

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE EXECUTIVE - 8 OCTOBER 2018

SUBMITTED TO THE COUNCIL MEETING – 16 OCTOBER 2018

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

Present

Cllr Julia Potts (Chairman)	Cllr Jim Edwards
Cllr Ged Hall (Vice Chairman)	Cllr Carole King
Cllr Andrew Bolton	Cllr Tom Martin
Cllr Kevin Deanus	Cllr Chris Storey

Apologies

Cllr Jenny Else

Also Present

Councillor David Beaman, Councillor John Gray, Councillor Jerry Hyman and Councillor Richard Seaborne

EXE 30/18 MINUTES (Agenda item 1)

The Minutes of the Meeting held on 10 July 2018 were confirmed and signed as a correct record.

EXE 31/18 APOLOGIES FOR ABSENCE (Agenda item 2)

Apologies for absence were received from Cllr Jenny Else.

EXE 32/18 DECLARATIONS OF INTERESTS (Agenda item 3)

There were no declarations of interest raised under this heading.

EXE 33/18 QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 4)

There were no questions from members of the public.

EXE 34/18 QUESTIONS FROM MEMBERS (Agenda item 5)

There were no questions from Members.

PART I - RECOMMENDATIONS TO THE COUNCIL

Background Papers

Unless specified under an individual item, there are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to the reports in Part I of these minutes.

EXE 35/18 NEW ECONOMIC DEVELOPMENT STRATEGY 2018-2023 FOR WAVERLEY BOROUGH COUNCIL (Agenda item 6)

- 35.1 Cllrs Seaborne, Gray and Hyman had registered to speak on this item. First, the Leader invited Cllr David Beaman, Chairman of the Value for Money and Customer Service Overview & Scrutiny Committee to make a statement on behalf of the Committee, that had undertaken thorough scrutiny of the draft Strategy.
- 35.2 Cllr Beaman advised that as he had only recently taken over as the Chairman of the Committee, he would be reading a statement from Cllr Stephen Mulliner who had led the Committee's work on the Economic Development Strategy.

"The first draft of the Economic Development Strategy (EDS) was published in June 2018. Many Councillors expressed significant reservations about both the approach and the content of the document. The principal criticisms related to its lack of realism about the capacity of WBC to deliver an economic vision for the borough and the lack of clear, measurable deliverables in the Action Plan.

The comments led to the holding of a workshop with councillors, officers and Atkins, the advising consultants, on 13 August 2018. This was a frank and useful meeting which led to some significant revisions. The revised EDS was considered at the VfM & CS O&S meeting on 10 September 2018 where the improvement was noted and endorsed but with the decision that a small Task & Finish Group should be established to provide final comments in the following week. This was welcomed by Cllr. Edwards, the Portfolio Holder for Economic and Community Development. Cllrs. Mulliner and Seaborne met with Catherine Knight on 13 September 2018 and provided a final round of comments designed to ensure that the EDS made realistic statements about WBC's capacity and role in influencing economic change and to address the difficulties in applying SMART methodology to the Action Plan constituents.

The revised EDS represents a considerable improvement over the previous versions. The language is tighter and grammatical. The revised Foreword on pages 3 and 4 and the Background and Purpose on pages 10 and 11 now present a measured and realistic statement about what WBC can and cannot do. Perhaps the key words are on page 11 at the start of the Purpose section, namely:

"The Economic Development Strategy recognises that the Council is not able to deliver the Economic Development Vision on its own. With the exception of its role as a local planning authority, a borough or district council is not designed, equipped or financed to act as a direct major stimulant to the local economy. However, the Council is well placed and equipped to work in partnership with other economic stakeholders which can exercise more direct influence by investing in the local economy, safeguarding existing jobs and creating new employment opportunities."

The Committee recognises that the Action Plan is intended to be a live document which will be amended over time in the light of changing circumstances. It also recognises the difficulty in devising actions that are genuinely SMART (Specific, Measurable, Achievable, Realistic and Time-bound). It looks forward to working with officers to ensure that the Action Plan contains actions that are SMART and can be reported on meaningfully at least annually.

The VfM and CS O&S Committee would like to express its appreciation of the willingness of officers, especially Catherine Knight, to work with elected members to develop and improve the EDS. The Committee is therefore happy to endorse the revised EDS as fit for approval by the Executive.”

