Off track - action taken / in hand	0%	0
Off track - requires escalation	0%	0
Cancelled / Deferred /Transferred	0%	0



15.3.2 Comment:

All Service Plan actions are either complete or on track at the end of the second quarter.

15.4 Internal Audit Actions Progress Status

Comment: At the end Q2 there were no outstanding Internal Audit Actions for this service area.

15.5 Complaints Statistics

15.5.1 Table presenting statistics of Level 1 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 1	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	2	1	1	3	Data only
Level 1	Number of Level 1 complaints dealt with on time in a quarter	Number		2	1	1	2	Data only
Level 1	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	100%	100%	100%	67%	95%

15.5.2 Table presenting statistics of Level 2 complaints for this service area for the past 5 quarters

KPI	Description		Q2 22-23	Q3 22-23	Q4 22-23	Q1 23-24	Q2 23-24	Target
Level 2	Total number of Level 1 complaints received in a quarter	Number	New service structure effective 1 Oct 2022	0	3	2	0	Data only
Level 2	Number of Level 1 complaints dealt with on time in a quarter	Number		0	3	2	0	Data only
Level 2	Level 1 Response rate (the percentage of complaints responded to against the 10 working days target)	%	N/A	N/A	100%	100%	N/A	95%

15.5.3 Summary Comment on the statistics

Responding to complaints has remained a priority during Qtr. 2 but one of the level 1 complaints took longer to resolve than we would have liked in order to investigate it fully.

15.6 Finance Position at the end of the quarter

15.6.1 Regulatory Services General Fund Account Table

	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	Adverse/ Favourable	% variance
Regulatory Services					
Expenditure	4,041	3,968	-73	Favourable	-2%
Income	-3,202	-3,138	64	Adverse	-2%
Regulatory Services Total	840	831	-9	Favourable	-1%

Capital Regulatory Services

	Approved Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Regulatory Services	65	65	-

15.6.2 Summary Comment on General Fund and Capital position at the quarter end

The general fund budgets show a satisfactory position due to salary savings from vacancies. The shortfall in income relates to licensing where activity is still influenced by the aftereffects of Covid and rising costs on businesses.

Waverley Borough Council

Report to: Resources O&S, Executive, Council

Date: Nov/Dec 2023

Ward(s) affected: All

Report of Director: Transformation & Governance

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Executive Portfolio Holder/ Lead Councillor responsible: Councillor
Mark Merryweather

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Report Status: Open

General Fund mid-year MTFP review 2023/24

1. Executive Summary

- 1.1 This report outlines the latest projections for the MTFP. It highlights the emerging pressures on the General Fund Revenue budget and the compensating measures both of which have been identified at the time of writing and estimates their financial impact on the Council's services and finances.

2. Recommendation to Executive/ Committee/ Council

That the Executive:

- i. Notes the 2023/24 forecast outturn position for the General Fund;
- ii. Notes the emerging pressures and risks set out in the report;
- iii. Notes the position regarding the General Fund capital programme and individual capital projects.

3. Reason(s) for Recommendation:

- 3.1 The annual General Fund budget is a major decision for the Council and setting a balanced budget is a statutory requirement. The uncertain economic climate necessitates a review of the MTFP in the light of its financial impacts on the council: the Council must act quickly to ensure the risk of a net budget shortfall is addressed so that the Council can continue to function.
- 3.2 Scrutiny of this MTFP through a Mid-Year Review demonstrates transparency and good governance.

4. Exemption from publication

Is the report or any part of it exempt from publication?

No

5. Purpose of Report

- 5.1 The Medium-Term Financial Plan (MTFP) is the Council's [please change throughout] key financial planning document which takes account of all the various currently known factors and influences that may impact on the Council's General Fund for the forthcoming financial years up to and including 2026/27. These factors are both within and beyond the Council's control and include; general macro-economic conditions, Government funding plans and restrictions, current expenditure patterns, inflation, planned changes to service delivery, changing demand for services, and changes affecting our sources of independent income etc. The MTFP also includes the identification of the risks that the Council has identified that it faces.

5.2 The MTFP looks forward over the next four years to anticipate the spending pressures faced by the Council. In light of the changing economic picture, planning now to meet expected and known changes in the future provides greater opportunity to mitigate the impact.

6. Strategic Priorities

6.1 Having a robust, sustainable budget is essential to deliver all aspects of the Corporate Plan. The Corporate Strategy is reliant on financial sustainability and the MTFP is at the heart of its delivery.

7. Background

7.1 Outturn Position 2022/23

7.1.1 A summary of the General Fund revenue outturn was reported to members in the Q4 performance report in July 2023. In total, there was a net underspend of £729k after allowing for agreed budget carry forwards. That underspend equates to a 5% movement from the net General Fund service budget of £15million. Proposals for the apportionment of this underspend will reflect the stresses assessed in this report.

7.1.2 The service-by-service outturn analysis was also included in the Q4 performance report to O&S in July accompanied by commentaries from the S151 Officer and the Heads of Service. In preparing this 2023/24 mid-year review the key matters arising have been reviewed further and matters particularly impacting on the MTFP are noted below.

7.1.3 Key items to note are as follows:

- Assets and Property
 - Central Offices experienced some savings on business rates with the top floor of The Burys not in use, and additional rental incomes.
- Environment

- Car Park income performed much better than the approved budget in 2022/23. This was due to the combined effect of rate increases as per the Council approval in September 2021 while the reduction in volumes due to covid-19 and the fee uplift not materialising to the degree forecast.
- Finance
 - Investment income from cash deposits benefitted from higher than expected deposit rates that in part mitigated the even higher rates of inflation experienced, achieving a gross £840k improvement on budget in 2022/23.
- Planning
 - Planning income outturn in 2021/22 fell £98k short of budget however this was mitigated through some cost control.
- Other
 - Establishment spend was carefully managed and monitored throughout the financial year and delivering a final saving for General Fund.
 - Collaboration delivered savings in year following the restructure of the Joint Management team in year.

7.2 2023/24 Budget Management and emerging pressures on the MTFP (Annexe 1)

7.2.1 The Council is now six months into the new financial year, and eight months have passed since the Council set its 2023/24 budget. Current Forecasts estimate a forecast outturn of a net £234k surplus. Officers have reviewed the latest position and, even though inflationary pressures are higher than expected, there are sufficient compensating measures identified to currently forecast that General Fund should remain in an overall balanced budget position in 2023/24.

7.2.2 Despite this position, there remain significant pressures on the current and longer term outlook for the Council's financial plans. The latest updates on these are summarised below:

- **Impact of inflation on Waverley's budgets – pay, contracts, IT, utilities (Annexe 2)**

At present, across £168k adverse variance is projected in 2023/24 for General Fund inflation. Consumer Price Inflation (CPI) is currently 6.7% (August 2023). Many of the Council's contracts are linked to February and March CPI (10.1-10.4%) whilst budgeted inflation was estimated between 5% and 9%, which has led to costs incurred beyond the original budget.

One mitigating consequence of inflation is currently higher deposit rates which, when applied to constant cash deposits has driven better than expected gross treasury yield, with Bank of England base rate increases and robust management of staff costs. This income is forecast to perform a net improvement of over £800k compared to budget. This is not without its own adverse impact however, as the financial benefits of holding cash deposits makes them more attractive compared to investing in the capital projects that the Council needs to pursue its Corporate Strategy.

Unfortunately, despite being under control in the current year, the impact of inflation will have further negative impact in future years as inflation compounds, and current forecasts for inflation remain higher than usually anticipated. Officers have built increased inflation forecasts into the updated Inflation Schedule (Annexe 2) and Updated MTFP (Annexe 3), however these rates remain unknown with more uncertainty than is usual.

- **Cost of living and its economic impact on Waverley's community, businesses and residents**

Officers have seen the impacts of the cost of living on both expenditure and income. Some services have experienced an uptake in support needs, with officers supporting through funds such as Household Support Fund and hardship funds where possible. Presently, financial impacts to the Council are relatively small and within overall current budgets.

- **Key Income**

Key Income overall is performing well, mainly due to treasury investment income with higher than anticipated interest rates. However, some areas are struggling to achieve budgeted income and budgets relating to these areas going forward will need to be carefully considered in budget setting.

- Car Parking – recovery of car park usage and therefore car park income following Covid-19 has plateaued. Current forecasts are that car park income will not hit budget in 2023/24, potentially around £280k short of budget.
- Development Management – the Council has been experiencing a reduction in planning applications which is in line with the national trends, income could fall circa £150k short of budget
- Building Control – reduced income has been experienced to date, currently forecast to fall £60k short of the budget. This reduction often follows the trend for reduced planning applications.
- Leisure Centres - The 2023/24 leisure contract has now been let to Everyone Active, and Waverley will continue to receive a management fee in to the Council. In the short to medium term this is at a lower level than experienced with the previous contractors, this is due to the investment the leisure provider will be making in the centres, however this has been provided for within the budget and MTFP. The contracted income will return to usual levels over the life of the MTFP.

- **Recruitment and retention**

The employment market is currently competitive and both retaining and recruiting staff has been a challenge this financial year. Interim support where needed for hard to fill vacancies is at a particularly high cost due to the active market, therefore careful management by managers is helping to minimise these costs and keep them within approved staffing budgets to date. At this stage this is not of concern as officers are managing the impact on service budgets and in depth

regular monitoring is taking place to ensure variances are kept to a minimum.

There exists a risk that returns sought from efficiencies will diminish to a point of exhaustion if not reversal. The Council has benefitted from its investment in the Development Planning team included in the 2023/24 budget. However, there can be no guarantee that the level of annual cost savings secured in recent years can be sustained.

- **Updates on measures to balance the General Fund budget**

The MTFP includes various saving/efficiency programmes in place to address the forecast budget shortfall. These are particularly important to identify given the uncertainty in the estimates and local economy caused by the pandemic and rising costs. Some updates included in this MTFP review include:

- Commercial Strategy

- Fees and charges increases including non-statutory planning fees have been applied and delivering income, however in some areas, volume has fallen.
- Expected new income from new car parking charges haven't been delivered to date, however projects are being pushed forward.
- The Edge has been passed back to Surrey County Council and is no longer in the leisure management contract.

- Business Transformation

- 2023/24 target delivered in year.

- Asset Management

- 2023/24 income target in year. Awaiting handover of Brightwells site.

- **Other new items identified since February Council;**

- Changes in planning fees due in reform of national planning policy, awaiting outcome, draft regulations have been laid before parliament – 35% increase for major applications and 25% increase for all other applications.

7.3 MTFP Forward Look

7.3.1 Looking forward to 2024/25 and beyond, a budget gap remains in our MTFP rising to £7.2m p.a. gross pressures (£20.4m cumulative) by 2026/2027. After identified measures to mitigate this gap, the budget shortfall remaining to be resolved rises to £1.4m p.a. (£6.7m cumulative) by 2026/2027.

