

To: All Members and Substitute Members of
the Overview and Scrutiny Committees
(Other Members for Information)

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Date: 8 January 2016

Membership of the Joint Overview and Scrutiny Committee

Cllr Pat Frost (Chairman)	Cllr Simon Inchbald
Cllr Nicholas Holder (Vice-Chairman)	Cllr Peter Isherwood
Cllr Paddy Blagden	Cllr Anna James
Cllr Andrew Bolton	Cllr Denise Le Gal
Cllr Maurice Byham	Cllr Denis Leigh
Cllr Carole Cockburn	Cllr Peter Martin
Cllr Jim Edwards	Cllr Kika Mirylees
Cllr Brian Ellis	Cllr David Munro
Cllr Patricia Ellis	Cllr Nabeel Nasir
Cllr Jenny Else	Cllr Libby Piper
Cllr Mary Forszewska	Cllr David Round
Cllr John Fraser	Cllr Richard Seaborne
Cllr Michael Goodridge	Cllr Chris Storey
Cllr Tony Gordon-Smith	Cllr Ross Welland
Cllr Ged Hall	Cllr Liz Wheatley
Cllr Val Henry	Cllr Nick Williams
Cllr Christiaan Hesse	Cllr John Williamson
Cllr David Hunter	

Co-opted Members from the Tenants' Panel

Alan Binfield

Adrian Waller

Dear Councillor

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

DATE: MONDAY, 18 JANUARY 2016

TIME: 6.30 PM

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

The Agenda for the Meeting is set out below.

Yours sincerely

ROBIN TAYLOR
Head of Policy and Governance

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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

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

To receive from members declarations of interest in relation to any items included on the agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

3. CORPORATE PLAN 2016-2019 (Pages 7 - 14)

[Portfolio Holder: Councillor Robert Knowles]
[Wards Affected: All Waverley Wards]

The report sets out the proposed content of the new Corporate Plan 2016-19. The design concept will be presented to Members at the meeting. Members are asked to make any observations on the Corporate Plan to the Executive.

Recommendation

The Joint Overview and Scrutiny Committee is requested to consider the draft Corporate Plan 2016-19 and to make any observations to the Executive.

4. SERVICE PLANS 2016/2017 (Pages 15 - 20)

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

The report presents the draft Service Plan objectives for all of the Council's services for 2016/17. Members will receive short presentations from each Head of Service regarding the main features and priorities of their plan and are asked to make any observations on the plans to the Executive.

Recommendation

The Joint Overview and Scrutiny Committee is requested to consider the draft Service Plan Objectives for 2016/17 and make any observations to the Executive.

Financial Strategy 2016/17 - 2019/20

5. **DRAFT GENERAL FUND BUDGET 2016/17** (Pages 21 - 40)
[Portfolio Holder: Councillor Wyatt Ramsdale]
[Wards Affected: All Waverley Wards]

The report outlines the draft General Fund Budget position for 2016/17. The Joint Committee is reminded of the need to achieve savings throughout the four-year period covered by the Financial Strategy. Information is provided on the details of the provisional Local Government Finance Settlement 2016/17 and the Council's financial position following this and taking account of savings and other recommendations of the 'Star Chamber' process and further proposals following analysis of the Settlement.

The Joint Committee is requested to make observations to the Executive regarding Waverley's draft Budget and the savings and growth proposals, and to make suggestions as to how the current budget shortfall can be addressed.

Recommendation

It is recommended that the Committee gives consideration to the service areas within its remit and passes observations to the Executive regarding:

- 1. the detailed Budget papers for 2016/17;**
- 2. the list of Budget savings proposals included at Annexe 3;**
- 3. potential Growth Items included at Annexe 3; and**
- 4. proposed Fees and Charges.**

6. **DRAFT CAPITAL PROGRAMME 2016/17** (Pages 41 - 50)
[Portfolio Holder: Councillor Wyatt Ramsdale]
[Wards Affected: All Waverley Wards]

The report puts forward proposals for the draft 2016/17 Capital Programme in respect of the General Fund services for consideration by the Joint Committee. The report also considers proposed revenue projects to be included within the 2016/17 Budget. The purpose of this report is to make observations to the Executive regarding the General Fund Capital Programme and revenue projects for 2016/17.

Recommendation

It is recommended that the Joint Committee notes the report and informs the Executive of its views on the draft Capital Programme and schedule of Revenue Projects.

7. HOUSING REVENUE ACCOUNT BUSINESS PLAN, REVENUE BUDGET AND CAPITAL PROGRAMME 2016/17 (Pages 51 - 80)
[Portfolio Holder: Councillor Carole King]
[Wards Affected: All Waverley Wards]

The report advises the Joint Committee of the latest position regarding the Housing Revenue Account (HRA) Revenue Estimates for 2016/17 and the updated 30-year Business Plan. The Joint Committee is requested to make observations and comments as appropriate to the Executive regarding Waverley's Draft HRA budget for 2016/17.

Recommendation

The Joint Overview and Scrutiny Committee is asked to pass comments and observations to the Executive on the detailed estimates and proposals in this report.

8. WORK PROGRAMME

Members of each Overview and Scrutiny Committee may like to think about whether there are items arising from the reports discussed at this meeting that they wish to recommend for inclusion as part of the Committee's work programme in 2016/17. If items can be added to the work programme in advance of the start of the new Council year, there is more time available for in-depth review work to be carried out by each Overview and Scrutiny Committee.

9. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman:-

Recommendation

That, pursuant to Procedure Rule 20, and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item 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 this item there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in the appropriate paragraph(s) of Part I of Schedule 12A to the Act (to be identified, as necessary, at the meeting).

10. ANY OTHER ISSUES TO BE CONSIDERED IN EXEMPT SESSION

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

**For further information or assistance, please telephone
Emma Mcquillan, Democratic Services Manager, on 01483 523351 or
by email at emma.mcquillan@waverley.gov.uk**

WAVERLEY BOROUGH COUNCIL

JOINT OVERVIEW AND SCRUTINY COMMITTEE – 18 JANUARY 2016

Title:

CORPORATE PLAN 2016-19

[Portfolio Holder: Cllr Robert Knowles]

[Wards Affected: All]

Summary and purpose:

This report sets out the proposed content of the new Corporate Plan 2016-19. The design concept will be presented to Members at the meeting. Members are asked to make any observations on the Corporate Plan to the Executive.

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

Waverley's Corporate Plan sets out the Council's priorities for the next four years and is a vital part of the Performance Management Framework which helps ensure that Waverley delivers against all of its corporate objectives.

Financial Implications:

The financial implications arising from the Corporate Plan have been reflected in the draft budget papers for 2016/17 and will be updated each year through the annual Service Planning and budget setting process.

A limited number of Corporate Plans will be printed, the cost of which will be contained within existing budgets.

Legal Implications:

There are no specific legal implications arising from this report.

Introduction

1. The Council's last Corporate Plan expired in 2015 and there is a need for a new Plan to set out and deliver the Council's objectives during the life of the current administration 2016-19.
2. The Corporate Plan, attached at Annexe 1, provides the strategic direction of the Council by setting out its priorities for the next four years. The Plan also forms a vital part of the Performance Management Framework for the Council. The objectives contained in the Plan are delivered through annual Service Plans which in turn are delivered through individual staff targets and these are monitored through the appraisal process.
3. The objectives set out in the Corporate Plan have been arrived at through discussion, research and consultation over the last year taking into consideration the needs of customers and partner organisations.

4. It is proposed that the overall design of the Corporate Plan will follow the existing design concept adopted for Waverley's recruitment material. The concept ideas and examples of page layouts will be presented to the Joint Overview and Scrutiny Committee at the meeting.

Recommendation

The Joint Overview and Scrutiny Committee is requested to consider the draft Corporate Plan 2016-19 and to make any observations to the Executive.

Background Papers

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

CONTACT OFFICER:

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Corporate Plan 2016-2019

Page 1

Our vision is to make Waverley a Better Place to Live and Work

Introduction by Leader and Executive Director

Page 2

Our Achievements

Over the life of our previous Corporate Plan we:

- delivered a brand new leisure centre in Godalming and refurbished centres in Farnham, Haslemere and Cranleigh at an overall cost of £9.5m which has increased the usage at our centres by nearly 20%
- launched a new garden waste service which has doubled the amount of green waste collected and trebled the number of customers using this service
- introduced a new street cleaning fleet and achieved much improved standards of street cleanliness across the Borough working closely with our contractor Veolia.
- invested £33.7 in refurbishing our housing stock and have delivered 156 affordable homes over the past four years
- prevented 1,798 households from becoming homeless and continue to have the lowest use of temporary accommodation for homeless households in Surrey.
- undertook a robust and successful emergency response to the Christmas floods in 2013 and continue to work with different agencies to ensure a better defence against flooding in the future.
- protected funding to the voluntary sector by providing annual grants of £3/4 million to maintain citizens advice and day centre facilities and other services which support the needs of vulnerable people.
- successfully created a brand new facility for Brightwells Tennis Club in 2015 including a new club house and tennis courts as part of our on-going plans for the redevelopment of the Brightwells area in Farnham
- refurbished 11 play areas throughout the Borough and two skate parks.
- secured the future of Godalming Football Club on its present site by granting the Club a new 30 year lease
- made savings on our office space in Godalming and enabled the co-location of essential front-line services from other organisations.

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Our Borough

Waverley is a beautiful place to live and work. It has good quality housing, good transport connections, first class schools, active communities, good health facilities, and a diverse range of leisure and recreational opportunities

Situated in south west Surrey it covers 345 square kilometres of predominantly rural countryside, much of which is designated Green Belt and an Area of Outstanding Natural Beauty with extensive areas of heath and woodland. Waverley is shaped by four distinct settlements; Godalming, Farnham, Haslemere and Cranleigh which bring with them a rich mix of historical perspective and identity. The local economy has shown itself to be relatively resilient through the recent economic difficulties and the Borough has an above average level of economic activity. Although the Borough is relatively affluent and has been voted on a number of occasions one of the best places to live in the country, it is not without its challenges. These challenges present the Council with opportunities to constantly reassess the best and most effective way to deliver services.

