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Tuesday, 21 January 2020

To: The Members of the **Performance and Finance Scrutiny Committee**
(Councillors: David Lewis (Chairman), Shaun Garrett (Vice Chairman),
Graham Alleway, Cliff Betton, Sarah Jane Croke, Colin Dougan, Edward Hawkins,
David Mansfield, Sashi Mylvaganam, Darryl Ratiram, Kristian Wrenn and
Victoria Wheeler)

**In accordance with the Substitute Protocol at Part 4 of the Constitution,
Members who are unable to attend this meeting should give their apologies and
arrange for one of the appointed substitutes, as listed below, to attend.
Members should also inform their group leader of the arrangements made.**

Substitutes: Councillors Rodney Bates, Tim FitzGerald, Rebecca Jennings-Evans,
Alan McClafferty, Graham Tapper, Pat Tedder and Valerie White

Dear Councillor,

A meeting of the **Performance and Finance Scrutiny Committee** will be held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on **Wednesday, 29 January 2020 at 7.15 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Karen Whelan

Chief Executive

AGENDA

	Pages
1 Apologies for Absence	
2 Minutes of Previous Meeting	3 - 6

To receive, and confirm as being a correct record, the minutes of the meeting of the Performance and Finance Scrutiny Committee held on 27th November 2019.

3 Declarations of Interest

Members are invited to declare any interests they may have with respect to matters which are to be considered at the meeting. Members who consider that they may have an interest are invited to consult the Monitoring Officer or Democratic Services Officer prior to the meeting.

Scrutiny of Portfolio Holders

4 Portfolio Holder Update: Places and Strategy 7 - 16

To receive an update from Councillor Dan Adams on his work during 2019/20 in his capacity as Portfolio Holder for Places and Strategy.

(Note: A more indepth report from Camberley Theatre's Manager is attached as an Annex to the Portfolio Holder's report.)

5 Portfolio Holder Update: Customer Experience and Digital 17 - 26

To receive an update from Councillor Paul Deach on his work during 2019/20 in his capacity as Portfolio Holder for Customer Experience and Digital.

Performance Reports

6 Draft Annual Plan 2020/21 Consultation 27 - 46

To consider a report setting out the Council's draft Annual Plan for the 2020/21 municipal year.

7 Economic Development Update 47 - 50

To consider a report summarising the work of the Council's Economic Development Team during 2019.

Information Reports

8 Surrey Pension Fund Update 51 - 54

To receive a report providing an update on the outcomes of the Surrey Pension Fund's Annual General Meeting in November 2019.

9 Corporate Risk Register 55 - 60

To receive a report setting out the Council's Corporate Risk Register.

10 Work Programme 61 - 64

To consider a report setting out the proposed work programme for the Performance and Finance Scrutiny Committee for the remainder of the 2019/20 Municipal Year.

11 Date of Next Meeting

The next scheduled meeting of the Performance and Finance Scrutiny Committee will take place on Wednesday 18th March 2020 at 7pm.

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Minutes of a Meeting of the Performance and Finance Scrutiny Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 27 November 2019

- + Cllr David Lewis (Chairman)
- + Cllr Shaun Garrett (Vice Chairman)

- | | |
|-------------------------|-------------------------|
| Cllr Graham Alleway | Cllr David Mansfield |
| Cllr Cliff Betton | - Cllr Sashi Mylvaganam |
| + Cllr Sarah Jane Croke | + Cllr Darryl Ratiram |
| + Cllr Colin Dougan | + Cllr Kristian Wrenn |
| + Cllr Edward Hawkins | + Cllr Victoria Wheeler |
| + Cllr Sam Kay | |

- + Present
- Apologies for absence presented

In Attendance: Cllr Charlotte Morley, Executive Portfolio Holder: Finance
 Sarah Bainbridge, Senior Organisational Development Advisor
 Adrian Flynn, Chief Accountant
 Robert Fox, Head of Revenues and Benefits
 Julia Hutley-Savage, Interim Head of Legal
 Louise Livingston, Executive Head: Transformation
 Kelvin Menon, Executive Head: Finance
 Jenny Rickard, Executive Head: Regulatory

14/PF Minutes of Previous Meeting

RESOLVED that the minutes of the meeting of the Performance and Finance Scrutiny Committee held on 4th September 2019 be agreed as being a correct record and signed by the Chairman.

15/PF Portfolio Holder Update - Finance

Councillor Charlotte Morley presented an update on the work carried out to date during the 2019/20 municipal year in her capacity as Executive Portfolio Holder for Finance.

Audit of Accounts

The Committee was informed that it was recommended best practice that at the end of each financial year local authority accounts were fully audited by an external auditor and the audit signed off by 30th September. Local authorities in England were allocated an external auditor as part of a national procurement exercise which took place every five years to ensure that a Council's external audit function remained independent and objective and in 2018 the Council's appointed auditor changed from KPMG to BDO.

It was reported that the Council's allocated External Auditor, BDO, had not yet signed off the Council's accounts for the 2018/19 financial year. It was reported that this situation was not unique to Surrey Heath and approximately 40% of local authorities in England and Wales were in a similar position. Officers had been pressing BDO as to when the audit would be complete and BDO had intimated in a letter to the Council dated 30th July 2019 that the delay had been caused by a lack of resources; a factor that was impacting on all the Surrey authorities in BDO's portfolio. Councillor Morley and Councillor

McClafferty, Chairman of the Audit and Standards Committee, would be meeting with representatives from BDO on 6th December 2019 try and bring the matter to a conclusion. If there was no resolution at this meeting then the matter would be reviewed by the Audit and Standards and Executive Committees.

The Committee was informed that the Head of Finance had written to Public Sector Audit Appointments (PPSA), the body responsible for the procurement and appointment of external audit firms, to provide feedback on the poor performance that the Council had experienced.

It was agreed that if the audit had not been concluded by the end of January 2020 then further representations would be made to the PSAA to express the Council's dissatisfaction with the situation and seek appropriate redress.

Benefits

It was reported that the Council's performance when processing housing benefits claims was monitored by the Department of Work and Pensions (DWP) and the Council was currently performing in the top quartile. Further benchmarking of the service was carried out against over local authorities and the most recent benchmarking had concluded that the authority's performance fell within the expected range and that performance had improved over the past twelve months following a recruitment exercise and reduction in the number of complicated claims being received.

The Committee thanked Councillor Morley for her update.

16/PF Annual Report on the Treasury Management Outturn

The Committee received a report summarising the performance of the Council's Treasury Management function.

It was noted that at the end of the 2018/19 financial year, the Council's Capital Financing Requirement for capital expenditure projects was £189.7million and there had been usable reserves and working capital of 341million available for investment. At the end of 2018/19, there had been £175.7million of actual borrowing and £30.3million of treasury investments.

The Committee was informed that details of any income received by the Council from its investments fell outside the remit of this report however the Council's investments did currently make a positive contribution to the Council's finances although at a lower level than in previous years due to the ongoing financial difficulties faced by House of Fraser. The industrial estates continued to perform well and the income received from The Square shopping centre continued to hold up despite the current financial climate. It was confirmed that all the Council's commercial assets were covered by service charges and these would contain an element which would be ring-fenced to contribute to a sinking fund for any major works. It was agreed that more specific information would be provided outside the meeting.

It was acknowledged that rising interest rates on Public Works Loan Board (PWLB) loans were likely to impact on the Council and officers were in talks with the PWLB about the implications of any interest rate changes. The Committee was informed that early repayment of PWLB loans incurred large penalties and as a consequence if money was borrowed and not required many local authorities lent the excess funds to other local authorities at a lower interest rate than they might get for loans from the PWLB.

The Committee noted the report.

17/PF Council Finances as at 31st July 2019

The Committee considered a report setting out a summary of the Council's financial performance between 1st April 2019 and 31st July 2019.

It was noted that at this stage in a new financial year it was difficult to provide an accurate forecast as to the outturn at year end. The income for garden waste and car parking were currently falling behind budget and these areas were being monitored closely to see whether there was likely to be an impact as the year progressed.

It was considered that the decline in car parking income was due to a combination of factors including a fall in footfall in the town centre and work in the car parks to increase the size of parking spaces to accommodate larger cars.

The expected Garden Waste collection income was approximately £100,000 below projected figures and was subject to discussions between Joint Waste Solutions and Amey.

The Committee noted the report.

18/PF Surrey Heath Borough Council Annual Plan: Mid Year Performance

The Committee considered a report summarising the performance and achievement of the Council against its stated objectives, priorities and success measures in the first six months of the 2019/20 municipal year.

Arising from the Committee's questions and comments the following points were noted:

- Four options had been developed for the redevelopment of the Old Dean Playground and these would be subject to public consultation over the coming months before a planning application was submitted. It was expected that the works would be completed by Spring 2020.
- The Town Centre Working Group received regular updates on the progress of the redevelopment of the London Road Development Site. The Committee's request for more specific dates and timescales in documents discussing the development was noted and it was agreed that the project plan would be shared with members.
- It was reported that the review of the Kevin Cantlon Shop Front Improvement Scheme had streamlined and simplified the application process. It was stressed that the Scheme's full name must be used in any public arena to ensure that awareness of the scheme and its purpose was raised amongst the local business community. It was agreed that the revised criteria would be circulated to members.
- Information sessions had been put in place, following reports that staff at Frimley Park Hospital were unaware of the Council's Home Safe service. It was agreed that information about the take up of the sessions would be circulated.
- It was clarified that the Council's contract with Berkleys stated that the Ashwood House site would be handed back by November and as such the October handover had met these requirements.
- The Committee was informed that regular meetings with tenants of London Road Block properties to keep them abreast of redevelopment progress would be scheduled and an initial meeting would take place on 4th December 2019.

- Clarification would be sought on whether the figures given for theatre ticket sales related to both shows and fitness classes or just fitness classes.
- Information on the performance of the Grounds Maintenance Contract would be provided outside the meeting.
- Rates of household recycling being sent for composting, reuse and recycling rates were subject to a significant time lag of many months. It was agreed that actual tonnage figures would be circulated.
- The Committee commended the team responsible for marketing Camberley Town Centre.
- It was agreed that future performance reports would, wherever possible, contain specific dates and time frames rather than vague references like early summer or mid 2021.
- It was agreed that future red, amber, green performance ratings would be based on actual figures and not rounded figures.

The Committee noted the report.

19/PF Performance and Finance Scrutiny Committee Work Programme

The Committee received and noted a report setting out a proposed work programme for the Performance and Finance Scrutiny Committee for the rest of the 2019/20 municipal year.

20/PF Date of Next Meeting

It was noted that the next scheduled meeting of the Performance and Finance Scrutiny Committee would take place on Wednesday 29th January 2019 at 7pm.

Chairman

PERFORMANCE AND FINANCE SCRUTINY COMMITTEE

Places & Strategy Portfolio Update

Portfolio	Business
Ward(s) Affected:	All

Purpose
To provide a progress report on the Places & Strategy Portfolio

1. Background

1.1 Business is divided into 4 main service areas delivering a wide range of key functions as set out below:

Recreation & Business

- The new Camberley Leisure Centre Project
- Green Space (parks and countryside)
- Play area maintenance and development
- Heritage Service
- Contract Management (Grounds Maintenance/Leisure Centre)
- Pitch bookings

Parking Services

- Camberley Multi-story and borough-wide surface car park management

Commercial & Community Development

- Borough wide sports, leisure and community development
- Surrey Youth Games
- Special commercial events
- Volunteer development
- Leisure Lease management

Camberley Theatre

- Annual programme of theatre events
- Pantomime
- Youth Theatre
- Corporate and Community Events
- Frimley Lodge Live

2. Recreation and Business

2.1 The Recreation and Business team is managed by Sue McCubbin and is split into five areas which are; Greenspaces, Contract Management, Recreation Projects, Business Services and Heritage Services. The Recreation and Business Team is made up of 11.2 Full Time Equivalent (FTE) officers.