7.3.2 Inflation rates applied in the following years in the MTFP range between 2% and 5% which are applied dependant on the contractual agreements in place or expectations on general market inflation. The breakdown of the current forecast inflationary position can be seen at Annexe 2, table 2.

7.3.3 The mid-year update to the MTFP is at Annexe 3 and any further changes forecast at this stage has explanatory notes.

7.3.4 During the budget setting period officers will work with services and members to cover the 2024/25 £1.2m projected shortfall. And, in addition, look to improve the future years financial position. Options to be considered could include;

- Reductions in Revenue Contributions to Capital
- Additional savings targets
- Income targets

8. Capital Programme Review

8.5 Capital projects are also experiencing significant contractor driven adverse cost and timing pressures.

- Where projects are funded from elastic sources, measures can be taken to mitigate these pressures. For example, projects that will be funded from future income streams may be recalibrated so that the future income streams are increased to compensate for increased costs.

- However, projects – including those that had previously been “secure” - that are to be funded from inelastic sources are more threatened as additional or alternative funding will need to be identified to reassure their delivery.

Capital projects are also adversely affected by:

- Higher deposit yields as the financial benefits of holding cash deposits makes them more attractive compared to investing in the capital projects that the Council needs to pursue its Corporate Strategy, and
- The increasingly fragmented and competitive environment for external funding and support, to the extent one even exists.

8.2 Officers have undertaken a review of the current years capital programme to identify variance. These variances include:

- Assets – Both 69 High Street and Wey Court East will require carry forwards of budget into 2024/25. The estimated carry forwards required are £4.5m. This is due to additional reviews taking place on viability, delays in lease agreements and in house resource.
- Environment – Several projects will have carry forward requests within this service. These are partially due to resource issues, timing of funding conditions, and further work being required to business cases. The total carry forwards identified at this stage are £344k. Savings of £41k have been identified in this area however these savings relate to external funding and not GF revenue.
- Organisational Development – A savings of £69k has been identified for the EV charging points project. Going forward the purchase and installation of EV charges will be done by contractors; the Council will then have profit sharing arrangements with these contractors. This budget to purchase EV charges is therefore no longer required.

8.3 Other projects are experiencing an inflationary impact on tender returns. Officers are updating feasibility assessments on these projects and where possible seeking additional funding to try and ensure they can go ahead.

8.4 In the upcoming budget setting process, projects will continue to be assessed against corporate priorities and have full feasibility assessments undertaken. Officers will be reviewing 10-year maintenance programmes for all assets to start to forecast the future year budget requirement for these asset capital bids.

9. Consultations

9.1 The Resources Overview and Scrutiny Committee will scrutinise these proposals at its meeting in November.

10. Key Risks

10.1 In addition to the issues identified above, there are a range of risks associated with the delivery of the 2023/24 budget and forward financial plan aims. A summary of the key risks to the Council's finances is included below:

10.2 We do not have significant non-earmarked reserves:

- Limited ability to fund change in the Corporate plan, zero carbon delivery, structural deficit.
- One-off adverse impacts such as planning appeals, judicial reviews are not well provided for.

10.3 Adequacy of reserves:

- Business rates – under the current retention system we carry some of the cost of appeals, including backdated refunds, plus reducing total rateable value in the Borough, for example the impact of permitted development on commercial premises, therefore it is appropriate to hold a reserve to mitigate the costs if they come through.
- Housing benefit overpayment recovery – will be limited in future due to Universal Credit however a reserve is still held to mitigate this risk.

- Investment property voids – investment property income is an important revenue stream to the Council and where properties are empty, the loss of income is covered by the void provision to minimise immediate impacts on the revenue budget.

10.4 Negative Government grant:

- Still on the agenda – upcoming Fair Funding Review which further delays have been confirmed until next government spending review.

10.5 Further constraints on income:

- The unknown economic impact of inflation and interest rates

11. Financial Implications

11.1 All decisions made with regard to the budget will impact on the Council's resources.

12. Legal Implications

12.1 The report meets the duty to report on the robustness of the estimates provided, the adequacy of the financial reserves in place and the monitoring arrangements in line with Section 25 of the Local Government Act 2003. It is critical that the overall financial plans to deliver the Council's aims and objectives, and the proposals included in this report support this aim.

13. Human Resource Implications

13.1 No direct impact.

14. Equality and Diversity Implications

14.1 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.

15. Climate Change/Sustainability Implications

15.1 There are no direct implications arising from this report. The annual budget includes £100k recurring budget for ongoing staffing costs and other resources and projects to support the climate change action plan delivery.

16. Summary of Options

16.1 Set out within the papers.

17. Background Papers

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

18. Appendices

18.1 This report contains the following Annexes:

- Annexe 1 – Q2 Performance Summary
- Annexe 2 – Inflation Position Statement
- Annexe 3 – Updated General Fund MTFP
- Annexe 4 – General Fund Capital Programme 2022/23

Please ensure the following service areas have signed off your report.
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	05/10/23
Legal / Governance	TBC
HR	n/
Equalities	n/a
Lead Councillor	TBC
CMB	3/10/23
Executive Briefing/Liaison	TBC
Committee Services	TBC

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	Approved Budget £'000	Forecast Outturn £'000	Forecast variance £'000	adverse/favourable	% variance on approved budget
Assets & Property	-1,003	-1,063	-60	favourable	6%
expenditure	3,712	3,664	-48	favourable	-1%
income	-4,715	-4,727	-12	favourable	0%
Commercial Services	-3,321	-2,943	377	adverse	-11%
expenditure	7,395	7,204	-192	favourable	-3%
income	-10,716	-10,147	569	adverse	-5%
Communications & Customer Services	366	359	-6	favourable	-2%
expenditure	4,132	4,126	-6	favourable	0%
income	-3,766	-3,766	0	adverse	0%
Community Services	1,208	1,251	43	adverse	4%
expenditure	2,536	2,527	-9	favourable	0%
income	-1,328	-1,276	52	adverse	-4%
Environment	7,686	7,713	28	adverse	0%
expenditure	11,853	11,801	-52	favourable	0%
income	-4,168	-4,088	80	adverse	-2%
Finance	976	99	-877	favourable	-90%
expenditure	25,854	26,116	262	adverse	1%
income	-24,878	-26,017	-1,139	favourable	5%
Housing - GF	304	286	-18	favourable	-6%
expenditure	2,407	2,389	-18	favourable	-1%
income	-2,103	-2,103	0	adverse	0%
Joint Management Team	4	20	16	adverse	449%
expenditure	2,315	2,331	16	adverse	1%
income	-2,311	-2,311	0	adverse	0%
Legal & Democratic Services	1,666	1,629	-37	favourable	-2%
expenditure	4,072	4,035	-37	favourable	-1%
income	-2,406	-2,406	0	adverse	0%
Organisational Development	2,790	2,622	-168	favourable	-6%
expenditure	5,117	4,948	-168	favourable	-3%
income	-2,327	-2,327	0	adverse	0%
Planning Development	2,362	2,621	258	adverse	11%
expenditure	6,492	6,559	67	adverse	1%
income	-4,129	-3,938	191	adverse	-5%
Regeneration & Planning Policy	1,178	1,160	-19	favourable	-2%
expenditure	2,656	2,638	-19	favourable	-1%
income	-1,478	-1,478	0	adverse	0%
Regulatory Services	840	831	-9	favourable	-1%
expenditure	4,041	3,968	-73	favourable	-2%
income	-3,202	-3,138	64	adverse	-2%
GF Funding	-15,056	-14,819	238	adverse	-2%
expenditure	2,230	2,468	238	adverse	11%
income	-17,287	-17,287	0	adverse	0%
Grand Total	-2	-235	-234	favourable	

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Inflation Position Statement

Table 1.

Inflation included in the February MTFP

	2023/24	2024/25	2025/26	2026/27
	5-9%	4.0%	2%	2%
	£'000	£'000	£'000	£'000
Contracts				
Waste inc house number increases	578	317	200	204
Grounds Maintenance	112	54	28	29
Leisure Centres - no allowance, income	0	0	0	0
Other Contracts	117	73	38	38
Utilities	86	59	30	31
Staffing				406
Pay increase assumption	1,079	766	398	90
Increment assumption	95	90	90	10
Members	37	19	10	
	2,104	1,378	794	808

Table 2

Updated Inflation Position included in the MTFP

	2023/24	2024/25	2025/26	2026/27
	5-10.4%	5%	2.5%	2%
	£'000	£'000	£'000	£'000
Contracts				
Waste inc house number increases	670	384	237	208
Grounds Maintenance	110	68	35	29
Leisure Centres - no allowance, income	0	0	0	0
Other Contracts	148	89	47	38
Utilities	171	79	42	35
Staffing				
Pay increase assumption	1,079	958	503	413
Increment assumption	94	90	90	90
Members	0	22	11	9
	2,272	1,690	965	822
Movement	168	312	171	14

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GENERAL FUND MEDIUM TERM FINANCIAL PLAN 2022/23 - 2026/27

	Ref.	2023/2024	2024/2025	2025/2026	2026/2027	
		Change from 2022/2023 Base	Change from 2023/2024 Base	Change from 2024/2025 Base	Change from 2025/26 Base	Total
		£000	£000	£000	£000	£000
Anticipated Budget Variations						
Ongoing Covid19 impact - costs	Note A	-20	0	-106		-126
Ongoing Covid19 impact - income	Note A	-596	-195	-158		-949
Inflation and contractual increases - 2022/23 & 2023/24 impacts		324	168			492
Inflation and contractual increases - provision for uncertain contractual inflation	Annexe 2	2,104	1,690	965	822	5,581
One off staff payment - funded by NHB (below)		642	-642			0
New Homes Bonus (NHB)- no legacy or future years		971	642			1,613
NI impact - reversal of social care levy		-105				-105
Services Grant - one-off		60	78			138
Lower Tier Service Grant - one off from 2022/23		89				89
Business Rates - safety net increase		-71				-71
Revenue Support Grant (RSG), Local Council Tax Support Grant and Family Annexe Grant		-14	113			99
Funding Guarantee Grant		-1,006	1,006			0
Fair Funding Review - forecast impact on Waverley's retained business rates				700	700	1,400
Borough Elections Reserve 2020/21 deferred contribution		30	-30			0
Unavoidable Budget Adjustments	Note B	117	51	0	0	168
Budget Growth Requests	Note C	238	-18	-50	-290	-120
New Service Savings	Note D	-159	-56	-57		-272
Head of Service Cost Review recurring savings identified	Note E	-151				-151
Car Parking Fees & Charges review - approved by Council in September 2021		-255	-170			-425
SCC - Off-street parking & Surrey verges		10				10
Net impact of Homelessness Grant reductions		0	0			0
Leisure Management Contract provision		300	0	-300		0
Council tax collection fund adjustments including tax base changes, surplus/deficits etc.		-294	181	-50	-50	-213
Budget Shortfall		2,213	2,818	945	1,182	7,158
		From 2022/23 Base	2,213	5,031	5,976	7,158
		Total over MTFP period	2,213	7,245	13,220	20,378
Measures						
Council tax increase - 3%		-336	-354	-243	-249	-1,181
Treasury management interest, arising from revised capital strategy		-1,040	-725	504	504	-757
Commercial Strategy Savings	Note F	-270	-89	-40	-40	-439
Business Transformation Savings	Note G	-9	-107			-116
Asset Management Income	Note H	-159	-391	-70		-620
Collaboration Project Savings		-200	-200	-150		-550
Reduction in revenue contribution to capital		-200	200			0
Ongoing base budget reductions		-2,214	-1,666	1	215	-3,663
		From 2022/23 Base	-2,214	-3,880	-3,878	-3,663
		Total over MTFP period	-2,214	-6,093	-9,972	-13,635
Budget Shortfall: recurrent deficit		0	1,152	946	1,397	
		Total over MTFP period	0	1,151	3,249	6,744
Use of Reserves to mitigate Impact of Fair Funding Review				-700		-700

Changes from February 2023/24 MTFP

Reduced income recovery assumption for Car Parking and Careline due to actual performance in 2023/24.

