



Surrey Heath Borough Council
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Monday, 31 October 2022

To: The Members of the **Performance and Finance Scrutiny Committee**
(Councillors: Sashi Mylvaganam (Chairman), Valerie White (Vice Chairman),
Graham Alleway, Stuart Black, Vivienne Chapman, Paul Deach, Sharon Galliford,
Edward Hawkins, Liz Noble, Darryl Ratiram, Morgan Rise, Victoria Wheeler and
Helen Whitcroft)

**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 Peter Barnett, Rodney Bates, Cliff Betton, Mark Gordon,
Josephine Hawkins, David Lewis, Graham Tapper and Pat Tedder

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, 9 November 2022 at 7.00 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded.

Yours sincerely

Damian Roberts

Chief Executive

AGENDA

	Pages
1 Apologies for Absence	
2 Minutes of the Previous Meeting	3 - 8

To receive, and confirm as being a correct record, the minutes if the meeting of the Performance and Finance Scrutiny Committee held on 28th September 2022.

- 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.
- 4 Half Year Performance Report 9 - 72**
- To consider a report providing an update on the progress made to date against the targets, objectives and priorities set out in the Council's Annual Performance Plan for the 2022/23 municipal year.
- 5 Public Litter Bins 73 - 82**
- To receive a report providing an overview of the maintenance of the Borough's litter bins.
- 6 Half Year Budget Monitoring Update**
- To receive reports providing an update on the financial position of the Council at the mid-point of the 2022/23 financial year.
- a Revenue Budget Half Yearly Progress Update 83 - 88**
- b Capital Budget Half Yearly Progress Update 89 - 96**
- 7 Treasury Management Update 97 - 114**
- To receive the Treasury Management report for the 2021-22 financial year and the half yearly treasury management update for the 2022-23 financial year.
- 8 Portfolio Update: Finance and Customer Service**
- To receive an update on key areas of work within the Finance and Customer Service Executive Portfolio over the last twelve months that have not been covered elsewhere on this agenda.
- 9 Public Realm Task and Finish Group Update**
- To receive an update on the work of the Public Realm Task and Finish Group.
- 10 Work Programme 115 - 116**
- To consider the Performance and Finance Scrutiny Committee's work programme for the remainder of the 2022/23 municipal year.
- 11 Exclusion of Public and Press**
- That pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012, members of the public and press be excluded from the meeting for the consideration of item 12 which involves the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) Information relating to the financial or business affairs of any particular person (including the authority).

12 Call In of Executive Decision - Property Delapidations

117 - 152

To consider the call in of an Executive decision to accept a financial settlement in respect of dilapidations to a community property in Frimley.

13 Date of Next Meeting

The next scheduled meeting of the Performance and Finance Scrutiny Committee will take place on Wednesday 25th January 2023 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 28 September 2022

+ Cllr Sashi Mylvaganam (Chairman)
 + Cllr Valerie White (Vice Chairman)

- | | |
|--------------------------|-------------------------|
| - Cllr Graham Alleway | + Cllr Liz Noble |
| + Cllr Rodney Bates | + Cllr Darryl Ratiram |
| + Cllr Stuart Black | - Cllr Morgan Rise |
| + Cllr Vivienne Chapman* | + Cllr Graham Tapper |
| + Cllr Paul Deach | + Cllr Victoria Wheeler |
| + Cllr Sharon Galliford | + Cllr Helen Whitcroft |
| - Cllr Edward Hawkins | |

+ Present

- Apologies for absence presented

* Committee Member in attendance virtually

Substitutes: Cllr Rodney Bates for Cllr Graham Alleway
 Cllr Graham Taper for Cllr Morgan Rise

Portfolio Holders in Attendance: Cllr Shaun Garrett, Portfolio Holder: Economic Development & Transformation
 Cllr Adrian Page, Portfolio Holder: Planning & Control
 Cllr Robin Perry, Portfolio Holder: Finance

Officers Present: Gavin Chinniah, Head of Planning
 Louise Livingston, Head of HR, Performance & Communications
 Damian Roberts, Chief Executive
 Lynn Smith, Customer Relations Manager
 Nick Steevens, Strategic Director: Environment & Community
 Bob Watson, Strategic Director: Finance & Customer Services

10/PF Minutes of Previous Meeting

RESOLVED that the minutes of the meeting of the Performance and Finance Scrutiny Committee held on 13th July 2022 be approved as being a correct record and signed by the Chairman.