2.3 The **Greenspace team** has four team members whose responsibilities include the care of all of the boroughs Parks, Countryside, Conservations sites, Suitable Alternative Natural Greenspaces (SANGs) and all other open spaces and verges. This includes over 30 playing pitches and 32 play grounds/play areas. They look after the boroughs trees with works ranging from tree inspections, maintenance works, customer requests and storm damage. A number of statutory inspections

within our pavilions, out-building, community centres, playgrounds and toilets fall within the remit of the team to ensure the safe operation of facilities and equipment.

- 2.4 In 2018 responsibility for the 12 public toilet facilities across the borough was transferred to Recreation and Business from Community (as a result of the new Joint Waste/Street Cleansing Contract). Five are within our parks and the others are within villages or car parks.
- 2.4 The team provide volunteer and education opportunities where they host volunteer work parties, and educational activities for groups. In 2018 the team delivered 35 events and in 2019 44 events ranging from fishing, camp making, conservation activities and geology. These events support the national curriculum for schools, conservation aims and group badges (for Brownies, scouts etc.).
- 2.5 The team are responsible for noxious weed control including annual ragwort and Himalayan balsam pulling and Japanese knotweed controls. Japanese knotweed is treated twice a year which is the standard required. There are work parties that pull as much of the balsam annually as possible to keep it as controlled as possible.
- 2.6 Increasing demand for additional conservation within the borough has seen the introduction of long grass regimes, wildflower planting in urban areas and meadows in countryside areas. Natural grazing techniques have been adopted via the goats we look after in our Country Park and biodiversity promoted with the installation of a bee hive which have brought benefits to the local community over the last year.
- 2.7 The increasing popularity of our parks and services unfortunately does present challenges as the team are witnessing increasing pressure on available parking in our premier parks along with the deterioration in the infrastructure (e.g. road surfaces, toilet facilities etc.). This can be compounded by ever-popular community events that operate within these facilities that, either through historic arrangement or public pressure, undertake their events sometimes without charge which impacts the operation of other services and facilities within the park.

Numbers of large scale events hosted on our parks each year (fairs/fetes/circus etc.)

2017	20
2018	23
2019	24

- 2.8 One event that is very popular and puts increasing strain in Frimley Lodge Park is the weekly Park Run which started in 2010 and has grown in numbers continually with the highest number of runners being 765 on 21/9/19. Frimley Lodge Park Run is the 54th most well attended out of 698 locations in the UK.
- 2.9 In recent years there has been a decline in the usage of grass pitches due to a national decline in grass pitch sport (football, rugby and cricket) – particularly in young men. However, the reduction has been countered by an increase in 3G pitch bookings, which is now running almost at capacity. The table below shows the decline locally in annual grass pitch bookings compared to 3G. Resources may be better focussed towards providing alternative provision where there is an undersupply of facilities in the borough e.g. netball, additional artificial pitches.

Pitch Booking summary			
	Grass Pitch	3G	
14/15	835		
15/16	809		
16/17	731		
17/18	555	494	3G only started to be recorded from Jan 18, so this is 3 months only
18/19	812	1711	
19/20...so far	385	1117	

3 Contract Management

- 3.1 Contract Management is covered by one full time member of the team who is responsible for key contracts including Grounds Maintenance and the Leisure Centre contract. The role works to ensure delivery of the service in line with the contract for SHBC but in the best interest of others who have asked us to deliver services on their behalf e.g. Windlesham Parish Council.
- 3.2 The Contract Manager develops and writes specifications with the teams, they then undertake the procurement process for these large scale procurements including the re-procurement of the **Grounds Maintenance Contract** this year due to the unwillingness of the current provider to deliver the contract to the full term.
- 3.3 The Recreation and Business team also oversee the delivery of the new **Camberley Leisure Centre** due for completion in the summer of 2021.
- 3.4 **Recreation Projects** are covered by one member of the team, along with the management of the Business Service team, which over the past two years has focussed on utilising unallocated Planning Infrastructure Contributions (PIC) on playground refurbishments and replacements. This has seen new playgrounds installed in both of the council's premier parks with a number of others to follow on in the coming months, including on the Old Dean.

Playgrounds completed (circa cost)

- Clarence Drive, Wellington Park, Camberley (£37k)
- Martel Close, Wellington Park, Camberley (£31k)
- Maguire Drive, Frimley (33k)
- Cheylesmore Park, Frimley (£40k)
- Briars Centre Play Area, Lightwater (£8k)
- Evergreen Road, Frimley – (£40k but and additional £10k was drawn down from CIL to add an all -inclusive use trampoline)
- Lightwater Country Park, Lightwater (£90k)
- Frimley Lodge Park, Frimley Green (£150k)

Playgrounds programmed for improvements: (circa cost)

- Old Dean Recreation Ground, Camberley (£100k with extra contributions from Accent = £100k Accent, £10k Eikon)
- Watchetts Recreation Ground, Camberley (£29k)
- Chobham Road Recreation Ground, Frimley (£20k)
- Loman Road, Mytchett (£35k)
- London Road Recreation Ground, Camberley (£60k)

3.5 Future projects will see the delivery of more commercial events come to the parks such as fun fairs, bike hire at Frimley Lodge Park as well as re-tendering for a new café provider for our premier park locations. All of which will increase income to support delivery of the service.

4 Business Services

4.1 The Business Service Team is made up of three officers (2 FTE) who, working with the council's Contact Centre, administer and oversee all sport pitch bookings. They complete and record all statutory checks health and safety arrangements and records for the Recreation and Business Team. This team, working closely with managers and the finance team, is responsible for the financial controls, analysis and budget management for the Recreation and Business Team and Theatre.

4.1 The **Heritage Service** is delivered by 3 team members (2.2 FTE) and volunteers. Having successfully moved into a town centre location the museum and the services that it provides has seen visitor numbers and participation more than double (with well over 2,000 visitors per quarter) and events, talks, walks and workshops Museum (2018 = 19 workshops, 2019 = 27 workshops) being well-attended. The reminiscence service is well-established and is being provided at the limit of its capacity. Working with local schools to identify their changing needs will see educational projects with local schools throughout 2020 and with a busy programme of events, changing exhibitions at the museum and a well subscribed supporters group will see the service continue to grow and develop.

5 Parking Services

5.1 Parking Services is a team of 5.7 FTE managed by Eugene Leal, Parking Services Manager, who has a dual role and also manages the On-Street operation on behalf of Woking Borough Council.

5.2 Until 2018 on street parking enforcement was delivered by Surrey Heath via an agency agreement on behalf of Surrey County Council. The change, in November 2018, was as a result of a review of management arrangements (to find cost savings) by Surrey County Council which resulted in the transfer of responsibility for Surrey Heath on-street enforcement to Woking Borough Council.

5.3 **The Car Parks team** manage Camberley's 2 multi-story car parks and the six pay and display car parks across the borough.

5.4 In recent years car park income has decline partly due to the reduction in available spaces in Main Square as a result of the Ashwood House development and decline in usage in line with Camberley town centre footfall. However, running costs have remained stable.

Year	Expenditure	Gross income	Net surplus
15/16	£1,196m	-£2,042m	-£849k
16/17	£1,193m	-£2,067m	-£873k
17/18	£1,273m	-£1,969m	-£827k
18/19	£1,193m	-£1,914m	-£721k

5.5 An additional challenge was the NNDR ratings revaluation of car parks in 2017 which led to an increase of 31% (£116,000) pa. This is being appealed by the council's corporate property team.

- 5.6 Despite the reduction in income the Camberley car parks, including the two pay and display car parks, (York Town and Surrey Heath House) all deliver a net surplus. The non-Camberley car parks (including the pay and display car parks at Bagshot, Chobham, Burrell Road and Watchetts Road) are subsidised:

2017/18	Combined net surplus (-) / Subsidy
Camberley Car Parks	-£926,221
Non-Camberley Car Parks	£99,084

- 5.7 Parking tariffs have not been reviewed since 2014 in the town centre and 2009 in the pay and display car parks, and have now fallen significantly behind inflation. It is recommended that this is reviewed again in the coming year with the option to slightly increase tariffs in line with inflation to support the council's finances.
- 5.8 Recent improvements and investment include the refurbishment of all the parking levels in Main Square (including the stairwells) with the introduction of wider spaces for ease of parking. New cost efficient "smart" LED lighting has also been installed in Main Square which will have a significant impact on energy costs (circa 50%). Looking further ahead there are numerous possibilities for more aesthetic improvements in line with the council's plans for the SQ shopping centre as well as the installation of LED lighting at Knoll Road car park.
- 5.9 New payment machine technology has supported the change in payment of fees across all car parks towards electronic payments where cash payments now only make up 48% of all transactions with card 47% (Contactless 24%, Chip and Pin 23%) and app based payments 5%.
- 5.10 Season Tickets sales have increased and are now 100% sold on-line:
- FY 18/19 - 186 business permits in Main Sq / Knoll Road
 - FY 19/20 - 240 business permits in Main Sq / Knoll Road
- 5.11 **Parking admin** support staff process the Parking Charge Notices (PCN), deal with appeals and administrate the parking permit scheme. A recent innovation is moving the application and issuing of parking permits 100% online.
- 5.12 This system fully integrates with our enforcement system, so it will be impossible for any driver with a valid permit, waiver or dispensation to be issued with a parking ticket.

6 Commercial and Community Development

- 6.1 Led by Ben Sword, the Commercial and Community Development (CCD) team, made up of 3.5 FTE (which includes one apprentice) supports the delivery of the council's key objectives that relate to "People", particularly in relation to health and wellbeing, sport and leisure activities and community engagement. The team is also responsible for delivering income generating events and activities and events that support the local economic community.
- 6.2 Over the past year the team has introduced new targeted health and well-being schemes to compliment the existing programme. These include a bolstered walks

programme which now includes Walking Netball, dementia friendly walks in partnership with the Alzheimers cafe and local dementia groups, Nature walks for families who work during the week and Diabetes walks which have successfully been awarded external funding to reduce stress on local services.

- 6.3 Camberley Beer Festival at the Camberley Theatre for the second year running. 647 people attended the event sponsored by Camberley based Ascot Brewing Company which generated over in £3,000 income
- 6.4 Whatever the Weather programme delivered in partnership with the Surrey Arts Partnership and Carwarden House School. A group of sixth form leavers were able to create and perform a dance piece to celebrate differences at the Camberley Theatre.
- 6.5 Camberley Carnival has become one of Camberley's prime events. Total 17 parade entries containing 441 entrants. There was also an estimated 1500 people watching parade around Camberley Town Centre.
- 6.6 Successfully worked with the Arena Leisure Centre to relocate community groups and bookings that were looking for a new facility to play/train
- 6.7 Entered 13 teams into 9 different sports for the Specsavers Surrey Youth Games. Over 50% of the young people who took part were inactive upon registering.
- 6.8 Forthcoming events and initiatives are:
 - Introduction of The Sweatcoin app to help get local people active by combining exercise with technology.
 - A new Physical Activity Strategy for 2020-21 has been drafted will be coming to council for adoption in the near future. The strategy will outline the current physical activity landscape in Surrey Heath and how the council will continue to help local people stay/be more active despite the Arena Leisure Centres closure.
 - Duathlon event at Frimley Lodge Park to replace the GO TRI and Sprint Triathlon during the Arena Leisure Centre's closure and no swim facility.