Increase due to overspend in inflation in 2023/24.

Increased inflation estimates in 2024/25 and 2025/26.

Increased income assumption in 2024/25 due to investments made in year in 2024/25 which will delivery incomes in 2025/26. Reductions in following years to reduce income to a more normal level.

Reduced WTS income target due to recruitment difficulties.

Removal of Fairground income target as likely to fall outside of MTFP timeline.

Note - figures showing a minus sign indicate a favourable change from previous years budget

Estimated ongoing Covid-19 impact on pre-pandemic income and cost budgets

	2023/2024	2024/2025	2025/26	Total	
	Change from 2022/2023 Base	Change from 2023/2024 Base	Change from 2024/2025 Base		
	£000	£000	£000	£000	
Income					Changes from February 2023/24 MTFP
Leisure Centres	-30			-30	
Car Parks General	-495	-170	-118	-783	Reprofiled income returning due to expectations of future return of income having plateaued.
Building Control	-46			-46	
Careline		0		0	Reprofiled income, not returned quickly as originally assumed and no further growth expected.
Council Tax and Business Rates debt summons charges	-25	-25	-40	-90	
Total Income Impact	-596	-195	-158	-949	
Costs					
COVID-19 - PPE	-20			-20	
COVID-19 - Additional Staffing Revenues and Housing benefits			-106	-106	
Total Cost Impact	-20	0	-106	-126	
Total	-616	-195	-264	-1,075	

Note - figures showing a minus sign indicate a favourable change from previous years budget

Unavoidable Budget Adjustments				
	2023/24	2024/25	2025/26	
	Change from 2022/2023 Base £'000	Change from 2023/2024 Base £'000	Change from 2024/2025 Base £'000	Changes from February 2023/24 MTFP
External Audit	77			
Housing Benefit admin grant reduction	37			
Stovolds waste collection	14			
Frensham Pond Car Parking	24			
Green Waste recycling	30			
Legal fee income	47			
Land Charges		35		
Staffing regrades	46			
BID costs	22	22		
IT licenses from capital programme projects	30	29		
Planning advertising	15			
Correction of Bin purchase funding	50			
Waste Collection - bank holiday additional cost for coronation	35	-35		
SERVICE TOTAL	428	51	0	
Recharges update	-311			
TOTAL	117	51	0	

Note - figures showing a minus sign indicate a favourable change from previous years budget

Summary of Growth items

	2023/2024 Change from 2022/2023 Base £'000	2024/2025 Change from 2023/2024 Base £'000	2025/26 Change from 2024/2025 Base £'000	2026/27 Change from 2025/2026 Base £'000	Changes from February 2023/24 MTFP
Cessation of one year budget growth in 2022/23 budget					
GDPR project - data audit	-50				
Boundary Review - systems adjustments	-20				
Bid Funding Officer	-50				
Thriving Communities	-49				
Collaboration Costs	-50				
Increased Revenue contribution to Capital	-100				
Climate Change reserve contribution	-100				
Council Tax Hardship Fund	-50				
New growth bids					
Waste officer - 2 year role to support zero waste strategy	0	40		-40	
Thriving Communities	28	-28			
IT Service Desk - Additional Resource	19				
Local Plan Review	150	150	-50	-250	
Farnham Museum Scaffolding	10	-10			
Development Management Staffing	330				
Property Maintenance Fund	170	-170			
TOTAL	238	-18	-50	-290	

Note - figures showing a minus sign indicate a favourable change from previous years budget

New Service Savings

	2023/2024	2024/2025	2025/2026	Notes
	Change	Change	Change	
	from	from	from	
	2022/2023	2023/2024	2024/2025	
	Base	Base	Base	Changes from February 2023/24 MTFP
	£'000	£'000	£'000	
Triennial pension review	-61	-56	-57	
Finance systems	-41			
Printing	-9			
Godalming Museum grant tapering	-7			
Small staff savings	-15			
Water contract review	-5			
Homeless funding review	-12			
Small savings/new income items	-9			
Total anticipated	-159	-56	-57	

Note - figures showing a minus sign indicate a favourable change from previous years budget

Head of Service cost review

2023/2024

Change from
2022/2023Base
£'000**Changes from February 2023/24 MTFP****Finance**

* Compensatory Grants - reduction	-7
* Council Tax Support Grant - reduction	-5
Insurance Contract	-139

Total anticipated

-151

* Continuation of previously Council approved tapering down of allocations

Note - figures showing a minus sign indicate a favourable change from previous years budget

Commercial Strategy Savings

	2023/2024	2024/2025	2025/26	2026/27	
	Change	Change	Change	Change	
	from	from	from	from	
	2022/2023	2023/2024	2024/2025	2025/2026	
	Base	Base	Base	Base	Changes from February 2023/24 MTFP
	£'000	£'000	£'000	£'000	
Fees & Charges - proposed increases by inflation where applicable, not including car park charges	-165	-75	-40	-40	
Farnham Park Car Park Charges	-10				
Net Planning Income increase- review of non-statutory Fees conditional on review & economic position	-20				
Careline - new service and equipment offerings	-20				
The Edge - review operating model	-45	-14			
Waverley Training Services additional income	-10				Removed income increase in 2024/25 due to difficulty in recruitment and therefore reduced delivery
Total anticipated	-270	-89	-40	-40	

Note - figures showing a minus sign indicate a favourable change from previous years budget

Business Transformation Savings

	2023/2024 Change from 2022/2023 Base £	2024/2025 Change from 2023/202 4 Base £	2025/26 Change from 2024/202 5 Base £	
Customer Services Review		-72		Changes from February 2023/24 MTFP
Staff Travel Review	-9	-35		
Total anticipated	-9	-107	0	

Note - figures showing a minus sign indicate a favourable change from previous years budget

Asset Management Additional Income

	2023/2024	2024/2025	2025/2026	
	Change from 2022/2023 Base £'000	Change from 2023/2024 Base £'000	Change from 2024/2025 Base £'000	Changes from February 2023/24 MTFP
Brightwells income	-25	-75		
Pumphouse	-34	-11		
Wey Court East		-205		
Fairground Site				Removed as no approved scheme and likely to fall outside of current MTFP
Garages	-100	-100		
69 High Street, Godalming			-70	
Total anticipated	-159	-391	-70	

Note - figures showing a minus sign indicate a favourable change from previous years budget

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Waverley Borough Council

Report to: Resources O&S, Executive, Council

Date: November/December

Ward(s) affected: All

Report of Director: Transformation & Governance

Author: Candice Keet, Senior Accountant

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Executive Portfolio Holder/ Lead Councillor responsible: Councillor
Mark Merryweather & Councillor Paul Rivers

Email: mark.merryweather@waverley.gov.uk
paul.rivers@waverley.gov.uk

Report Status: Open

Key Decision: No

Housing Revenue Account Mid Year Review

1. Executive Summary

- 1.1 This report outlines the latest projections for the Housing Revenue Account 30 (HRA) Year Business Plan. It highlights the emerging pressures on the HRA revenue and capital budgets and estimates their impact on HRA service delivery and long-term forecast.

2. Recommendation to Executive/ Committee/ Council

The Executive is asked to recommend:

That the Council:

- 2.1 Notes the 2023/24 forecast outturn position for the Housing Revenue Account;
- 2.2 Notes the emerging pressures and risks set out in the report;
- 2.3 Notes the position regarding the HRA capital programme and New Development Scheme.

3. Reason(s) for Recommendation:

- 3.1 The annual Housing Revenue Account budget is a major decision for the Council. The uncertain economic climate necessitates a review of the HRA and Capital budget in the light of its financial impacts on the long term sustainability of the HRA Business Plan
- 3.2 Scrutiny of the HRA budget and capital budgets through a Mid-Year Review demonstrates transparency and good governance.

4. Exemption from publication

No

5. Purpose of Report

- 5.1 The HRA Business Plan is a key financial planning document which takes account of all the various currently known factors and influences that may impact on the Council's Housing Revenue Account for the forthcoming financial years, the HRA business plan is a 30 year plan.

5.2 These factors are both within and beyond the Council's control and include; general macro-economic conditions, Government restriction on rent increases, current expenditure patterns, inflation, changing demand for services and new legislation impacting how we deliver the landlord services.

5.3 The HRA business plan looks forward over the next 30 years to anticipate the spending pressures faced by Waverley. In light of the changing economic picture, planning now to meet expected and known financial changes in the future provides greater opportunity to mitigate the impact.

6. Strategic Priorities

6.1 Having a robust, sustainable HRA budget is essential to deliver multiple aspects of the Corporate Plan. The report supports the Council's Corporate commitment to promote "Good quality housing for all income levels and age groups" and aim to "be the best council landlord in the South East and to be acknowledged so by our tenants."

7. Background

7.1 Outturn Position 2022/23

- Summary of the Housing Revenue Account outturn was reported to members in the Q4 performance report in July 2022. In total, there was a net underspend of £12k. However, following some year-end postings since this position was reported, the underspend has increased to £50k.
- Rent income was £370k under budget for 2022/23. This was due in part to an error when setting the budget but also an increase in void loss and long term voids. The long term voids are due to delays within the New Build programme as all schemes were paused during the Strategic Review in 2022/23. The budget errors were corrected in 2023/24 budget setting.
- The service charges and other income budgets both overachieved expected income. This was due to the release of some historic

- balances relating to water charges on the HRA balance sheet and an increase in the service charges to the leaseholders. These service charges will offset spend with the repairs and utility budgets.
- Interest receipts from the Treasury Management investments overachieved by £399k in 2022/23. This was due to the increase in interest rates.
 - On the expenditure side, cost of operations and support service recharges both had overspends totalling £644k. This was primarily due to inflation increases that were not budgeted for on utility and staff costs. This has been addressed in the 2023/24 and an inflation provision have been created.
 - Responsive Repairs and Staffing both came in under budget. Staff savings were due to careful budget management throughout the year and increased vacancy savings. The responsive repairs savings were due to savings in the Cyclical Maintenance budgets caused by some delays by contractors and some budgets being set too high and not deliverable. The issues with these budgets were rectified for the 2023/24 budget setting.