- 35.3 The Leader thanked Cllr Beaman, and all the members of the Overview & Scrutiny Committee for their contribution to the Economic Development Strategy, and asked Kelvin Mills to pass on the Committee’s thanks to officers. The Leader invited Cllr Seaborne, Cllr Gray, and Cllr Hyman to make their statements:
- 35.4 Cllr Seaborne echoed the previous comments, but emphasised that when the draft Strategy was first published in May it failed to articulate what the Council’s role would be in delivering a fairly well-defined set of themes; it failed to describe how the economy of Waverley works and it omitted discussion around several important sectors, such as care and education. The rural economy was largely ignored and the high rate of creation of small businesses was heralded without noting that the net creation of new businesses is one of the lowest among Surrey’s boroughs. Cllr Seaborne was delighted that officers and the consultants had noted the extensive feedback from the Overview & Scrutiny Committee to refine the initial draft into the document now before the Executive. The role of the Council in understanding and championing the economy was now clearly expressed, the way the Waverley economy works was much more clearly articulated, and the logic behind the six delivery themes was much easier to understand. The need for the Council to help delivery more affordable housing for key worker that are needed to keep the Waverley service economy working is brought out and the need for Waverley’s planning officers to give more urgency to handling applications from businesses that generate wealth and create jobs is identified.
- 35.5 Cllr Seaborne commended the efforts of the Economic Delivery Team in taking note of the material generated by the consultation. The Strategy was intended to be a living document but if implemented as it is, the economy of Waverley stood to benefit significantly. Finally, Cllr Seaborne noted that the Strategy placed a significant workload on officers to deliver it, and he hoped that the Executive would be supporting allocating appropriate resources to allow the Strategy to succeed.
- 35.6 Cllr Gray also thanked the Portfolio Holder and officers for a very comprehensive document. His comments focussed specifically on the rural economy. The Strategy stated that 65% of Waverley’s population lived in rural areas, and 32% of Waverley businesses were in rural areas. He was concerned that land industries – farms, estates, managed woodlands, and land in equestrian uses – were not fully accounted for. These businesses were very important to the look of the borough and its attractiveness to residents

and visitors. He felt that the sector was more important to the economy than it was given credit for in the Strategy, and whilst he recognised that it was difficult to quantify, he asked that some work was undertaken to enable the Council to understand better how many land-based businesses there are and how many people are employed in it; and to look at what policies might be developed to protect equestrian and farm land. It was important that Waverley used the local knowledge of Parish Councils to gather this information.

- 35.7 Cllr Gray also noted that there were a number of small business units in rural locations, which enabled businesses to take advantage of the lower cost of accommodation in rural areas. He asked what might be done to encourage more of these types of unit in the areas bordering the towns, where fledgling businesses could develop. Generally he was supportive of the Strategy, but encouraged the Portfolio Holder and officers to continue to engage with parish councils in order to deliver economic development for all of Waverley.
- 35.8 Cllr Hyman endorsed the Strategy in general but outlined some concerns with the actions, targets and measures set out in the action plan which he felt were vague or unrealistic. He suggested that the recommendation be split, so that the Strategy could be endorsed and adopted by Council, and the Action Plan could be referred back to Overview & Scrutiny for further consideration.
- 35.9 The Leader thanked Members for their positive comments, and suggestions for further development of the Strategy, which the Portfolio Holder and officers had noted. The Leader invited the Portfolio Holder, Cllr Edwards to respond.
- 35.10 Cllr Jim Edwards began by thanking the Chambers of Commerce, Economic Development Team, Towns and Parishes and the Overview & Scrutiny Committee for their commitment and effort on bringing the Strategy together: their work had helped create a focussed Strategy and a measurable action plan. The Strategy recognises the importance of the local economy in making Waverley an attractive place and enhancing the quality of life experienced by its residents. It appreciates the vital contributions of employers, small businesses and the rural economy and sets out how the Council intends to work in partnership with these and other stakeholders. Waverley has a strong service economy, largely driven by the needs of a highly skilled out-commuting workforce, and a significant workforce that commutes into the borough daily. Waverley had 8,200 VAT registered businesses of which 91% employed less than 10 people, and Waverley had the highest number of home-workers in Surrey. Total business turnover was £4.9bn in 2017, with micro and small businesses contributing 61 percent of the total revenue. Waverley is an economically vibrant place to live and work.
- 35.11 The Economic Development Strategy was in three parts – the Economic Development Vision, which set out the high level ambition for Waverley’s economy over the life of the Strategy to 2032 and beyond across six themes; the long-term economic plan setting out objectives for the Council and its partners; and the short-term action plan which it was intended would be updated regularly over the life of the Strategy.

