

MINUTES of the WAVERLEY
BOROUGH COUNCIL held in
the ZOOM MEETING - Virtual
Meeting on 23 February 2021
at 7.00 pm

- * Cllr Penny Marriott (Mayor)
- * Cllr John Robini (Deputy Mayor)

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|---------------------------|---------------------------|
| * Cllr Brian Adams | * Cllr Daniel Hunt |
| * Cllr Christine Baker | * Cllr Jerry Hyman |
| * Cllr David Beaman | * Cllr Peter Isherwood |
| * Cllr Roger Blisshen | * Cllr Jacquie Keen |
| * Cllr Peter Clark | * Cllr Robert Knowles |
| * Cllr Carole Cockburn | * Cllr Anna James |
| * Cllr Richard Cole | * Cllr Andy MacLeod |
| * Cllr Steve Cosser | * Cllr Peter Marriott |
| * Cllr Martin D'Arcy | * Cllr Michaela Martin |
| * Cllr Jerome Davidson | * Cllr Peter Martin |
| * Cllr Kevin Deanus | * Cllr Mark Merryweather |
| * Cllr Simon Dear | * Cllr Kika Mirylees |
| * Cllr Sally Dickson | * Cllr Stephen Mulliner |
| * Cllr Brian Edmonds | * Cllr John Neale |
| * Cllr Patricia Ellis | * Cllr Peter Nicholson |
| * Cllr David Else | * Cllr Nick Palmer |
| * Cllr Jenny Else | * Cllr Julia Potts |
| * Cllr Jan Floyd-Douglass | * Cllr Ruth Reed |
| * Cllr Paul Follows | * Cllr Paul Rivers |
| * Cllr Mary Forszyszewski | * Cllr Penny Rivers |
| * Cllr Maxine Gale | * Cllr Anne-Marie Rosoman |
| * Cllr Michael Goodridge | * Cllr Trevor Sadler |
| * Cllr John Gray | * Cllr Richard Seaborne |
| * Cllr Michaela Wicks | * Cllr Liz Townsend |
| * Cllr Joan Heagin | * Cllr John Ward |
| * Cllr Val Henry | * Cllr Steve Williams |
| * Cllr George Hesse | * Cllr George Wilson |
| * Cllr Chris Howard | |

*Present

Apologies

- 23 February 2021 – Cllrs Simon Dear, Chris Howard, Jacquie Keen, and Kika Mirylees
 25 February 2021 – Cllrs Jan Floyd-Douglass, Michaela Martin, Kika Mirylees, and
 Richard Seaborne
 22 March 2021 – Cllrs Sally Dickson, Chris Howard, Peter Isherwood, Julia Potts, and
 Steve Williams

Prior to the commencement of the meeting on 23 February 2021, prayers were led
 by Qamar Zafar from the Ahmadiyya Association, introduced by Nabeel Nasir.

CNL80/20 APOLOGIES FOR ABSENCE (Agenda item 1.)

- 80.1 Apologies for absence were received from Cllrs Simon Dear, Jacquie Keen and Kika Mirylees.

CNL81/20 MINUTES (Agenda item 2.)

- 81.1 The Minutes of the Meeting of the Council held on 15 December 2020 were confirmed as an accurate record.

CNL82/20 DECLARATIONS OF INTEREST (Agenda item 3.)

- 82.1 Cllrs David Else and Jenny Else declared a non-pecuniary interest in relation to Agenda Item 9.5 (Local government collaboration in Surrey) as a family member was a Waverley officer.
- 82.2 Cllr Christine Baker declared a non-pecuniary interest in relation to Agenda Item 9.3 (Annual Pay Policy Statement) as a family member was a Waverley officer.
- 82.3 Robin Taylor, Head of Policy & Governance, declared an interest in relation Agenda Item 11 (Appointment of a Deputy Electoral Registration Officer), and would leave the meeting during this matter.

CNL83/20 MAYOR'S ANNOUNCEMENTS (Agenda item 4.)

- 83.1 The Mayor reflected on the past year and how difficult it had been for everyone; she hoped that Members, residents, and Waverley staff had kept safe and well, and sent condolences to those who had lost family and friends, or been adversely affected. The Mayor thanked volunteers, healthcare workers, Waverley officers and others, including the BIFFA refuse and recycling collectors, who had gone the extra mile to keep services running and ensure the most vulnerable in the community were supported. As the vaccination programme progressed, it was possible to look forward more positively to the spring and summer.
- 83.2 The Mayor regretted that she had not been able to be as active in her Mayoral year, and in particular had not been able to support her charities as much as she would have liked. She hoped that restrictions would be eased sufficiently in a month or two, to allow some form of event before the end of the civic year.

CNL84/20 LEADER'S ANNOUNCEMENTS (Agenda item 5.)

- 84.1 The Leader opened his announcements by noting the Prime Minister's recent announcement on 'roadmap' for easing lockdown restrictions and the impact on Waverley services. It was noted that the current understanding was that the regulations allowing the council to hold remote meetings would not be extended, and the implications of this for the council was being reviewed and would be discussed with Group Leaders.

The Leader then invited Executive Portfolio Holders to give brief updates on current issues not covered elsewhere on the meeting agenda:

- The garden waste collection service that had been suspended in January due to staffing pressures at the contractor would resume at the beginning of March, and all existing customers of the service would have their annual subscription extended to cover for the closed period.
- Waverley had been awarded a grant from Phase 1 of the Public Sector Decarbonisation Scheme to retrofit the Memorial Hall in Farnham.
- Waverley had appointed a Transport Projects Officer to support the work of the Sustainability Team in promoting sustainable and active travel.
- The Ockford Ridge redevelopment project was continuing apace, with demolition begun on Site B, and the planning application for Site C now submitted.
- Fewer people had presented as homeless in the latest lockdown, and there were four Waverley households in temporary accommodation. Government funding had been received for two modular housing units to provide temporary housing for rough sleepers, and housing officers were working with planning officers to progress this project.
- The Brightwells Yard development was progressing despite the lockdown, but the opening date had been delayed to September 2020.
- There had been over 400 responses to the Local Plan Part 2 consultation, from a wide range of respondents. The responses were being carefully analysed and follow-up meetings arranged with key stakeholders.
- Car parking remained at a very low level, well below 50% of normal, and this would continue to be the case until the lockdown restrictions began to ease later in the spring and summer. The Environmental Health and Economic Development Teams would be working with businesses over the coming months to help them prepare for re-opening.
- Leisure Centres remained closed, but in light of the recent announcement on easing of restrictions officers would be working with Places Leisure to make preparations for the safe re-opening of facilities in early April.
- Service Level Agreements with voluntary organisations supported by Waverley had been extended for 12 months, to enable them to review service delivery and continue to support the most vulnerable in the community.
- The online Planning Portal had experienced a period of poor performance but was now back to normal operations.
- The Communications and Engagement Team would be reviewing the government on the plans for easing lockdown restrictions, and would be developing the appropriate messaging to support local residents in accessing clear and accurate information.

CNL85/20 QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 6.)

85.1 The following questions were received from members of the public in accordance with Procedure Rule 10:

From Mrs Karen Lankester of Godalming:

“How/by whom is the new £10m property investment fund to be managed; what percentage fee will be charged for management and administration?”

Response from Cllr Mark Merryweather, Portfolio Holder for Finance and Property:

“I’d like to unpack the question into its 3 elements which I’ll deal with separately.

Firstly - on the existence of a property investment fund, the short answer is that we don’t have one and I’m very happy to clarify that, but as part of our Capital Strategy we do have a property investment strategy, one of the pillars of our MTFP, which is specifically targeted at *capital* investment in assets that generate much needed revenue income and otherwise advance our Corporate Strategy.

We have to do this, reluctantly, to replace the revenue that the Government is – one way or another - denying us. We also have to do this within public sector financial regulations that differ to those in the private sector and where for example even the terms “fund” and “funding” have important differences in meaning. These rules also mean for example that even if we have the “cash”, we can’t use it to spend on services unless appropriate revenue “funding” is also available, but we can use capital funds, and even borrow, to invest in property to generate revenue funds that we can spend on services.