7.2 2023/24 Budget Management and emerging pressures on the Housing Revenue Account

- Waverley is now six months into the new financial year, and eight months have passed since the Council set its 2023/24 budget. Officers have reviewed the latest position and following discussions with the budget managers have updated the forecasts for the year. The overall picture, as seen in Annexe 1 is a net underspend of £65k.
- **Increase in void rent loss**
At present, £113k (September 2022) of void loss is projected against the 2023/24 budget. This equates to a void loss overall of approx. 1.35% against a budgeted target of 1%. This target will be reviewed in the 2024/25 and may need to be increased based on the previous year's outturn and current year predictions.
- **Increase of void repairs and void council tax costs**
Void repairs has a current projected overspend of £105k. There have been a number of high cost voids in 2023/24 that are contributing to

this overspend. The service will keep this under review and are looking further into the data to gain a better understanding of this variance. The increase in void period and number of long term voids is also causing a forecast overspend of £100k on council tax. When one of our dwellings is void Waverley become liable for the council tax. As the number of voids have increased and long term voids have also increased this has caused council tax to increase from a predicted £100k in 23/24 to £200k.

- **Establishment Savings**

The current forecast is for HRA to overachieve the vacancy savings target by around £90k. There have been a number of vacancies throughout the year. However, the service has now worked on a new structure within the Housing Operations team which will see these vacancies now being filled so this trend is not expected to continue into 2024/25.

- **Overachievement of investment income**

The current forecast is for HRA to overachieve the investment income budget by £312k. This is due to the interest rate increases since the budget was set in February 2023.

7.3 HRA Business Plan Forward Look

- The HRA Business Plan will be updated along with the 2024/25 budget proposal. During 2022/23 a strategic review was undertaken during which all assumptions within the Business Plan were reviewed and where necessary revised. One of the outcomes of this review was that additional borrowing of £26m would be needed over the next 12 years. This is due to the current debt repayment schedule not being affordable within current forecasts. This position will be reviewed, and, in light of current interest rates, action will be taken to try to reduce, and where possible delay, this borrowing need
- Annual rent increases are capped under the current rent standard by September CPI (Consumer Prices Index) + 1%. September CPI has not been released and was 6.7%. We will use this to refresh the assumption in the business plan. Rent is the main sources of income

for the Business Plan and any changes from the assumption used in the 2023/24 budget setting will massively impact the overall affordability of the plan.

- During the budget setting period finance officers will work with services and members to find savings, where possible, to mitigate the need for additional borrowing and cover any additional costs as a result of a number of risks identified in section 9.

7.4 Capital Programme Review

- The HRA Capital Programme is mostly being delivered as per budget, as show in Annexe 2.
- In early 2023/24 Waverley submitted a bid to the Social Housing Decarbonisation Fund. This bid was unsuccessful and as a result of this the capital budget of £102k is no longer required.
- The stock condition survey budget is forecast to have a saving of £85k in 2023/24, the total approved budget is £335k but only £250k will be required to complete the project.
- The roofing budget is currently forecast to save £100k this financial year. This will be reviewed in Q3 as discussions are continuing with contractor as to whether it will be possible for them to deliver the full programme
- The Energy Efficiency budget is forecast to save £150k in 2023/24. This is due to the post needed to deliver this programme being vacant. The aim is to have someone in this post in the next few months at which point spend against this budget will increase.
- The finance team meets with budget managers on a monthly basis to review the capital programme and this will continue for the remainder of the year.
- Inflation has been considered and a provision was provided for 2023/24 to mitigate the impact. This will be reviewed for 24/25 budget setting. The forecast is that inflation will have an impact of approximately £400k in 24/25.

- In the upcoming budget setting process, projects will continue to be assessed against corporate priorities and asset maintenance plans. Each bid for 2024/25 will require a supporting programme of works (where appropriate).

7.5 New Delivery Capital Programme Review

- Annexe 3 details the forecasts for the New Delivery Capital Programme for 2023/24. There have been some delays to schemes resulting in approximately £7m of carry forwards being required.
- The Chiddingfold Sites require carry forwards of approx. £4.6m. Start on site is due later this year and works will continue into 2024/25. This forecast will be kept under review as the scheme progresses. Revised cash flows are provided when any changes in the programme are known, and this will be reflected in future forecasts.
- The Aarons Hill site is currently still in pre contract and works will continue into 2024/25. Once in contract a revised cash flow forecast will be provided, and this will be reflected in future forecasts.
- Catteshall Lane now has planning approval, but this was delayed which has led to a carry forward of approx. £2.1m being required. Works expected to start on site in Jan 24 which this work continuing into 2024/25.
- All other live schemes are currently forecast to spend their 2023/24 budget allocation in full.
- Within the 2023/24 financial year a number of schemes have had to be reviewed and budgets increased as a result of continued high inflation rates. The inflation risk is being reviewed and adequate provision made for all predevelopment and live schemes.
- Interest rate risk continues to be a factor in how we plan to finance New Build schemes. The current strategy is to borrow internally when appropriate, as our internal rate of return is lower than current market borrowing rates. When external borrowing is required, we will undertake short-term borrowing whilst rates remain high, switching to

longer term borrowing once rates start to settle. Any decision to vary this strategy and borrow externally will be taken by the Executive Head of Finance (S151 Officer), based on forecast cash flow needs and in line with the Treasury Management Strategy

8. Consultations

8.1 The Landlord Services Advisory Board and Resources Overview and Scrutiny Committee will scrutinise these proposals at its meeting in November.

9. Key Risks

9.1 In addition to the issues identified above, there are a range of risks associated with the delivery of the 2023/24 budget and the HRA Business Plan. A summary of the key risks is included below:

9.2 Non-earmarked reserves not sufficient:

- Limited ability to fund change in the HRA Business Plan
- One-off adverse impacts such as emergency repairs and legal cost are not provided for

9.3 Rent increase capped by government and changes to rent standard:

- Currently the allowable increase for rent in 2024/25 will be CPI 1%, based on current forecasts this would be a maximum increase of 7.5%. However, for the 2023/24 rent setting government introduced a cap which restricted the allowable increase to below CPI+1%. There has been no announcement as to whether this will continue for 2024/25.
- As stated above the rent standard currently allows a maximum increase of CPI + 1%. The rent standard is due for an update in 2025/26 and any change to this will impact the current forecasts within the Business

Plan. If, for example, the increase was restricted to CPI only this would reduce the forecast income over the life of the business plan by £15m.

9.4 Inflation:

- In the current financial year, the inflation provision is sufficient to cover impacts to the HRA budget. Going forward assumptions, of lower inflation rates, have been reflected throughout the business plan and changes to this will impact the affordability of the plan. Within the Housing Delivery budget build cost inflation will be a risk to those schemes not currently in contract.

9.5 Changes to regulation:

- The Social Housing (Regulation) Act, which received Royal Assent in July 2023, introduced new consumer standard requirements to ensure tenants have good quality homes and services, prioritise tenants; safety, treat tenants with respect and be open and honest. To meet these requirements there will be an additional resourcing need, improvement in IT systems and other costs. There will be growth bids addressing this within 2024/25 budget setting.

9.6 Interest rate risk:

- With the need for additional borrowing from 2025/26, based on forecasts used for the 2023/24 budget setting, high rates of interest will add further costs to the business plan. To mitigate this, we will need to try push the need to borrow to future years when the forecast is for interest rates to reduce.

10. Financial Implications

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

11. Legal Implications

11.1 The report meets the duty to report on the robustness of the estimates provided, the adequacy of the financial reserves in place and the monitoring arrangements in line with Section 25 of the Local Government Act 2003. It is critical that the overall financial plans to deliver the Council's aims and objectives, and the proposals included in this report support this aim.

12. Human Resource Implications

12.1 No direct impact.

13. Equality and Diversity Implications

13.1 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.

14. Climate Change/Sustainability Implications

14.1 There are no direct implications arising from this report. Implication of Climate Change and Sustainability are considered within all capital projects.

15. Summary of Options

17.1 No decision is required; this is just an update based on the mid-year review of the HRA and Capital budgets.

16. Conclusion

18.1 Within year the HRA budget is forecasting a saving. This will continue to be closely reviewed. The Capital Programme has identified a number of

savings, and the New Delivery Programme has several delays which will require budget carry forward

18.2 There have been several risks identified in this report. These will need to be considered and addressed by both officers and members in the 2024/25 budget setting process.

17. Background Papers

19.1 HRA budget setting documents from Council February 2023.

18. Appendices

20.1 Annexe 1 – 2022/23 HRA Outturn & 2023/24 Forecast

20.2 Annexe 2 – Capital Programme 2022/23 Outturn & 2023/24 Forecast

20.3 Annexe 3 – New Delivery Capital Programme 2022/23 Outturn and 2023/24 Forecast

Please ensure the following service areas have signed off your report.
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	CK 02/11/23
Legal / Governance	
HR	n/a
Equalities	n/a
Lead Councillor	10/10/23
CMB	10/10/23
Executive Briefing/Liaison	17/10/23
Committee Services	

HRA Business Plan 2022/23 Outturn & 2023/24 Forecast

	2022/23 Approved Budget	2022/23 Outturn	2022/23 Variance	2023/24 Approved Budget	2023/24 Forecast Outturn	2023/24 Forecast Variance
HRA WORKING BALANCE						
INCOME						
Net Dwelling Rent	-30,220,200	-29,848,829	371,371	-31,294,059	-31,180,796	113,263
Net Garage Rent	-357,115	-369,136	-12,021	0	0	0
Service Charges	-423,216	-580,645	-157,429	-396,448	-391,962	4,486
Cost Recovered	-342,247	-328,898	13,349	-458,205	-449,149	9,056
Other Income	-388,458	-479,092	-90,634	-294,098	-288,098	6,000
Interest Receipts	-147,967	-547,161	-399,194	-538,180	-850,324	-312,144
Grant Income	-14,986	-18,012	-3,026	-184,528	-184,528	0
Total Income	-31,894,189	-32,171,773	-277,584	-33,165,517	-33,344,857	-179,339
EXPENDITURE						
Cost of Operation	1,511,631	1,981,552	469,921	3,058,282	3,159,476	101,194
Operational Staffing	3,608,845	3,334,500	-274,346	3,936,037	3,844,241	-91,796
Support Service Charges	765,459	939,246	173,787	790,570	790,570	0
Back Funding Pension Cost	658,285	656,901	-1,384	638,037	638,037	0
Responsive Maintenance	6,272,936	6,108,145	-164,791	6,865,346	6,970,673	105,327
Corporate and Democratic Costs	614,950	635,714	20,764	834,651	834,651	0
Mortgage Interest	5,327,754	5,325,080	-2,674	5,116,002	5,116,002	0
Mortgage Principal Repayment	7,998,000	7,998,000	0	8,574,400	8,574,400	0
Hardship Fund	25,000	24,083	-917	30,000	30,000	0
Total Expenditure	26,782,860	27,003,219	220,359	29,843,325	29,958,050	114,725
Net INCOME -/ Net EXPENDITURE +	-5,111,329	-5,168,554	-57,225	-3,322,192	-3,386,807	-64,615
CONTRIBUTIONS TO (+)/FROM (-) RESERVES						
Capital Programme Contribution	7,792,086	7,801,049	8,963	8,288,586	8,288,586	0
Release Contingency Reserve	-2,024,000	-2,025,888	-1,887	-15,770	-15,770	
Working Balance	-656,757	-606,607	50,150	-4,950,664	-4,886,050	64,615
Total to/from reserves	5,111,329	5,168,554	57,225	3,322,152	3,386,766	64,615
Working Balances - MOVEMENT IN YEAR ADDED (-)/REDUCED (+)						
Opening Balance	-9,942,758	-9,942,758	0	-9,336,151	-9,336,151	0
Movement in year added/ (-ve) reduced	656,757	606,607	-50,150	4,950,664	4,886,050	-64,615
CLOSING BALANCE (MIN £2m)	-9,286,001	-9,336,151	-50,150	-4,385,486	-4,450,101	-64,615