Our Council

Waverley Borough Council provides over 110 local services to a population of around 121,000. These services include housing, planning, refuse collection, recycling, leisure and recreational facilities, countryside management and regulatory services such as Environmental Health and Licensing. The Council provides essential services to support older people and vulnerable families and works with other agencies to enhance the wellbeing of residents. Our services are delivered either directly by the Council or in partnership with a range of organisations including the private sector, other public sector partners, charities and local and community groups.

Despite the pressure on spending across the public sector nationally, Waverley's robust financial platform enables us to continue to invest in the future and improve our service delivery. We are now developing the Borough blueprint for the future in the form of the Council's Local Plan setting out how we will support the success of our communities and businesses over the coming years.

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Local and National Pressures

Whilst Waverley is a large rural borough it is highly constrained in planning terms as much of the area is designated as Green Belt. This results in pressure for development land which in turn leads to high house prices. The rural nature of the Borough also gives rise to issues relating to aspects of social isolation and proximity to services.

The major demographic pressure facing Waverley is the aging population. With 20% of the current population being over 65 this will inevitably present a challenge to our services for the future and all support providers.

The high cost of housing makes it difficult for first time buyers and for employers looking to recruit local employees. Although there are good rail and transport links running north south through the Borough there are rural transport and infrastructure issues especially for those who do not have easy access to transport.

National pressure on public sector finances means that Waverley will see its funding from central government being withdrawn over the next three years. Waverley will

therefore need to seek ways of becoming independent of Government funding within this time.

Page 5

What we want to achieve in the next four years

We are an ambitious Council seeking to deliver top class services. In the next four years we will continue to ensure our services are accessible, designed for residents and customers and delivered in an efficient and cost effective way.

As part of the Government's deficit reduction plans we will receive more funding cuts in the next few years and this will further test our initiative and skill in delivering essential services to our residents. Nevertheless, we have high expectations that we will find ways of delivering more with less.

We will embrace new technology and look to deliver services in ways that best suit our residents in this increasingly digital age. However we recognise our diverse population and we will continue to provide a variety of communication channels being very aware that not everyone has access to the internet.

Waverley's aging population poses a number of challenges to our services. It also presents us with opportunities for delivering new services in the areas of leisure, recreation, telecare, housing and initiatives in the area of independent living for older residents. We will need to work collaboratively with other organisations to make this happen and to make the best use of diminishing resources. In the next four years we will be exploring the best ways to work in partnership for the benefit of Waverley residents.

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Our Priorities

Customer Service

We will strive to make continuous improvement in customer service and engage, listen to and understand the needs of our residents.

Priority 1

We aim to deliver excellent, accessible services which meet the needs of our residents by

- consulting and engaging our customers to ensure services are designed and delivered appropriately
- ensuring high standards and quality of care and professionalism in dealing with customer enquiries
- ensuring our services are accessible and our response to customers is fair and meets our equality standards

- maintaining a range of communication channels to ensure we provide maximum access to information about Council services
- focusing on new and improved processes to enhance customer service

Page 7 & 8

Community Wellbeing

The wellbeing and prosperity of our varied communities is at the heart of everything we do. Through the provision of affordable housing, leisure and recreational facilities, support for older people and vulnerable families as well as support for local businesses we will endeavour to secure the wellbeing of our communities.

Priority 2

We will support the wellbeing and vitality of our communities by -

- providing community leadership to champion the local issues that most affect our residents
- continuing to invest in the council's housing stock to maintain decent homes and to deliver affordable housing across the Borough, including a major development project at Ockford Ridge in Godalming
- preventing homelessness and giving people housing options
- investing in the delivery of new community facilities on the Farnham Memorial Hall site including day centre services
- implementing a Health and Wellbeing Strategy and action plan to deliver activities and services to improve the lives of Waverley residents
- implementing an Aging Well Strategy which will support older people to lead healthy and independent lives
- implementing a Leisure Strategy which identifies the needs and demands for leisure services in the next 10 years
- providing high quality public protection services such as Licensing, Building Control and Environmental Health to maintain the health and safety of our residents
- implementing a Cultural Strategy to plan effectively for culture and the arts in Waverley for the next 10 years
- supporting young people to train and further their potential through Waverley Training Services

Environment

Waverley is a beautiful place to live and work and we want to make it even better. The Council has an important role in the stewardship of the land we own and manage on behalf of others. Through the Planning service we can influence and support the aspirations for development in our towns and villages. We will also continue to invest in making Waverley a clean and sustainable place.

Priority 3

We will strive to protect and enhance the environment of Waverley by -

- delivering a Local Plan which will support good development in Waverley, achieve sustainable housing needs for the future and contribute to the wellbeing of our communities
- continuing to encourage our residents to improve the quality and rate of recycling to 55%
- reducing the amount of household waste that is mistakenly put into recycling to under 5% by 2019.
- increasing the number of customers of the garden waste scheme by 20% by 2019 so as to reduce the amount of garden waste in household and recycling collections
- improving street cleanliness by ensuring 95% of streets cleaned are carried out to the top two grades of cleanliness measured against average yearly figures
- supporting the preparation of Neighbourhood Plans to deliver locally led growth
- managing our green spaces to ensure they offer biodiversity, remain attractive and continue to be safe for our communities to enjoy
- bring forward proposals for a new. visitor centre at Waverley's flagship attraction at Frensham Ponds

Value for Money

The Council faces enormous financial challenges over the next four years. We want to maintain and enhance our service delivery and will do this by careful financial management and planning.

Priority 4

We will continue to provide excellent value for money that reflects the needs of our residents by -

- taking a sustainable and robust approach to our financial planning in order to continue to deliver excellent services and to live within our means
- seeking ways to be independent of Government funding within five years
- using and investing in assets to enhance service delivery and to maximise value and income
- supporting the needs of businesses and the local economy to enhance the prosperity of our Borough
- identifying other groups who can use our services and thus share the cost base
- maximise commissioning opportunities associated with new and renewed contracts to improve working relationships and thus improve services

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Our Approach

Within the Council we have made major strides in developing a culture based on inclusion and communication, placing a strong emphasis on objectives, performance and outcomes. Any organisation needs good teamwork to achieve great outcomes. We asked our teams what values were important to them in order to be able to deliver good customer service. These are the values our staff told us were important to them and they have become our organisational values:-

Openness

In Waverley we value **openness and honesty** where **communication** is **clear and constructive** and actions are **transparent**.

Excellence

In Waverley we value **excellence**, working in a **consistent** and **professional** way to achieve the highest standards possible, taking the time to recognise and **celebrate success**.

Fairness

In Waverley we value **fairness and respect**, working with **integrity** to ensure that everyone is treated well and has **equal access** to the **opportunities** available.

Team Work

In Waverley we value **team work and collaboration**, with **approachable** staff **actively contributing** to our shared corporate goals.

Taking Ownership

In Waverley we value taking **ownership**, where everyone feels **personally committed** to issues at hand and is working towards a **positive outcome**.

WAVERLEY BOROUGH COUNCIL
JOINT OVERVIEW AND SCRUTINY COMMITTEE
18 JANUARY 2016

Title:

2016/17 SERVICE PLANS

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

This report presents the draft Service Plan objectives for all of the Council's services for 2016/17. Members will receive short presentations from each Head of Service regarding the main features and priorities of their plan and are asked to make any observations on the plans to the Executive.

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

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

Financial Implications:

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

Legal Implications:

There are no specific legal implications arising from this report.

Background

1. Each year Service Plans are produced in order to deliver the Council's service objectives and to provide an important element of the Council's overall Performance Management Framework. Each year the full detail of these Service Plans are presented to a Joint meeting of the Overview and Scrutiny Committees in January.
2. A progress report on the current year Service Plans was presented to the November meeting of the Corporate Overview and Scrutiny Committee. Members of the Committee felt that the breadth and detail of the various Plans did not help to facilitate a useful and focused discussion on new service developments and contained too many actions which could be considered 'business as usual'. For this reason, a new format for the 2016/17 Service Plan report has been devised which focuses on the high level objectives in each service area.
3. Annexe 1 to this report sets out the top level objectives for 2016/17 for each service area.

4. During the meeting, each Head of Service will briefly present the key objectives, features and priorities and Members will have the opportunity to ask questions and make any observations to be passed on to the Executive.

Recommendation

The Joint Overview and Scrutiny Committee is requested to consider the draft Service Plan Objectives for 2016/17 and make any observations to the Executive.

Background Papers

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

CONTACT OFFICER:

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Service Plans Objectives 2016/17

Service:	Communities
Head of Service:	Kelvin Mills
Director:	Damian Roberts
Portfolio Holders:	Cllr Simon Thornton – Leisure, Parks & Countryside Cllr Carole King – Youth & Young People Cllr Stefan Reynolds – Economic Development Cllr Julia Potts – Waverley Training Services, Major Projects, Culture Cllr Kevin Deanus – Community Safety, Health & Wellbeing, Careline
Ref	Service Plan Objective/Outcome
C1	Leisure – To ensure a high level of service at our leisure centres and increase participation in sports / exercise to improve the health and wellbeing of Waverley’s residents.
C2	Parks and Countryside – To manage our greenspaces to ensure they offer biodiversity, are attractive and safe for our communities to enjoy.
C3	Community Services – To support Waverley’s voluntary organisations and work closely with partners to improve the health and wellbeing of our residents and ensure our communities are safe.
C4	Arts and Culture – To ensure Waverley’s cultural assets are managed well and enjoyed by residents and to increase the opportunity and participation in arts and cultural based activities across the Borough.
C5	Careline – To deliver a high level of service and offer value for money for the clients of Careline and ensure the service continues to grow and benefit more residents.
C6	Waverley Training Services – To offer high level training and teaching opportunities for young people which helps them into employment or higher education through well delivered apprenticeships and classroom based activities.

Service:	Environmental Services
Head of Service:	Richard Homewood
Director:	Damian Roberts
Portfolio Holders:	Cllr Kevin Deanus - Environmental Health & Parking Cllr Simon Thornton - Environmental Services, Emergency Planning and Sustainability
Ref	Service Plan Objective/Outcome
ES1	Environmental Services will continue to develop and deliver high quality refuse, recycling and street scene services and a high standard of customer care.
ES2	Providing high quality public protection services to maintain the health, safety and welfare of our residents, visitors and businesses.
ES3	Promote and deliver energy efficiency in Waverley.
ES4	Deliver key objectives in Emergency Planning, Business Continuity and Corporate Health and Safety; building on Waverley’s safe working culture and strengthening response and recovery measures to incidents and emergencies.