7 Camberley Theatre

- 7.1 The Camberley Theatre team (8 x fte) is led by Venue & Operations Manager, Andy Edmeads. Since 2015 the theatre has undergone a transformation in terms of control on expenditure and the implementation of an increasingly commercial approach to programming, catering and private hiring of the venue. These changes have seen a dramatic improvement in performance, particularly in relation to net subsidy costs which have been reduced by over 50% between years 14/15 to 18/19 and has significantly outperforming the target set in the business plan agreed by Executive in 2014.

Year	2014/15 Actual	Target for 18/19	2018/19 Actual
Net Operating Subsidy	£482,590	£274,000	£230,468

- 7.2 This trend continues with costs remaining stable and income/ticket sales increasing. This has been helped over the past year by high profile acts such as John Bishop and Michael McIntyre and a busy autumn period with many sell out shows in October and November.

A comparison of like for like sales during the same period:

Year	Ticket Sales	No. tickets sold
1 st April – 23 rd December 2018	£687, 198, 70	39, 879
1 st April – 23 rd December 2019	£747, 955, 99	45 729

- 7.3 The 2019/20 Pantomime, *Robin Hood*, was Camberley Theatre’s most successful pantomime ever, both financially and in terms of ticket sales. Over the four week run 13,594 people attended which was 594 more than the previous record holder (2013 production of ‘Beauty and The Beast’).
- 7.4 The theatre continues to be a popular space to hire for all manner of events ranging from children’s’ birthday parties and weddings to meetings and large scale business events such as Business Breakfast. It is also home to the very successful *Creative Minds Theatre Academy* which provides inclusive theatre training and education programme for 90 aspiring performers and stage technicians aged 4 to adult, including theatre arts, technical production and performance.
- 7.5 The theatre team also organise outdoor events including theatre in the park, both at Frimley Lodge and London Road Recreation Ground and the extremely popular Frimley Lodge Live music festival. The 2020 line up will be announced in the spring with tickets going on sale in February. Once again the event will feature 2 days of tribute bands and this year we are working with The Fiery Bird venue in Woking to programme a schedule of original and unsigned acts from the local area in the day time.
- 7.6 On Friday 31st July, the theatre will deliver a standalone concert by *The House and Garage Orchestra* at Frimley Lodge Park which will see popular songs reimaged by a live orchestra and vocalists.
- 7.7 The theatre also supports other community events across the borough including the Camberley Carnival, Camberley Comedy Festival and Surrey Heath Show as well as delivering events in Camberley Town Centre to support footfall and vibrancy.
- 7.8 Since September 2019 the theatre has supported the new Leisure Centre project by providing a venue and support for the Arena’s extensive fitness class programme – with around 70% of classes re-provided. This has allowed long established social groups to continue and as well as business continuity for when the new centre opens in 2021.
- 7.9 Following a successful capital bid to the Executive on 19th November, the Theatre will shortly be going to tender to seek a contractor to refurbish the failing frontage of the building. The design will complement the works to the town centre and will tie in with the improvements internally made over the last couple of years. A new lighting desk and LED projector will also be purchased as part of this work.

Annex: Camberley Theatre Manager’s Annual Report

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CAMBERLEY THEATRE PERFORMANCE REPORT

Portfolio:	Business
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Ward(s) Affected:	n/a
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Purpose of Report

To receive the report of the Venue Manager on the performance of Camberley Theatre.

1. Sales & Performance

- 1.1 The theatre has had another very good year with strong sales and attendances, helped by high profile acts such as John Bishop and Michael McIntyre and a busy autumn period with many sell out shows in October and November.
- 1.2 A comparison of like for like sales during the same period in 2018 is set out in the table below:

Year	Ticket Sales	No. tickets sold
1 st April – 23 rd December 2018	£687,198.70	39,879
1 st April – 23 rd December 2019	£747,955.99	45,729

This shows an increase of 15% and reflects the work we've done on improving our programme but also the way we communicate with and retain our customers.

- 1.3 Online sales have grown by 9% during the above period too. This is due to smarter online marketing, improved website and better integration with our ticketing software.

2. Pantomime

- 2.1 Robin Hood became our biggest selling and most popular pantomime in our history with final sales of £229,804.90 and audience numbers of 13, 594. Our income has increased year on year for the last 4 pantomimes.
- 2.2 Strong word of mouth and glowing reviews have helped maintain very good sales throughout the run.
- 2.3 Looking at rival pantomimes, we feel we are offering a high quality pantomime but at a reasonable price. We've found families are coming to us from bigger venues like Woking as we're about 40% cheaper and offer a better, more intimate experience for children. Our pricing will remain competitive with Princes Hall (Aldershot), Southill Park (Bracknell) and Yvonne Arnaud (Guildford) for next year. Tickets are on sale for Jack and the Beanstalk.
- 2.4 On 13th December we welcomed Chloe and Sophie's Special Ears Fund who purchased all the tickets to a whole show and donated them to the families they work with. This was a unique performance which was BSL integrated, meaning the signer

taught the cast BSL and was rehearsed into the show rather than just being on the edge of the stage. The feedback was overwhelmingly positive with many reviewers commenting that this was the first time they had seen such a show.

2.5 During the Pantomime run we supported Marie Curie Camberley and raised £2,856 for them through bucket collections and donations made by the audience. This year we will be supporting Sebastian's Action Trust.

2.6 The arts industry average marketing spend is 10-12% of the total income. Our marketing spend on Robin Hood was just 6.5%. This is down to utilising the skills within the internal marketing team to reduce costs and developing loyalty and trust with our audience who recognise our pantomime is good quality and value for money.

3. Environmental Matters

3.1 Since summer 2018 we have been looking at reducing our plastic waste and switched our disposable plastic cups and lids to Vegware. These are compostable plant based products which are much better for the environment. We are constantly reviewing these products and the way we can be friendlier to the environment and in September 2019 introduced re-usable cups for our cold drinks. These can be washed and re-used over 100 times before being recycled, further reducing their impact.

3.2 Our web sales continue to increase and encourage customers to take advantage of money off promotions on our e-tickets.

4. External Refurbishment

4.1 Funding has been approved by SHBC for the refurbishment of the theatre frontage.

4.2 The process will begin in the New Year with a tender exercise to appoint a contractor followed by planning application and consultation. This work will see the old, broken tiles removed and replaced with a modern render, plus the removal of the dated and tired canopy. The colour scheme and finish will complement the recent and ongoing works in the town centre which will give the venue a more modern and welcoming first impression. We expect the work to be finished by the end of August 2020.

5. Recommendation

5.1 The Performance and Finance Committee is asked to note the contents of this report.

Background Papers:

None

Author

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Head of Service:

Daniel Harrison – Executive Head of Business

PERFORMANCE AND FINANCE SCRUTINY COMMITTEE

Customer Experience & Digital Portfolio Update

Portfolio	Customer Experience & Digital
Ward(s) Affected:	All

Purpose
To provide a progress report on the Customer Experience & Digital Portfolio

1. Background

1.1 The Customer Experience & Digital Corporate Portfolio covers the services and functions as set out below:

- Digital & ICT
- Communications and Marketing
- Contact Centre & Post Room

2. Digital & ICT

2.1 2019 has been a year of **rapid technology change** as usual for Surrey Heath and has seen us continue with our overall strategy of reducing our reliance on Surrey Heath House, leveraging our investment in cloud services and technology and modernising and simplifying our IT estate. We are actively pursuing hardware and infrastructure modernisation which facilitates a more agile and mobile approach to how work is done. Additionally, our progressive agenda has seen us move into new areas such as building management technology and Internet of Things (IoT) and we are working up a project in close liaison with Economic Development to deliver a 5G retail test bed to the centre of Camberley.

2.2 Our **new cloud telephony solution** is fully implemented for all staff. Old telephony hardware situated in Surrey Heath House was switched off in November. All old desk phones have been removed and staff can now access their phone calls via various means. Most staff have headsets connected to 'softphone' clients on their computers. Some staff have replacement desk phones. Quite a lot of staff now access their work calls either on their personal or work mobile phones. We also have spider phones (teleconferencing) phones located in some meeting and committee rooms to make it easier for staff to host telephone meetings. The upside of this means that (other than the emergency phones in the lifts) all SHBC telephony is cloud based and not dependent on physical infrastructure in Surrey Heath House. This means that our telephony solution is portable, should the Council decide to relocate. Staff working at home or out on site have access to work calls.

2.3 Microsoft is deprecating support for **Windows 7** in January 2020 and we have been working hard to replace all Windows 7 machines with Windows 10 machines. This is nearly complete. All staff bar 15 contact centre staff now have Windows 10 user profiles and Windows 10 PCs. With regard to hardware, 30 new PCs were purchased to enable us to phase out some of

our very old stock. However we have recycled over 50 PCs by cleaning them, swapping old hard drives for new solid state hard drives and doubling the memory capacity.

- 2.3 Capital funding has been secured to allow us to replace our ageing network **switch infrastructure** and a network re-design has been completed to facilitate their installation. These switches form the backbone of our physical network in Surrey Heath House and their replacement will improve resilience and connection speeds for staff and equipment. New switches will also enable us to separate out various functions to different parts of the network. For instance, our cloud telephony will have its own dedicated network resource so call quality is not disturbed by other heavy network use. Other functionality which will receive its own network resource will be photocopiers and printers and building management systems such as new lighting systems and potentially the door access control system should a decision be taken to replace and modernise this.
- 2.4 After a successful bid, we have been awarded a sum of £5k under the **Local Government Association Cyber-resilience programme**. We will be utilising this for consultancy work to ensure our information security policies touch all areas that they should be.
- 2.5 Our **network storage** became end of life at the end of 2019. This storage contained our servers, staff member personal drives and departmental 'gen' drives amongst other things. Network storage is extremely expensive and our strategy to replace this equipment has been playing out over the last year or so. All staff personal drives have been migrated to our Box cloud content platform and deleted from the network storage. Most departmental 'gen' drives have been bulk lifted to the Box cloud platform. Any new servers (like the 9 servers required for the Uniform project) are 'virtual' these days and these are either hosted with Proact, our infrastructure partner or on Amazon's AWS service. Some network storage is still required but we have purchased a much smaller and cheaper resource which will host some of the virtual servers. Due to the way in which Windows networks work, we have had to provide staff with new personal drives on this new storage, but these are limited to 100mb in size (ie very small) and staff are instructed to use Box for everything else. We have not yet finished decommissioning the old storage so this is now under 'break-fix' maintenance until it is switched off.
- 2.6 We continue apace moving services to the cloud. In August, we will be working with Civica to move our **Civica Financials** system onto a fully hosted cloud service from Civica. This means we will have two less servers to manage and patch on premise. All future upgrades to the platform will be undertaken by Civica. Staff who use Civica (many staff around the building use Civica for ordering) will be able to access the financials system from anywhere through a web browser. Authentication (log-in) to our cloud services is controlled in the most part by our single sign on system called Okta. This will be integrated with Civica to enable staff one click access to the financial system. This year we will be looking to move the system that Legal Services use for case management (Iken) to a fully hosted cloud service. This too will mean less servers for ICT to manage and update on premise. It will also mean that legal services will then be able to work from home efficiently as if they were in the office. All their services such as Office 365, email, telephony and their case management system will all be cloud based.