- 35.12 Responding to Cllr Gray, Cllr Edwards asked that he feedback to the Economic Development Team with details of the matters he thinks need to be researched further. Cllr Edwards also drew Cllr Hyman's attention to the work being done with Waverley Training Services, Farnham Job Club and the Chamber of Commerce to make Farnham a destination for employees. In concluding, he commended the Strategy to the Executive, for endorsement to the Council for approval.
- 35.13 Cllr Deanus agreed with Cllr Hyman that the action plan could be improved, but this was intended to be a living document and it would develop.
- 35.14 Cllr Storey commended the work that had gone into developing the Strategy and highlighted the importance of this work: a recent Sunday Times poll had reported that 60% of town dwellers were dissatisfied with the support from local councils for the local economy. He echoed Cllr Gray's comments about the need for affordable workplaces for business start-ups and this was reflected in the action plan and would be promoted by the Council.
- 35.15 Cllr Hall referred to the complex interplay between investment, industry, employment, wealth creation and various commercial sectors. It was important to remember that Waverley was not a closed economy and there was significant mobility of labour, capital and investment. Some aspects of the economy needed to be studied further to get a better understanding, but this Strategy was a good start and it had the scope to deliver and to develop, the ability to grow and flexibility to change going forward. Cllr Hall congratulated the Portfolio Holder and thanked all those who had contributed to the Strategy, which was an excellent piece of work.
- 35.16 In closing, the Leader commended the Portfolio Holder, members and other stakeholders who had contributed, and officers. This was a significant Strategy for the Council, but it was a living document and would develop over time.

The Executive RESOLVED to endorse the proposed Strategy's vision, six themes and corresponding targets, and RECOMMEND it to Council for adoption.

EXE 36/18 TREASURY MANAGEMENT FRAMEWORK - CAPITAL STRATEGY (Agenda item 7)

- 36.1 Cllr Hyman had registered to speak on this item, and the Leader invited him to make his statement. Cllr Hyman referred to paragraph 2.2 of the Strategy, on Project Initiation, which described the review process for capital projects, and asked if this would apply to projects already underway, or only projects initiated after the Strategy was adopted. Cllr Hyman also noted the references to risk assessment in paragraph 2.4 and expressed some concern that the Audit Committee had not been asked to review the Strategy.
- 36.2 The Leader invited Graeme Clark, Strategic Director, to respond to Cllr Hyman's question. Mr Clark advised that the draft Strategy was aspirational, in that it set out the approach the Council would be adopting. It had been reviewed by the Value for Money and Customer Service Overview & Scrutiny Committee, which had made some useful contributions that had been reflected

in the version of the Strategy now recommended for approval by Council. The Strategy incorporated the good work of the Overview & Scrutiny Committee on reviewing the capital expenditure process, led by Cllr Mike Band. The recommendations from that review had been agreed by the Executive, and the Capital Strategy provided a formal link to the Treasury Framework.

36.3 The approach set out in the Strategy was being used for capital bids coming forward now for 2019/20, and there was also a new framework for project management being rolled out. However, current projects and those approaching their conclusion would not be fully compliant with the approach due the stage they had reached.

36.4 With regard to risk, the Strategy made an explicit link between the ongoing work on risk, the Risk Register and specific projects that reflected that they were typically high-value, resource intensive, and run over a number of years.

36.5 Cllr Hall confirmed that the approach set out in the Strategy would not apply to projects already underway. The Strategy complemented the investment framework, which included the Treasury Management Strategy approved by Council on 24 April 2018. Property and asset investments were outside the scope of the treasury management strategy, and the Capital Strategy would provide the context for capital expenditure and investment decisions of this type. The contribution of Overview & Scrutiny Committee was appreciated and the Strategy was recommended for approval by the Council.

The Executive RESOLVED to RECOMMEND that Council approves the proposed Capital Strategy.

EXE 37/18 DELIVERY OF THE HOUSING CAPITAL AND CYCLICAL WORKS PROGRAMME FROM 2019-20 (Agenda item 8)

37.1 Cllr King reminded the Executive that one of the strategic objectives of the HRA Asset Management Strategy was 'to maximise the council's assets, minimise liabilities, and develop a capital programme that meets tenants' aspirations'. This objective had only partially been met as the 1% pa reduction in council housing rents from April 2016 had limited the programme of capital works the Council could undertake, with a priority on basic maintenance and day to day repairs. There had been a direct impact on tenant satisfaction, which had remained static at 79% in the 2017 survey of tenants and residents.