ES5	Further build on efficiencies achieved to date, using new technologies to create a modern and cost-effective and customer-friendly parking service.
Service:	Housing
Head of Service:	Hugh Wagstaff Jane Abraham
Director:	Damian Roberts
Portfolio Holders:	Cllr Carole King
Ref	Service Plan Objective/Outcome
H1	To develop the service and enhance its reputation.
H2	To deliver and maintain affordable homes.
H3	To manage and maintain healthy and sustainable communities.
H4	To excel at Customer Service.
H5	To deliver value for money.

Service:	Planning
Head of Service:	Matthew Evans
Director:	Paul Wenham
Portfolio Holder:	Cllr Brian Adams
Ref	Service Plan Objective/Outcome
PL1	Increasing the supply of houses to meet Waverley's needs, including affordable houses.
PL2	Supporting the needs of businesses.
PL3	To promote and celebrate excellence in design and improve the public realm.
PL4	Put in place adequate Infrastructure to support new development.
PL5	Successful neighbourhood plans.
PL6	Secure resilient Building Control team.

Service:	Corporate & Customer Services
Head of Service:	David Allum
Director:	Graeme Clark
Portfolio Holder:	Cllr Tom Martin
Ref	Service Plan Objective/Outcome
CC1	Produce an IT Strategy meeting the strategic and operational objectives of the Council and to execute effectively the commensurate work programme.
CC2	Review, revise and re-launch a Corporate Asset Management Strategy ensuring that the Council maximises the potential returns from its portfolio.
CC3	Review facilities infrastructure to ensure optimum arrangements are in place for the delivery of services.
CC4	Review support services infrastructure to ensure optimum arrangements are in

	place for the delivery of services.
CC5	Re-design the Customer Services Delivery Model for corporate application.
CC6	Ensure staffing resources are appropriate to service needs and account for succession needs.

Service:	Finance
Head of Service:	Peter Vickers
Director:	Graeme Clark
Portfolio Holder:	Cllr Wyatt Ramsdale

Ref	Service Plan Objective/Outcome
F1	Carry out a service review to improve efficiency of the Benefit Service.
F2	Ensure that all of Waverley's residents that are eligible for housing benefit or council tax support claims are assessed and paid quickly and accurately.
F3	Improve Customer Service/satisfaction levels in the Benefits Service.
F4	Review residual fraud deterrent requirements and impact of Single Point of Contact (SPOC) impact on Benefit team capacity after transfer of Fraud Investigation team to DWP.
F5	Implement comprehensive project plan for the transformation of Benefits to Universal Credit.
F6	Implement recommendations from the Employee service review to improve efficiency, internal and external communications, develop resilience and adequately resource the service.
F7	Maximise revenue base for local taxation.
F8	Maximise in year revenue collection rates.
F9	Improve prior year debt recovery.
F10	Revenues Service improvement plan to maximise capacity and improve customer access.
F11	Finance: Support the delivery of Waverley's corporate objectives with effective financial management.
F12	Finance: Improve budget monitoring process.
F13	Finance: Increase financial management and technical accounting support to the Housing Service.
F14	Finance: Finance team structure is staffed to required capacity and focused upon key priorities.
F15	Finance team: Improve debt administration and collection.
F16	Finance: Treasury management operates within the approved strategy, credit ratings and limits.

Service:	Policy & Governance
Head of Service:	Robin Taylor
Director:	Paul Wenham
Portfolio Holders /Committee Chair:	Cllr Robert Knowles – Policy & Governance Cllr Stefan Reynolds – Member Support and Communications Cllr Simon Inchbald – Chair of Licensing and Regulatory Committee

Ref	Service Plan Objective/Outcome
PG1	Democratic Services - Support democratic, transparent, informed and high quality decision-making by Waverley's Elected Councillors.
PG2	Licensing - Properly and effectively license pubs, clubs, shops, taxis, street

	vendors, charity collectors and others in Waverley.
PG3	Legal Services and Land Charges - Provide high quality advice to ensure the Council acts lawfully and transparently and provide vital information to house and property buyers in Waverley.
PG4	Corporate Policy - Ensure Waverley has a clear vision, robust plans and policies and an effective performance management culture.
PG5	Communications & PR - Ensure that information about Waverley's services reaches the right people at the right time in the most accurate, efficient and cost-effective way.

Service:	Monitoring and Returning Officer Service
Head of Service:	Robin Pellow
Director:	Paul Wenham
Portfolio Holders:	Cllr Robert Knowles
Ref	Service Plan Objective/Outcome
MR1	Maintain high standards of governance and ethical standards.
MR2	Increase turnout at elections and maintain the accuracy of the Electoral Register.
MR 3	Develop pro-active anti-fraud measures.

Service:	Strategic HR
Service Manager:	Wendy Gane
Director:	Paul Wenham
Portfolio Holders:	Cllr Robert Knowles
Ref	Service Plan Objective/Outcome
SHR1	Contribute to organisational and service resilience by continuing to develop and maintain a high performing, highly engaged staff team to deliver high quality customer-focused, value for money front-line services.

WAVERLEY BOROUGH COUNCIL

JOINT OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2016

Title:

FINANCIAL STRATEGY 2016/17 – 2019/20 DRAFT GENERAL FUND BUDGET 2016/17

[Wards Affected: All]
[Portfolio Holder: Cllr Wyatt Ramsdale]

Summary and purpose:

This report outlines the draft General Fund Budget position for 2016/17. The Joint Committee is reminded of the need to achieve savings throughout the four-year period covered by the Financial Strategy. Information is provided on the details of the provisional Local Government Finance Settlement 2016/17 and the Council's financial position following this and taking account of savings and other recommendations of the 'Star Chamber' process and further proposals following analysis of the Settlement.

The Joint Committee is requested to make observations to the Executive regarding Waverley's draft Budget and the savings and growth proposals, and to make suggestions as to how the current budget shortfall can be addressed.

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

The Council could not deliver the Corporate Priorities without a robust Budget-setting process in place.

Equality and Diversity Implications:

An Equality Impact Assessment will be carried out to ensure there are no adverse equality implications.

Resource/Value for Money implications:

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

Legal implications:

There are no direct legal implications as a result of the recommendations of this report.

Introduction

1. This report outlines the draft General Fund budget for 2016/17. It includes key financial and topical issues, reporting dates to Members, a forecast of the expected Budget position and details of the 'Star Chamber' process to examine budgets closely in order to identify potential savings.

2. This report contains the following Annexes:

- Annexe 1 – Budget Summary
- Annexe 2 – Government Grants
- Annexe 3 – Savings and Growth Proposals
- Annexe 4 – Detailed General Fund Estimates (separate booklet)
- Annexe 5 – Fees and Charges (separate booklet)

General Fund Background

3. The Annual Finance Seminar was held on 5 October 2015 for all members of the Council. The seminar set out the key aims of the Finance Strategy and it also presented the issues and risks for the next four years and a strategy for balancing the budget. Significant savings will be required over the next four years in view of ongoing Government Grant reductions.

Provisional Local Government Finance Settlement

4. A further reduction has been applied to Waverley's grant in 2016/17 on top of the very substantial reductions already made. Details of the impact of the provisional Settlement on Waverley are shown at Annexe 2. The overall Revenue Support Grant reduction is £814,000, (52% from 15/16 amount of £1,574,000) with other reductions to Government Grants of £224,000.

New Homes Bonus

5. The Finance Seminar reported that there is considerable uncertainty about the future level of payments to be made under the new Homes Bonus. The Government has now announced that it is going to consult on reforms to the New Homes Bonus potentially reducing the length of payments from six to four years. The Financial Strategy currently provides for continuing Waverley's policy of New Homes Bonus being earmarked within the Revenue Reserve Fund, to be used for 'Invest-to-Save' schemes, so that the Council does not rely on the New Homes Bonus to support ongoing service provision therefore should the payments cease or reduce there would be no impact on services. However, any reduction would impact directly on the Council's invest to save funding.

Council Tax Increase / Freeze Grant

6. The Government has confirmed it will not offer local authorities who don't increase their council tax an additional grant in 16/17. The draft Budget figures show the position before taking into account any council tax increase for 2016/17. Waverley's council tax has been held at £161.91 since 2010/11. The final decision regarding the council tax for 2016/17 will be taken by Council in February 2016.

Increases in Fees and Charges

7. Fees and charges have been reviewed as part of the budget process. Some fees and charges are statutory but for those determined by Waverley some increases are proposed for 2016/17 where appropriate. Details of the proposed changes to fees and charges from 1 April 2016 are included at Annexe 5. The Council has already

approved some increases to car park charges so this is not a matter for further consideration at this stage.

Inflation

8. The Council's main contracts are indexed to the Consumer Price Index (CPI). An inflationary amount has been assumed for General Fund Budget projections in line with the Government's longer term projections.

Pay Award

9. The cost of any pay award from 1 April 2016 will form part of the Budget proposals to Council on 16 February 2016. No allowance has been included in the draft budget at this stage.

'Star Chamber' Proposals

10. 'Star Chamber' sessions have again taken place with Portfolio Holders and Heads of Service to examine operational and staffing budgets in detail. The Star Chamber proposals for cost savings and additional income are set out in Annexe 3. These items are subject to consideration by Members.
11. For the 2016/17 Budget, if approved, the Star Chamber proposed reductions will deliver savings of £384,300. The Star Chamber also considered proposals for improving or extending services and these are referred to as growth items. The proposed growth items are also detailed in Annexe 3 and amount to £323,000. These savings and growth items are subject to consideration by this Committee.

Revenue Contribution to Capital

12. The core funding for the General Fund Capital Programme is from Revenue Contributions via the Revenue Reserve Fund.
13. The Budget proposals include a Contribution to Capital from the Revenue Budget of £1.1 million and, as detailed in paragraph 5; the New Homes Bonus of £2.2million is currently identified to be earmarked in the Invest to Save Fund.