- 2.7 We are working with Plan Alpha (who built and host our web sites and intranet) to replace the Kana Lagan **CRM system**. We hope to have a minimum viable product live by the end of March 2020 which will also be fully cloud based. The new CRM system will be integrated with our Okta single sign on, the land and property gazetteer, the telephony system (for caller identification) and our Box content platform. In addition to having a robust new cloud platform to use which staff can access from anywhere, this will also mean we have 3 less on premise servers to manage and pay for. We have provided Kana with the required 3 months contract termination notice which will remove a commitment of around £25k per annum from our software licensing budget.
- 2.8 Production tape backup services have been totally decommissioned and we now operate a cloud backup platform for all servers and data which backs up both on premise equipment and servers located with our infrastructure partners, Proact.
- 2.9 Migration of key business platforms from Acolaid to **Idox Uniform** has been on-going since 2018. Development Control is now live along with the new Public Access web portal. Public Access replaces the old Planning Publisher web service which has now been switched off. The new Idox Document Management System (DMS) is also live and holds all documents associated with any business areas using Uniform. The old OnBase document management system which the DMS replaces in part was decommissioned in December 2019. OnBase decommissioning has been proceeding for the last two years with most content migrated to the Box cloud content service. OnBase decommissioning will remove a £13k per annum commitment in the software licensing budget. Building Control, Enforcement, Land and Property Gazetteer, Tree Preservation, CIL, Contaminated Land and Land Charges are all also live in Uniform. Environmental Health will be moving to Uniform in April 2020 at which point the old Property server and Acolaid will be switched off.
- 2.10 **The Box cloud content platform** continues to go from strength to strength. We now have 278 user accounts with 3.6 terabytes of (in excess of 2 million items of content) data stored in Box and average between 300 and 400 logins to the platform daily with people uploading, downloading, previewing, editing, sharing and creating content. Box truly is changing the way work is done and staff interact with the platform via web applications, Microsoft Outlook, their mobile phones and via integration with desktop Microsoft Office products such as Word and Excel. Quarter 2 of 2019 saw 125,066 uploads, 53,491 downloads, 63,740 document previews and 12,368 pieces of content shared with others.
- 2.11 Despite a difficult year accommodating staff shortages, our Service Desk ploughed through 5948 tickets lodged by staff for assistance during 2019 and our apprentices have attended numerous training courses.
- 2.12 In 2019 the **Uniflow system** was upgraded. This controls our MFD photocopiers. The upgrade means we now support wireless printing from any device such as smart phones and iPads, guest printing so visitors to the building can use the MFDs and Google Cloud Print, so staff with Chromebook devices can also print directly to the MFDs. We will be replacing 6 more of our MFDs in 2020 with the latest Canon equipment.

- 2.13 In 2019 both the ICT Conference Room and the ICT Build Room have been refurbished after 15 years of heavy use. Both rooms have been repainted and fitted with highly energy efficient Arcadian lighting systems which are now controlled from our network. As a demonstrator feature for the rest of the building the emergency lighting units are self-testing (this is a mandatory compliance function and one which is extremely time consuming for members of the facilities team throughout the rest of the building). The ICT Conference Room has also been equipped with video conferencing equipment which is already saving us travel time and expense.
- 2.14 **IoT technology** has been implemented at Surrey Heath House to automate legionella compliance testing. This is a mandatory function to ensure all our hot and cold taps fall within compliant temperature ranges to avoid legionella outbreaks. We have IoT sensors fitted to 18 outlets now which monitor temperature and flow frequency for these taps. Reporting and recording is automated via the SigFox IoT network with results delivered to facilities staff via a cloud dashboard. Legionella compliance testing usually takes a staff member a significant amount of time, but we can now automate this function with the additional benefit to carbon footprint reduction as staff members will not need to drive to other SHBC premises to carry out testing.
- 2.15 The '**My Surrey Heath**' application on the Surrey Heath website has been in use for ten years and will be decommissioned during Q2 2020. We have a cutting edge project on the go called 'Locus' which will replace My Surrey Heath and will provide the Council with much enhanced capacity to serve relevant, current and highly localised information to Surrey Heath residents.
- 2.16 Four editions of 'What does ICT do all day?', the **ICT newsletter**, were published during 2019 at quarterly intervals. Each issue has a focus on cybersecurity on the front page to keep this issue current and relevant to staff. The content is designed to be visually appealing with a range of news, a look at behind the scenes at ICT operations and more general articles about our technology strategy and agenda to try and provide staff with the 'bigger picture'.

3. Marketing & Communications

- 3.1 The Marketing and Communications team is responsible for all marketing and communication content across multiple customer facing channels. The objective is to improve and maintain the brand, image and reputation of the Council, communicate with residents, visitors and businesses and deliver sales and marketing for all revenue generating services provided by the Council and Camberley Theatre. The team manage and deliver a number of events throughout the year.
- 3.2 The team is led by a Marketing Manager with 6.3 permanent FTE staff following a restructure in Nov 2018.

2019 Projects and Campaigns

- 3.3 To promote revenue generating services, share information, improve the safety, health and wellbeing of residents and engage with residents, the following projects, campaigns and initiatives have been delivered over the past year.

- #TalkSurreyHeath – ‘Our Place’: A live stream Q&A panel debate with SHBC, County Council and Surrey Police. **Result:** video views 5,100 with 76 questions/comments answered in one hour.
- Promoted Walks programmes across the Borough; including Walking for Health, Diabetes Walks and Dementia Friendly Walks. **Result:** continued promotion has helped to double the number of walkers each walk and led to new walks leaders being recruited.
- A number of campaigns have been delivered which promote Surrey Heath.
 - i) Wildflower verges campaign in late spring **Result:** High levels of positive engagement by linking to the trending topic and engaging with high profile individuals and organisations on Twitter and Facebook to boost the campaign eg; Caitlin Moran retweeting our content to her 800k+ followers. Equivalent Facebook post reached over 35,000. Camberley/Surrey Heath featured in Daily Mail/Mail-On-line feature on the subject, including gorgeous photos of the A30 wildflower verge.
 - ii) #lovewhereyoulive campaign promoting greenspaces and parks across the Borough **Result:** reached a total audience of approx 25,000 with each image reaching an audience of just over 2000 on average.
 - iii) Promotion of Frimley Lodge Park and Lightwater Country Park Green Flag Awards.
- Surrey Heath Lottery; launched, regularly promoted and results announced. **Result:** pre-first draw promotion reached an audience of more than 8000 (with an average of 1000 audience reach per post). The lottery promotional campaign has contributed to 54 good causes registering to participate and £27,300 total projected money raised for good causes for the year.
- Events: Civic, Arts/Culture and community celebrations delivered this year. **Result:** Camberley Comedy Festival (sold out), White Elephant Film Festival (received more than 1000 entries) Camberley Carnival (more than 2000 attended) and Camberley’s Remembrance Parade (c. 300 cadets and uniformed organisations paraded along the A30, attended by c.1000 people)
- Promotion of a number of annual events and programmes such as; Surrey Heath Sports Awards, Triathlon, Surrey Youth Games, #ourday, pantomime, all shows held at Camberley Theatre together with Frimley Lodge Live and theatre in the park, regular promotion for Community Services products and services, Community Fund & Revenue Grant Awards.
- Consultation sharing and engagement for Lightwater Country Park Playground **Result:** A single post sharing 4 designs reached an audience of over 12,000 and more than 250 votes were cast. Playground opening announcement reached an audience of over 15,000. Other consultations shared and promoted include; Old Dean playground consultation and vote, Community Governance Review and Statement of Community Involvement, plus consultations affecting local residents being delivered by other organisations such as Heathrow Expansion and Esso Pipeline.

Social Media

- 3.4 A hugely effective channel to develop SHBC brand, inform residents and manage reputation. Social media is increasingly becoming a significant face and voice of the Council as well as a popular channel for customer service. The team monitor feedback and reactions of residents on our channels as well as groups across the Borough (often out of hours) so any issues can be immediately managed.

Media Relations

- 3.5 SHBC has issued 113 press releases/news statements in the last year (up 20% on previous year), averaging 9.5 each month. In addition the team managed (on average) 12 media enquiries per month (up 40% on previous year) from print and online news outlets, TV, radio and trade publications.

Camberley Town Centre

- 3.6 To showcase Camberley to commercial and local audiences in order to attract and retain current businesses and customers. We continue to share key project milestones and communicate regeneration project plans for the town centre with businesses and residents by visits/meetings, forum events, printed materials (vinyls, fliers and posters) press and social media as well as promoting retail and leisure activities in an effort to drive footfall and increase dwell time. Highlights include;
- Reducing costs of marketing campaigns for the town centre by creating artwork in-house (saving £22K in 10 months)
 - Supporting an extensive events programme in the town centre and trade exhibitions. Also supporting development of the theatre brand to local audiences.
 - Coverage achieved in The Guardian, BBC News, The Evening Standard as well as property trade press and regular coverage in local newspapers and on radio.

Heathscene

- 3.7 Distributed three times a year across the Borough. It continues to be an excellent way to reach those in the community who are not online and has been improved with a more consistent editorial voice, more up to date content which now strongly compliments digital and print campaigns. Editorial space is sold to partner organisations (Surrey Heath CCG and Surrey County Council).
- 3.8 The rising costs of print and distribution mean that HeathScene now costs 21p per copy to produce (up 1p from 2018). **Results:** regular promotion of the Community Services offer has led to a continued increase in new customers for Meals at Home (following a 24% increase in 2018). Surrey Heath is one of the highest performing Boroughs for Meals at Home in Surrey with 12,000 meals served each quarter. The Social Prescribing service was launched in 2018 with an emphasis on self-referral. March-November 2019 resulted in 250 referrals and 246 wellbeing surveys completed.

Website

- 3.9 Following the team restructure, the administration of web queries has been streamlined. The team has received more than 2000 emails since February 2019 and deals with most enquiries in 1-3 days (agreed timescale is 7 days). In 2019, the SHBC website had 794,404 visits (up 13% year on year) and nearly 3.5 million page views. More visits to the website are made via mobile, up 5% on previous year, to 40% of all visits.
- 3.10 Due to the forthcoming public sector website accessibility regulations, the team will be ensuring all 2000 plus pages of our website are reviewed and updated to ensure those with additional needs are able to access all information.

Business Breakfast

- 3.11 The Business Breakfast continues to attract businesses from across the Borough. Once again, two Business Breakfasts took place in 2019 with 280 attendees from businesses across the Borough and £1700 generated from exhibitors.
- 3.12 The Business Awards continue to be successful. 2019 saw an increase in applications for Awards and following a successful launch in 2018 *The Business Star of the Year Award* was again decided by public vote. 1200 public votes were cast, up 71% on 2018.