Second I’d like to clarify how we do manage our investment properties and other property assets. Our investment property portfolio, which we own directly, is only about 5% of our total property assets: we also own and manage around 5,000 council houses, plus our own estate which includes offices, leisure centres, car parks, sports grounds and pavilions, play parks and all sorts of other community facilities from public halls to youth club huts. All of these we manage ourselves internally, and have dedicated housing and estates teams to do that.

Third I’d like to clarify the policies the Council has to govern its investment property activities. They are codified in the Property Investment Strategy I mentioned earlier, which covers all appropriate aspects of this including the legal framework under which our powers are regulated through to the due diligence risk and return appraisals that are required for individual asset assessments. The Property Investment Strategy is reviewed regularly and was last updated by Council in February 2020. It’s public and published on our website, and in fact prior to its final approval, it went through its own governance journey with reviews by the Executive and an Overview & Scrutiny committee. All of these meetings – Council, Executive and O&S – were broadcast to the public on our Council YouTube stream, and the recordings of all of those meetings are still publicly available on demand.

As well as the Policy itself, individual investments are also subject to a process as they arise, although in some cases we are obliged to discuss some details in confidence if they are commercially sensitive for our counterparty. For that reason the Executive has established a cross-party “Advisory Board” to work with Officers to pre-filter opportunities so that only the most appropriate ones advance for consideration. Embedded in this process is

the securing of appropriate independent expert professional advice. The most recent investment decision, which I think may have inspired this question, was made in November and December last year. While these meetings did have to go into confidential session, I was glad to be able to at least introduce the investment in the context of the strategy while we were in public session. These meetings and the relevant reports are again published on our website and they were again broadcast on our YouTube channel where recordings remain available on demand today.”

CNL86/20 QUESTIONS FROM MEMBERS OF THE COUNCIL (Agenda item 7.)

86.1 There were no questions from Members.

CNL87/20 MOTIONS (Agenda item 8.)

87.1 The following motion was moved by Cllr Steve Williams, and seconded by Cllr Ward:

“Waverley Borough Council expresses its support for the Climate and Ecological Emergency Bill and empowers the Leader of the council to write to local MPs and other stakeholders highlighting this council’s support.”

The Motion was debated by Members. The following Members spoke in the debate: Cllrs Follows, Seaborne, Palmer, Edmonds, Townsend, Mulliner, Cockburn, Hyman, Cosser, Robini, and Williams.

In accordance with Procedure Rule 17.4, a recorded vote was called.

The Mayor put the Motion to the vote, which was carried – votes in favour: 29, votes against 23, abstentions 1.

RESOLVED that Waverley Borough Council expresses its support for the Climate and Ecological Emergency Bill and empowers the Leader of the council to write to local MPs and other stakeholders highlighting this council’s support

For: 29

Cllrs Christine Baker, David Beaman, Roger Blishen, Peter Clark, Richard Cole, Martin D’Arcy, Jerome Davidson, Sally Dickson, Paul Follows, Maxine Gale, Joan Heagin, George Hesse, Daniel Hunt, Andy MacLeod, Penny Marriott, Michaela Martin, Mark Merryweather, Peter Nicholson, Nick Palmer, Ruth Reed, Paul Rivers, Penny Rivers, John Robini, Anne-Marie Rosoman, Liz Townsend, John Ward, Michaela Wicks, Steve Williams, George Wilson

Against: 23

Cllr Brian Adams, Carole Cockburn, Steve Cosser, Kevin Deanus, Brian Edmonds, Patricia Ellis, David Else, Jenny Else, Jan Floyd-Douglass, Mary Forszewski, Michael Goodridge, John Gray, Val Henry, Peter Isherwood, Anna James, Robert Knowles, Peter Marriott, Peter Martin, Stephen Mulliner, John Neale, Julia Potts, Trevor Sadler, Richard Seaborne

Abstentions: 1
Cllr Jerry Hyman

- 87.2 The following motion was moved by Cllr George Wilson, and seconded by Cllr Paul Follows:

“Waverley Borough Council is concerned to learn that changes to Surrey Fire and Rescue Services appear to have resulted in periods when fire cover for Waverley has been very limited, particularly in the more isolated rural areas at night, we request Surrey County Council to revisit this decision for the safety of our residents.”

The Motion was debated by Members. The following Members spoke in the debate: Cllrs Hyman, Peter Martin, Townsend, Cockburn, Cosser, Mulliner, Robini, MacLeod, Follows, Knowles, Williams, Beaman, Forszowski, Rosoman, Penny Rivers, Potts, Goodridge, and Wilson.

In accordance with Procedure Rule 17.4, a recorded vote was called.

The Mayor put the Motion to the vote, which was carried – votes in favour: 32, votes against 8, abstentions 13.

RESOLVED that Waverley Borough Council is concerned to learn that changes to Surrey Fire and Rescue Services appear to have resulted in periods when fire cover for Waverley has been very limited, particularly in the more isolated rural areas at night, we request Surrey County Council to revisit this decision for the safety of our residents.

For: 32

Cllrs Christine Baker, Roger Blishen, Peter Clark, Martin D’Arcy, Jerome Davidson, Sally Dickson, Brian Edmonds, Patricia Ellis, Paul Follows, Mary Forszowski, Maxine Gale, Joan Heagin, George Hesse, Daniel Hunt, Jerry Hyman, Robert Knowles, Andy MacLeod, Penny Marriott, Michaela Martin, Mark Merryweather, Peter Nicholson, Nick Palmer, Ruth Reed, Paul Rivers, Penny Rivers, John Robini, Anne-Marie Rosoman, Liz Townsend, John Ward, Michaela Wicks, Steve Williams, George Wilson

Against: 8

Cllr Carole Cockburn, Steve Cosser, Michael Goodridge, Peter Isherwood, Anna James, Peter Martin, Julia Potts, Trevor Sadler

Abstentions: 13

Cllrs Brian Adams, David Beaman, Richard Cole, Kevin Deanus, David Else, Jenny Else, Jan Floyd-Douglass, John Gray, Val Henry, Peter Marriott, Stephen Mulliner, John Neale, Richard Seaborne

At 9.26pm, the Mayor adjourned the meeting for 5 minutes for a comfort break.

At 9.32pm the Mayor resumed the meeting, and in accordance with Procedure Rule 9 moved the motion to continue the meeting beyond 10pm.

Council RESOLVED to continue the meeting beyond the normal finish time of 10pm.

(Cllr George Hesse left the meeting.)

CNL88/20 MINUTES OF THE EXECUTIVE (Agenda item 9.)

88.1 It was moved by the Leader, duly seconded and RESOLVED that the Minutes of the Executive held on 9 February 2021 be received and noted.

There were seven Part I matters for Council consideration.

CNL89/20 EXE 69/20 GENERAL FUND BUDGET 2021/22 AND MTFP 2021/22 - 2023/24
(Agenda item 9.1) (Pages 17 - 32)

- 89.1 The Leader of the Council introduced the General Fund Budget 2021/2022 and Medium Term Finance Plan 2021/22 – 2023/24. The budget proposed reflected the financial impact of Covid, and the failure of the government to reimburse the council fully for the extra costs incurred and the unanticipated severe loss of revenue. This was on top of the financial pressures already anticipated, arising from the removal of the Revenue Support Grant, reduction in New Homes Bonus, and iniquitous retention of local Business Rates. The ability of the council to raise investment income had also been restricted by changes to the terms of loans from the Public Works Loan Board.
- 89.2 The Leader invited the Finance Portfolio Holder, Cllr Merryweather, to present the detailed budget proposals. Cllr Merryweather's slides and speech are annexed to these minutes.
- 89.3 The Leader of the Conservative Group, Cllr Potts, addressed the meeting on behalf of the Principal Opposition Group. The Conservative Group recognised the gravity of the council's financial position, and would not be opposing the proposed budget. Cllr Potts had worked with the Leader and Cllr Merryweather on coming to a cross-party agreement on a letter to the Secretary of State, to lobby for a much fairer distribution of business rates. Looking forward, there was considerable uncertainty for the council. Whilst £2.2m of financial compensation had been received from the government, there was still a huge budget gap to fill, and the council's two main sources of income in the form of car parks and leisure centres had fallen off a financial cliff, due to the pandemic. The council could not run at a deficit, and had to balance its budget. Cllr Potts had some concerns that the proposed budget was overly pessimistic; it was recognised that it was not possible to just use reserves built up over years of careful and prudent financial management, and the biggest concern was the financial risk associated with the leisure centres. The council had already paid £2.7m to Places Leisure in compensation but it was vital that the council continued to work closely with Place Leisure to keep to a minimum future compensation payments in order not risk the future of the council's leisure centres. There was an exciting opportunity to work with Places Leisure on a new leisure centre and community hub for Cranleigh, that would respond to changes in the lifestyles of residents as we emerged from the pandemic lockdown; and there would be opportunities for the council to invest in outdoor spaces and other assets

to deliver both a financial benefit and benefit the health and well-being of Waverley communities. In concluding, Cllr Potts, thanked Cllr Merryweather for his informative finance briefings, and officers from across the council who had worked so hard for residents and Waverley communities throughout the year.