Draft Revenue Budget 2016/17

14. The General Fund Summary is shown at Annexe 1. Members will see from this summary that there is still a shortfall of £230k to find to balance the budget. Following the Star Chamber process in November, good progress had been made to close the budget shortfall. However, the government grant settlement was more severe than expected which has resulted in an increased shortfall being the current position.
15. Details of the impact of government grants on Waverley in 2016/17 are shown at Annexe 2.
16. Star Chamber savings proposals and growth items at Annexe 3. These have not yet been incorporated within the detailed budget sheets. The Joint Overview and Scrutiny Committee is asked to consider the Star Chamber proposals, particularly the growth items, with a view to reducing the shortfall.

17. The detailed estimates for all services are provided at Annexe 4.
18. Budget variances, which may be reductions as well as increases, resulting from such matters as contractual commitments, projected additional income including from car parks, changed levels of use, lower starting salaries for new members of staff, other changes to staff allocations, or updated asset charges have been built into the estimates.
19. Applications for grants under the Community Partnership Scheme for 2016/17 are the subject of a separate report to the Community Overview and Scrutiny Committee. At this stage despite Waverley's significant government grant reduction, the detailed estimates for 2016/17 show no change in the overall level of grant allocations.

Statutory Services

20. Each budget page contains an indication of whether the service provided is statutory, discretionary, or a mixture of the two. There are some statutory services where the level of service provided is greater than that required by law. This analysis may assist Members in giving consideration to the resources allocated to the various services. There will of course be other factors, such as the Council's approved aims and objectives, public demand and corporate priorities.

Support Costs

21. Support costs and other central overheads are the costs of central functions that are necessary to support the delivery of front line services and projects and to discharge Waverley's statutory duties and governance requirements. These functions include internal professional services, such as legal and accountancy and direct service related costs, such as IT, postage, payments, offices etc. Central budgets are treated in the same way as front line service costs in the accounts except that accounting rules require Waverley to recharge the full costs of central and support costs to services and projects on an appropriate basis. Waverley's central and support costs are subject to scrutiny by the 'Star Chamber' process
22. For services of a trading nature, including Land Charges, Careline, Waverley Training Services, Building Control and Car Parks, a notional apportionment of the corporate overheads that Waverley bears but does not allocate to services is shown to give an indication of the position if all costs were allocated. .

Conclusion

23. Comments made at the Joint Overview and Scrutiny Committee will be reported to the Executive on 2 February 2016. The final Budget proposals will be presented to Council on 16 February 2016 based on the recommendations made by the Executive.

Recommendation

It is recommended that the Committee gives consideration to the service areas within its remit and passes observations to the Executive regarding:

1. the detailed Budget papers for 2016/17;

2. the list of Budget savings proposals included at Annexe 3;
3. potential Growth Items included at Annexe 3; and
4. proposed Fees and Charges.

Background Papers

Provisional Local Government Finance Settlement 2016/17; Financial Strategy 2016/17 – 2018/19; Revenue Budget 2015/16.

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Waverley Borough Council

Ref	2015/2016		2016/2017
No	Original Budget	Details	Proposed Budget
	(1)		(2)
General Fund Revenue Account Budget Summary 2016/2017			
	£		£
1	319,390	Monitoring & Returning Officer	339,850
2	2,150,110	Policy & Governance	2,152,790
3	1,858,790	Planning	1,815,240
4	(405,650)	Customer and Corporate Services	(591,330)
5	1,511,180	Finance	1,565,400
6	3,802,510	Community	3,674,520
7	2,074,820	Environment	1,660,630
8	886,260	Housing	895,050
9	(250,000)	Staff Vacancy	(200,000)
	11,947,410		11,312,150
10	140,000	Inflation Provision	120,000
11		Revenue Projects	422,800
12	£12,087,410		£11,854,950
13	(1,165,810)	Depreciation/Impairment Reversal	(1,357,430)
		Movement in Reserves - Contribution (from)/to:	
14	1,300,000	Revenue Contribution to Capital Programme	1,140,000
15	1,662,360	Revenue Contribution from New Homes Bonus	2,230,000
16	100,000	Local Plan - contribution to reserve	80,000
17	20,000	Borough Elections Reserve	20,000
18	20,000	Insurance Reserve	20,000
19	(6,100)	Repairs and Renewals Reserve	
20	(82,880)	Posts funded from 14-15 Planning Income	
21	150,000	Business Rates Equalisation Reserve	150,000
22		Star Chamber Savings	(384,300)
23		Star Chamber Growth	323,000
24		Shortfall *	(230,420)
25	£14,084,980	Waverley Spending Requirement	£13,845,800
		Financed by :-	
26	8,754,000	Council Tax <i>(before any Council Tax increase in 2016/17)</i>	8,855,800
27	1,573,560	Revenue Support Grant	760,000
28	1,817,640	Retained Business Rates	1,832,000
29	185,600	Business Rates in excess of Government Baseline	168,000
30	91,820	Council Tax Freeze Grant	0
31	1,662,360	New Homes Bonus	2,230,000
32	£14,084,980		£13,845,800

* Before Council Tax increase and Pay Award

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General Fund Government Grants 2016/2017

7th December 2015 (after announcement of provisional local government finance settlement)

	(1)	(2)	(3)
	2015/16	2016/17 Estimate (after announcement of provisional settlement)	Reduction (1)-(2)
	£'000	£'000	£'000
Revenue Support Grant	1,574	760	814
Council Tax Freeze grant 2015/2016	92	0	92
Council Tax Support Administration Grant	86	61	25
Other Benefits Administration Grant	344	290	54
Business Rate Collection Allowance	181	179	2
Supporting People Funding	201	175	26
Environmental Health - DEFRA	25	0	25
Total	2,503	1,465	1,038

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2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Summary			
Policy and Governance	(26,000)	58,000	
Planning	(15,000)	95,000	
Customer and Corporate	(38,000)	0	
Finance	(129,000)	0	
Community	(72,300)	48,000	
Environment	(104,000)	82,000	
Housing	0	40,000	
Total	(£384,300)	£323,000	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Policy and Governance			
Reduce agenda printing costs	(8,000)		This proposal is part of the Council's wider mobile working strategy. The Council's existing agenda management IT system ('Mod.Gov') already provides the facility for committee papers to be received, viewed and annotated on screen via a tablet rather than being printed. Under this proposal, all tier 1-3 managers (CMT, Heads of Services, those who report to a head of service) at Waverley will utilise this functionality to go paperless, reducing printing costs by £8,000 per annum.
Cancel Local Government Association Subscription	(10,000)		Waverley will still be able to access the majority of key services provided by the LGA, albeit at slightly increased 'non-member' rates in some cases.
Corporate Communications		3,000	To meet the costs of corporate communications activity where this is required to meet corporate plan objectives and to communicate professionally, positively and consistently with residents and customers.
Review Media Monitoring service		5,000	To renew the existing subscription which has enabled the Council to streamline its approach to media monitoring, reducing officer time spent on collating press clippings and other activities.

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Planning Lawyer - funded from additional planning income		50,000	The increased level of planning applications requires a correspondingly increased level of internal legal advice and support on planning matters. This additional resource has already been provided on a temporary basis as a necessity and this proposal seeks to formalise this arrangement.
mayoral budgets - staffing, travel and printing	(6,000)		Aligning budget to demand
Cancel South East England Councils subscription	(2,000)		Minimal impact if any. Waverley does not rely on SEE Councils for any core services or support and it is therefore judged that there is no longer a business case for continuing to pay the annual subscription fees.
Total:	(£26,000)	£58,000	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Planning			
Out of hours Payment to planning officers subject to report by ME/WG		10,000	As part of recruitment and retention offer.
Funding to support officer training to achieve membership of Royal Town Planning Institute		20,000	As part of recruitment and retention offer.
Combining planning officer and senior officer grades to achieve greater opportunities for career progression		50,000	As part of recruitment and retention offer.
Change in Building Control Staff establishment to meet business needs		15,000	To meet the Building Control business improvement plan's aspiration to increase market share.
Reassessment of Building Control Income	(15,000)		Reflecting current income forecast, achievable through new staff structure.
Total:	(£15,000)	£95,000	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Customer and Corporate Services			
IT Budget realignment (termination of the Frontline contract)	(5,000)		Zero impact. Existing system has been replaced by a superior solution.
Reconfiguration of the IT help desk team	(8,000)		Minimal impact, savings due to retirement.
Asset Management Strategy - increased revenue from the existing property portfolio)	(25,000)		No impact. This will be achieved by rent review and negotiation as enabled by existing leases. The projected growth matches current performance.
Total:	(£38,000)	£0	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Finance			
Revenues Team Staffing	(13,000)		Savings due to staff changes whilst increasing service capacity.
Finance Team Staffing	(17,000)		Savings due to staff changes whilst increasing service capacity.
Employee Services Staffing	(23,000)		Savings due to staff changes whilst increasing service capacity.
Council Tax Transition hardship relief	(30,000)		Hardship relief was put in place three years ago as a transition measure from Council Tax Benefit to Council Tax Support Scheme. To date there has been minimal requirement for this fund. There is a £50k reserve accumulated.
Self insurance contribution	(15,000)		A significant reserve has been established to cover self insurance, experience shows that there is a minimal call each year compared to the contributions and can be reviewed yearly for any adverse impact.
Compensatory grants	(7,000)		Towns and Parishes grant has been reduced in line with the Councils loss of government grant, and have been consulted with each of the last three years to enable them to adjust their plans.
Council Tax Support Grant	(11,000)		Same as compensatory grants
Bank Contract	(13,000)		No service impact from this saving. It reflects adjustments in transaction volumes.
Total:	(£129,000)	£0	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Community			
Tree Risk		20,000	Additional funds required to ensure delivery of Waverley's Tree Risk Management Guide.
Ditch/ground maintenance		28,000	Ongoing maintenance following clearance of Waverley ditches as part of the capital programme.
Careline	(25,000)		Growth in client numbers to address the latent demand.
Health & Wellbeing Officer	(10,000)		Attraction of external funding to deliver key elements of the preventative health agenda.
Income generated by new Events Coordinator (created from existing post)	(20,000)		Increased income through more proactive marketing, promotion and booking of events on Waverley land.
Standardisation of fees	(5,000)		Standardisation of fees across of range of services.
Gostrey Meadow	(10,000)		Rental income from the introduction of a mobile 'café' offer on Gostrey Meadow.
Ashgate Gallery	(2,300)		Part of the standardisation of funding support.
Total:	(£72,300)	£48,000	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Environment			
Car Park Officer increased hours		15,000	Additional supervision, inspection and routine maintenance of car parks required to meet health and safety standards and customer expectation.
Emergency Planning and Safety Assistant - 1 Year contract		12,000	Additional short term support required for emergency planning and resilience officer to review and embed emergency plans and safety culture in organisation.
Environmental Enforcement Officer		28,000	Enhanced enforcement activity to deal with fly tipping, litter, dog fouling and anti-social behaviour required in response to public expectation and increased offending (net of income).
Litter picking A3 and A31 additional costs		17,000	Statutory responsibility for clearing litter on these roads. Additional costs for A3. Traffic management requirements increase the costs.
Video - recycling promotion		10,000	Need to continue to promote recycling in order to achieve targets for increased recycling performance.
Revised arrangements for discounted parking concessions for schools 1/2 year starting September 2016	(20,000)		Additional income generated from sales of permits for parent parking in partnership with schools.