Note - Negative number (-) represent income/surplus

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2023/24 Capital Programme Forecast Outturn

Cost Centre description(T)		Approved Budget	Forecast Outturn	Outturn Variance	Savings	Carry Forward	Comment
Communal & Estate works	Flooring	20,000	20,000	0	0		
Communal & Estate works	Lighting	20,000	20,000	0	0		
Communal & Estate works	Parking, Paths & Curtilage	75,000	75,000	0	0		Budget not required in year, no works identified
Communal & Estate works	Sewerage	75,000	75,000	0	0		
Health & Safety Works	Fire Doors	100,000	100,000	0	0	0	
Health & Safety Works	Fire safety	1,021,641	1,021,641	0	0		
MRA Prog Decent Homes Occupied Properties	Commercial Heating	200,000	200,000	0	0	0	
MRA Prog Decent Homes Occupied Properties	Rewiring	700,000	700,000	0	0		
MRA Prog Decent Homes Void Properties	Bathroom Work	157,500	157,500	0	0		
MRA Prog Decent Homes Void Properties	Kitchen Work	472,500	472,500	0	0		
MRA Prog Disabled Adaptations Occupied Properties	Disabled new	388,000	388,000	0	0		
MRA Programmed work	Asbestos Removals	250,000	250,000	0	0		
MRA Programmed work	Bathroom Work	550,000	550,000	0	0		
MRA Programmed work	CCTV	27,500	22,872	-4,628	-4,628	0	Project now complete - remaining funding is savings
MRA Programmed work	CO detector program	90,000	90,000	0	0		
MRA Programmed work	Door Entry System	12,920	12,920	0	0	0	
MRA Programmed work	Heating Upgrade	651,876	651,876	0	0		
MRA Programmed work	Kitchen Work	550,000	550,000	0	0		
MRA Programmed work	Lift Maintenance	65,545	65,545	0	0	0	
MRA Programmed work	Porch replacement	60,000	59,280	-720	-720	0	Project now complete - remaining funding is savings
MRA Programmed work	Social Housing Decarb Fund	102,000	0	-102,000	-102,000		Bid unsuccessful, funds no longer required
MRA Programmed work	Stock Survey	335,015	250,000	-85,015	-85,015	0	Contract value for 23/24 is £250k, remaining budget not required
MRA Programmed work	St James Court	140,500	140,500	0	0		
MRA Programmed work	Grounds Maintenance	35,000	35,000	0	0		
MRA Programmed work	Housing Property Fees	50,000	30,000	-20,000	-20,000		Will not require full budget this year
Roofing & Associated works	Energy efficiency	350,000	200,000	-150,000	-150,000		Works delayed as post to deliver post is vacant, aiming to have someone in post to delivery this project in the next few months. Funds could be used on other projects if contracts are able to add to current work programmes

2023/24 Capital Programme Forecast Outturn

Cost Centre description(T)		Approved Budget	Forecast Outturn	Outturn Variance	Savings	Carry Forward	Comment
Roofing & Associated works	Roofline & Fascia's	350,000	250,000	-100,000	-100,000		Based on spend to date, contractor may spend more. Will review in Q3
Roofing & Associated works	Re-roofing	530,000	530,000	0	0		
Structural & Damp works	Internal Remodelling	125,000	125,000	0	0		
Structural & Damp works	Structural Works	122,000	122,000	0	0	0	
Windows & Doors	Glazing	450,000	450,000	0	0		
TOTAL		8,076,997	7,614,634		-462,363	0	

2022/23 Capital Programme Outturn

Cost Centre description(T)		Approved Budget	Outturn	Savings	Carry Forward	Comment
Communal & Estate works	Flooring	20,000	13,749	-6,251		
Communal & Estate works	Lighting	10,000	5,299	-4,701		
Communal & Estate works	Parking, Paths & Curtilage	85,000	46,709	-38,291		Budget not required in year, no works identified
Communal & Estate works	Scooter Store (Sheltered Schemes)	581	581	0		
Health & Safety Works	Fire safety	750,000	577,167	-1,192	-171,641	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
Health & Safety Works	Riverside Court	44,654	41,785	-2,869		
MRA Prog Decent Homes Occupied Properties	Commercial Heating	186,700	47,726	0	-138,974	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Prog Decent Homes Occupied Properties	Rewiring	500,000	374,110	-125,890		
MRA Prog Decent Homes Void Properties	Bathroom Work	157,500	125,508	-31,992		
MRA Prog Decent Homes Void Properties	Kitchen Work	472,500	478,306	5,806		
MRA Prog Disabled Adaptations Occupied Properties	Disabled new	472,308	509,580	37,272		
MRA Programmed work	Asbestos Removals	294,000	259,820	-34,180		
MRA Programmed work	Bathroom Work	267,000	266,961	-39		
MRA Programmed work	CCTV	15,000	0	0	-15,000	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Programmed work	CO detector program	125,000	83,200	-41,800		
MRA Programmed work	Door Entry System	12,920	0	0	-12,920	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Programmed work	Heating Upgrade	413,300	390,398	-22,902		
MRA Programmed work	Kitchen Work	348,000	350,168	2,168		
MRA Programmed work	Lift Maintenance	35,000	4,455	0	-30,545	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Programmed work	Porch replacement	60,000	0	0	-60,000	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Programmed work	Riverside Court	17,080	17,079	-1		
MRA Programmed work	Senior living Wi-Fi	25,000	0	-25,000		
MRA Programmed work	Stock Survey	175,000	14,985	0	-160,015	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
MRA Programmed work	Vernon Ct	125,000	117,022	-7,978		
MRA Programmed work	Wyatt's close	0	0	0		
MRA Programmed work	Grounds Maintenance	50,000	49,844	-156		
MRA Programmed work	Housing Property Fees	50,000	21,323	-28,677		
Roofing & Associated works	Energy efficiency	125,557	83,603	-41,954		
Roofing & Associated works	Roofline & Fascia's	250,000	208,907	-41,093		
Roofing & Associated works	Re-roofing	400,000	392,876	-7,124		
St James Court	Legal Fees	0	4,785	4,785		

2022/23 Capital Programme Outturn

Cost Centre description(T)		Approved Budget	Outturn	Savings	Carry Forward	Comment
Structural & Damp works	Cesspool Emptying	34,032	35,816	1,784		
Structural & Damp works	Internal Remodelling	0	-2,964	-2,964		
Structural & Damp works	Structural Works	180,968	153,435	-5,532	-22,000	Works not complete by year end, carry forward to 23/24. Works to complete early 23/24.
Windows & Doors	Glazing	450,000	443,418	-6,582		
TOTAL		6,152,100	5,115,652	-425,353	-611,095	

Housing Delivery Programme - 2022/23 Outturn

	2022/23 Budget	2022/23 Outturn	Savings	Carry Forward	Comment
<u>Ockford Ridge scheme</u>					
Ockford Ridge	133,195	7,233	-125,962	0	Remaining budget not required in 23/24
Ockford Ridge - Site A	79,305	-33,600	-112,905	0	Remaining budget not required in 23/24
Ockford Ridge - Site B	65,000	63,454	-1,546	0	Remaining budget not required in 23/24
Ockford Ridge - Site C	3,149,061	3,181,415	32,354	0	Overspend reduces future years budgets. Does not impact overall scheme cost
<u>Chiddingfold scheme</u>					
Hartsgrove	88,000	101,373	13,373	0	Overspend reduces future years budgets. Does not impact overall scheme cost
Turners Mead	61,690	43,868	-0	-17,822	Remaining budget carried forward to 23/24 - part of total scheme cost
Pathfield	100,093	186,785	86,692	0	Overspend reduces future years budgets. Does not impact overall scheme cost
Queensmead	200,000	108,761	0	-91,239	Remaining budget carried forward to 23/24 - part of total scheme cost
<u>Other schemes</u>					
Aarons Hill	407,904	50,995	-0	-356,909	Remaining budget carried forward to 23/24 - part of total scheme cost
Borough Wide Refurbishment	320,646	21,167	1	-299,480	Remaining budget carried forward to 23/24 - part of total scheme cost
Cattershall Lane	900,000	0	0	-900,000	Remaining budget carried forward to 23/24 - part of total scheme cost
HRA Feasibility Studies	590,000	293,117	-296,883	0	Remaining budget not required in 23/24
HRA Property Purchase	2,500,000	10,779	-2,489,221	0	Remaining budget not required in 23/24
Pre-development Expenditure	707,033	178,312	-528,720	0	Remaining budget not required in 23/24
S106 affordable housing units	2,469,300	431	-2,468,869	0	Remaining budget not required in 23/24
Zero carbon retrofit pilot	1,765,000	25,251	-0	-1,739,749	Remaining budget carried forward to 23/24 - part of total scheme cost
Badgers Close	14,569	14,568	-1	0	
Ladymead	4,359	3,957	-402	0	Remaining budget not required in 23/24

Other					
Latent Defects	173,000	750	-2,804	-169,446	Defect works required at Middlefield site - will commence in 23/24
Wyatts Close	1,234,936	1,204,030	-30,906	0	Remaining budget not required in 23/24
Station Road Development	9,040	0	-9,040	0	Remaining budget not required in 23/24
TOTAL	14,972,130	5,462,644	-5,934,841	-3,574,645	