- 89.4 The Mayor opened up the debate, and the following Members spoke: Cllrs Follows, Hunt, Edmonds, Mulliner, MacLeod, Wilson, Townsend, Goodridge, Dickson, Baker, Peter Martin, Hyman, Gray, Rosoman, and Forszowski.

(Cllr Jan Floyd-Douglass left the meeting at 10.14pm)

- 89.5 In concluding the debate, the Leader formally moved the recommendations in the report, which were seconded by Cllr Follows.

- 89.6 In accordance with Procedure Rule 17.4, the Mayor called for a recorded vote on the recommendations.

- 89.7 The vote was carried, with votes in favour 49, and against 1. Cllr Hyman abstained on the recommended to increase the Council Tax.

89.8 RESOLVED to:

1. agree a £5 increase in Waverley's Band D Council Tax Charge for 2021/22 with resultant increases to the other council tax bands;
2. agree to make no change to the Council's existing Council Tax Support Scheme and continue to allocate additional Government support to help those council taxpayers most financially affected by the pandemic;
3. agree the proposed Fees and Charges for 2021/22;
4. approve the General Fund Budget for 2021/22 as summarised in Annexe 2, incorporating the baseline net service cost variations included at Annexe 3 and the staff pay award;
5. approve the specific use of reserves to mitigate the Covid-19 uncertainty risk and the estimated reduction in retained business rate funding over the Medium Term Finance Plan period, and the other reserve movements as set out in the annexe 6,
6. approve the General Fund Capital Programme; and,
7. agree to extend the 2020/21 Capital Strategy to cover the period up to the Council meeting in February 2022 at the latest.

For:

Cllrs Brian Adams, Christine Baker, David Beaman, Roger Blishen, Peter Clark, Carole Cockburn, Richard Cole, Steve Cosser, Martin D'Arcy, Jerome Davidson, Kevin Deanus, Sally Dickson, Patricia Ellis, David Else, Jenny Else, Paul Follows, Mary Forszowski, Maxine Gale, Michael Goodridge, John Gray, Joan Heagin, Val Henry, Dan Hunt, Jerry Hyman*, Peter Isherwood, Anna James, Robert Knowles, Andy MacLeod, Penny Marriott,

Peter Marriott, Michaela Martin, Peter Martin, Mark Merryweather, Stephen Mulliner, John Neale, Peter Nicholson, Nick Palmer, Julia Potts, Ruth Reed, Paul Rivers, Penny Rivers, John Robini, Anne-Marie Rosoman, Richard Seaborne, Liz Townsend, John Ward, Michaela Wicks, Steve Williams, and George Wilson.

*Cllr Hyman abstained on the resolution to increase Council Tax.

Against: 1
Cllr Brian Edmonds

The Mayor advised Members that she would next take Agenda Item 10, the Council Tax setting report for 2021/22, as this was a technical report that would enable officers to expedite the Council Tax billing process.

CNL90/20 COUNCIL TAX SETTING 2021/2022 (Agenda item 10.)

- 90.1 The Mayor introduced the Council Tax Setting report. This was a technical report that summarised all of the appropriate budgetary decisions that had been taken to enable the level of Council Tax for 2021/22 to be determined, and specified all of the individual levels of Council Tax for approval by the Council.
- 90.2 The Mayor moved the recommendation, which was duly seconded by the Leader, which was agreed, with all in favour except Cllrs Edmonds and Hyman who asked for their abstentions to be recorded.
- 90.3 RESOLVED that the Council Tax Setting resolutions as set out in the agenda report, are approved.

At 10.40pm, in accordance with Procedure Rule 9, Council RESOLVED to adjourn the meeting until 7pm on Thursday 25 February 2021.

The Mayor reconvened the meeting of Council at 7pm on Thursday 25 February 2021.

Apologies were recorded from Cllrs Jan Floyd-Douglass, Michaela Martin, Kika Mirylees, and Richard Seaborne.

CNL91/20 EXE 70/20 HRA BUSINESS PLAN 2021/22 - 2023/24 (Agenda item 9.2)

- 91.1 The Leader of the Council introduced the Housing Revenue Account Business Plan 2021/22 – 2023/24, including the Revenue Budget and Capital Programme for 2021/22, and invited the Housing Portfolio Holder, Cllr Rosoman, to present the detailed budget proposals.
- 91.2 The Leader of the Conservative Group, Cllr Potts, addressed the meeting on behalf of the Principal Opposition Group, who were generally supportive of the proposed business plan and budget.

- 91.3 The Mayor opened up the debate, and the following Members spoke: Cllrs Follows, Cockburn, Palmer, Goodridge, Townsend, Wilson, Hyman, Merryweather, Williams, Mulliner, and Reed.
- 91.4 In concluding the debate, the Leader formally moved the recommendations in the report, which were seconded by Cllr Rosoman.
- 91.5 In accordance with Procedure Rule 17.4, the Mayor called for a recorded vote on the recommendations.

The vote was carried, with votes in favour 53, and none against or abstaining.

91.6 RESOLVED that:

1. the rent level for Council dwellings be increased by 1.25% from the 20/21 level with effect from 1 April 2021 within the permitted guidelines contained within the Government's rent setting policy;
2. the average weekly charge for garages rented by both Council and non-Council tenants be increased by 50 pence per week excluding VAT from 1 April 2021;
3. the service charges in senior living accommodation be increased by 30 pence per week from 1 April 2021 to £19.80;
4. the recharge for energy costs in senior living accommodation be increased by 50 pence per week from 1 April 2021;
5. the revised HRA Business Plan for 2021/22 to 2024/25 as set out in Annexe 1 be approved;
6. the approval change for the fees and charges as set out in Annexe 2 be noted
7. the Housing Revenue Account Capital Programmes as shown in Annexe 3 be approved;
8. the financing of the capital programmes be approved in line with the resources shown in Annexe 4.

For: 53

Cllrs Brian Adams, Christine Baker, David Beaman, Roger Blishen, Peter Clark, Carole Cockburn, Richard Cole, Steve Cosser, Martin D'Arcy, Jerome Davidson, Kevin Deanus, Simon Dear, Sally Dickson, Brian Edmonds, Patricia Ellis, David Else, Jenny Else, Paul Follows, Mary Forszewski, Maxine Gale, Michael Goodridge, John Gray, Joan Heagin, Val Henry, George Hesse, Chris Howard, Dan Hunt, Jerry Hyman, Peter Isherwood, Anna James, Jacquie Keen, Robert Knowles, Andy MacLeod, Penny Marriott, Peter Marriott, Peter Martin, Mark Merryweather, Stephen Mulliner, John Neale, Peter Nicholson, Nick Palmer, Julia Potts, Ruth Reed, Paul Rivers, Penny Rivers, John Robini, Anne-Marie Rosoman, Liz Townsend, John Ward, Michaela Wicks, Steve Williams, and George Wilson.