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Garden Waste Service - £5 increase in annual charge	(50,000)		Scheme cheaper than neighbouring areas. Will generate additional income.
Garden Waste Service - improved bin cost recovery	(5,000)		Need to recover full cost of bin rather than subsidise it.
Saturday garden waste - termination of service in Godalming from October 2016	(6,000)		Service cannot be justified financially now residents have alternative of Garden Waste subscription service or community recycling centres.
Public conveniences closure - North Street, Farncombe	(11,000)		Facility significantly underused and costly to operate.
Car Parks - car washing franchise	(12,000)		Additional income generated from extending franchise to additional car parks.
Total:	(£104,000)	£82,000	

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Housing (General Fund)			
Homelessness prevention		10,000	To give discretionary support to households with children in private rented accommodation negatively impacted by the benefit cap being introduced in April 2016 to prevent homelessness.
Homelessness Budget		30,000	To enable the provision of rent deposits and rent in advance to households threatened with homelessness in order to avoid use of temporary accommodation.
Total:	£0	£40,000	

WAVERLEY BOROUGH COUNCIL

JOINT OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2016

Title:

FINANCIAL STRATEGY 2016/17 – 2019/20 DRAFT CAPITAL PROGRAMME 2016/17

[Wards Affected: All]

[Portfolio Holder: Councillor Wyatt Ramsdale]

Summary and purpose:

The report puts forward proposals for the draft 2016/17 Capital Programme in respect of the General Fund services for consideration by the Joint Committee. The report also considers proposed revenue projects to be included within the 2016/17 Budget. The purpose of this report is to make observations to the Executive regarding the General Fund Capital Programme and revenue projects for 2016/17.

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

The Capital Programme proposed supports the Council's Corporate Priorities.

Equality and Diversity Implications:

An Equality Impact Assessment will be carried out to ensure there are no adverse equality implications.

Resource/Value for Money implications:

Resource implications are contained throughout the report.

Legal implications:

The recommendations of this report do not have direct legal implications.

Introduction

1. Each year, the Council reviews its three-year Capital Programme and in particular agrees the provisions to be included within the Budget for the year ahead. The overall parameters for the Capital Programme are set out within the Council's Financial Strategy. The Capital Programme and revenue project proposals for 2016/17, as put forward by the Heads of Service, are presented for consideration.

Draft 2016/2017 Capital Programme

2. The proposed 2016/17 Capital Programme amounts to £2.5million as shown at Annexe 1 to this report.

3. The Annexe also presents the proposed financing, which shows significant external funding of over £0.5million, £1.2million coming from Waverley's own resources in the Revenue Reserve Fund and £880,000 from Waverley's 'Invest-to-save' fund.

Approval Process

4. Certain schemes as identified by an asterisk on the schedule will be included within the overall Programme, but specific approval under delegation will be required before they proceed because further information is needed in support of these schemes. Once Council has approved the Budget, it is proposed that authority to proceed in these cases is delegated to the Director of Finance and Resources in conjunction with the Finance Portfolio Holder.

Revenue Projects

5. Accounting rules require that certain one-off project-type expenditure is classified as revenue expenditure. These items have been identified as revenue projects as they maintain an asset rather than enhance it and are summarised at Annexe 2 along with the funding. If approved these will be included within the appropriate revenue budget.

Conclusion

6. The observations of the Joint Committee will be reported to the Executive on 2 February 2016. The Programme will be subject to final approval by Council on 16 February 2016.

Recommendation

It is recommended that the Joint Committee notes the report and informs the Executive of its views on the draft Capital Programme and schedule of Revenue Projects.

Background Papers

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

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Capital Programme General Fund

	2016/2017 Funding						2017/2018	2018/2019
	2016/17						Estimate	Estimate
	Total Programme	Revenue Reserve Fund	Housing Revenue Account	Invest to Save	S106 Funding	External Funding		
	£	£	£	£	£	£	£	£
General Fund Summary								
Provision for Urgent Schemes during Year	150,000	150,000	0	0	0	0	150,000	150,000
Customer and Corporate	434,000	378,000	56,000	0	0	0	240,000	20,000
Community Services	1,515,750	451,820	0	880,000	28,400	155,530	797,200	520,200
Environmental Services	118,000	118,000	0	0	0	0	0	0
General Fund Housing Services	370,000	38,000	0	0	0	332,000	370,000	370,000
Total	£2,587,750	£1,135,820	£56,000	£880,000	£28,400	£487,530	£1,557,200	£1,060,200

Capital Programme General Fund

	2016/17	2016/2017 Funding					2017/2018 Estimate	2018/2019 Estimate
	Total Programme	Revenue Reserve Fund	Housing Revenue Account	Invest to Save	S106 Funding	External Funding		
	£	£	£	£	£	£	£	£

Customer and Corporate

* Customer Services - Invest to Save							150,000	
Central Offices								
Vending Machine	3,000	3,000						
Properties								
Ramsnest Flood Alleviation	18,000	18,000						
* Farnham Museum works	92,000	92,000						
IT								
Forward Programme/Legislative Changes	10,000	10,000					10,000	10,000
Desktop/Server Upgrades	20,000	20,000					35,000	
Mobile Working Solutions	35,000	35,000						
Network Upgrade & Flexible Working	10,000	10,000					10,000	10,000
Property Terrier Database	40,000	40,000						
Mobile Phone Procurement	30,000	30,000						
Document Management	60,000	60,000						
Employee File Online Solution							10,000	
Pump House Business Continuity Arrangements	40,000	40,000						
Agresso Experience Packs	20,000	20,000						
Orchard Development	40,000		40,000				25,000	
Keystone	16,000		16,000					
Total Customer and Office Services	£434,000	£378,000	£56,000	£0	£0	£0	£240,000	£20,000

* Project requires additional approval before work can commence

Capital Programme General Fund

	2016/17	2016/2017 Funding					2017/2018	2018/2019
	Total Programme	Revenue Reserve Fund	Housing Revenue Account	Invest to Save	S106 Funding	External Funding	Estimate	Estimate
	£	£	£	£	£	£	£	£
Community Services								
Central Communications (Careline)	30,000	30,000					40,000	40,000
Parks and Countryside								
Weydon Lane Landfill site	8,000	8,000					58,000	58,000
HLS Countryside Works	139,200	80,000				59,200	119,200	119,200
Frensham Common - Site Facilities Redevelopment	800,000			800,000			20,000	10,000
Pond Restorations	14,000	14,000					14,000	14,000
Proactive Woodland Management	35,000	35,000					35,000	35,000
Frensham Pond Dam	25,000	25,000					15,000	15,000
Lammas Lands flood relief channel	5,000	5,000					55,000	
Ditch Renovation	70,000	70,000						
Broadwater Park Improvement Project	130,000	39,000				91,000	106,000	30,000
Greenspace Infrastructure & DDA Improvements	53,170	30,000			23,170		50,000	50,000
Phillips Memorial Park Improvement Project	11,150	5,820				5,330		
Playground Refurbishments	75,230	70,000			5,230		160,000	119,000
Pavilions - Improving energy efficiency and	20,000	20,000					30,000	30,000
* Gostrey Meadow Pavilion	80,000			80,000			80,000	
Farnham Park Golf Club/Café - Sewerage works							15,000	
Arts								
External decorating repairs to the new Ashgate Gallery	20,000	20,000						
Total Community Services	£1,515,750	£451,820	£0	£880,000	£28,400	£155,530	£797,200	£520,200

* Project requires additional approval before work can commence

**Capital Programme
General Fund**

	2016/17	2016/2017 Funding					2017/2018	2018/2019
	Total Programme	Revenue Reserve Fund	Housing Revenue Account	Invest to Save	S106 Funding	External Funding	Estimate	Estimate
	£	£	£	£	£	£	£	£
Environmental Services								
High Street, Haslemere Car Park	118,000	118,000						
Total Environmental Services	£118,000	£118,000	£0	£0	£0	£0	£0	£0

**Capital Programme
General Fund**

	2016/17	2016/2017 Funding					2017/2018	2018/2019
	Total Programme	Revenue Reserve Fund	Housing Revenue Account	Invest to Save	S106 Funding	External Funding	Estimate	Estimate
	£	£	£	£	£	£	£	£
General Fund Housing Services								
House Renovation Grants								
- Disabled Facilities	350,000	28,000				322,000	350,000	350,000
Warm Homes Project	20,000	10,000				10,000	20,000	20,000
Total General Fund Housing Services	£370,000	£38,000	£0	£0	£0	£332,000	£370,000	£370,000

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CAPITAL PROGRAMME
2016/2017 REVENUE SCHEMES - GENERAL FUND

Project	Essential Maintenance	2016/17			
		Total Programme £	WBC funding £	Repairs & Renewals Reserve £	External Funding £
Customer and Corporate					
Central Offices	Essential Maintenance	90,000	90,000		
Development Consultancy		40,000	40,000		
Community Services					
Community					
Day Centres					
Farncombe Day Centre		12,800	12,800		
Sports Centres					
General	Y	100,000	100,000		
Contingency		25,000	25,000		
Haslemere Leisure Centre		60,000			60,000
Recreation					
Parks Signage		20,000	20,000		
Environmental Services					
Environmental Health					
Contaminated Land		30,000	30,000		
Air Quality		52,500	2,500		50,000
Noise Recording Equipment		5,000		5,000	
Refuse Collection					
Green Recycling Containers		25,000			25,000
Car Parks					
Rolling Programme	Y	102,500	102,500		
General Fund Total		£562,800	£422,800	£5,000	£135,000

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WAVERLEY BOROUGH COUNCIL

JOINT OVERVIEW AND SCRUTINY COMMITTEE

18 JANUARY 2016

Title:

HOUSING REVENUE ACCOUNT BUSINESS PLAN, REVENUE BUDGET AND CAPITAL PROGRAMME 2016/17

[Portfolio Holder: Cllr Carole King]
[Wards Affected: All]

Summary and purpose:

This report advises the Joint Committee of the latest position regarding the Housing Revenue Account (HRA) Revenue Estimates for 2016/17 and the updated 30-year Business Plan. The Joint Committee is requested to make observations and comments as appropriate to the Executive regarding Waverley's Draft HRA budget for 2016/17.