37.2 The new rent standard that was expected to be implemented, would permit rent increases by up to Consumer Price Index (CPI) plus 1% each year for a period of at least 5 years from April 2020. This would allow the Housing Service to catch up on the capital and cyclical works programmes frozen since 2016, and additional resources were needed to ensure the enhanced work programme would be delivered.

37.3 The Leader added that the Council had ambitions to deliver more houses and provide affordable homes for local people, and there was wide cross-party support for this. It was important that our housing stock was maintained and fit for the future, and these proposals would ensure the capital programme was adequately resourced.

The Executive RESOLVED to RECOMMEND to Council that:

- 1. the planned works team in Housing is increased from five to nine officers.**
- 2. the associated costs required to increase the team by a further four officers are agreed.**

PART II - MATTERS OF REPORT

Background Papers

The background papers relating to the following report items in Part II are as specified in the agenda for the Committee.

EXE 38/18 PLAYING PITCH STRATEGY (Agenda item 9)

38.1 Cllr Hyman had registered to speak on this item, and the Leader invited him to make his statement. Cllr Hyman asked for clarification on a number of detailed points about the strategy for different types of playing pitch, and also how the Strategy would be used to support the policies in the Local Plan and securing contributions from developers for leisure facilities.

38.2 The Leader thanked Cllr Hyman for his comments and asked that, as they were so detailed, it would be best if he emailed them to Kelvin Mills, Head of Community Services and Major Projects, after the meeting so that a full response could be provided.

38.3 Cllr Deanus reported that the Playing Pitch Strategy was a very comprehensive and substantial document, that reflected the importance the Council placed on sport in support of the health and wellbeing of residents. Only the Executive Summary had been included in the Executive papers.

38.4 The Strategy provided an evidence-base that highlighted sports provision and demand and would support developer contributions for sports facility improvements around the borough through S106 agreements and CIL. It also dealt with maintenance, quality improvements and additional pitch provision to meet demand from development.

The Executive RESOLVED to approve the Playing Pitch Strategy 2018, including the findings and action plan within it.

EXE 39/18 BUDGET MANAGEMENT REPORT (Agenda item 10)

39.1 Cllr Hall presented the Budget Management Report, which reviewed the position against budget to date for the General Fund, the Housing Revenue Account, and capital programme. There were no significant variances to bring to the attention of the Executive, but Cllr Hall highlighted the need to reschedule part of the capital budgets for the Frensham Redevelopment project and delivery of Site A at Ockford Ridge into 2019/20 to reflect the respective revised project plans.

39.2 Executive approval was also sought for the buy-back of a property from the budget agreed in July. Council had agreed a budget to enable the buy-back of two properties. One of these had fallen through, but another property had been offered to the Council which would enable the addition of up to 7 units of affordable accommodation on a future development site.

The Executive RESOLVED to

- 1. note the latest position against budget in 2018/19;**
- 2. approve the rescheduling of £720,000 for the Frensham Redevelopment project into 2019/20; and**
- 3. agree the buy-back of the property identified in Exempt Annexe 1 to the agenda report, at a price to agreed by the Strategic Director and the Portfolio Holder for Housing, and funded from the budget agreed in July 2018.**

EXE 40/18 LEASE OF CRICKET SQUARE, NETS AND SCORE BOX, GRAYSWOOD GREEN
(Agenda item 11)

40.1 Cllr Deanus introduced the report and advised that Grayswood Cricket Club was an active club with a strong youth side. They had been playing at Grayswood Green for a number of years and the current lease was due to expire at the end of the year. Granting a long lease, for 40 years, would provide the club with greater opportunities to obtain grants to improve their facilities and increase local participation in sport. The terms were usual for this type of lease, and were set out in the Exempt Annexe to the report.

40.2 Cllr Hall reminded the Executive that the Council had a great track record of supporting community sports clubs in this way, and there would be more requests coming forward. It underlined the Council's recognition of the importance of active sports clubs to local communities, and commitment to ensuring sport in our communities was supported and expanded.

The Executive RESOLVED that a lease of 40 years be granted to Grayswood Cricket Club for the cricket square, nets and score box on Grayswood Green on terms and conditions as set out in the (Exempt) Annexe to the agenda report, other terms and conditions to be agreed by the Estates and Valuation Manager.

The meeting commenced at 6.45 pm and concluded at 7.50 pm

Chairman