11/PF Complaints Monitoring Annual Report

The Committee received a report summarising the outcome of complaints received by the Council at either Stage 2 or Stage 3 of the Council's Corporate Complaints Policy during 2021/22.

It was reported that during the 2021/22 municipal year, 26 formal complaints had been dealt with at either stage 2 or stage 3 of the Corporate Complaints Procedure (compared to 26 in 2020/21). Of these, 23 had been found to be not justified, one had been found to be partly justified and two had been found to be justified. Of the complaints that were considered to be justified or part justified all related to operational matters including insufficient communication with the complainant and the length of time it was taking for the Council to respond to a resident..

Analysis of the complaints that had been found to be unjustified, showed that the majority of them were due to the complainant being unhappy with a Council decision or misunderstanding what the Council was able to do in a particular situation.

It was acknowledged that in view of the number of contacts that the Council dealt with on an annual basis (70,926 telephone calls and 11,943 email, web and face to face interactions recorded in 2021/22) this low number of complaints should be considered to be a positive for the Council.

During 2020/21, the Local Government Ombudsman investigated twelve complaints relating to Surrey Heath Borough Council. Of these none had been upheld, six had been referred back to the Council for local resolution, three were closed after initial enquiries and advice had been given in two cases.

The Committee was informed that whenever possible an effort was made to ensure that there was a full handover when staff left the employment of the Council however this was not always possible and knowledge gaps did occur.

It was agreed that a breakdown of stage one complaints by type would be circulated.

The Committee noted the report.

12/PF Executive Portfolio Update: Economic Development & Transformation

The Committee received a report summarising Council's work over the past twelve months which was encompassed by the Economic Development and Transformation Executive Portfolio; a portfolio which covered asset management, car parking, corporate property, data protection and Freedom of Information, Economic Development, ICT and Digital and service transformation. Key areas of work over the past twelve months had included:

- The retendering of the Asset Management Contract for the Square shopping centre, with an expectation that the successful bidder would be in post by Spring 2023.
- The introduction of cashless payment options at all Council owned car parks
- Providing responses to 616 Freedom of Information requests and 63 Data Protection Individual Rights requests .
- The provision of support to 1,000 businesses through the distribution of the Governments Additional Restrictions Grants.
- Securing £97,000 of funding to enable the Workshop Youth Hub project to be staffed for a further twelve months.
- Relocation of the Workshop Youth Hub project into a larger unit which enabled the project to expand their offer.
- Consolidation of the cloud based ICT services on to the Azure Virtual Desktop system.
- Deployment of 218 laptops to staff, and the associated removal of desktop terminals, enabling greater levels of agile working and the refurbishment of the old desktop computers which were then donated to charity.
- The commencement of work to rebuild the Council's website to enable the Council to replace unsupported and out of date software.
- Completion of the Star Chamber budgeting process resulting in the identification of £660,000 of savings in the 2022/23 financial year.

The proliferation of takeaway delivery drivers parking in the High Street during the evenings was noted and it was questioned whether suggestions made previously about the possibility of providing an official waiting area off the High Street for these vehicles had been

explored. The Committee was assured that the matter was being considered and updates would be provided as the matter progressed.

The impact of increasing charges at all the Council's car parks had been mixed. There had been a significant decline in the use of Yorktown car park something that was attributed to a change in working patterns following the pandemic restrictions with fewer people working in the adjacent BasePoint serviced offices. There was anecdotal evidence to suggest that the introduction of charges in Chobham car park was causing increasing numbers of people to use the recreation ground and Chobham Common and an increase in littering in these areas. It was confirmed that bi-monthly reviews of Chobham car park were taking place and the findings would be shared with members. Reviews of the Burrell Road and Yorktown Road car parks would also take place.

It was clarified that the projected £300,000 cost of replacing the car park control and management system in multi-storey car parks included funding to replace the infrastructure used to support the Automatic Number Plate Recognition (ANPR) system. A suggestion that differential parking rates be applied to Council owned car parks with drivers parking on the ground floor or close to the elevators and exits being charged more than those who parked further away was noted however it was stressed that adoption of this approach would be dependent on the availability of suitable new technology.

The decision by Surrey County Council to take on responsibility for managing all on-street parking operations across Surrey from 1st April 2023 was noted and it was confirmed that staff would be subject to a TUPE process as part of this transfer. Concerns about the restricted nature of the tender framework that the County Council proposed to use to procure a provider to manage the service going forward was noted and it was agreed that clarity would be sought on how many companies would be eligible to bid under the framework.

It was agreed that concerns about the cleanliness of the Council owned multi-story car parks would be followed up.