CNL92/20 EXE 71/20 ANNUAL PAY POLICY STATEMENT 2021/22 (Agenda item 9.3)

- 92.1 The Leader introduced the Annual Pay Policy Statement for 2021/22, which had been circulated in the agenda papers with tracked changes from the previous year. The Leader explained that since publication of the agenda, the government had announced late on Friday 12 February that it would be revoking the Restriction to Public Sector Exit Payments Regulations 2020,

and therefore the second paragraph in the section of the Pay Policy Statement referring to Redundancy arrangements was no longer required.

- 92.2 He proposed an amendment to remove this paragraph, which was duly seconded by Cllr Follows. The Mayor invited speakers on the amendment, and there were none. The Mayor therefore put the amendment to the vote, which was carried unanimously.
- 92.3 The Mayor opened the debate on the Annual Pay Policy Statement 2021/22, as amended, during which the following Members spoke: Cllrs Edmonds, Hyman and Knowles.
- 92.4 At the conclusion, the Mayor moved the recommendation, which was carried unanimously.
- 92.5 RESOLVED that the Annual Pay Policy Statement for 2021/22, as amended, be approved.

CNL93/20 EXE 72/20 LOCAL BOUNDARY COMMISSION ELECTORAL REVIEW 2020-2022
(Agenda item 9.4)

- 93.1 The Leader of the Council, Cllr John Ward, introduced the proposed submission to the Local Government Boundary Commission for England (LGBCE) on Council Size, to inform the Commission's review of electoral equality in Waverley Borough.
- 93.2 Council noted that the LGBCE had a statutory duty to review every English local authority 'from time to time'. As Waverley had not had an electoral review since 1998 the Commission had advised the Council that a review would commence in 2020 and take effect at the May 2023 elections. The aim of the review was to seek to deliver electoral equality for voters in local elections and would therefore propose new electoral arrangements for:
- The total number of councillors to be elected to the council: council size.
 - The names, number and boundaries of wards.
 - The number of councillors to be elected from each ward.
- 93.3 The Leader had made strong representations to the LGBCE about the timing of the review, given the Council's focus on responding to the Covid pandemic, and the ongoing uncertainty about the impacts of Brexit and possible future local government reorganisation in Surrey. However, it had not been possible to alter the timeframe for the review. A cross-party working group had considered carefully the criteria used by the LGBCE to make their decision on council size: strategic leadership, governance, and community involvement; and also noted that Waverley was out of step with neighbouring boroughs in terms of the ratio of electors to councillors. Whilst there was broad agreement on the benefit of multi-member wards, preferably each with two councillors, there had been a diverse range of views on the preferred number of councillors for Waverley, ranging from 44 to an increase to 62. The proposed council size of 50 councillors was a compromise felt to be supported by a majority of the council and had been reached following

consideration of a number of scenarios, and recognising that retaining the status quo of 57 councillors would still result in changes to ward boundaries.

- 93.4 In the following debate the following Members spoke: Cllrs Follows, Williams, Cosser, Nicholson, Goodridge, Potts, Cockburn, Hyman, Forszowski, Wilson, Davidson, Rosoman, and Beaman. Arguments were made in favour of both a more radical reduction in council size than that proposed, and also retaining the current council size, reflecting the discussions in the working group. It was noted that the council size had not changed in many years, and in a fully-parished district there was a high level of democratic representation. However, there was also concern that reducing the number of councillors would impact on local democracy at a time of increasing elector numbers, and that the rural geography of Waverley favoured a retaining a larger council size. It was noted that the majority of the Conservative Group favoured retaining 57 councillors, and they would be making a separate submission to the LGBCE.
- 93.5 Cllr David Beaman proposed, and Cllr Jerome Davidson seconded an amendment that the Council should agree a proposed council size of 44 councillors.
- 93.6 The amendment was debated and voted upon via a show of hands, the results of which were 7 councillors voting in favour, 39 against, and 3 abstentions. The amendment therefore failed and councillors resumed the debate on the substantive motion, on a council size submission of 50.
- 93.7 Concluding arguments reflected the diversity of opinions previously articulated, whilst noting that it was difficult to provide evidence to support any particular number. In summing up, the Leader noted that there was comfort in the familiarity of the status quo, but change in ward boundaries was inevitable whatever the eventual size of the council; and he had heard no evidence to justify why Waverley should be so out of step with neighbouring councils regarding council size. The LGBCE would make the final decision on the future council size, but among the range of opinions within the council there was a prevailing view in favour of some degree of reduction in council size.
- 93.8 At 9.52pm, in accordance with Procedure Rule 9, the Mayor put the motion that the meeting should continue until 10.30pm and then stand adjourned, which was agreed.
- 93.9 The Leader called for a recorded vote on the recommendation to agree the Council's submission to the electoral review of Waverley Borough Council, including a proposed council size from May 2023 of 50 councillors, which was supported by Cllrs Follows, Williams, Davidson, Potts, and Merryweather. Following the vote, with 30 votes in favour, 21 votes against and no abstentions, the Council
- 93.10 **RESOLVED** that the LGBCE Council Size document be approved as the Council's submission to the electoral review of Waverley Borough Council, including a proposed council size from May 2023 of 50 councillors.

For: 30

Cllrs Christine Baker, David Beaman, Roger Blishen, Peter Clark, Richard Cole, Martin D'Arcy, Jerome Davidson, Sally Dickson, Paul Follows, Mary Forszyszewski, Joan Heagin, Daniel Hunt, Jerry Hyman, Jacquie Keen, Andy MacLeod, Penny Marriott, Peter Marriott, Mark Merryweather, John Neale, Peter Nicholson, Nick Palmer, Ruth Reed, Paul Rivers, Penny Rivers, John Robini, Anne-Marie Rosoman, Liz Townsend, John Ward, Steve Williams, George Wilson

Against: 21

Cllrs Brian Adams, Carole Cockburn, Steve Cosser, Kevin Deanus, Simon Dear, Brian Edmonds, Patricia Ellis, David Else, Jenny Else, Michael Goodridge, John Gray, Val Henry, Christine Howard, Peter Isherwood, Anna James, Robert Knowles, Peter Martin, Stephen Mulliner, Julia Potts, Trevor Sadler, Michaela Wicks

Abstentions: 0

CNL94/20 APPOINTMENT OF A DEPUTY ELECTORAL REGISTRATION OFFICER (Agenda item 11.)

Robin Taylor, Head of Policy & Governance, left the meeting during the course of this item.

94.1 Council noted that the Chief Executive was Waverley's Returning Officer and Electoral Registration Officer. As Returning Officer, the Chief Executive had the power to nominate deputies, and did so in advance of every election. As Electoral Registration Officer, he did not have this direct power: it had to be done by the Full Council as per the [Representation of the People Act 1983 s52\(2\)](#).

94.2 RESOLVED that Robin Taylor, Head of Policy & Governance, be appointed as Deputy Electoral Registration Officer.

CNL95/20 EXE 73/20 LOCAL GOVERNMENT COLLABORATION IN SURREY (Agenda item 9.5)

95.1 The Leader of the Council briefed Members on the findings of the KPMG report commissioned by the eleven Surrey Districts and Boroughs on opportunities for collaborative working, and preliminary discussions held with the leadership at Guildford Borough Council on closer co-operation between the two councils.

95.2 The Mayor invited Members to discuss these matters and the following Members spoke: Cllrs Potts, Jenny Else, Michael Goodridge, Follows, Robini, Seaborne, and Cosser.

At 10.35pm, in accordance with the earlier resolution, the Mayor adjourned the meeting until a date to be advised.

The Mayor reconvened the meeting of Council at 6pm on Monday 22 March 2021.

Apologies were recorded from Cllrs Sally Dickson, Chris Howard, Peter Isherwood, Julia Potts, and Steve Williams.

- 95.3 The discussion on local government collaboration resumed, with comments from Cllrs Nicholson, Knowles, Mulliner, and Cosser. In concluding the discussion, the Leader emphasised his intention to be open and transparent in the progress of talks with Guildford, and to keeping Towns and Parishes involved as well. He agreed on the importance of a partnership with Guildford being a true equal partnership, and in this potentially being the foundation for a unitary proposal when that matter came forward again. He noted that there continued to be interest in working outside the county boundary, although this had not been welcomed by civil servants; and the response to proposals from Cumbrian councils would be carefully scrutinised for any change in position.
- 95.4 RESOLVED to note the final KPMG report and the current status of discussions with Guildford Borough Council.