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

Waverley's landlord service deals with the management and maintenance of existing stock and delivering affordable housing which helps to improve lives – two of the Council's five corporate priorities. A viable business plan, which takes account of these priorities, needs to be in place to aid delivery of these priorities.

Equality and Diversity Implications:

Providing more and better affordable housing for residents of the Borough in housing need, particularly the more vulnerable in our society.

Resource/Value for Money Implications:

Resource implications are contained throughout the report.

Legal Implications:

There are no direct legal implications as a result of this report.

Introduction

1. This report outlines the draft budgets to be included within the annual review and updating of the HRA 30 year Business Plan and the Budget for the year ahead, including the five-year Capital Programmes. The Business Plan is underpinned by the Council's Financial Strategy and provides the resources to fund the 30-year maintenance forecast and fund proposals for building new affordable homes and investment in stock remodelling.

2. This report contains the following Annexes:

- Annexe 1 – Business Plan Approved February 2015 - 2016/17 to 2020/21
- Annexe 2 – Business Plan Revised December 2015 - 2016/17 to 2020/21
- Annexe 3 – Business Plan Assumptions
- Annexe 4 – Detailed Estimate sheets
- Annexe 5 – Star Chamber Proposals
- Annexe 6 – Housing Fees and Charges
- Annexe 7 – Revised 2016/17 Business Plan compared to Original
- Annexe 8 – Capital Programme comprising
 - Housing Core Programme
 - New Affordable Homes Programme
 - Stock Remodelling Programme
- Annexe 9 – HRA Capital Resources summary

Business Plan

3. The next five years' latest projection for the Business Plan, commencing with 2016/17, is attached at Annexe 2. For information, the previously approved Business Plan figures for this period are also included at Annexe 1. The assumptions behind the Business Plan are illustrated in Annexe 3.
4. The Government announced changes to HRA finances in the summer budget which, as reported at the Finance Seminar, will lose the HRA over £300million over the life of the Plan compared to the Business Plan approved in February 2015. The changes are shown below:
 - Rent reductions of 1% per year for 4 years from 2016/17 (incorporated into Annexe 2)
 - Impact of the sale of high value voids from 2017/18
 - Welfare reform
5. These changes will have a significant impact on the continued delivery of the current strategy for the Housing service depicted by the Business Plan. As a consequence, and given that the detailed regulations and guidance has not been published yet, it is proposed that a full review of every aspect of the Business Plan and its underlying budget costings is carried out in the summer to assess the right activity levels and the desired capital programme expenditure in the longer term. These Government changes have already created a £1.3million shortfall in the 2016/17 revenue budget compared to the Business Plan approved in February 2015.
6. There has been rigorous scrutiny of draft budgets through the Council's 'Star Chamber' process involving the Directors, Portfolio Holders, and Heads of Service particularly in light of the budget shortfall. The Star Chamber proposals are summarised in Annexe 5. These have not yet been incorporated in the Business Plan or detailed budgets.
7. A detailed breakdown of the budgets behind the summary Business Plan figures for 2016/17 is provided at Annexe 4.

Rents

8. The Council usually follows a rent setting policy that supports Waverley's Business Plan objectives with broad adherence to the Government's social rent policy of an annual rent increase calculated as September RPI + 1/2 % (2015/16 increase 2.8%). However, the government have imposed a 1% per year rent reduction for the next four years from 2016/17. This is reflected in the Business Plan and has resulted in £1.3million less rent income than originally budgeted for in 2016/17.

Fees and Charges

9. A proposed schedule of charges for various services to leaseholders and shared owners is given in Annexe 6. Whilst the income from fees and charges are already included in the business Plan, Members are required to approve these annually.

Draft 2016/17 Capital Programme

10. The draft Capital Programme at Annexe 8 shows the proposals estimated to be spent in 2016/17 on each of the three elements to the capital programme. A five-year core capital programme of works has been drawn up to help ensure compliance with landlord and employee obligations and to bring systems and equipment up to standard.

Draft 2016/17 New Affordable Homes Programme and Stock Remodelling Programme

11. The 30-year Business Plan also includes a programme to develop new affordable homes and a programme to remodel some of the existing stock. The major project at Ockford Ridge will be a combination of redevelopment and remodelling existing dwellings. Estimates at this stage are on a very broad basis and will be refined as survey work is carried out. These programmes will form part of the full review of the Business Plan in the summer as they need to be affordable within the Business Plan after taking account of the impact of the 1% rent reduction and forced high value sales.

Financing

12. The financial model in Waverley's Business Plan incorporates the transfer to the HRA Revenue Reserve to support capital expenditure. Annexe 9 shows the Capital Programme proposals against the resources available in the next five years. Even after taking account of the significant accumulated resources prior to 2016/17, including capital receipts, the table at Annexe 9 shows that latest capital expenditure plans significantly exceed available capital resources over the five year period from 2016/17 to 2020/21. This is not a sustainable position and the review of the entire Business Plan during 2016 will examine to what extent Capital Programmes will need to be revised to meet available resources and will examine other ways to generate additional funds.

Conclusion

13. As a result of efficiency measures and reductions in some activities, the 2016/17 budget is currently showing a relatively small gap which will need to be addressed before Council in February. However, subsequent years of the Business Plan will need to be reviewed thoroughly in the light of the impact of Government's changes.

Recommendation

The Joint Overview and Scrutiny Committee is asked to pass comments and observations to the Executive on the detailed estimates and proposals in this report.

Background Papers

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

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Waverley Housing Revenue Account Next 5 Years Business Plan Original February 2015 approved

£'000	2016-17	2017-18	2018-19	2019-20	2020-21
	(2)	(3)	(4)	(5)	(6)
INCOME					
1 Gross Dwelling Rent income (net of subsidy penalty)	30,471	31,767	33,113	35,031	35,482
Less Voids @2.125%	(686)	(635)	(662)	(701)	(710)
Net Dwelling Rent	29,785	31,131	32,451	34,331	34,772
2 Gross Garage rents	375	385	394	404	414
Less Voids @ 20%	(75)	(77)	(79)	(81)	(83)
Net Garage Rent	300	308	315	323	331
3 Service Charges	268	274	281	288	295
4 Costs recovered	276	283	290	297	304
5 Other Income	357	366	375	384	394
COSTS					
6 Housing Management	(5,391)	(5,479)	(5,599)	(5,697)	(5,767)
7 Maintenance	(4,418)	(4,488)	(4,560)	(4,633)	(4,707)
8 Other Costs	(570)	(624)	(636)	(649)	(662)
9 Interest	(5,827)	(5,796)	(5,742)	(5,672)	(5,587)
10 Debt management	(30)	(50)	(50)	(50)	(50)
11 Net Operating Expenses	14,750	15,925	17,125	18,922	19,324
12 Contribution to Core Capital Programme	6,932	7,138	7,350	7,568	7,794
13 Contribution to Stock Improvement	0	2,691	3,046	3,555	3,575
14 Contribution to New Build	7,790	2,691	3,046	3,555	3,575
15 Principal repayment		3,487	3,708	4,223	4,303
16 Shortfall(-)/Surplus	27	(82)	(24)	21	77
	14,750	15,925	17,125	18,922	19,324
17 Loan brought forward	192,035	192,035	188,548	184,840	180,617
18 Loan carried forward	192,035	188,548	184,840	180,617	176,314
19 HRA Working Balance brought forward	2,000	2,000	2,000	2,000	2,000
20 HRA Working Balance carried forward	2,000	2,000	2,000	2,000	2,000

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Waverley Housing Revenue Account Revised Business Plan Incorporating 4 Year Rent Reduction

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	(1) £'000	(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
INCOME						
1 Gross Dwelling Rent income (net of subsidy penalty)	29,413	29,097	29,333	29,382	29,871	30,255
Less Voids @2.125%	(629)	(655)	(587)	(588)	(597)	(605)
Net Dwelling Rent	28,784	28,477	28,747	28,795	29,274	29,650
2 Gross Garage rents	366	375	385	394	404	414
Less Voids @ 20%	(73)	(75)	(77)	(79)	(81)	(83)
Net Garage Rent	293	300	308	315	323	331
3 Service Charges	261	295	302	310	318	326
4 Costs recovered	269	269	276	283	290	297
5 Other Income	348	348	357	366	375	384
COSTS						
6 Housing Management	(5,306)	(5,444)	(5,695)	(5,820)	(5,921)	(5,994)
7 Maintenance	(4,348)	(4,453)	(4,577)	(4,631)	(4,665)	(4,675)
9 Other Costs	(570)	(613)	(624)	(636)	(649)	(662)
10 Interest	(5,827)	(5,827)	(5,796)	(5,742)	(5,672)	(5,587)
11 Debt management	(30)	(30)	(30)	(30)	(30)	(30)
12 Net Operating Expenses	13,874	13,322	13,268	13,210	13,642	14,041
13 Contribution to Core Capital Programme	6,770	6,878	7,138	7,350	7,568	7,794
14 Contribution to Stock Improvement	0	0	2,691	3,046	3,555	3,575
15 Contribution to New Build	7,068	7,790	2,691	3,046	3,555	3,575
16 Principal repayment			3,487	3,708	4,223	4,303
17 Shortfall(-)/Surplus	36	(1,346)	(2,739)	(3,938)	(5,259)	(5,207)
	13,874	13,322	13,268	13,210	13,642	14,041
18 Loan brought forward	192,035	192,035	192,035	188,548	184,840	180,617
19 Loan carried forward	192,035	192,035	188,548	184,840	180,617	176,314
20 HRA Working Balance brought forward	2,000	2,000	2,000	2,000	2,000	2,000
21 HRA Working Balance carried forward	2,000	2,000	2,000	2,000	2,000	2,000