Note - Negative number (-) represent income/surplus

Housing Delivery Programme - 2023/24 Forecast Outturn

	2023/24 Budget	2023/24 Forecast Outturn	Savings	Carry Forward	Comment
<u>Ockford Ridge scheme</u>					
Ockford Ridge	176,850	176,850	0	0	On track to spend full budget this year
Ockford Ridge - Site A	13,000	13,000	0	0	On track to spend full budget this year
Ockford Ridge - Site B	10,150	10,150	0	0	On track to spend full budget this year
Ockford Ridge - Site C	4,413,131	4,413,131	0	0	On track to spend full budget this year
<u>Chiddingfold scheme</u>					
Hartsgrove	1,656,503	350,000	0	-1,306,503	Scheme will not start on site until later in the year - budget to be carried forward to 24/25 to complete the scheme
Turners Mead	692,947	500,000	0	-192,947	Scheme will not start on site until later in the year - budget to be carried forward to 24/25 to complete the scheme
Pathfield	3,214,333	1,100,000	0	-2,114,333	Scheme will not start on site until later in the year - budget to be carried forward to 24/25 to complete the scheme
Queensmead	1,961,496	950,000	0	-1,011,496	Scheme will not start on site until later in the year - budget to be carried forward to 24/25 to complete the scheme
<u>Other schemes</u>					
Aarons Hill	819,423	400,000	0	-419,423	Scheme in pre contract, will require carry forward to 24/25
Borough Wide Refurbishment	339,480	339,480	0	0	On track to spend full budget this year
Cattershall Lane	2,845,500	700,000	0	-2,145,500	Planning for site now approved, approx. start on site date Jan 24. Carry forward to 24/25 required
HRA Feasibility Studies	511,520	511,520	0	0	On track to spend full budget this year
Pre-development Expenditure	170,000	170,000	0	0	On track to spend full budget this year
Zero carbon retrofit pilot	1,739,749	1,739,749	0	0	On track to spend full budget this year

Housing Delivery Programme - 2023/24 Forecast Outturn

	2023/24 Budget	2023/24 Forecast Outturn	Savings	Carry Forward	Comment
<u>Other</u>					
Latent Defects	189,446	189,446	0	0	On track to spend full budget this year
TOTAL	18,753,528	11,563,326	0	-7,190,202	

Note - Negative number (-) represent income/surplus

Waverley Borough Council

Report to: Overview and Scrutiny (Resources)

Date: 14 November 2023

Ward(s) affected: Elstead and Pepper Harrow/ Godalming Central & Ockford

Report of Director: Place

Author: Louisa Blundell – Housing Development Manager

Tel: 01483 523205

Email: louisa.blundell@waverley.gov.uk

Executive Portfolio Holder/ Lead Councillor responsible: Councillor Nick Palmer

Email: nick.palmer@waverley.gov.uk

Report Status: Part Exempt

Key Decision: Yes

HRA New Build Housing Delivery – Elstead & Ockford Ridge

1. Executive Summary

- 1.1 The purpose of this report is to provide members with an overview of the proposed new build housing schemes which are in a position to bring forward to planning and procurement of a build contractor with a view to enter into contract to deliver the new sustainable homes.
- 1.2 Seek member approval to the recommendations made for each project as set out in the business cases within Exempt Annexe 1 a & b) of this report and 2.2 and 2.3 below using the financial strategy approved by Full Council on 13 December 2022.

2. Recommendation to Overview and Scrutiny Committee (Resources)

2.1 It is recommended that the Overview and Scrutiny Committee consider this report, information within the Exempt Annexes and Appendices and the recommendations as set out in the business cases in Exempt Annexe 1 (a & b) of this report and 2.2 and 2.3 below and provides observations, comments, suggestions to Executive.

2.2 Recommendations – Springfield, Elstead

1. Progression with Option 4 to demolish the existing accommodation and re-develop a scheme that incorporates a variety of homes of varying sizes and tenures that can accommodate different individual and local housing need.
2. Delegate authority to the Strategic Director of Place, in consultation with the Portfolio Holder for Housing (Delivery), to submit a planning application, including demolition to facilitate delivery of 26 new affordable homes.
3. Approve the sale of shared ownership homes to be delivered on the site at Springfield with the Executive Head of Housing Services in consultation with Portfolio Holders for Housing (Delivery and Operations) to approve the final terms of such sales having regard to market value and giving the Executive Head of Legal and Democratic Services authority to approve the final form of the sale agreements and any ancillary related legal agreement.
4. Delegate authority for Executive Head of Housing Services in consultation with Portfolio Holders for Housing (Delivery and Operations) to approve the future sale of percentage shares.
5. Delegate authority for the Executive Head of Housing Services in consultation with the Executive Head of Finance to review and change the tenure of an affordable shared ownership home to affordable rented should the housing market negatively impact the sale of these homes (provided there is not a negative net revenue impact to the business plan for the scheme)

6. Delegate authority for the Executive Head of Regeneration and Planning Policy in consultation with the Executive Head of Legal to consider and agree any potential compensation/remediation costs due to tenants/owner occupiers should the main contractor be required to undertake work beyond the site boundary (for example trenching works) provided there is sufficient budget.
7. Delegate authority to the Strategic Director of Place to:
 - i. Approve the commencement of the tender process for the demolition and construction contracts
 - ii. Approve the appointment of contractors following the appropriate procurement subject to the appointment being within the identified budget
 - iii. Approve the use of pre contract agreements with the preferred contractor to enable the development of the project and authorise spend in accordance with the budget
 - iv. Approve enter into the JCT Contracts (Works/Design and Build) for both demolition and delivery of new homes.
 - v. Approve the entering into any related contractual documentation (including collateral warranties, novation agreements, easements other ancillary agreements) relating to the delivery of the project
 - vi. Approve the entering into any agreement (including paying any necessary sums provided they are within the project budget) with any utility or related provider to ensure the connection, moving, management of any services to facilitate or deliver the project.
 - vii. Approve entering into an agreement with Homes England should grant funding be secured from the Affordable Homes Delivery Programme.
8. Delegate authority to the Executive Head of Legal and Democratic Services to approve the final form of any legal agreements including those with utility companies and other statutory authorities.

It is recommended that Executive recommends to Full Council that:

1. The approval of a project budget allocation of £10,074,928m, with the delegation to Executive to approve the final budget once tender returns for the construction contract have been received.

2.3 Recommendations – Ockford Ridge (Site F)

1. Progression with Option 2 to demolish the existing accommodation and re-develop a scheme that incorporates a variety of homes of varying sizes and tenures that can accommodate different individual and local housing need.
2. Delegate authority to the Strategic Director of Place, in consultation with the Portfolio Holder for Housing (Delivery), to submit a planning application, including demolition to facilitate delivery of 20 new affordable homes.
3. Approve the sale of shared ownership homes to be delivered on the site at Site F, Ockford Ridge with the Executive Head of Housing Services in consultation with Portfolio Holders for Housing (Delivery and Operations) to approve the final terms of such sales having regard to market value and giving the Executive Head of Legal and Democratic Services authority to approve the final form of the sale agreements and any ancillary related legal agreement.
4. Delegate authority for Executive Head of Housing Services in consultation with Portfolio Holders for Housing (Delivery and Operations) to approve the future sale of percentage shares.
5. Delegate authority for the Executive Head of Housing Services in consultation with the Executive Head of Finance to review and change the tenure of an affordable shared ownership home to affordable rented should the housing market negatively impact the sale of these homes (provided there is not a negative net revenue impact to the business plan for the scheme)
6. Delegate authority to the Strategic Director of Place to:
 - a. Approve the commencement of the tender process for the demolition and construction contracts
 - b. Approve the appointment of contractors following the appropriate procurement subject to the appointment being within the identified budget

- c. Approve the use of pre contract agreements with the preferred contractor to enable the development of the project and authorise spend in accordance with the budget
 - d. Approve entering into the JCT Contracts (Works/Design and Build) for both demolition and delivery of new homes.
 - e. Approve the entering into any related contractual documentation (including collateral warranties, novation agreements, easements other ancillary agreements) relating to the delivery of the project
 - f. Approve the entering into any agreement (including paying any necessary sums provided they are within the project budget) with any utility or related provider to ensure the connection, moving, management of any services to facilitate or deliver the project.
 - g. Approve entering into an agreement with Homes England should grant funding be secured from the Affordable Homes Delivery Programme (provided there is not a negative net revenue impact to the business plan for the scheme.)
7. Delegate authority to the Executive Head of Legal and Democratic Services to approve the final form of any legal agreements including those with Homes England, utility companies and other statutory authorities.

It is recommended that Executive recommends to Full Council:

1. The approval of a project budget allocation of £7,270,379m, with the delegation to Executive to approve the final budget once tender returns for the construction contract have been received.
2. The approval of an additional and specific budget of £150k to facilitate the design of Site E Ockford Ridge by the appointed contractor for Site F.

3. Reason(s) for Recommendation:

- 3.1 The Waverley Corporate Strategy 2020-2025 sets out the Vision and Strategic Priorities for the Council. One of the strategic priorities is to 'provide good quality housing for all income levels.'
- 3.2 Build More, Build Better, Build for Life Affordable Homes Delivery Strategy 2022 – 2025 sets out the Council's commitment to build homes to buy or rent for households from all income levels. The strategy has been supported by evidence studies including the Waverley Housing Affordability Study 2021.
- 3.4 To seek ensure that the committee is up to date with the progress made with the next phase of delivery of affordable homes and request support for the development projects described in this report and Exempt Annexe 1 a – b as part of the council's new affordable homes programme financed in compliance with the HRA Business Plan Strategic Review report and recommendations approved in December 2022.

4. Exemption from publication

- 4.1 Yes Part Exempt – Open Report / Exempt Annexe
The content of the Annexes of this report is to be treated as exempt from Access to Information publication rules because information relating to financial or business affairs of any particular person (including authority holding that information) and is therefore exempt by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

5. Purpose of Report

- 5.1 The purpose of this report is to provide members with an overview of the proposed new build housing schemes which are in a position to bring forward with business cases and support the delivery of new affordable homes to meet the local housing need.

- 5.2 The business case for each scheme is set out in Exempt Annexe 1 (a – b)
- 5.3 This report also seeks the relevant authorities and associated budgets required to progress with the delivery of these schemes, including submission of planning applications, detailed design and to enable the procurement of a build contractor.
- 5.4 A summary of budget requested for each scheme can be found in Exempt Annexe 2.

6. Strategic Priorities

- 6.1 Affordable housing is central to community well-being. It is consistent with the Council's [Corporate Strategy 2020 – 2025](#), strategic priority to deliver 'good quality housing for all income levels and age groups' and 'effective strategic planning and development management to meet the needs of our communities.'
- 6.2 As set out in the Build More, Build Better, Build for Life, Affordable Homes Delivery Strategy 2022-2025, the Council is committed to build homes to buy or rent for households from all income levels. The Strategy sets out priorities and objectives for the development of new affordable homes by the Council and our partners for the next 3 years.
- 6.3 One of the actions within the Affordable Homes Delivery Strategy Action Plan is to deliver 15% of the new homes, 60 over the life of the strategy with the remaining 85% delivered by other registered providers. Another action is to introduce a rent cap for affordable rents set at 70% of market rent for 1 and 2 bed homes and 65% for 3 bed homes to reflect local income levels and affordability. The delivery of the new homes programme will increase the number of affordable homes available for those that are in housing need and registered on the Council's housing register or seeking to own their own home through purchase of a percentage share of a shared ownership home.
- 6.4 The schemes as set out in the business cases in Exempt Annexe 1 (a-b) aim to increase the number of affordable homes available for those that are in housing need and registered on the Council's

housing register for homes for affordable and social rent together with those who are considering purchase of an initial share of a shared ownership home.