4. Contact Centre and Post Room services

- 4.1 The Contact Centre and Post Room remains the first points of contact for Surrey Heath residents, businesses and visitors. It shares its location on the ground floor of Surrey Heath House with the Job Centre Plus, to provide more joined up and cost effective public services.
- 4.2 The Contact Centre is staffed by a Customer Relations Manager, a Team Leader and 9.5 FTE customer service advisors, a mixture of permanent and fixed term staff.
- 4.2 From February 2019 to the December 2019 the Contact Centre managed 39,675 telephone enquiries and 2851 face to face interviews. In addition 8385 emails were answered and 623 web enquires resolved.
- 4.3 The Centre is also responsible for complaints management across the Council. The number of people seen at 'Meet and Greet', the initial Reception Desk was 24,805. Some customers need to be booked in for an in-depth appointment however, wherever possible we triage enquiries at this desk and resolution stands at 74%.
- 4.4 Of all the telephone and email enquiries handled, 87% were dealt with at the first point of contact. This represents a 2% increase on the previous year. This means that the customer is not referred on to other departments across the Council, enabling staff in the service areas to concentrate on more detailed/complex areas of their business and providing a quick and efficient service to our customers. 100% of customers rated the service they received from the Contact Centre as being either good or excellent.
- 4.5 At the time of the last report to this committee, the Contact Centre identified where it had continued to extend the scope and level of complexity of work that it delivered. For example administrative support being offered to services such as Noise Pollution, Corporate Enforcement, Trees and Building Control.
- 4.6 Pitch Bookings, previously a very manual process is now streamlined and undertaken effectively within the Centre. This expansion continues and the team now directly input to the Uniform computer system on behalf of Planning Enforcement, Trees, Anti-Social Behaviour and Housing Enforcement. This service will be further expanded to incorporate Environmental Health in April 2020.
- 4.7 The Contact Centre also reported on a new initiative, whereby Customer Service Advisors had begun to manage the Housing Duty Desk, following

new homelessness legislation introduced in April 2018. Assisting customers with Housing Applications, undertaking document checks, scanning and making appointments for Homelessness cases.

- 4.8 This initiative is now fully embedded and the level of complexity of enquiries managed at this first point of contact continues to develop. Between February and December 2019, 1704 customers have been assisted by the Contact Centre team at the Face to Face Housing desk as well as 3355 telephone enquiries. Legislation changes once again in April 2020 and the Contact Centre staff will commence a retraining programme shortly to meet the new requirements.
- 4.9 A trial has been underway within the Contact Centre to improve the way Councillor Email enquiries are managed. Historically Councillors may have emailed officers directly with enquiries which, on occasions, could be subject to delays in response if officers were not immediately available. Such enquiries are now managed through the Contact Centre. Identification of duplicate enquiries and early resolutions are frequently achieved at this point. This speeds the response to the Councillor and saves officer time in the service areas. Where an enquiry has to be sent through to a specific officer, the enquiry is tracked and monitored for adherence to service standards. Between October 2018 and December 2019 258 enquiries have been managed through this initiative.
- 4.10 A new telephony system, '8 x 8' was introduced to the Contact Centre in February 2019. The functionality is similar to the previous telephony system and is particularly effective in assisting with agile working.
- 4.11 It is now planned to replace the existing Customer Relationship Management System, 'Lagan', with a more flexible, cost effective and robust CRM solution. This new system will have the ability to interact with the 8x8 telephony system, identifying customers who have contacted us before, presenting the Customer Service Advisor immediately with the name, contact details and previous enquiries of that customer.
- 4.12 Work is already underway within the Contact Centre to design the system and implementation is planned for April 2020. This is an opportunity to streamline processes, improve communication with the service areas and further enhance the customer service offered at first point of contact. Of particular benefit will be improved management information, reporting and opportunities for enhanced self-service.
- 4.13 The Post Room is staffed by a part time Team Leader and 3 FTE post room assistants.
- A total of 111,397 letters were sent during 2019 at a cost of £52,255.39
 - 4072 cheques processed to a value of £1,584,252. A reduction from last year of 28%.
 - 2478 transactions took place via the Kiosk amounting to £369,356. A reduction from last year of 19%.
 - The Post Room also prepare and scan all Revenues and Benefits post, a total of 52224 documents.
 - 16042 emails managed on behalf of Revenues and Benefits.
- 4.14 The Post Room team have been keen to expand the variety of work they undertake. A relatively new role for them is the triage of Revenues and

Benefits emails, responding where possible or re-indexing for the service area team to complete.

- 4.15 Building on the success from scanning Housing post at the point of entry, the Post Room continues to encourage other service areas to explore opportunities to scan documents upon receipt. A key benefit being that original documents are scanned at the point of entry to the Council and returned to the customer without ever leaving the Post Room.

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PERFORMANCE & FINANCE SCRUTINY COMMITTEE

Portfolio: All

Consultation on Draft Annual Plan 2020/21

Wards Affected: All

Purpose of Report

This report contains the draft Annual Plan 2020/21, which sets out the key projects and performance indicator targets for the next financial year. The final plan will be considered by the Executive for approval in March. The purpose of this report is to seek comments from the Performance and Finance Scrutiny Committee on the draft before a final version is approved.

1. Key Issues

- 1.1 The Council agrees an Annual Plan each year which sets out the main goals, projects and targets for the financial year. Progress against these plans are reported to the Executive and Performance & Scrutiny Committee at mid-year and following year-end.
- 1.2 The 2019/20 Annual Plan was reported to this Committee in March 2019, following its approval by the Executive earlier that month. This year, the process has been reviewed to allow for wider Member input and challenge before the plan is agreed. The draft Annual Plan 2020/21 is attached at Annexe 1, and the Committee are asked to submit comments on the plan to the Executive before a final version is considered at the March Executive meeting.
- 1.3 The Annual Plan is aligned to the goals and priorities of the Council's Five Year Strategy 2016 - 2021 and has been set out in previous years under the four main Strategy objectives – Place, Prosperity, People and Performance. Following the Council elections in May 2019, a review of the current Five Year Strategy has begun with the Corporate & Wider Management Teams and Executive Members. This review will be programmed over the coming financial year, and will include wider consultation with all Members, staff, partners and the public.
- 1.4 In light of this review of the Five Year Strategy, the attached draft Annual Plan 2020/21 is grouped under the Council's services/Executive Heads rather than the Five Year Strategy objectives ('4 P's'), and also includes some strategic cross-cutting objectives.
- 1.5 The plan is made up of two sections under each service/Executive Head:
 - Key Projects 2020/21 - A list of the main projects to be delivered or progressed further by the service in 2020/21. This will not generally include 'business as usual' activities.
 - Key Performance Measures 2020/21 - Details of the key performance indicators for the service where the work of the service is more transactional, and proposed targets for 2020/21. These measure many of the Council's key 'business as usual' functions.

- 1.6 Progress against both the projects and the performance measures will be reported during the year to Corporate Management Team, the Executive and the Performance & Finance Scrutiny Committee.
- 1.7 Some of the Council's support services are not overtly mentioned in the Annual Plan (e.g. ICT, HR and Legal Services) but their work is key in supporting and enabling many of the other projects and targets contained within the plan. The final version of the plan will reflect this support and the key links.
- 1.8 The purpose of this Annual Plan is to be a tool with which to share and consult on the key priorities and targets for 2020/21, to manage and monitor our performance during the year, to cascade targets to staff for their Appraisals from April onwards and to give public transparency to the work of the Council.

2. Resource Implications

- 2.1 Resource implications are considered separately for each project and will be contained within the draft budget for 2020/21.

3. Recommendation

- 3.1 The Committee is requested to consider the draft Annual Plan 2020/21 and submit comments to be considered by the Executive before a final version is agreed.

Annexes	Annex 1 – Draft Annual Plan 2020/21 for Consultation
Background Papers	Surrey Heath Borough Council Five Year Strategy
Author/Contact Details	Sarah Bainbridge – Senior Organisational Development Advisor sarah.bainbridge@surreyheath.gov.uk
Head of Service	Louise Livingston - Executive Head of Transformation

Section 1 – Key Strategic/Cross-cutting projects for 2020/21

Key Projects – Strategic / Cross-Cutting			
Ref	Project	Milestones	Lead Officer
SHBC1	<p>Climate Change – Surrey Heath Borough Council declared a Climate Change emergency in October 2019; agreed a target of make Surrey Heath Borough Council and its contractors carbon neutral by 2030, or earlier if possible, taking into account both production and consumption emissions; and has set up a Working Group to deliver these aspirations. In 2020/21 the Council will measure its baselines and agree a strategy and action plan. Targets:</p> <ul style="list-style-type: none"> • Set up an Executive and Officer working Groups. • Measured base line carbon emissions in our estate and from Council activities. • To agree a Climate Change Strategy and Action Plan. 	By March 2021.	Tim Pashen
SHBC2	<p>Poverty – identify actions that the Council can take independently or with partners following a report to the Executive to ascertain the level of poverty across all sectors of the community in Surrey Heath. [<i>Update action following report to the Executive</i>]</p>	<i>TBC – following report to the Executive</i>	Louise Livingston /Jenny Rickard/ Tim Pashen
SHBC3	<p>Camberley Town Centre Regeneration – continue with the programme to deliver an improved Camberley Town Centre for residents, businesses and visitors and develop our Town Centre Strategy including:</p> <ul style="list-style-type: none"> • Delivery of a new Leisure Centre (see BUS1) • Improvements to the public realm (see REG2) • Big Spaces review of vacant retail spaces • London Road Development Site Regeneration • Land East of Knoll Road 	<p>Regular reports to the Town Centre Working Group on milestones and progress.</p> <p>Reporting on key Capital Projects reporting to the Executive and Performance & Finance Scrutiny Committee.</p> <p>Corporate Asset management plan being developed.</p>	Corporate Management Team

Key Projects – Strategic / Cross-Cutting

Ref	Project	Milestones	Lead Officer
SHBC4	<p>Five Year Strategy – review and update the Council’s Five Year Strategy setting out our ambitions for our communities, Borough and organisation, including consultation with partners, residents, businesses and staff. Review staffing resources and skills needed to deliver the strategy goals and ensure the Council is able to meet future challenges.</p>	Agree new Strategy by March 2021	Corporate Management Team
SHBC5	<p>Villages – outputs of Villages Working Group – in 2020/21:</p> <ul style="list-style-type: none"> • Continue the Villages Working Group to look at opportunities and proposals to support villages across the Borough • Consider proposals for making better use of a Council-owned asset in Bagshot • Look at opportunities to making use of the Council’s community transport service to improve transport links in villages 	<p>On-going</p> <p>Tbc</p> <p>Tbc</p>	Daniel Harrison
SHBC6	<p>Integrated Care System (ICS) and Surrey Heath Alliance –Local health organisations are working together as Frimley Health and Care to provide a joined up health, care and well-being system aiming to provide the ‘right care at the right time and in the right place.’</p> <p>Within this system, the Surrey Heath Alliance leads on the integration of health and care services across the Surrey Heath CCG area. This will include a range of services delivered by the council.</p> <p>Ensure appropriate representation at all levels within Frimley Health & Care and the Surrey Heath Alliance, promoting the role the council plays in the delivery of prevention services and in support of the health and wellbeing of residents.</p>	On-going	Darren Williams/ Tim Pashen
SHBC7	<p>Property Investments – maintain the Council’s approach of being active in finding and reviewing potential property investment opportunities to deliver income to safeguard services.</p>	On-going – regular reporting	Corporate Management Team

Section 2 – Key Projects and Performance Measures by Service

Key:

Key to tables of services	
Statutory services	Red
Discretionary services	Green
Support services	Yellow

Key Projects 2020/21 – this is a list of the main priority projects for the service area in 2020/21. Progress against these will be monitored and reported during the year and there will be more detailed plans and targets for each of these. The list for each service do not capture all projects for the service, or cover ‘business as usual’ activities.