CNL96/20 EXE 74/20 AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT (SPD) (Agenda item 9.6)

- 96.1 Cllr MacLeod introduced the Affordable Housing Supplementary Planning Document (SPD), which had been prepared jointly by the Planning and Housing Delivery Teams to provide guidance for developers on the council's expectations in relation to the provision of affordable housing as part of housing developments. The SPD had been subject to public consultation, and scrutiny at Housing Overview & Scrutiny Committee, and had a broad level of support.
- 96.2 The Mayor opened up the debate to Members, and Cllr Mulliner proposed an amendment to strengthen the wording of paragraphs 93 and 94 of the SPD, in order for the council to protect its position with developers who sought to reduce their affordable housing contribution for viability reasons after planning permission had been granted.
- 96.3 Members debated the amendments and whilst sympathetic with the aim, noted that the wording of the SPD would need to be carefully considered to ensure that it would withstand challenge. Therefore, the Leader proposed, it was duly seconded by Cllr Mulliner, and unanimously
- 96.4 RESOLVED that further consideration of the Affordable Housing SPD would be deferred to the next meeting of Council, to allow officers to consider the wording proposed by Cllr Mulliner and report back to Council.

CNL97/20 EXE 75/20 ICT STRATEGY 2021-2024 (Agenda item 9.7)

- 97.1 Cllr Clark, Portfolio Holder for IT and Business Transformation introduced the ICT Strategy 2021-2024.
- 97.2 The Mayor opened up the debate, and the following Members spoke: Cllrs Goodridge, Adams, Cole, Gray, Neale, Peter Martin, D'Arcy and Cockburn. Cllr Clark agreed to respond to a number of technical questions off-line.

97.3 The Mayor moved the recommendation to approve the ICT Strategy, which was carried unanimously.

97.4 RESOLVED that the ICT Strategy 2021-2024 be approved.

CNL98/20 MINUTES OF THE LICENSING AND REGULATORY COMMITTEE (Agenda item 12.)

98.1 It was moved by Cllr Knowles, the Chairman of the Committee, duly seconded and RESOLVED that the Minutes of the Licensing and Regulatory Committee held on 10 December 2020 be received and noted.

There were no matters for Council consideration in Part I, and no requests to speak on Part II matters.

CNL99/20 MINUTES OF THE STANDARDS COMMITTEE (Agenda item 13.)

99.1 It was moved by Cllr Robini the Chairman of the Committee, duly seconded and RESOLVED that the Minutes of the Standards Committee held on 1 February 2021 be received and noted.

There were two matters for Council consideration in Part I.

CNL100/20 STD 40/20 LGA NEW MODEL CODE OF CONDUCT (Agenda item 13.1)

100.1 Cllr Robini advised that the Standards Committee had considered the new Model Members Code of Conduct that had been developed by the Local Government Association in response to recommendations of the 2019 report by the Committee on Standards in Public Life on Local government ethical standards. The new Model Code was developed in consultation with the sector, and the LGA have committed to undertaking an annual review to ensure it continued to be fit-for-purpose.

100.2 The new Model Code did not place new obligations on Waverley Members, but reinforced obligations in relation to civility and respect, bullying and harassment, and application of the Code in relation to all forms of communication and interaction.

100.3 The Standards Committee recommended that Waverley adopt the new Model Code in full, and that the Monitoring Officer arrange councillor briefings on the Code.

100.4 There were no speakers on the matter and the Mayor moved the recommendation that the LGA New Model Code of Conduct be adopted.

100.5 RESOLVED that:

1. the new LGA model code be adopted without any local amendments; and
2. the Monitoring Officer arrange councillor briefings on the new model code.

CNL101/20 STD 41/20 AMENDMENTS TO THE VIRTUAL MEETING PROCEDURE RULES
(Agenda item 13.2)

- 101.1 Cllr Robini introduced the recommendation from the Standards Committee to amend the Virtual Meeting Procedure Rules to restrict the use of the Zoom 'chat' function by Members during committee meetings
- 101.2 The Standards Committee recommended that Council adopt Virtual Meeting Procedure Rule 9, relating to the use of chat functions during Council meetings.
- 101.3 With the agreement of the Mayor, Cllr Cosser commented on the matter discussed by the Standards Committee in relation to the Scheme of Delegation, which had arisen over the Broadwater Park Golf Club lease. Cllr Cosser reiterated concerns expressed in previous meetings that officers using delegated powers had departed from a decision taken by the Executive. He was concerned about the lack of transparency, and the precedent it set. Cllrs Follows and Merryweather challenged the accuracy of Cllr Cosser's assertion, explaining that the decision by the Executive had been 'to proceed with due legal process' with a view to granting a lease. The council had not been able to complete the necessary legal steps with the counterparty to enable the lease to be granted. The matter had been thoroughly scrutinised at the Value for Money Overview & Scrutiny Committee call-in meeting. The Mayor ended the discussion on this matter; however, Cllr Peter Martin spoke to add the support of the Conservative Group to Cllr Cosser's comments.
- 101.4 In relation to the recommendation from the Standards Committee, relating to the use of online chat functions during meetings, Members supported the proposal.
- 101.5 The Mayor moved the recommendation, which was agreed unanimously.
- 101.6 RESOLVED that the Virtual Meeting Procedure Rules be amended to include VMPPR 9, to require that participants and observers at council and committee meetings refrain from using the Zoom chat facility other than to draw attention of the chairman or committee officers to any technical issues.

The meeting concluded at 7.30m on Monday 22 March 2021.

Mayor

Annexe A

Council 23 February 2021

Presentation by Cllr Mark Merryweather on the General Fund Budget and Medium Term Financial Plan (to be read in conjunction with the attached slides).

Budget & MTFP

[Slide 1] This item is the General Fund Budget for our next financial year 2021/22 and 4-year Medium Term Financial Plan through to 2024/25 as proposed in the report on pages 21-86 of your packs.

[Slide 2] Firstly just a quick orientation...

Our Council balance sheet comprises our Net Assets that are the “embodiment” of our Total Reserves, the definition and uses of which are highly regulated.

The subject of this item is only our General Fund, which sits in our suite of so-called usable reserves and funds everything we do except for our Council housing, which is funded in its own dedicated ringfenced “Housing Revenue Account” which is the next item on our agenda tonight.

Our General Fund reserves also separate revenue from capital funding because generally we are not allowed to fund revenue expenditure from capital reserves, although we are allowed to fund capital expenditure from revenue funds as well as from capital receipts and grants – something that I’ll return to later. Balances on these “earmarked” reserves arise where spends are spread over time or delayed, often beyond the year in which the earmark is made.

[Slide 3] To put next year’s budget proposals into context we also need to reflect on the discussions we’ve had throughout this financial year – which isn’t over yet - as the Covid pandemic has evolved.

This time last year, pre-Covid, we considered a budget and MTFP that was already under cost and income pressures outside of our control, principally due to planned government cuts to New Homes Bonus and what’s left of our share of Business Rates, and all in the face of structural net cost inflationary pressures. Pre-Covid, we already expected these to increase by on average nearly £1.5m each year over the 4 year horizon and we’d identified measures to compensate for that informed not least by the 2019 Budget Consultation and elections.

[Slide 4] Covid struck in March, and in August we estimated our gross financial losses in this year alone to be £6.6m, due more to lost income than the extra costs of the huge demands responding to the pandemic made on our resources.

Still back in August, because “confirmed” Government financial support at that time was less than a quarter of that loss, we had to leverage further emergency savings which covered nearly half of the balance: and for the remainder, we identified earmarked reserves which could be commandeered in the event that further Government support wasn’t received. We agreed then that if further Government support was received, it would be applied first to reducing these reserve drawdowns...

[Slide 5] Since then, 2 things: the Government's additional "lost income" grant has emerged, but so also has the sheer scale of the extended impact of Covid on our finances into next year and beyond. So, while we expect the additional Government support for this year to be around £2.2m, given the sustained Covid losses we expect beyond this year, we believe that it is premature to use all of that £2.2m wholly to offset reserve drawdowns this year, and propose instead that £2m of it be repurposed to next year as a Covid Risk Reserve, thereby maintaining the principle that we established for this year's Contingency Budget by rolling it forward into next year.