7. Background

- 7.1 On 13 December 2022, Full Council considered and approved the HRA Business Plan Strategic Review Report and recommendations. At the same meeting officers proposed business cases for schemes ready for Full Council approval under the new strategy. Continuing with the delivery of new homes through regeneration, this report proposes two schemes ready for Full Council approval to proceed under the adopted strategy. The detailed business case for each proposed scheme is set out in Exempt Annexes 1 (a-b) of this report.

8. Consultations

- 8.1 Portfolio Holders Housing (Delivery and Operations) and other members of the Executive have been briefed on the proposals and recommendations set out in this report and associated Exempt Annexes.

9. Key Risks

- 9.1 Risk will be managed in accordance with the Council Risk Management Framework with consideration of the Council's Risk Appetite Statement and risk domains.
- 9.2 Identification, assessment, and management of site-specific risks will be undertaken using the project risk register and management practice, including appropriate internal reporting should risks become issues.
- 9.3 The risk that a preferred contractor goes into administration either when in a pre-contract services agreement or in JCT Contract became an issue in one project. The risk of this can be assessed through

- thorough due diligence and financial assessment and mitigation actions should this happen when in contract through seeking a parent company guarantee and / or bond.
- 9.4 The cost over the Business Plan and over the life of the asset rent, maintenance and management cost increases, actual experience may be different to these assumptions and the impact will be on the net revenue position and mitigated where possible through the New Development Impact Reserve.
- 9.5 Risk of the Right to Buy sale and loss of income to the business plan. Where the council has financed the property through borrowing, the asset could be lost before the debt is cleared. A debt repayment allowance is included within the Right to Buy retention calculation and the net debt impact will be managed through the New Development Impact Reserve.
- 9.6 When a main contractor is appointed, they will be responsible for paying the sub-contractors, there is a risk that this may not happen. Mitigation measures implemented through the monitoring of work completed by the sub-contractors by the project quantity surveyor and a requirement for the main contractor to evidence payment.

10. Financial Implications

- 10.1 Decisions made regarding budget to deliver the new build housing delivery programme will impact on the Council's financial resources as set out in this report. The details of the proposed financing of these schemes are detailed in Exempt Annexe 2 of the report. The impact on HRA business plan, NPV and payback period have all been considered in the viability assessments of these schemes, the details of this are also contained with Exempt Annexe 2.
- 10.2 Procurement of further consultancy services and contractor will be undertaken in accordance with the Council's Sustainable Procurement Strategy, Contract Procedure Rules and approved delegations.

10.3 The Council commissioned Haverly Consulting Limited to undertake a development appraisal, value for money and benchmarking assessment of both schemes which concluded that the Council are using robust development assumptions that are in line with the sector comparison and market levels. This assessment can be found at Exempt Annexe 3 to this report.

11. Legal Implications

11.1 The Council has functions to provide social housing and to build and develop these schemes. The individual projects are at various stages of the development cycle and accordingly the legal risks and elements with these projects is kept under review to ensure the Council's position is protected and appropriate advice and support is sought. The decision to approve the development of sites in this programme does not prejudice or determine the proper functions of the Council as Planning Authority or in any other regulatory function and appropriate approval and consideration under the relevant frameworks must be considered in light of those frameworks.

12. Human Resource Implications

12.1 The projects within the next phase of the delivery programme can be delivered with staffing resource of the Housing Development Team and other council service areas who support the delivery together with the external specialist consultant teams.

13. Equality and Diversity Implications

13.1 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.

14. Climate Change/Sustainability Implications

- 14.1 The New Build contribution to the Council's environmental and sustainability objectives include working with consultants to develop climate positive design and carbon off-set opportunities in materials used in construction.
- 14.2 The consultant and contractor shortlisting / tender process supports the Council's ambition of being carbon neutral by 2030. Tender criteria are used to enable the Council to take account of the qualitative, technical and sustainability aspects of the tender as well as price when evaluating and reaching a contract award decision.
- 14.3 Demolition contractors are required to operate in an environmentally responsible manner with a firm commitment to recycle and reclaim the maximum materials recovered during demolition and dismantling process.
- 14.4 Our build contractor appointment includes an assessment of responses in relation to minimise the carbon impact on delivery of the schemes with specific references to addressing their environmental impact, pre-construction activity, build and post construction phases and management of their supply chain.
- 14.5 Contractors are required to demonstrate areas of innovation that they have developed or suggest products and advise how they might be used in projects delivered with the council, having regard to the council's current Design Standards and Employers Requirements to deliver energy efficient and sustainable homes for existing and future tenants.
- 14.6 The Waverley Borough Council Housing Design Standards were reviewed by the Housing Overview and Scrutiny Working Group and the resulting recommendations were formally adopted by the Executive in September 2021. The focus of the review was on opportunities and methods of delivery of carbon neutral / Passivhaus

homes and value for money. The homes included in the Council New Build Housing Delivery Programme will be net zero carbon in operation.

- 14.7 The Housing Development Team work with other teams to identify ways the delivery of the Council's new build and regeneration programme can support delivery of other elements of the Council's Climate Change and Sustainability Strategy and Strategic Carbon Neutrality Action Plan

15.0 Summary of Options

- 15.1 Cease delivery of the pipeline of new build homes by the Council, however delivery of good quality affordable homes for local people in housing need is a strategic priority within the Council's Corporate Strategy 2020 – 2025 and commitment within the Affordable Homes Delivery Strategy 2022 – 2025 to deliver 60 new homes over the life of the strategy. Options for each of the schemes are set out in the individual business case for each scheme in Exempt Annexe 1a–b.

16. Conclusion

- 16.1 Overview and Scrutiny Committee (Resources) asked to consider and provide comments and observations to Executive on the recommendations made in this report and exempt annexes to facilitate the delivery of 46 new homes and ensure that the Council continues to meet the strategic priorities of its Corporate Strategy 2020-2025 and commitments within the Affordable Homes Delivery Strategy 2022 -2025.

Background Papers

- 17.1 None

Exempt Annexes and Appendices

- 18.1 Exempt Annexe 1a – Business Case, Springfield, Elstead and Appendix 1a Valuation Report
- 18.2 Exempt Annexe 1b – Business Case, Site F, Ockford Ridge, Godalming and Appendix 1b Valuation Report
- 18.3 Exempt Annexe 2 – Scheme Financial Analysis
- 18.4 Exempt Annexe 3 – Development Appraisal, Value for Money and Benchmarking Report

Please ensure the following service areas have signed off your report.
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	CK 25/10/23
Legal / Governance	RT 03/11/23
HR	-
Equalities	-
Lead Councillor	NP 26/10/23
CMB	17/10/23
Executive Briefing/Liaison	31/10/23
Committee Services	

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Waverley Borough Council

Report to: Overview and Scrutiny (Resources)

Date: 14 November 2023

Ward(s) affected: Godalming Central and Ockford

Report of Director: Place

Author: Louisa Blundell

Tel: 01483 523205

Email: louisa.blundell@waverley.gov.uk

Executive Portfolio Holder: Councillor Nick Palmer

Email: nick.palmer@waverley.gov.uk

Report Status: Part Exempt

New Build Housing Delivery - Catteshall Lane, Godalming

1.0 Executive Summary

- 1.1 The purpose of this report is to seek formal approval to enter into a legal agreements with the developer for the acquisition of the land and delivery of 12 new homes in Catteshall Lane, Godalming.
- 1.2 Members have already considered and approved the business cases for and delivery of these homes and full project budget at a meeting of Full Council on 13 December 2022. However, due to the time delay in securing the planning consent for the development the developer has sought an additional sum to reflect build cost inflation and market conditions since the Council expressed an interest in this opportunity. Due to this an additional budget is required to ensure

that the contingency is in place when we enter into legal agreement for the land and build of the 12 new homes. The scheme remains financially viable.

2.0 Recommendation to Overview and Scrutiny Committee (Resources)

2.1 It is recommended that the Overview and Scrutiny Committee consider the report and information within the Exempt Annexes and the recommendations below (2.2 (i-v) and provides comments, suggestions and observations to Executive.

2.2 Recommendations

- i. Give delegated authority to the Executive Head of Legal and Democratic Services to approve the final form of any legal agreements and to Strategic Director (Place) to enter into these agreements with the developer.
- ii. Give delegated authority to the Strategic Director (Place) to approve pre legal agreements with the developer to enable the development of the project and authorise spend in accordance with the budget.
- iii. Give delegated authority to the Strategic Director (Place) to enter into any related contractual documentation (including collateral warranties or agreements) relating to the project.
- iv. Give delegated authority to the Strategic Director (Place) to enter into any ancillary agreements related to the project provided that these are within the project budget.
- v. Executive is asked to recommend to Full Council the approval of the allocation of an additional £276,342 budget to be met through a combination of capital receipts and borrowing.

3.0 Reason for Recommendations:

3.1 The Executive and Full Council have previously approved the Business Case for this site and the recommended authority is required to enter into the legal agreements with the developer and approve additional

budget to facilitate delivery of the new homes on this site through these agreements. Through delivery of the project there may be a requirement to enter into project related contractual documents or ancillary agreements for example with utility companies and other statutory authorities.

- 3.2 The Waverley Corporate Strategy 2020-2025 sets out the Vision and Strategic Priorities for the Council. One of the strategic priorities is to 'provide good quality housing for all income levels.'
- 3.3 Build More, Build Better, Build for Life Affordable Homes Delivery Strategy 2022 – 2025 sets out the Council's commitment to build homes to buy or rent for households from all income levels. The strategy has been supported by evidence studies including the Waverley Housing Affordability Study 2021.
- 3.4 Delivery of 12 homes at Catteshall Lane, will support meeting these priorities and commitments.

4.0 Exemption from publication

- 4.1 Yes Part Exempt – Open Report / Exempt Annexe

Note pursuant to Section 100B(5) of the Local Government Act 1972

This report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

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

5.0 Purpose of Report

- 5.1 To provide members with an update on the progress made with the acquisition of the 12 homes, the request for additional budget and

other recommendations including to enter into legal agreements to facilitate delivery of the 12 new homes.

6.0 Strategic Priorities

- 6.1 Affordable housing is central to community well-being. It is consistent with the Council's [Corporate Strategy 2020 – 2025](#), strategic priority to deliver 'good quality housing for all income levels and age groups' and 'effective strategic planning and development management to meet the needs of our communities.'
- 6.2 This project aims to increase the number of affordable homes available for those that are in housing need and registered on the Council's housing register.

7.0 Background

- 7.1 Members have already considered the business case and supporting appendix for four new homes and approved the delivery of the homes and full project budget at a meeting of Full Council on 13 December 2022 however a summary of proposals for the scheme is set out below with further financial information in Exempt Annexe 1.