Performance Measures 2020/21 – these performance measures set targets for activities that represent more of the ‘business-as-usual’ or day to activities of the service area. Progress against these targets will be regularly monitored and reported during the service.

BUSINESS

	Executive Head – Daniel Harrison
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Key Projects 2020/21 – Business			
Ref	Project	Milestones	Lead Officer
BUS1	New Leisure Centre – Manage and monitor the construction of the new Leisure Centre following the start of the main construction phase in January 2020. Monitor stages through detailed project plan.	New centre to open Summer 2021.	Sue McCubbin
BUS2	Grounds Maintenance Contract Delivery – due to the unwillingness of the current provider to deliver the contract to the full term, retender the grounds maintenance contract.	December 2020	Daniel Harrison
BUS3	Playground Refurbishment – Install a new playground in the Old Dean Recreation Ground, following the selection of the design after public consultation and obtaining any necessary planning permission.	July 2020 (In time for school holidays)	Sue McCubbin
BUS4	Physical Activity Strategy – To agree a Physical Activity Strategy with the goal of creating an environment where all residents, regardless of background or circumstances, can participate in physical activity. <i>Draft Key Objectives/KPI's:</i> <ul style="list-style-type: none"> • To reduce % of “inactive” Surrey Heath residents according to Active Lives Survey (currently 21%) • To reduce % of “less active” under 16 residents according to the Active Lives Children and Young People Survey (currently 38%) • Reduce gap between inactivity levels in most inactive ward and least 	Strategy considered by the Executive by June Detailed timescales in Strategy Action Plan.	Ben Sword

Key Projects 2020/21 – Business			
Ref	Project	Milestones	Lead Officer
	inactive ward based on MSOA data (currently 7.5% - Old Dean, 25% inactive vs Bisley, 17.5% inactive)		
BUS5	Events strategy Review Surrey Heath's approach and role in delivering or enabling community events, in partnership with the Business Improvement District (BID).	On-going	Daniel Harrison (with Marketing & Communications and Economic Development)

Key Performance Measures 2020/21 - Business				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Satisfaction Ratings from People who use Town Centre Car Parks	Collected via a sample of face to face surveys carried out with town centre car park users.	70%	Baseline data collected in 2018 and again in 2019 by external companies.	Eugene Leal
People Reached by the Heritage Service	Includes visitors to the Surrey Heath Museum, pupils taking part in sessions delivered in schools, elderly people taking part in reminiscence sessions and other enquires including historical research.	6,500	New indicator for 2019/20.	Gillian Barnes-Riding
Reduction in the Percentage of Inactive Surrey Heath Residents	A reduction in the % of 'inactive' (taking part in less than 30 minutes physical activity a week) Surrey Heath residents according to Sport England's Active Lives survey. A lower percentage result is better.	23%	Sports England's Active Lives Survey is sent to randomly selected households with the results published twice a year in April and October for the covering a rolling years' worth of data.	Ben Sword
People Attending Events at Camberley Theatre	The number of people attending theatre and community events at Camberley Theatre.	55,000	Includes/does not include (tbc) people attending fitness classes temporarily relocated to the theatre during the building	Andy Edmeads

Key Performance Measures 2020/21 - Business				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
			phase of the new Leisure Centre.	

COMMUNITY	
<p>The diagram consists of four blue rounded rectangular boxes arranged in a 2x2 grid. The top-left box contains the text 'Environmental Health' in red. The top-right box contains 'Community Services' in green. The bottom-left box contains 'Environment Operations (via JWS)' in red. The bottom-right box contains 'Business Continuity/Emergency Planning' in red.</p>	<p>Executive Head – Tim Pashen</p>

Key Projects 2020/21 – Community			
Ref	Project	Milestones	Lead Officer
COM1	Community Services Partnership – (key actions, targets and next steps to be confirmed following a report to the Executive in February.)	TBC	Darren Williams
COM2	Air Quality – monitor air quality levels on the A331 (Blackwater Valley Relief Road) following the implementation of the 50 m.p.h speed limit in 2019. Continue to monitor air quality across the Borough to ensure levels of pollutants continue to be compliant with national standards. Review our Air Quality Strategy.	March 2021	Environmental Health & Licensing Manager
COM3	New National Resources & Waste strategy / Surrey Environment Partnership – deliver in partnership the Surrey Environment Partnership Work Programme for 2020/21 with a view to increasing recycling and minimising waste.	From April 2020	Tim Pashen
COM4	Improvements to flats recycling – subject to funding, implement improvements to recycling facilities at flats across the Borough.	tbc	Richard Bisset

Key Performance Measures 2020/21 - Community				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Food Businesses with a 'Food Hygiene Rating' of 3 or Over	Percentage of establishments with a rating of 3 (generally satisfactory) or better under the Food Hygiene Rating Scheme.	95%		Environmental Health & Licensing Manager
Food Premises that are Inspected Within 28 Days of Being Due	Percentage of establishments where a food hygiene inspection is carried out within 28 days of it being due.	99%	Numbers of inspections will also be reported.	Environmental Health & Licensing Manager
Environmental Health complaints	Percentage of environmental protection, noise, food and infectious diseases complaints responded to within timescales.	Tbc	Numbers of complaints will also be reported.	Environmental Health & Licensing Manager
Household waste recycled and composted	Cumulative year-to-date figure, calculated by comparing the amount of waste sent for recycling, reuse and composting against the total waste collected. This figure includes street sweepings.	61%	A small reduction in target to give a more realistic – but still stretching – target. The national 2018/19 figures have recently been published by Defra - the national average result was 45.1%. Surrey Heath's confirmed figure for 2018/19 was 61.9% which was the 5th highest nationally.	Matthew Smyth / Richard Bisset
Residual Waste Per Household (kg)	Rolling 12-month total of the number of kilograms of residual household waste collected per household, using the Defra definition of residual household waste (incl. street cleaning etc.).	Tbc	Quarter 4 2018/19 result for Surrey Heath BC was 314kg per household – the lowest in Surrey.	Matthew Smyth / Richard Bisset
Percentage of streets falling below a grade B	The percentage of streets reviewed as part of the regular survey falling below a 'Grade B' standard of litter (Predominately free of litter	4%		Matthew Smyth / Richard Bisset

Key Performance Measures 2020/21 - Community				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
cleaning standard	and refuse apart from some small items)			
Number of 'missed' bins.	Number of 'missed' residential kerbside collections per 100,000 collections.	80	New indicator, monitored as part of contract performance.	Matthew Smyth / Richard Bisset
Number of journeys by community bus in a year	Number of journeys BOOKED for community bus in a year.	24,000	Completed journeys also monitored and reported. Always a number of cancellations, often due to illness.	Darren Williams
Number of Meals at Home products served in the Year	Number of "meals at home" products served in the year including both lunch and tea.	35,000	Increase in target to reflect positive trend in performance	Darren Williams
Number of residents supported by Community Alarms	Number of residents supported by the community alarm service (could include two service users at the same address)	tbc	Number of referrals will also be reported to reflect the turnover in service users.	Darren Williams
Number of referrals to social prescribing service	Number of referrals to Social Prescribing service across whole of Surrey Heath partnership project.	900		Darren Williams
Handyperson service referrals	Number of referrals to the newly introduced Handyperson service.	235		Darren Williams

CORPORATE

	Executive Head – Richard Payne
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Key Projects 2020/21 – Corporate

Ref	Project	Milestones	Lead Officer
COR1	Conduct the Police & Crime Commissioner Election	Election May 2020	Richard Payne Rachel Whillis
COR2	Implement Canvass Reforms in time for the publication of the revised Register of Electors.	December 2020	Rachel Whillis
COR3	Community Governance Review – complete the Community Governance Review for the Windlesham Parish area.	Recommendations published by July 2020	Rachel Whillis
COR4	Marketing and Communications – lead the project to ensure the Council complies with the new public sector website accessibility regulations	September 2020	Kate Noviss
COR5	Contact Centre – Implementation of new CRM (Customer Relationship Management) system	From April 2020	Lynn Smith

Key Performance Measures 2020/21 - Corporate

Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Percentage of Complaints Responded to	Percentage of 'formal' complaints (stage 2-3) responded to within target 2 days to acknowledge and 10 days to reply)	90%		Lynn Smith

Key Performance Measures 2020/21 - Corporate				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Within Target				
Customer Satisfaction Rating of Good/Excellent to Exceed 90%.	Customer satisfaction rating of good/excellent to exceed 90%	90%		Lynn Smith

DRAFT

FINANCE



Executive Head – Kelvin Menon

Key Projects 2020/21 – Finance

Ref	Project	Milestones	Lead Officer
FIN1	Treasury Strategy - Review and refresh the Council's Treasury strategy to ensure that returns from treasury investments are borrowing costs are optimised. Treasury updated twice yearly in June 2020 and Dec 2020 and the strategy agreed in February 2021 (for the following year)	On-going – reported six-monthly to the Executive.	Adrian Flynn
FIN2	Medium Term Financial Strategy (MTFS) – Review and refresh the Medium Term Financial Strategy. Set a sustainable and robust budget.	February 2021.	Executive Head of Finance
FIN3	Council Tax Support Scheme – To review and update the Council Tax Support Scheme arrangements.	December 2020	Robert Fox

Key Performance Measures 2020/21 - Finance

Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Council Tax Collected	Percentage calculated, as a cumulative year-to-date figure, from the total council tax payments received compared to the total amounts payable in that year	99.25%	2018/19 result was 99.2% which was 5 th highest result nationally.	Robert Fox
Non-Domestic (Business) Rates	Percentage calculated, as a cumulative year-to-date figure, from the total business rates	99.25%	2018/19 result was 99.6% which was joint 11 th highest result	Robert Fox

Key Performance Measures 2020/21 - Finance				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Collected	payments received compared to the total amounts payable in that year		nationally.	
Benefits processing	a) Number of days taken to process new housing benefits claims b) Number of days taken to process changes to benefits	a) 20 days (new claims) b) 10 days (changes)		Robert Fox
Invoices Paid On Time	Percentage of invoices paid on time.	97%		Adrian Flynn

INVESTMENT & DEVELOPMENT



Head of Service (Interim) – Lesha Chetty

Key Projects 2020/21 – Investment & Development

Ref	Project	Milestones	Lead Officer
I&D1	<p>Asset Management – continue to manage and deliver the programme of capital projects to make the best use of the Council’s assets, including the projects that are part of the Camberley Town Centre Regeneration Programme (see SHBC3)</p> <p>Corporate Asset management plan being developed.</p>	<p>Regular reports to the Town Centre Working Group on milestones and progress.</p> <p>Reporting on key Capital Projects reporting to the Executive and Performance & Finance Scrutiny Committee.</p>	Lesha Chetty
I&D4	<p>Property Investments – being active in finding and reviewing potential property investment opportunities to deliver income to safeguard services.</p>	On-going as opportunities arise	Lesha Chetty

REGULATORY

	Executive Head – Jenny Rickard
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Key Projects 2020/21 – Regulatory			
Ref	Project	Milestones	Lead Officer
REG1	Local Plan – continue to develop a new Local Plan to guide development in the Borough and address Housing need. Consult with the public, businesses and partners on the draft local plan.	Tbc – Local Development Scheme to be updated	Jane Reeves
REG2	Camberley Town Centre Public Realm improvements - Continue with the works to improve Camberley High Street, Knoll Walk and Princess Way with a target date for the completion of improvements of the end of 2021.	Phased works throughout 2020/21.	Jenny Rickard
REG3	Homelessness – following a successful bid for funding, implement a Rough Sleeper Initiative project (including a property acquisition pending report to Executive in January). Submit another bid to the Government for funding to further expand the Council work to support those currently homeless or at risk of becoming homeless.	Tbc – pending report to Executive in January	Clive Jinman
REG4	Housing related support service - to enable Surrey County Council and Surrey Heath Borough Council to meet the requirements set out in the Care Act 2014 and Homelessness Reduction Act 2017. The service will support vulnerable and socially excluded people to set up and maintain tenancies to prevent, reduce and delay care needs and prevent homelessness. It will also help clients who have accommodation	Tbc	Clive Jinman

Key Projects 2020/21 – Regulatory			
Ref	Project	Milestones	Lead Officer
	who are at risk of homelessness by providing intervention and support to stabilise and maintain their tenancies.		