[Slide 6] So turning then to the detail of next year's budget, I'll start first with Net Service Cost, where Covid still dominates.

Of the gross budgetary pressures for the whole year, £3.8m are Covid related, and almost entirely income losses, against which to date the Government has only committed to compensate us for those impacting the first quarter of the year.

Of course we still face the ongoing structural net cost inflationary pressures for the whole year identified in prior years. While we continue to pursue the MTFP workstreams started in prior years, some of the potential benefits of these are now also being threatened by Covid, most significantly our property investment strategy which will also be severely impaired by Government changes to Public Works Loan Board eligibility: so much so that we've halved our growth target for that accordingly.

[Slide 7] Beyond our Net Service Cost, even after allowing for the suspension of non-essential capital and reserve contributions and the release of £1m from the proposed Covid Risk Reserve, we still have little choice but to increase our share of Council Tax by the £5 Band D equivalent, albeit thankfully being able to maintain our Council Tax Support Scheme.

[Slide 8] Beyond next year, in fact we expect Covid to impact at least until 2024. Assuming that the Government still takes what's left of our Business Rates and New Homes Bonus, and that our underlying structural cost pressures remain, so we'll need to draw down fully on the remaining Covid Risk Reserve and identify and secure further savings or additional income increasing on average by £1m each year over the 4 year MTFP horizon.

[Slide 9] I'd like to briefly comment also on Covid's knock-on effects on our General Fund capital investment programme: that is, for this budget, specific to our own capital investment on our own General Fund assets, but not other infrastructure investment which is funded elsewhere beyond this budget.

As Annexe 5 explains, General Fund revenue contributions are only one of many sources of funding for capital spending, which otherwise include for example capital receipts (from the sale of our own assets) to external sources including grants, and s106 and CIL contributions from developers.

Even before Covid, it was recognised – for example by the BSWG - that structural budgetary pressures could have a knock-on effect on capital contributions, but now in the absence of sufficient Government support, Covid has exhausted all but essential General Fund revenue capacity to contribute to capital projects, at a time when the competition for capital funding is increasing, not least because of our commitment to dealing with the Climate Change emergency.

However, the funding landscape for capital projects was already evolving pre-Covid too, for example with the introduction of CIL to name just one, and the team has already started the huge effort of identifying and securing appropriate alternative funding to replace whatever is lost from General Fund revenue due to Covid.

[Slide 10] So, while we press ahead with the existing MTFP workstreams, we believe it is important to refresh on the 2019 budget consultation given the experience of Covid and we are looking at how best to do that.

In the meantime, we'll continue to press as hard as ever for a fairer sustainable funding structure from the Government – both for Covid and for the structural flaws we believe exist in the Business Rate system, and I'm pleased to note that we have agreement to a cross-party letter to the Government on that.

We'll review capital projects needing revenue funding to seek suitable alternatives; we're re-assessing our earmarked reserves, and we're identifying other sustainable strategic initiatives including collaboration opportunities with willing partners.

[Slide 11] Uncertainty pervades the proposed budget and MTFP. As a Council we may still have to deal with economic consequences of Brexit on top of Covid. The same applies to our residents and especially those who now, or soon may need to depend on us or our partners for services and support. And for this we must not only plan on the basis that the dysfunctional funding system in which we are expected operate will continue, but also that the Government will pursue regulatory changes that impair our ability to compensate for it.

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General Fund

2021/22 Budget

Medium Term Financial Plan 2021/22 – 2024/25



Council
23 February 2021

Reserves: General Fund Revenue



Council Balance Sheet 31 March 2020		£000s
Long-Term Assets		561,614
Net Cash and Current Assets		45,558
Long-Term Borrowing and Other Liabilities		<u>(239,551)</u>
		<u>367,621</u>
Financed by:		
Usable Reserves:		
General Fund:		
Non-earmarked:		
Revenue		(3,200)
Capital		0
Earmarked:		
Revenue		(8,002)
Capital		(3,526)
Capital Grants Unapplied		(5,791)
Capital Receipts:		
General Fund:		
Non-earmarked		(3,119)
Earmarked		(3,090)
HRA		(17,572)
HRA		(32,000)
Unusable Reserves		<u>(291,321)</u>
		<u>(367,621)</u>

Reserve funding regulations are an additional dimension to financial transactions in assets & liabilities.

GF Revenue Account Budget:

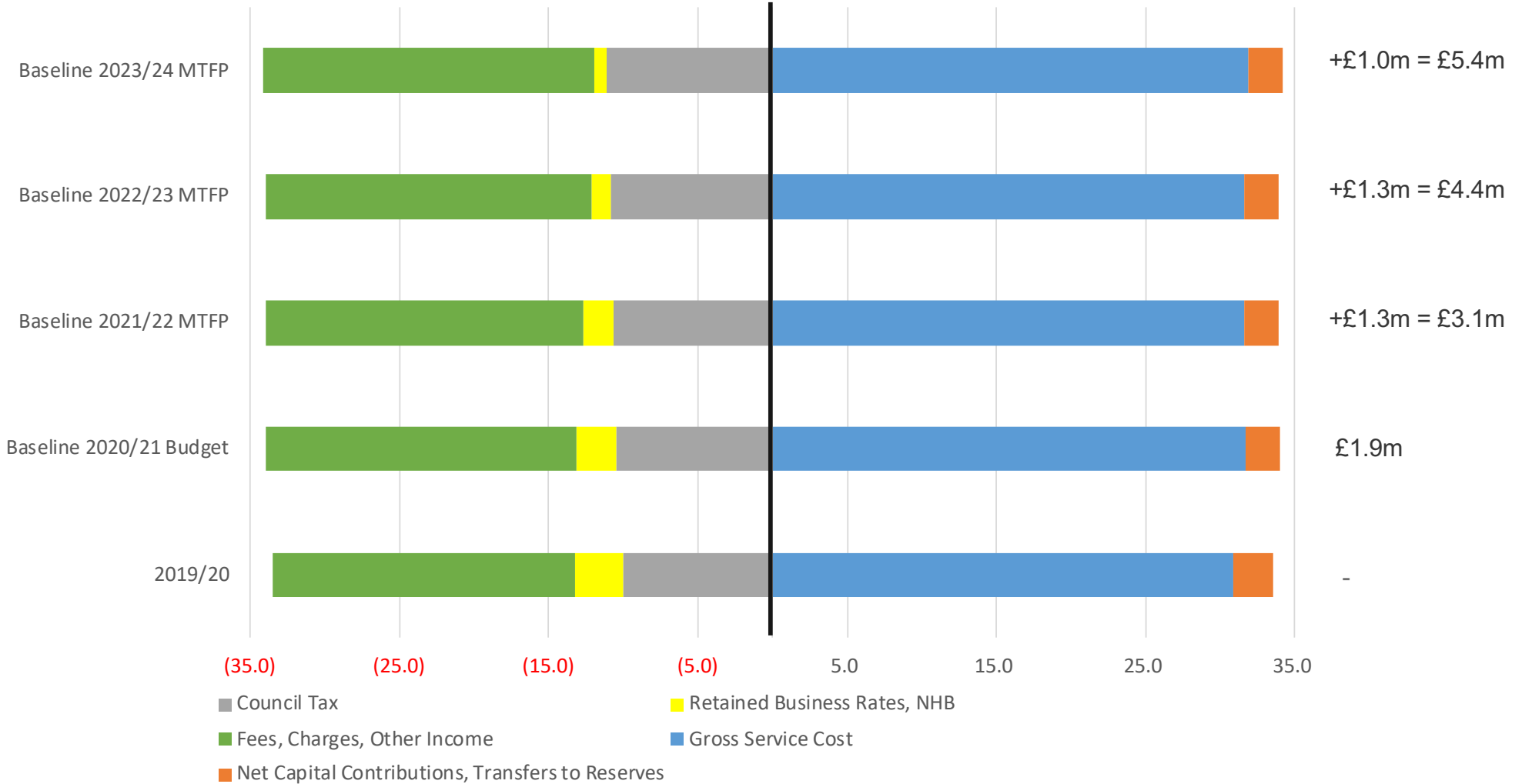
- Minimum (emergency) balance (£3.2m)
- Balanced in-year - 2020/21:
 - income (+£33.6m)
 - expenditure (-£33.6m)
- “Expenditure” includes in-year earmarks: transfers to other GF reserves for *contributions* to capital & revenue spending in current & future years