KEY ASSUMPTIONS

Rents reduced by 1% pa for 4 years from 2016-17 in line with Government policy

Maintain working Balance at £2m

Rent increases from 2020-21 assumed at 3.0%

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Business Plan Assumptions 2016-17

WAVERLEY ASSUMPTIONS	
Estimated housing stock 1 April 2016	4,865
Inflation	
Contracts (CPI)	1.6%
Energy and Rents(RPI)	
Rent reduction – 2016/17 to 2019/20 inclusive	1%
Stock growth through new homes programme (included in stock total above)	38
Average interest rate on borrowing	2.8%
Stock Loss through right-to-buys over the life of the Business Plan	240
Percentage of voids assumed	2.125%
Provision for bad debts	0.1%

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**Housing Revenue Account
Revenue Estimates 2016/2017**

Landlord Services

Ref. No.	2015/2016 Estimate (1)	Details	2016/2017 Estimate (2)
Housing Revenue Account Summary			
	£		£
		Expenditure	
		Premises	
1	5,140,760	Repairs and Maintenance	5,234,420
		Administration	
		Supervision and Management	
2	3,252,430	- General	3,503,320
3	504,300	- Special	345,900
4	133,110	Waverley Families	109,570
5	549,560	'Back-Funded' pension contributions	548,300
		Capital Charges	
6	73,890	Capital Work Expenses	73,480
		Special Items	
7	470	Inflation Provision	0
8	0	Bad Debts Provision	25,000
9	0	Uninsured Loss Reserve	25,000
10	20,000	Fraud Initiative	20,000
11	36,000	Energy saving Initiatives	36,000
12	20,000	Transitional Funding of Support Costs	15,000
13	9,730,520	Total Expenditure	9,935,990
		Income	
14	28,965,860	Dwelling Rents	28,653,990
15	(177,000)	Negative housing subsidy/Rebates Contribution	(177,000)
16	28,788,860		28,476,990
17	292,690	Garage Rents	300,000
18	123,200	Other Income	123,200
19	29,204,750	Total Income	28,900,190
20	(50,000)	Target Reduction - Vacancy factor	(50,000)
21	(19,524,230)	Net Cost of Services	(19,014,200)
22	5,857,230	Capital Finance	5,857,230
23	(135,000)	Interest receivable	(165,000)
24	(13,802,000)	Net Operating Expenditure	(13,321,970)
25	6,734,000	Contribution to Core Capital Programme	6,878,320
26	7,068,000	Contribution to New Build	7,790,000
27	£0	(Surplus)/Deficit in Year	£1,346,350

Landlord Services

Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
Repairs and Maintenance				
Main Code H2000				
	£			£
		1000s	Employees	
1	622,400		Housing - Operations	640,770
2	52,500		Housing - Strategic	55,410
3	5,100		Policy & Governance	4,840
4	8,490		Civic & Monitoring	8,620
5	26,740		Finance	27,140
6	<u>715,230</u>		Total Staff Recharges	<u>736,780</u>
		1100s	Premises	
7	2,608,480	1104	Responsive Repairs and Voids	2,650,220
8	1,731,950	1104	Cyclical Maintenance	1,759,660
9	7,400	1163-91	Void properties	7,520
		1300s	Supplies and Services	
10	5,050	1302-12	Equipment, Tools and Materials	5,050
11	4,500	1332	Printing	4,500
12	2,250	1337	Books and Publications	2,250
13	8,500	1344	Consultants Fees	8,500
14	5,600	1345	Out of Hours Emergency Service	5,600
15	2,970	1351-3	Telephones	3,020
16	3,000	1393	Health and Safety	3,050
17	1,000	1399	Company Searches	1,000
18	150	1399	Sundry	150
		1600s	Support Costs	
19	44,680	1600	Computer Cost Recharge	47,120
20	5,140,760		Gross Expenditure	5,234,420
21	£5,140,760		Net Cost to Summary	£5,234,420

Landlord Services

Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
Supervision and Management General				
Main Code H4001				
	£			£
		1000s	Employees	
1	1,233,540		Housing - Operations	1,234,960
2	486,340		Housing - Strategic	494,730
3	33,200		Policy & Governance	31,560
4	29,500		Civic & Monitoring	29,940
5	10,180		Planning	25,290
6	153,550		Finance	153,310
7	118,190		Office and IT	116,090
8	1,830		Environment	1,760
9	500		Community Services	420
10	<u>2,066,830</u>		Total Staff Recharges	<u>2,088,060</u>
11	45,950	1050s	Former Employee Costs	44,690
		1100s	Premises	
12	40,140	1131-2	Hired and Contracted Services	184,660
13	66,920	1176	Council Tax/Business Rates	67,990
14	148,770	1191	Insurances	163,650
		1300s	Supplies and Services	
15	4,000	1302-5	Equipment and Furniture	4,000
16	14,500	1332	Printing	14,500
17	250	1337	Books and Publications	250
18	10,000	1341	Legal Expenses	10,000
19	12,100	1344	Consultants Fees	12,100
20	9,200	1345	Hired and Contracted Services	9,200
21	6,000	1345	Annual stock valuation Fee	6,000
22	3,100	1351-3	Telephones	3,140
23	8,700	1354	Postages	8,700
24	40,000	1371	Transfer Grants	40,000
25	5,000	1387	Subscriptions	5,000
26	3,450	1393	Health & Safety	3,500
27	1,000	1395	Other Supplies	1,000
28	7,500	1398	Assisted removals and decants	7,500
29	28,000	1398	Compensation(including home loss)	28,000
30	5,000	1398	Vulnerable Tenant Support	5,000
31	9,500	1399	Miscellaneous Expenses	13,500
			Special Items	
32	17,500	H4005	Tenants' Panel Expenses:	17,500
33	7,500	H4006	Social Inclusion	7,500
34	25,000	H4007	Tenant Participation	25,000
35	40,000	H2112	Community Safety/Estate Management	40,000
36	11,000	H4008	Benchmarking costs	11,000
37	10,000	H9120	IT upgrades	60,000
		1600s	Support Costs	
38	185,180	1600	Democratic Representation	188,130
39	110,790	1600	Computer Cost Recharge	117,620
40	402,020	1600	Corporate Costs	410,010
			<u>Recharge from:-</u>	
41	25,280	R1011	Financial Expenses	23,870
42	3,370,180		Gross Expenditure	3,621,070

Landlord Services

Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
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Supervision and Management General (Continued)

Main Code H4001

	£			£
		2000s	Income	
43	46,000	2350	Service Charges	46,000
44	58,750	2704	Rents	58,750
45	8,000	2903	Re-imburements	8,000
46	5,000	2906	Contributions	5,000
47	117,750		Total Income	117,750
48	£3,252,430		Net Cost to Summary	£3,503,320

Landlord Services

Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
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Waverley Families Main Code H4999

	£				£
		1000s	Employees		
1	174,210		Housing - Operations		180,620
2	530		Finance		520
3	174,740		Total Staff Recharges		181,140
		1300s	Supplies and Services		
4	100	1302-12	Equipment, Tools and Materials		100
5	550	1332	Printing		550
6		1345	Contracted Services		20,000
7	1,920	1351-3	Telephones		1,950
8	4,000	1371	Grants and Donations		4,000
9	1,800	1393	Health and Safety		1,830
10	183,110		Gross Expenditure		209,570
		2000s	Income		
11	50,000	2100	Contributions and Grants		100,000
12	50,000		Total Income		100,000
13	£133,110		Net Cost to Summary		£109,570

Landlord Services				
Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
Supervision and Management Special				
Main Code H5001				
	£			£
		1000s	Employees	
1	149,630		Housing - Operations	149,890
2	13,120		Housing - Strategic	13,850
3	20,980		Finance	21,760
4	1,830		Environment	1,760
5	77,090		Community	83,150
6	<u>262,650</u>		Total Staff Recharges	<u>270,410</u>
7	80,000	<i>H5601</i>	Cleaners Wages	81,280
		1100s	Premises	
8	3,000	<i>1121</i>	Fixtures and Fittings	3,000
9	183,290	<i>1131-2</i>	Hired and Contracted Services	38,770
10	129,090	<i>1163</i>	Electricity	131,140
11	37,720	<i>1163</i>	Landlord's lighting	38,320
12	153,900	<i>1164</i>	Gas	156,380
13	46,830	<i>1176</i>	Council Tax	47,590
14	3,050	<i>1178</i>	Water Services	3,100
15	6,090	<i>1182</i>	Cleaning Materials	6,180
16	22,540	<i>1184</i>	Contract Cleaning	23,620
17	7,540	<i>1185</i>	Window Cleaning	6,960
18	2,540	<i>1188</i>	Cesspool Emptying	2,580
19	12,220	<i>1191</i>	Insurances	13,440
		1300s	Supplies and Services	
20	32,000	<i>1302-5</i>	Equipment and Furniture	34,290
21	200	<i>1332</i>	Printing	200
22	9,830	<i>1351-3</i>	Telephones	10,000
23	1,250	<i>1389</i>	Television Services	2,250
24	170	<i>1391</i>	Insurances	170
25	1,250	<i>1399</i>	Miscellaneous Expenses	1,250
		1600s	Support Costs	
26	1,140	<i>1600</i>	Computer Cost Recharge	1,210
27	996,300		Gross Expenditure	872,140
		2000s	Income	
28	7,900	<i>2300</i>	Fees and Charges	7,900
29	269,340	<i>2903</i>	Central Heating	269,340
30	214,760	<i>2,350</i>	Service Charges	249,000
31	492,000		Total Income	526,240
32	£504,300		Net Cost to Summary	£345,900

Landlord Services

Ref. No.	2015/2016 Estimate (2)	Codes	Details	2016/2017 Estimate (3)
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Capital Work Expenses Main Code H1010