Key Performance Measures 2020/21 - Regulatory				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Processing of 'Major' Applications	Percentage calculated as the number of major applications processed within timescales (13 weeks) against total received. As per national guidelines, this includes applications where there is an agreement for an extension	72%	Government target is 60%	Jonathan Partington
Processing of 'Non-Major' Applications	Percentage calculated the number of minor and 'other' applications processed within timescales (8 weeks) against total received. As per national guidelines, this includes applications where there is an agreement for an extension	84%	Government target is 70%	Jonathan Partington
Appeals dismissed against the Council's refusal of planning permission	Percentage of appeals dismissed against the Council's refusal of planning permission.	tbc		Jonathan Partington
Number of households living in temporary accommodation	Number of all households in temporary accommodation at the end of the quarter. These are only the households who are accommodated following an acceptance of a homelessness duty. Other households may be placed in temporary accommodation without us accepting a duty but by using our prevention powers.	30		Clive Jinman

Key Performance Measures 2020/21 - Regulatory				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Housing advice – homelessness prevented	A count of the number of households who approached the Council as homeless or threatened with homelessness within 56 days who had their homelessness prevented (i.e. were able to remain in their current home) or relived (i.e. were found a move to an alternative home) by the work of the Council's Housing Solutions Team	30		Clive Jinman
Home Improvement Agency Activity	The number of homes adapted or improved for older and vulnerable residents to promote their independence, and keep them safe and well in the community.	80		Clive Jinman
Family Support Feedback	Proportion of children and young people (and/or parent carers) who feedback that they have made positive progress in relation to identified outcomes.	70%		Emily Burrill
Family Support outcomes	% of families not re-referred to Surrey Family Safeguarding hub or early help hub within 6 months of closure to family support programme	70%		Emily Burrill
Affordable homes completed each year	A count of the number of affordable homes provided in the year. This figure is only provided at the end of the year.	57		Jane Reeves
Refugee resettlement	Number of families resettled under the UK resettlement scheme.	3 families		Emily Burrill Clive Jinman

TRANSFORMATION

	Executive Head – Louise Livingston
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Key Projects 2020/21 – Transformation

Ref	Project	Milestones	Lead Officer
TRA1	Economic Development – promoting the Borough – Have in place inward investment promotional literature and content based on local data and case studies and use to promote Surrey Heath through the year.	In place from April onwards. Promote and update throughout the year.	Teresa Hogsbjerg
TRA2	Frimley – undertake a highways survey in Frimley to ascertain where improvements could be made to improve traffic flow at peak times especially understanding the concerns of businesses and residents in the area. Look for funding opportunities to deliver identified solutions. Engage with residents and businesses to discuss other aspirations for the area to be included in the scope of the project.	tbc	Louise Livingston / Jenny Rickard
TRA3	Improved project and performance management – implement an improved process, toolkit and system for project and performance management across the organisation including relevant training and support for staff.	Toolkit and monitoring process from April 2020. Implement system by March 2021	Sarah Bainbridge
TRA4	Community Lottery Fund – within two years of the scheme being operational (July 2021) aim for the lottery fund to have distributed £10,000 into the	July 2021	Jayne Boitoult

Key Projects 2020/21 – Transformation			
Ref	Project	Milestones	Lead Officer
	community to fund projects and events. Aim to have signed up 75 community organisations in total by March 2021.	March 2021	
TRA5	Corporate Social Responsibility - by working with the Community Matters Partnership Project aim for communities in the Borough to have received the equivalent of £?? (tbc – based on benchmarking) in volunteer hours on community projects.	March 2021	Teresa Hogsbjerg
TRA6	Public Space Protection Order - To review and consult to extend for a further 3 years the Public Space Protection Order which provides the framework to manage low level anti-social behaviour/neighbour/dog nuisance complaints within Surrey Heath.	By October 2020	Julia Greenfield

Key Performance Measures 2020/21 - Transformation				
Indicator	Description	Proposed Target 20/21	Comments	Lead Officer
Planning Enforcement Breaches	Number of planning enforcement referrals Percentage of cases where the breach stopped.	tbc		Julia Greenfield

Economic Development Annual Report 2019

Portfolio:	Economic Development
Ward(s) Affected:	All

Purpose: To review the performance of Economic Development in 2019

1. Background

- 1.1. Previously, the Economic Development Annual Report was reviewed by the Executive. At the Chairman’s Drafts in 2019, it was decided that as no decision was due to be made regarding the report, performance and finance scrutiny would be the proper place for this paper to be reviewed.
- 1.2. The Executive agreed the Council’s Economic Development Strategy (the Strategy) in 2014, and a further update in 2018. Further that it should receive an annual update on progress against its action plans. This report is the 2019 update for the Performance and Finance Committee.
- 1.3. The Economic Development strategy runs from 2014-2020 and therefore will undergo a full refresh during 2020. A business consultation will be undertaken to ensure the strategy is fitting for the local economy and will support and enable future growth.

2. Current Position

- 2.1. The Economic Development Strategy has been in place since 2014 and is due to be updated in 2020.
- 2.2. The Council’s corporate priority; Prosperity, states that “We will support and promote our local economy so that people can work and do business across Surrey Heath”. The Economic Strategy is the Councils commitment to the Borough on supporting and creating situations for growth and sustainability for business and the community.
- 2.3. Monthly reports are provided to Corporate Management Team and Portfolio Holder and provide up to date details of businesses visited, actions arising and follow up discussions.

3. Economic Development Function

- 3.1. The role of economic development is to support and enable businesses and communities to benefit economically from positive changes and growth in the local economy.
- 3.2. The Economic Development team achieves this function by:
 - Undertaking an active Account Management programme with local businesses
 - Attending networking groups and making connections with local businesses and entrepreneurs

- Undertaking projects which support and promote the local economy
- Responding to large, business lead planning applications
- Being the point of contact for businesses wanting to connect with the Council
- Monitoring the local and national economy and understanding sectors and their needs for growth
- Working with organisations such as the Local Enterprise Partnership Em3, Surrey County Councils, Surrey Chambers, Business South and others

3.3. The Local Economy

- Number of business registered for PAYE and VAT – 5,365 (up 600)
- Population – 88,900 (increase 500)
- Jobs in the Borough – 65,000 (increased from 52,000 Please note that this dramatic increase is being reviewed)
- Borough GVA - £3.3bn – static (GVA updates in December)
- Highly Skilled workforce – 48.7% employed professionals (15% increase)
- Gross Weekly Pay £739.4, a slight decrease of £12 per week, but higher than the national average of £587

3.4. Open for Business

3.4.1. 2019 has seen the continued development of positive cooperative inter-department relationships as part of the 'one team' approach; and active working with the LEP and colleagues at Surrey County Council.

3.4.2. Open for Business continues to be a successful collaboration between the Council and business. The Business breakfast, Business awards have been successful in continuing the Council's approach to Open for Business.

3.4.3. The Kevin Cantlon Shop Front Improvement Grant Scheme is also benefiting small local retail businesses, allowing them to invest in their business with support from the Council with businesses all over the Borough benefitting. This year we have awarded 4 grants (Windlesham, Frimley, Chobham and Camberley).

3.4.4. The Economic Development team are beginning to attend organised networking events locally and discussing the work of the team and where SHBC can support through its Open for Business initiative. Great connections are being made, and are proving worth while.

3.4.5. Economic Development is continuing to work with the Frimley Business Association to support their plans, and is re-connecting the Watchmoor and Yorktown Business associations and more to provide support where required. The Team has also started attending Collectively Camberley Breakfast meetings.

3.4.6. The Economic Development team works with wider teams across the Council to support the Councils ambitious growth plans, identifying key economic impacts of projects for developments for the Council and for Businesses throughout the Borough.

3.4.7. This year the council has become Members of Business South, to expand on our business support and networking. We are hosting our first event in partnership with Business South during November at the RMA.

3.4.8. Economic Development has forged a strong relationship with the University of Surrey which has opened up many opportunities for networking and future projects.

3.4.9. This year we launched our first sector group for the Heath sector, a meeting of large and small businesses and organisations interested in development of the sector. The meeting was so successful the group has been taken on by Set Squared who are taking the partnership forward to investigate future projects and seek funding opportunities.

3.4.10. Economic Development has supported many of the town centre project development ideas working alongside I & D and Commercial property. Further, Economic Development is developing projects to support economic Growth across the Borough. One major project gaining a lot of interest from large businesses and government departments is the 5G retail test bed project this project has been highlighted as a flagship project by the DCMS and discussions are on-going with regards to partnerships, next steps and funding.

3.5. Economic Development – Supporting Development

3.5.1. The Economic development team is continuing to support the work of the I&D team in ensuring we are providing data and analysis when required alongside carrying out business development and key account management with businesses and potential tenants for retail units across the town and other units around the Borough.

3.5.2. The team also continues to provide support in reviewing major planning applications with regards to the economic impact of the projects.

3.6. The next 12 months

3.6.1. To ensure that the Councils Economic Development Strategy fully reflects the needs of an ambitious Borough, a full update to the Strategy will be undertaken during 2020. The new strategy will ensure that there is a robust direction of work in line with all other council strategies and plans.

3.6.2. The Council will work closer with The EM3 Growth hub to deliver a range of support within the Borough. We will signpost more growth businesses to the Growth hub for free support, as well as work with the hub to deliver support and seminars throughout the next 12 months.

3.6.3. The Economic Development team will continue to work with teams across the Council to support the delivery of the Councils ambitious Growth plans.

3.6.4. The Economic Development Team will continue to promote the Kevin Cantlon Shop Fronts scheme, going out to commercial agents, shop fit out companies and others to ensure that those choosing to update their shop front, or new tenants or owners, know that they have access to the funding.

3.6.5. The Economic Development team will work with the EM3 LEP, Invest Surrey and the Department of International Trade to ensure that companies who

wish to expand into new markets, such as exporting, can gain support from the correct organisations.

3.6.6. The Economic Development team will continue to work with the Surrey Skills and Training Board to ensure we support our businesses in taking up and developing apprenticeships throughout the Borough of all levels and sectors.

4. Proposal

4.1. The draft for the 2025 Economic Development Strategy is due by the end of January for comments prior to consultation with businesses.