February 2020: Pre-Covid Baseline



Baseline (February 2020) Medium Term Financial Plan
(Gross Service Cost £m)

“Resolved”
Budget Gap



August 2020: Covid Variances & Contingency Revised Budget 2020/21

£000s	2020/21	Pressures:		Measures:		2020/21
	Baseline Budget	Gross Losses	HMG Grants	In-Year Savings	Reserve Drawdowns	Approved Contingency Budget
Total Net Service Cost	11,345	6,636	(1,507)	(1,273)	174	15,376
Contributions to Reserves						
Revenue Contribution to Capital Programme	1,050			(472)		578
Climate Change Project Reserve	200					200
Property Investment Reserve	260			(260)	(418)	(418)
Investment Property Void Provision	0				(425)	(425)
Local Plan Part 2 Costs	40			(40)		0
Borough Election reserve	30					30
Business Rate Equalisation reserve	210			(210)	(649)	(649)
Flexible Homeless Support Grant					(474)	(474)
Emergency Funding					(17)	(17)
Brightwells Dogflud CP					(296)	(296)
Placeshaping					(188)	(188)
SANG Site Acquisition reserve					(200)	(200)
General Fund working balance					(206)	(206)
Capital Receipts (to Business Transformation)					(174)	(174)
Transfer to / (from) MTFP Covid Risk Reserve						
Contingency for target achievement						
Annual target for further recurring savings						
Net Specific Reserve Movements	1,790	0	0	(982)	(3,048)	(2,240)
Total	13,135	6,636	(1,507)	(2,255)	(2,874)	13,135
Financed by:-						
Council Tax	10,114					10,114
- collection fund adjustments	117					117
- base increase						
- rate increase	194					194
Retained Business Rates	1,850					1,850
New Homes Bonus	860					860
	13,135	0	0	0	0	13,135

Gross impact

In-year emergency savings...

HM Government LA "cost" grant & contingent use of Reserves absent further HM Government support...

Updated 2020/21 Budget Outturn

£000s	2020/21 Baseline Budget	2020/21 Approved Contingency Budget	2020/21 Updated Outturn	2021/22 MTFP & Budget Draft
Total Net Service Cost	11,345	15,376	13,251	13,661
Contributions to Reserves				
Revenue Contribution to Capital Programme	1,050	578	578	880
Climate Change Project Reserve	200	200	200	0
Property Investment Reserve	260	(418)	(418)	0
Investment Property Void Provision	0	(425)	(300)	0
Local Plan Part 2 Costs	40	0	0	0
Borough Election reserve	30	30	30	30
Business Rate Equalisation reserve	210	(649)	(649)	0
Flexible Homeless Support Grant		(474)	(474)	0
Emergency Funding		(17)	(17)	0
Brightwells Dogflud CP		(296)	(296)	0
Placeshaping		(188)	(188)	0
SANG Site Acquisition reserve		(200)	(200)	0
General Fund working balance		(206)	(206)	0
Capital Receipts (to Business Transformation)		(174)	(174)	0
Transfer to / (from) MTFP Covid Risk Reserve			2,000	(1,000)
Contingency for target achievement				111
Annual target for further recurring savings				(195)
Net Specific Reserve Movements	1,790	(2,240)	(115)	(174)
Total	13,135	13,135	13,135	13,487
Financed by:-				
Council Tax	10,114	10,114	10,114	10,308
- collection fund adjustments	117	117	117	46
- base increase				28
- rate increase	194	194	194	277
Retained Business Rates	1,850	1,850	1,850	1,850
New Homes Bonus	860	860	860	978
	13,135	13,135	13,135	13,487

Government Covid support in 2020/21 increased ("lost income" grant £2.2m)

Covid impact survives into 2021/22 and beyond. Lost income grant only committed to 1Q21/22...

£2m of 2020/21 lost income grant repurposed to offset Covid pressures 2021/22 and beyond...

Service Cost Variances 2021/22



**Covid impact survives into 2021/22 and beyond.
Total increase in baseline Net Service Cost: £2.3m**

£000s	2020/21	Pressures (Annexe 1):				Measures (Annexe 1):		2021/22
	Baseline	£3,998				-£2,801		MTFP &
	Budget	Covid		Structural		Baseline	Grants	Budget
		Losses	Grants	Losses	Capital	MTFP		Draft
2020/21 Baseline Net Service Cost	11,595							11,595
Budget & MTFP Update (Feb-20):								
Contingency budget on going impact - costs		126						126
Housing Benefit Admin Grant				0				0
Treasury management interest				298				298
One-off capital receipts funding for BT team					(220)			(220)
Unavoidable budget adjustments				347				347
Investment Property income target						(150)		(150)
HoS Cost Review sustainable savings						(563)		(563)
Business Transformation						(294)		(294)
Commercial Strategy						(280)		(280)
Use of homelessness grant to fund service							(282)	(282)
	11,595	126	0	645	(220)	(1,287)	(282)	10,575
Budget & MTFP Update (Feb-20):								
Staff Vacancy Target	(250)							(250)
Inflation Provision -costs & pay				603				603
Covid-19 impact provision		1,000						1,000
Contingency budget on going impact - income		2,650						2,650
Covid-19 LA Grant			(457)					(457)
Income Claim (3 months announced)			(460)					(460)
Total Net Service Cost	11,345	3,776	(917)	1,248	(220)	(1,287)	(282)	13,661

Net Covid impact £2.9m after lost income grant & other support

Non-Covid pressures, pre-existing and new, offset by combined measures

Other Variances 2021/22

Total increase in baseline Net Service Cost: £2.3m.

Contributions to other Reserves suspended.

£1m of Covid Reserve (repurposed lost Income Claim) released.

Council Tax rate increase £5 Band D rather than 1.9%.

£000s	2020/21 Baseline Budget	Pressures (Annexe 1): £3,998				Measures (Annexe 1): -£2,801				Additional Measures	2021/22 MTFP & Budget Draft
		Covid		Structural		Baseline MTFP	Grants	In-Year Savings	Council Tax & Grants		
		Losses	Grants	Losses	Capital						
Total Net Service Cost	11,345	3,776	(917)	1,248	(220)	(1,287)	(282)	0	0	(2)	13,661
Contributions to Reserves											
Revenue Contribution to Capital Programme	1,050							(170)			880
Climate Change Project Reserve	200							(200)			0
Property Investment Reserve	260							(260)			0
Local Plan Part 2 Costs	40							(40)			0
Borough Election reserve	30										30
Business Rate Equalisation reserve	210							(210)			0
Transfer to / (from) MTFP Covid Risk Reserve										(1,000)	(1,000)
Contingency for target achievement				111							111
Annual target for further recurring savings										(195)	(195)
Net Specific Reserve Movements	1,790	0	0	111	0	0	0	(880)	0	(1,195)	(174)
Total	13,135	3,776	(917)	1,359	(220)	(1,287)	(282)	(880)	0	(1,197)	13,487
Financed by:-											
Council Tax	10,114								194		10,308
- collection fund adjustments	117								(71)		46
- base increase									28		28
- rate increase	194								83		277
Retained Business Rates	1,850										1,850
New Homes Bonus	860								118		978
Total	13,135	0	0	0	0	0	0	0	352	0	13,487