It was clarified that whilst the star chamber budget exercise had identified £660,000 of savings in the 2022/23 financial year this was against an original target of £475,000 and the additional savings would be put towards savings required in future years.

The Committee noted the report.

13/PF Executive Portfolio Update: Planning & Control

The Committee received a report summarising Council's work over the past twelve months which was encompassed by the Planning and Control Executive Portfolio; a portfolio which covered Planning Policy and Conservation, Development Management, Drainage, Building Control, Land Charges and Planning Enforcement. Key areas of work over the past twelve months had included:

- Completion of the Draft Local Plan: Preferred Options Regulation 18 consultation
- Ongoing work to identify suitable site for Gypsy and Travellers and Travelling Showpeople as part of the Local Plan development.
- The Development Management Team had defended 36 planning appeals in 2021/22 of which 28 were dismissed and 14 appeals in the first quarter of 2022/23 of which 13 were dismissed.
- The Development Management Service was in the process of implementing the recommendations arising from a review of the service by the Planning Advisory Service including a restructure of the team to enable processes to be streamlined,

build resilience into the section and enable planning officers to spend more time focusing on determining planning applications. Improvements had also been made to the pre-application process and regular training sessions on development management matters for Councillors were now being scheduled.

- The Building Control Service had processed 718 applications, delivered enforcement activity on 55 sites, attended 21 dangerous structures and carried out 5,586 site inspections.

The Committee was informed that if it was not possible to identify sufficient numbers of sites Gypsy and Traveller pitches then there was a significant risk that the Local Plan would be found to be unsound at the Examination stage. Consequently it was incumbent on all Councillors to work with officers to try and identify potential sites across all wards in the Borough.

It was noted that all sites proposed were assessed for their suitability and detailed records setting out why a site was unsuitable were kept. These records would be used at Examination stage to demonstrate that every effort had been made to identify appropriate numbers of pitch sites.

It was clarified that officers did try and ensure that developers provided as much affordable housing as possible however there was no requirement for affordable housing in prior approval and smaller development sites and viability assessments frequently resulted in a reduction in the amount of affordable housing being provided on larger developments.

The Committee was reminded that all planning applications were determined on their individual merits and in line with relevant legislation. Where planning appeals were lost then the learning from these was examined and were relevant applied to future applications.

It was confirmed that whilst the Council had employed an officer to deal solely with ensuring proactive compliance with planning applications due to staff shortages the officer had temporarily been tasked with more general enforcement work. As soon as the Enforcement Team was fully resourced then they would return to the original compliance work.

It was agreed that concerns about Himalayan Balsam and Japanese Knotweed would be followed up outside the meeting.

The Committee thanked all the officers involved in the recent Local Plan public consultation work.

The Committee noted the report.

14/PF Work Programme

The Committee considered its proposed work programme for the remainder of the 2022/23 municipal year.

It was noted that the Public Realm Task and Finish Group report would be brought to the Committee's next meeting.

Following concerns about the frequency with which litter and waste bins were being emptied it was agreed that a full update would be brought to the Committee's next meeting.

The Committee noted the work programme.

15/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 9th November 2022 at 7pm.

It was agreed that the meeting of the Committee scheduled for 18th January 2023 would be rescheduled to Wednesday 25th January 2023 to enable it to better fit with the budget setting process.

Chairman

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Annual Performance Plan – Mid Year Update

Head of Service: Louise Livingston, Head of HR, Performance and Communications
Report Author: Sarah Bainbridge – Organisational Development Manager
Key Decision: No
Wards Affected: All

Summary and purpose

This End of Year Report summarises the performance of the Council in the first half of 2022/22 against the corporate objectives, priorities and success measures set out in the Annual Plan. The Performance and Finance Scrutiny Committee is asked to consider the report and submit any observations to the Executive.

Recommendation

The Performance and Finance Scrutiny Committee is advised to NOTE the Mid-Year performance report at Annex A and submit any observations to the Executive.

1. Background and Supporting Information

- 1.1 The Annual Plan 2022/23 was agreed by the Executive on 15 March 2022, and set out the key targets, projects and success measures/performance indicators for the year. The Annual Plan delivers on the commitments in the Council's Five Year Strategy 2022-27 under the key themes of **Environment, Health & Quality of Life, Economy and Effective and Responsive Council**.
- 1.2 The attached report at Annex A summarises the Council's performance and achievements against the key projects and targets in the first six months (quarter 1 and quarter 2) 2022/23.
- 1.3 Progress against targets is monitored on a regular basis by the Corporate Management Team.
- 1.4 The table below shows the proportion of targets that were achieved or missed/delayed in the first six months. The vast majority of actions are either complete or on track. Where there has been a delay, most are still on track to be completed by year end.