4.2. The Committee is asked to note that the 2020 update to the strategy and action plan will be produced in three parts, this is to ensure that the plan delivers but can provide a flexible approach depending on market changes and the impacts over the coming years of Brexit:

- An overarching strategy – covering 5 years
- A Data update – Updated yearly
- Supporting action plan – reviewed yearly

5. Resource Implications

5.1. There are no resource implications attributed to this paper

6. Recommendation

The Committee is asked to note the report reflecting on 2019, and provide any comments and recommendations as appropriate

Background Papers: None

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Executive Head of Service: Louise Livingston – Executive Head of Transformation

SURREY PENSION FUND UPDATE

Portfolio:	Finance
Ward(s) Affected:	n/a

Purpose of Report

The Surrey Pension Fund held its Annual General Meeting in November 2019 and this paper is to update the Performance and Finance Scrutiny Committee on the membership and performance of the fund and to highlight any issues going forward.

1. Background and Key Issues

- 1.1 Pension contributions are a significant financial commitment for the Council. In 2019/20 employer contributions are in excess of £2.3m which includes back funding to cover past deficits.
- 1.2 The Surrey Pension Fund is managed and administered by Surrey County Council on behalf of all Districts, the County and a number of other organisations. All of the figures given in this report are for the fund as a whole and not just for Surrey Heath.

Membership

- 1.3 At the end of March 2019 there were 110,195 members in the fund of which 34,292 were active, 25,929 pensioners and 49,974 deferred. Total membership has increased by 4,179 compared to last year but the number of active (paying) members has fallen by 1,510. This decline in active members will have implications for the fund if it continues since at the moment income collected in contributions exceeds pensions paid but this may not be so in the future. This will then impact the invest strategy of the fund as more of the fund will then need to be held as short term cash.

Market Value of the Fund

- 1.4 The fund was valued at £4.493bn on the 30th September 2019. This compares with £4.026bn on the 31st March 2018 and £3.2bn on the 31st March 2016. 2bn in 2011 and reflects the unbroken increase in equity markets since then. Although difficult to predict it is likely that there will be some sort of correction over the next 6 months and steps are therefore being taken to consolidate some of these gains.

Investment Performance and Strategy

- 1.5 The fund achieved a total return of 5.7% in 2018/19 and the 3-year annualised return was 9.3% which was above the benchmark of 8.4%. This was due in the main to the continued rise in global equities during the year.
- 1.6 At the 31st March 58.1% of the fund was in listed equities with 16.5% in bonds, 9.4% in diversified growth funds, 6.6% in private equity, 6% in property and 3.4% in cash. During the year just under 3% was moved out of listed equities in to property and bonds.

Funding Update

- 1.7 Due in the main to investments performing so well and the additional payments made the deficit has reduced significantly over the last few years as is evidence by the table below. In fact, given the current performance of the stock market the fund is now more than fully funded.

	Full Valuation 31/03/16	Interim Valuation 31/03/17	Interim Valuation 31/03/18	Full Valuation 31/03/19	Interim valuation 30/09/19
Liabilities	3,892m	4,050m	4,233m	4,465m	4,400m
Assets	3,213m	3,799m	4,026m	4,286m	4,493m
Deficit	-680m	-251m	-207m	-179m	93m
Funding Level	82.6%	93.8%	95.1%	96.0%	102.1%

Outlook for the 2019 valuation and contribution rates from 2019/20

- 1.8 The fund is currently having its triennial actuarial review for the year ended 31st March 2019. This will set contributions rates for the next 3 years from 2019/20. The actuaries have adopted a policy of trying to limit changes on contribution rates to 1%. This means that they run a number of different scenarios over a 20-year period to see whether a large change at a single valuation can indeed be spread over a period of time. Although the valuation has not been completed yet early indications are that the actuaries are unlikely to recommend a change to contribution rates as a result of the actuarial review.

Pooling of Funds

- 1.9 The Surrey Pension Fund is part of the Borders to Coast Pension Pool which has £45bn of assets under its control. Although the assets are still held separately by each individual pension fund the pooling means that better deals can be obtained from fund managers and also save money on due diligence and administration.

Governance Issues

- 1.10 The Districts nominate representatives to sit on the Pensions Committee. Currently Cllr Mrs Charlotte Morley sits on the Pensions Committee in her capacity as a Surrey County Councillor as does Cllr David Mansfield.

2. Sustainability

- 2.1 The fund has invested £500m in low carbon passive investments and £45m in renewable energy infrastructure investments. The fund, together with other Borders to Coast members, is willing to use its votes at board meetings to influence companies to make more sustainable decisions. An example of this is that Surrey Pension Fund along with 57 other investors co filed a climate action resolution at BP AGM which directed BP to include in its strategic report a strategy in line with the Paris Agreement. BP agreed to make these disclosures next year. Surrey Pension Fund together with members of the Borders to Coast Pool are collaborating with Climate Action 100+ to force companies to take sustainability seriously
- 2.2 The fund had a review of the Carbon Intensity of its investments compared to the markets it invested in and was found to have a lower value. This continues to fall and the fund is looking at ways it can reduce its environmental impact further.

3. Officer Comments

- 3.1 The actuarial valuation done on the basis of realistic investment returns shows that the fund is in fact fully funded. This is quite an achievement. It should be noted however that for the Council's accounts the valuation of liabilities is mandated under IAS19 to using the returns of corporate bonds and so for the accounts there is always a significant deficit as liabilities are effectively inflated. Whilst this has an impact on the Council's balance sheet value it does not represent a true liability for the Council since on the more realistic basis the scheme has enough assets to pay all known and future liabilities.

4. Recommendations

- 4.1 It is proposed that the Performance and Finance Scrutiny Committee notes and comments upon the contents of this report.

Background Papers: Further information about the fund can be found on the Surrey County Council website

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CORPORATE RISK REGISTER

Portfolio:	Finance
Ward(s) Affected:	All

Purpose

To note and comment on the Corporate Risk Register.

1. Background

- 1.1 The current version of the Corporate Risk Register is attached at Annex A for Members' consideration. The Committee is asked to review the risk register annually and suggest amendments as appropriate.
- 1.2 The Corporate Risk Register includes high level risks. Each risk is rated between 1 and 4 as to how likely it is to occur and also between 1 and 4 as to the potential financial impact. The product of these two numbers gives the initial risk rating. Mitigation is then put in place to reduce the risk rating.
- 1.3 The Council has a Risk Management Strategy, and has a risk management process in place with an officer Risk Management Group meeting four times a year.
- 1.4 The Finance Portfolio Holder has the specific member responsibility for risk
- 1.5 It is proposed that Members review the Corporate Risk Register and comment as appropriate. It is proposed that the register is reviewed again in 12 months.

2. Recommendations

- 2.1 The Performance and Finance Scrutiny Committee is advised to note and comment on the Corporate Risk Register attached as an annex to this report.

Background Papers: None

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SURREY HEATH BOROUGH COUNCIL



CORPORATE RISK REGISTER – January 2020

This register summarises the main risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council’s Corporate Plan. It also notes the current mitigation action being taken to control those risks, and identifies any further action needed to implement other necessary mitigation action. The register does not identify all risks, but seeks to highlight the relevant main strategic risks.

	RISK	Likelihood	Impact	Initial Rating	Mitigation	Ownership	Revised Likelihood	Revised Impact	Revised Rating
1.	Information Management, Data Sharing and Data Security Loss or misuse of data leading to a breach of legislation and fines.	3	4	12	Paper and electronic data management systems; document and record retention policy; system to respond to data access requests; archiving system; training for all staff on data security. Data and Security breaches policy and procedure approved by Council. Data sharing protocol in place. Mandatory regular training of all staff on Data Security. Appointment of Data Protection Officer	JHS	2	2	4
2.	Loss of Funding for Services Loss of funding from Government, County and partners leads to the Council being unable to provide services	2	3	6	The Council has embarked on an investment strategy to generate income from other sources. Services which are not funded may have to be reviewed	KM	2	2	4
Page 61	Business continuity systems and processes – to plan for dealing with challenges to the continuity of the Council's business to ensure the effects on the community in such cases are mitigated as much as is practicable	2	3	6	Business Impact Assessments and Business Continuity Plans have been updated by all services and tested to ensure they are current and all critical functions are covered. Joint resilience structure in place to deal with potential Brexit issues	TP	2	2	4
4.	Failure of Major contractor or supplier Major contractor, such as for refuse disposal goes in to liquidation	3	3	9	Company likely to be taken over rather than close. Major contracts have guarantee provisions and step in rights. In house team able to take on management in an emergency	TP	3	2	6

	RISK	Likelihood	Impact	Initial Rating	Mitigation	Ownership	Revised Likelihood	Revised Impact	Revised Rating
5.	Major Incident Major incident may directly or indirectly affect the Council's ability to deliver services	2	4	8	All services have up to date emergency plans and exercises are held regularly to test preparedness. Have mutual aid arrangements in place with other Surrey authorities	TP	2	3	6
6.	Treasury and Property Investment Volatility in investment values and income driven by market forces. Adverse movements in interest rates leading to financial pressure	2	4	8	Investments only made on advice of professional advisors and after due diligence. Properties are professionally managed to maintain income. Investments are diversified and held for longer term. Future interest rate fixed for proportion of debt to bring certainty of cost. Properties are being held for the long term so as to smooth out fluctuations in value	KM	2	3	6
Page 62	Contaminated Land Contamination leads to environmental damage that then needs to be cleaned up	2	3	6	Detailed surveys undertaken with monitoring put in place as required	TP	1	3	3
8.	Major Enforcement Actions Breaches of regulatory functions could lead to reputational and environmental damage	3	2	6	Action taken to address breaches to minimise risks together with effective partnership working in multiagency areas	JR	2	2	4

Key to initials

RP – Richard Payne – Executive Head of Corporate;
 KM – Kelvin Menon – Executive Head of Finance
 TP – Tim Pashen - Executive Head of Community;
 JHS – Julia Hutley Savage – Head of Legal Services
 JR – Jenny Rickard – Executive Head of Regulatory

**Performance and Finance Scrutiny Committee
Work Programme 2019/20**

Portfolio: Corporate

Ward(s) Affected: n/a

Purpose

To consider the Performance and Finance Scrutiny Committee’s work programme for the 2019/20 Municipal Year.

1 Background

- 1.1 The Performance and Finance Scrutiny Committee was appointed by the Council at its Annual Meeting on 15 May 2019.
- 1.2 The Council’s Constitution sets out the terms of reference for the Performance and Finance Scrutiny Committee and these can be found in Part 3 Section E of the Constitution.
- 1.3 At their meeting on 4 September 2019, the Performance and Finance Scrutiny Committee agreed their work programme as set out in Annex A to this report, as per the requirements at Part 4, Section C paragraph 6 of the Council’s Constitution.
- 1.4 The work programme is developed through the year, to meet new demands and changing circumstances and the Committee will be expected to review its work programme regularly and make amendments as required.
- 1.5 The Committee agreed on 6 July 2016 (minute 9/PF refers) that reports at each meeting would, where possible, be themed to the areas covered by the Portfolio Holder attending that meeting.

2 Resource Implications

- 2.1 Subject to any decisions relating the work programme, there are no resource implications which have not already been factored in, with those mainly involving officer time.

3 Recommendations

- 3.1 The Performance and Finance Scrutiny Committee is advised to consider:
 - i. the work programme for the remainder of the 2019/20 municipal year, attached at Annex A;
 - ii. whether any task and finish groups should be established.

Background Papers: None

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Service Head: Richard Payne 01276 707150

Performance and Finance Scrutiny Committee
Work Programme 2019-20

18 March 2020		
1.	3 rd Quarter Finance Report	Adrian Flynn
2.	Portfolio Holder Update: Support & Safeguarding	Councillor Hawkins
3.	Committee Work Programme	Katharine Simpson

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