Proposed MTFP 2021/22 – 2024/25



£000s	2020/21	2021/22	2022/23	2023/24	2024/25
	Baseline Budget	MTFP & Budget Draft	MTFP	MTFP	MTFP
Total Net Service Cost	11,345	13,661	13,479	12,836	12,407
Contributions to Reserves					
Revenue Contribution to Capital Programme	1,050	880	880	880	880
Climate Change Project Reserve	200	0	0	0	0
Property Investment Reserve	260	0	0	0	0
Local Plan Part 2 Costs	40	0	0	0	0
Borough Election reserve	30	30	30	93	30
Business Rate Equalisation reserve	210	0	(700)	(700)	(400)
Transfer to / (from) MTFP Covid Risk Reserve		(1,000)	(670)	(330)	0
Contingency for target achievement		111	111	111	111
Annual target for further recurring savings		(195)	(945)	(1,311)	(1,585)
Net Specific Reserve Movements	1,790	(174)	(1,294)	(1,257)	(964)
Total	13,135	13,487	12,185	11,579	11,443
Financed by:-					
Council Tax	10,114	10,308	10,308	10,308	10,308
- collection fund adjustments	117	46	3	100	150
- base increase		28	28	28	28
- rate increase	194	277	482	692	906
Retained Business Rates	1,850	1,850	1,150	450	50
New Homes Bonus	860	978	214	1	1
Total	13,135	13,487	12,185	11,579	11,443

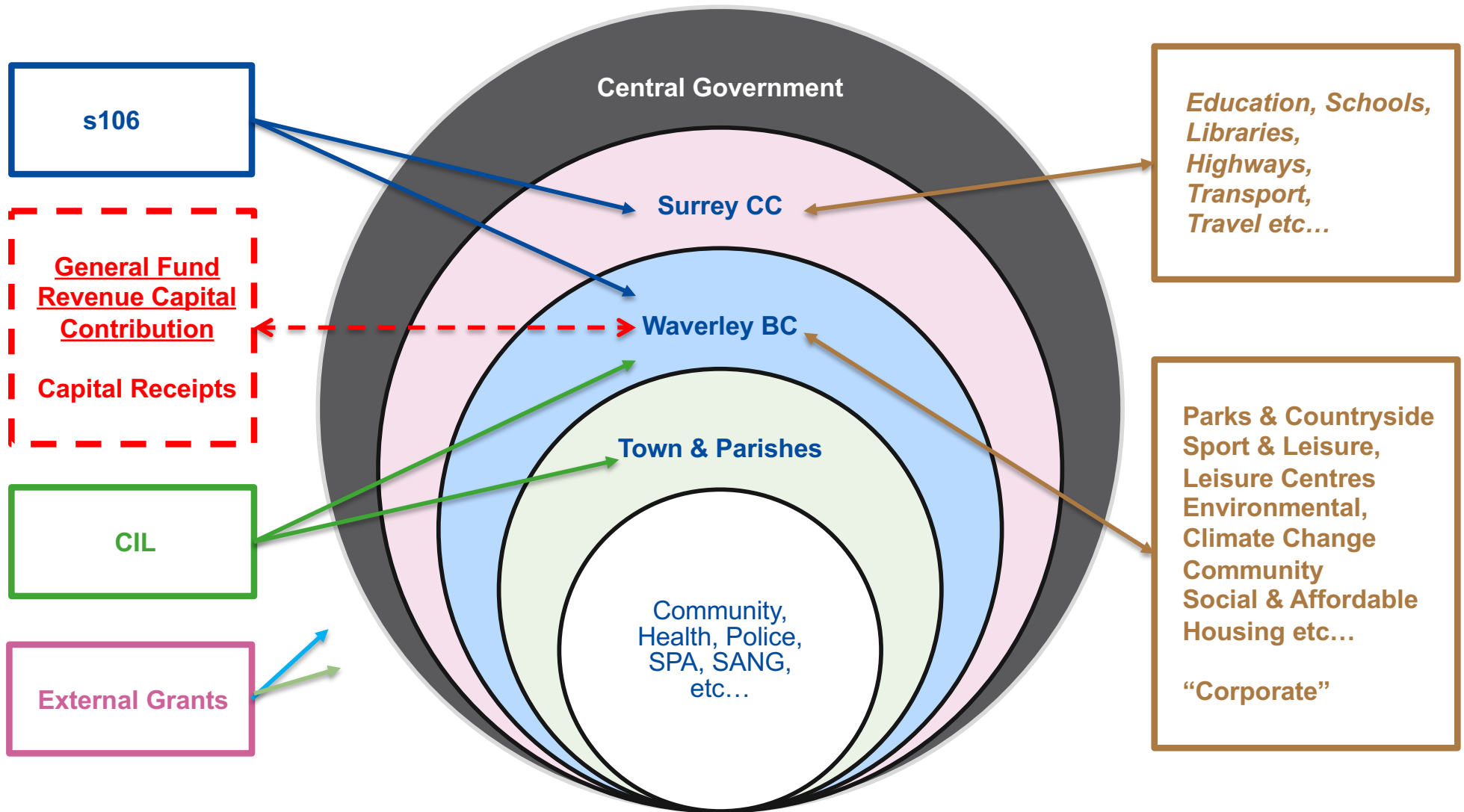
Baseline Net Service Cost contracts as Covid pressures dissipate (income recovers) and MTFP measures overtake structural cost pressures.

Additional recurring savings are targeted.

Non-essential contributions to capital and other reserves remain suspended. Business Rate Equalisation Reserve is partly released. Covid Reserve is utilised.

WBC loses NHB and remaining share of BR.

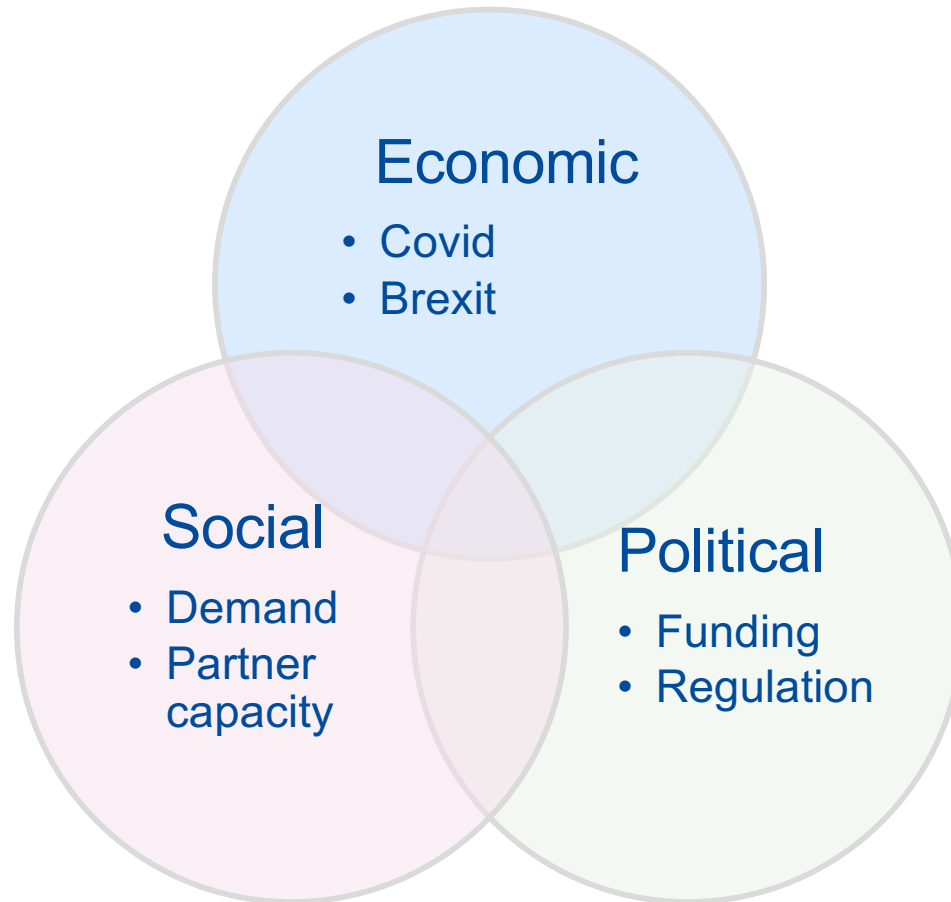
Capital Programme



Budget Strategy

- **Existing workstreams**
 - MTFP (& Capital Strategy), Consultation
- **HM Government**
 - Covid, Business Rates & Council Tax
- **Capital projects & funding**
- **Reserves**
- **Collaboration and others**

Uncertainty



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