	£				£
		1000s	Employees		
1	14,700		Housing - Operations		15,220
2	12,620		Housing - Strategic		-
3			Civic & Monitoring		12,800
4	20,590		Policy & Governance		19,570
5	6,220		Finance		6,130
6	54,130		Total Staff Recharges		53,720
		1300s	Supplies and Services		
7	16,260	1345	Contracted Services - sustainability		16,260
8	3,500	1391	Insurances		3,500
9	73,890		Gross Expenditure		73,480
10	£73,890		Net Cost to Summary		£73,480

Other Activity Main Code H1000

	£				£
		1000s	Expenses		
1	20,000		Fraud initiative		20,000
2	20,000		Gross Expenditure		20,000
		2000s	Income		
3	36,000	2705	Solar Panel Roof Rental		36,000
4	87,000	2905	Water Rate Commission		87,000
5	200	2410	Mortgagors Interest		200
6	123,200		Total Income		£123,200
7	(£103,200)		Net Cost to Summary		(£103,200)

2016/17			
	Star Chamber item requiring decision		Impact assessment of saving/ justification for growth
	Saving/ Increased Income £	Growth/ Reduced Income £	
Housing Revenue Account			
Specialist advice for contract reprocurement costs (£80k over three years, £20k first year)		20,000	To be funded by saving in Cyclical maintenance budget (30:30:20)
Compliance Officer (3 year contract)		50,000	To be funded by reduction in capital budget for surveying and fees
Sheltered Staff domestic hours - build increased hours into establishment		12,500	To standardise hours to 20 hours per week which will provide scope and time for all domestic duties within each scheme to be covered and provide additional staff presence for tenants following the reduction in staff earlier in the year. Approval is sought to increase the establishment as this growth is covered by service charge income that has already been built into the budget for 2016/17.
Cyclical Maintenance Budget	20,000		To fund contract re procurement
Reduction in capital budget for surveying and fees	50,000		To fund Compliance Officer
Temporarily suspend budget for Strategic Senior Surveyor subject to review going forward	50,000		Reduced works undertaken so no impact
Delete Housing Development Officer post	50,000		Reduced works undertaken so no impact
Reduce void rent loss	300,000		Need to ensure void properties are turned round faster and the decant process is efficient
Reduce contribution to Capital Programme	150,000		
Total:	£620,000	£82,500	

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Housing Services
Schedule of Fees and Charges for 2016/2017

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Proposed Charge	
			£	£	
Housing Revenue Account					
Supervision and Management Special					
8	Guest Rooms - E P Units - Single	Per Night	OS	15.00	15.00 } }
9	Guest Rooms - E P Units - Double	Per Night	OS	20.00	20.00 } }
10	Community Rooms - Residents	Session	OE	15.00	15.00 }) Sessions 10am - 1pm }
11	Community Rooms - Non Resident	Session	OE	33.00	33.00 }) 2pm - 5pm }) 7pm - 10pm
Leaseholder Charges					
The following charges replace the flat rate charge currently in place					
Annual practical notes and information to leaseholder. Check of leaseholder account to ensure there are no problems and ground rent invoicing with supporting documentation.					
	Annual	OO	25.00	25.00	
Annual practical notes and information to shared owners. Check of account to ensure there are no problems, check to see if ground rent payable					
	Annual	OO	22.50	22.50	No ground rent payable
Annual practical notes and information to shared owners. Check of account to ensure there are no problems, check to see if ground rent payable					
	Annual	OO	25.00	25.00	Ground Rent payable
Service charge invoicing and supporting documentation non-shared ownership.					
	Quarterly	OO	2.50	2.50	Only if repairs/maintenance during quarter
Service charge invoicing and supporting documentation non-shared ownership.					
	Annual	OO	10.00	10.00	Only if repairs/maintenance during year
Service charge invoicing and supporting documentation shared ownership.					
		OO	25.00	25.00	
Consent to alter					
		OS	55.00	55.00	
Retrospective/ Complex consent to alter					
		OS	75.00	75.00	
Consent to underlet					
		OS	30.00	30.00	
Consent to keep pets					
		OS	30.00	30.00	
Letter to lenders and other third parties					
		OS	25.00	25.00	

Housing Services
Schedule of Fees and Charges for 2016/2017

Ref. No.	Unit of Charge	VAT Indicator	Existing Charge	Proposed Charge
			£	£
Reminder in relation to arrears with full printout of account		OE	25.00	25.00
Section 20 management		OE	35.00	35.00
Obtaining Land Registry document as requested by leaseholder		OS	10.00	10.00 Plus Land Registry cost
Provision of duplicate invoices		OS	2.50	2.50
Contacting or responding to you in relation to a problem with your flat. Non-complex replies by email will be free		OS	5.50	5.50
Written contact and liaison with you in relation to statutory requirements, such as fire and asbestos risk assessments		OE	2.50	2.50
Leasehold enquiry responses		OS	New Charge	234.00
Leasehold (with sink fund) enquiry responses		OS	New Charge	246.00
Preliminary telephone advice for non-complex issues relating to your leasehold property			FREE	FREE
Changing leaseholder records, leaseholder responsible for advising changes in writing			FREE	FREE

**Waverley Borough Council
2016-17 Housing Revenue Account**

Variations compared to Original 2016/17 Business Plan		
	2016/17 £'000	2017/18 to 2019/20 (3 years) £'000
Business Plan December 2015 Impact of 1% rents reduction compared to agreed Business Plan	1,308	11,097
Sale of high value voids/tariff	0	900
Business Plan minor realignment	38	(61)
	1,346	11,936
Star Chamber Revenue savings	(620)	(1,000)
Growth	83	
Contribution to capital programme (freeze at 2015/16 level including debt repayment)	(722)	(8,798)
Shortfall *	87	2,138

* Before allowing for Pay Award

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Housing Revenue Account Capital Programme

Project Title	2016/17 Capital Bid £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £
Housing Revenue Account Summary					
Core Housing Capital Programme	8,819,310	8,291,530	8,722,860	8,500,000	8,500,000
New Affordable Homes	8,470,330	17,211,840	14,390,650	9,837,580	1,575,500
Stock Remodelling	3,846,500	2,013,000	1,102,200	0	0
Total	£21,136,140	£27,516,370	£24,215,710	£18,337,580	£10,075,500

Housing Revenue Account Capital Programme

Project Title	2016/17 Capital Bid £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate * £	2020/21 Estimate * £
Core Housing Capital Programme					
Kitchens and Bathrooms	3,579,850	3,669,530	3,761,430		
Windows and Doors	622,000	492,000	492,000		
Roofing and Associated Work	1,247,000	1,216,200	1,232,840		
Aids and Adaptations	200,000	203,200	206,450		
Structural and Damp work	705,000	629,050	633,210		
Health and Safety	275,500	244,080	248,230		
Building Services	1,855,960	1,672,470	1,983,700		
Communal and Estate Work	274,000	115,000	115,000		
Professional Fees	60,000	50,000	50,000		
Total	£8,819,310	£8,291,530	£8,722,860	£8,500,000	£8,500,000

* Indicative estimate

Housing Revenue Account Capital Programme

Project Title	2016/17 Capital Bid £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £
New Affordable Homes					
Pre-development costs for 2016/17	83,500	83,500	83,500	83,500	83,500
Ockford Ridge	1,912,000	7,384,400	7,825,300	7,810,500	1,092,000
Sherrydon, Cranleigh		467,500			
Wey Court, Godalming	1,573,330	2,964,840			
Weyhill, Haslemere	700,000	1,269,410	4,269,410	1,543,580	
Binhams Lea, Dunsfold	345,000	172,500			
Middlefield, Farnham	862,500				
Bridge Road, Haslemere	535,900				
Nursery Hill, Shamley Green	1,113,100	371,030			
Other schemes identified but not approved	345,000	4,098,660	1,812,440	0	0
Buy Backs	600,000				
Total New Affordable Homes Projects	£8,070,330	£16,811,840	£13,990,650	£9,437,580	£1,175,500
Development Staff Costs	400,000	400,000	400,000	400,000	400,000
Total New Affordable Homes Budget	£8,470,330	£17,211,840	£14,390,650	£9,837,580	£1,575,500

Housing Revenue Account Capital Programme

Project Title	2016/17 Capital Bid £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £
Stock Remodelling					
Ockford Ridge Refurbishment	2,626,000	2,013,000	852,200		
Parkhurst Fields, Churt			250,000		
Community Rooms, Borough Wide	590,000				
Cranleigh Day Centre	312,000				
8 Elmbridge Cottages	318,500				
Total Stock Remodelling	£3,846,500	£2,013,000	£1,102,200	£0	£0

HRA Capital Programme and Resources Summary

	2015/16 Revised Budget	2016/17	2017/18	2018/19	2019/20	2020/21
Capital Bids	£000	£000	£000	£000	£000	£000
Core Capital Programme	7,883	8,819	8,292	8,723	8,500	8,500
New Affordable Homes	9,240	8,470	17,212	14,391	9,838	1,576
Stock Remodelling	945	3,847	2,013	1,102	-	-
Total Capital Bids	18,068	21,136	27,516	24,216	18,338	10,076
Resources						
Balance Brought Forward 1/4/15		26,079	19,489	2,692	(10,813)	(18,737)
MRR bal b/f 15/16	2,546					
NAH bal b/f 15/16	5,602					
SR bal b/f 15/16	8,130					
Capital Receipts bal b/f 15/16	5,688					
Capital receipts - NAH b/f 15/16	6,119					
Estimated capital receipts for 15/16	408					
Estimated capital receipts - NAH for 15/16	550					
HCA grant - Wey Court		600				
Commuted Sums - Station Rd	1,266					
Total Resources	30,309	26,679	19,489	2,692	(10,813)	(18,737)
Contributions						
Core Capital Programme	6,770	6,878	7,138	7,350	7,568	7,794
New Affordable Homes	7,068	7,068	1,791	1,680	1,423	1,383
Stock Remodelling			1,791	1,680	1,423	1,383
Resources Carried Forward (Shortfall)	26,079	19,489	2,692	(10,813)	(18,737)	(18,252)
Potential Re-borrowing			3,487	3,708	4,223	4,303
Resources Available if re-borrowed			6,179	(3,618)	(7,319)	(2,531)

Assumptions

No more capital receipts

No more S106 funding

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