8.0 Housing tenure

- 8.1 The affordable homes on the sites will be for rent at Waverley rent levels.

Property size	% Open market rent
6 x 1 bed	70
6 x 2 bed	70

9.0 Consultations

9.1 The Portfolio Holders for Housing Operations and Delivery together with members of the Resources Overview and Scrutiny Committee have considered the business case for the site prior to its consideration by Executive on 29 November 2022 and by full Council on 13 December 2022. Portfolio Holders Housing (Delivery and Operations) and other members of the Executive have been briefed on the proposals and recommendations set out in this report and associated Exempt Annexe 1.

10.0 Key Risks

10.1 If the Executive do not approve the recommendations made in this report, then the development of twelve homes will not be acquired by the Council and the developer would need to seek alternative expressions of interest from a registered provider and as a result delay delivery of these homes for those in housing need.

10.2 Delaying a decision to approve the recommendations will have additional cost implications as the developer is ready to mobilise subject to entry into legal agreement. It is therefore imperative that the agreements are signed as soon as we have the authorities in place.

11.0 Financial Implications

11.1 The total budget approved for this development at full Council on 13 December 2022 was £2,845,500. The costs have now increased and a budget of £3,121,842 will be required. This is an increase of £276,342 which will be funded through a mixture of capital receipts and borrowing. Though the costs have gone up on this scheme overall viability has improved. We have reworked the viability assessments to take account of a change in the borrowing assumptions considering the current market forecasts. This results in a favourable change in the viability of these schemes with NPV improving across the board as well as the revenue impact improving. This information can be found in Exempt Annexe 1.

11.2 The gross development value for the four homes has reduced slightly reflecting the current housing market conditions £3,877m.

12.0 Legal Implications

12.1 Members have already considered the business case and approved the recommendations made at the meeting of the Council of 13 December 2022 however formal approval is needed to enter into the legal (land and build) agreements with the developer.

12.3 The delegations included in the report enable the delivery of these homes to be managed in an effective and coordinated way, having regard to the budget and strategic business case.

13.0 Human Resource Implications

13.1 There are no significant human resource implications. Officers in the Housing Development Team have and will continue to liaise with the internal stakeholders including Home Choice and Property Services Teams prior to handover of the new flats.

14.0 Equality and Diversity Implications

14.1 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 Service Equality Duty under the Equality Act 2010.

15.0 Climate Change/Sustainability Implications

15.1 The construction of the new homes will take a fabric first approach which will be complemented through the installation of air-source heat pumps and potentially photo voltaic (PV) panels as bolt-on technologies, to complement enhanced insulation (doors, windows, wall) measures, the fabric-first elements.

16.0 Summary of Options

16.1 The options were proposed within the business case and covering report presented to members at Executive in November and Full Council in December 2022.

17.0 Conclusion

17.1 The Executive and Full Council have previously approved the business case and budget for delivery of 12 homes at Catteshall Lane, Godalming. The Overview and Scrutiny Committee are requested to consider this report and information within the Annexes to this report, together with recommendations (2.1 i-v) made and provide comments, suggestions and observations to Executive.

18.0 Exempt Annexes

18.1 Exempt Annexe 1 – Housing Delivery Catteshall Lane Financial Analysis

18.2 Exempt Appendix 1 to Exempt Annexe 1 – Valuation Report

19.0 Background Papers

19.1 HRA Business Plan Strategic Review Housing Delivery - Executive 29 November 2022

HRA Business Plan Strategic Review Housing Delivery - Full Council 13 December 2022

Please ensure the following service areas have signed off your report.
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Service	Sign off date
Finance / S.151 Officer	26/10/23
Legal / Governance	03/11/23
HR	-

Equalities	-
Lead Councillor	26/10/23
CMB	15/08/23
Executive Briefing/Liaison	31/10/23
Committee Services	

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Waverley Borough Council

Report to: Overview and Scrutiny Committee (Resources)

Date: 14 November 2023

Ward(s) affected: Wheeler Street, Witley

Report of Director: Place

Author: Louisa Blundell

Tel: 01483 523205

Email: louisa.blundell@waverley.gov.uk

Executive Portfolio Holder: Councillor Nick Palmer

Email: nick.palmer@waverley.gov.uk

Report Status: Part Exempt

New Build Housing Delivery - Witley

1. Executive Summary

- 1.1 The purpose of this report is to provide members with details of and seek member approval to the acquisition of three new homes through S106 on a developer site at Wheeler Street, Witley.

2. Recommendation to Overview and Scrutiny (Resources)

- 2.1 It is recommended that the Overview and Scrutiny Committee consider this report and information within the Exempt Annexes to this report, together with recommendations (2.1 i-iv) made below and provides comments, suggestions and observations to Executive.
 - i. Give delegated authority to the Executive Head of Legal and Democratic Services to approve the final form of any legal

agreements and to Strategic Director (Place) to enter the land and build agreements with the developer.

- ii. Give delegated authority to the Strategic Director (Place) to enter into any related contractual documentation (including collateral warranties or other agreements) relating to the project.
- iii. Give delegated authority to the Strategic Director (Place) to enter into any ancillary agreements related to the project provided that these are within the project budget.
- iv. Executive is asked to recommend that the Council approve the allocation of £818,253 budget to be met through a combination of capital receipts and borrowing.

3. Reason for Recommendations:

- 3.1 The Waverley Corporate Strategy 2020-2025 sets out the Vision and Strategic Priorities for the Council. One of the strategic priorities is to 'provide good quality housing for all income levels.'
- 3.2 Build More, Build Better, Build for Life Affordable Homes Delivery Strategy 2022 – 2025 sets out the Council's commitment to build homes to buy or rent for households from all income levels. The strategy has been supported by evidence studies including the Waverley Housing Affordability Study 2021.
- 3.4 Delivery of 3 homes on the developer site at Wheeler Street, Witley will help meet local housing need and allocation of a budget by Full Council is required to achieve this.

4. Exemption from publication

- 4.1 Yes Part Exempt – Open Report / Exempt Annexe
The content of the Annexes of this report is to be treated as exempt from Access to Information publication rules because information relating to financial or business affairs of any particular person (including authority holding that information) and is therefore exempt by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

5.0 Purpose of Report

- 5.1 The purpose of this report is to provide members with details of and seek formal approval to the acquisition of three new homes through, S106 agreement on a developer site at Wheeler Street, Witley and as set out in the recommendations delegation of relevant associated authorities required to do this.

6.0 Strategic Priorities

- 6.1 Affordable housing is central to community well-being. It is consistent with the Council's [Corporate Strategy 2020 – 2025](#), strategic priority to deliver 'good quality housing for all income levels and age groups' and 'effective strategic planning and development management to meet the needs of our communities.'
- 6.2 As set out in the Build More, Build Better, Build for Life, Affordable Homes Delivery Strategy 2022-2025, the Council is committed to build homes to buy or rent for households from all income levels. The Strategy sets out priorities and objectives for the development of new affordable homes by the Council and our partners for the next 3 years.
- 6.3 This project aims to increase the number of affordable homes available for those that are in housing need and registered on the Council's housing register.

7.0 Background

- 7.1 The Council have acquired land and three new homes on a previous phase of the development of homes at Wheeler Street, Witley. The homes delivered were well designed and finish at handover by Langham Homes.
- 7.2 Planning permission is in place for the second phase and an expression of interest made to the developer for the acquisition of

land and delivery of three further homes in the second phase of this development was accepted by the developer.

7.3 The expression of interest was made by Waverley Borough Council subject to a number of conditions which are set out in the Business Case which is attached as Exempt Annexe 1 to this report.

7.4 The affordable homes on the site will be for rent at Waverley rent, 70% open market rent.

8.0 Consultations

8.1 Portfolio Holders Housing (Delivery and Operations) and other members of the Executive have been briefed on the proposals and recommendations set out in this report and associated Exempt Annexes.

11.0 Financial Implications

11.1 Decisions made regarding budget to acquire the land and new homes will impact on the Council's financial resources. Details of the proposed financing of this scheme and the impact on the HRA Business Plan, NPV and payback period are detailed in the business case attached as Exempt Annexe 1 of the report. All been considered in the financial viability assessment of the scheme and details of this are contained in Exempt Annexe 2 and also included in the Exempt Annexe 3 Development Appraisal, Value for Money Benchmarking Review.

11.2 Procurement of consultancy services will be undertaken in accordance with the Council's Contract Procedure Rules and potential use of delegations.

11.3 The gross development value for the three homes is £1,080,000.

12.0 Legal Implications

- 12.1 The Council's internal legal and procurement officers are providing support to the project in relation to procurement of consultancy services to ensure compliance with the Council's legal duties, applicable procurement law and the Council's Procurement Procedure Rules and review of the Heads of Terms and Land and Build agreements which were used for the previous acquisition of the three homes in Phase 1 of the Wheeler Street Development.
- 12.2 The delegations included in the report enable the project to be managed in an effective and coordinated way, having regard to the budget and strategic business case.

13.0 Human Resource Implications

- 13.1 There are no significant human resource implications. Officers in the Housing Development Team have and will continue to liaise with the internal stakeholders including Home Choice and Property Services Teams prior to handover of the new flats.

14.0 Equality and Diversity Implications

- 14.1 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 Service Equality Duty under the Equality Act 2010.

15.0 Climate Change/Sustainability Implications

- 15.1 The developer has provided a copy of the Sustainability Plan for the development which covers sourcing of local materials and reduction of waste from material delivery; design including use of U-value targets to reach human comfort and MVHR; construction including site waste segregation and target setting and tracking of water, electricity usage; primary heat source remains A rated boilers with heating and cooling MVHR, enhanced airtightness and insulation which will deliver a EPC A rated building.

16.0 Summary of Options

16.1 The Council could have considered and declined the opportunity to acquire the three homes. Another registered provider could acquire, own and manage the homes, but as the Council already owns the other three affordable rented homes on the first phase of this development, does not currently have any developments in its programme and there is a local need for affordable housing in this area it was considered an opportunity worth expressing an interest in, subject to planning and the developer securing the land for delivery of the development.

17.0 Conclusion

17.1 The Overview and Scrutiny Committee (Resources) are asked to consider this report, exempt annexes and the recommendations and make any comments, observations and suggestions to Executive.

18.0 Background Papers

18.1 None

19.0 Annexes

19.1 Exempt Annex 1 – Business case Wheeler Street, Witley and Appendix 1 Valuation Report

19.2 Exempt Annex 2 – Financial viability assessment (Haverly Consulting)

19.3 Exempt Annex 3 – Development Appraisal, Value For Money Benchmarking Review (Haverly Consulting)

Please ensure the following service areas have signed off your report.
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Service	Sign off date
Finance / S.151 Officer	18.09.23
Legal / Governance	03.11.23
HR	-
Equalities	-
Lead Councillor	26.10.23
CMB	19.09.23
Executive Briefing/Liaison	31.10.23
Committee Services	

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