	Complete / On track	Delayed	On hold / at significant risk
Objectives / projects	75%	24%	1%
	Met target	< 10% off target	> 10% off target
Performance Indicators latest data	61%	19%	19%

1.5 For projects marked as Amber, the report gives an indication of next steps and/or whether this is likely to be achieved within the current year. A key factor in some of the delays is higher than usual levels of staff turnover in the first part of this year, including the departure of key employees and the impact this has had on capacity. Council officers are taking steps to address any action that are falling behind timescales or are at risk.

1.6 The Executive will review this report at their meeting on 15 November, and the Committee are asked to make comments and observations for the Executive to consider.

2. Reasons for Recommendation

2.1 To ensure robust and transparent scrutiny of the Council's progress against key projects and targets in delivering services for its residents.

3. Proposal

3.1 The Committee is advised to NOTE the Mid-Year performance report at Annex A and submit any observations to the Executive.

4. Contribution to the Council's Five Year Strategy

4.1 The Council's Annual Plans set out each year key milestones, projects and targets for the delivery of the Council's Five Year Strategy objectives for its residents and the borough.

5. Resource Implications

5.1 There are no resource implications arising from this report

6. Section 151 Officer Comments:

6.1 There are no additional budgetary implications from this report.

7. Legal and Governance Issues

7.1 Regular monitoring and review of progress against key projects and targets is a key element of corporate governance. There are no legal implications arising from this report.

8. Monitoring Officer Comments:

8.1 No comments from the Monitoring Officer.

9. Other Considerations and Impacts

Environment and Climate Change

9.1 The attached report includes progress against targets relating to Climate Change, particularly the Council's Carbon reduction target and climate change action plan, and the Environment.

Equalities and Human Rights

9.2 Equalities impact are considered on a project by project basis. The attached report includes progress against targets specifically aimed at reducing inequality for example health inequalities and poverty.

Risk Management

9.3 Risks are considered on a project by project basis.

Community Engagement

9.4 The Council's Five Year Strategy was the subject of a significant public consultation exercise. This attached report also includes a number of other projects that have included public consultation for example playground refurbishments, the Local Plan and the Whole Systems approach to Obesity programme.

Annexes

Annex A – Mid-Year Performance Report 2022/23

Background Papers

Surrey Heath Borough Council Annual Plan 2022/23

Surrey Heath Borough Council Five Year Strategy 2022-27

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Delivering our Five Year Strategy

ANNUAL PLAN 2022/23 MID YEAR UPDATE

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ENVIRONMENT

REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV01a i	Enhance and improve access to green spaces – playground improvements (at least one a year)	Deliver: A skate park replacement at Mytchett Recreation Ground	By July 2022	Recreation and Leisure Services Manager	Work is complete, skate park opened July 22.	<i>Complete</i>
ENV01a ii	Enhance and improve access to green spaces – playground improvements (at least one a year)	A fitness trail at Frimley Lodge	Summer 2022	Recreation and Leisure Services Manager	Tenders are currently being analysed to appoint preferred supplier. Further checks were needed on the pricing of the tenders when received. The fitness trail will be delivered by the end of the year.	<i>Delayed but on track to be delivered this year</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV01a iii	Enhance and improve access to green spaces – playground improvements (at least one a year)	A fitness trail at Lightwater Country Park (subject to funding being secured)	Summer 2022	Recreation and Leisure Services Manager	Part-funding for this project secured to deliver outdoor gym equipment. Further external funding to be secured for delivery in 2023.	<i>Delayed to next year for delivery</i>
Page 17 ENV01a	Enhance and improve access to green spaces – playground improvements at least one a year)	A playground replacement at Whitmoor Road	Autumn 2022	Recreation and Leisure Services Manager	Ongoing negotiations with County to secure this site into SHBC ownership to then deliver the replacement playground. Awaiting response from SCC and being escalated.	<i>Delayed being escalated</i>
ENV01a v	Enhance and improve access to green spaces – playground improvements	Playground improvement at Bentley Copse	Spring 2022	Recreation and Leisure Services Manager	Tenders have been drafted and it is estimated works will start on this on January 2023. Additional funding had to be approved to replace the whole playground.	<i>Delayed due to be completed this year</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
	(at least one a year)					
ENV01b Page 18	Enhance and improve access to green spaces – playground improvements (at least one a year)	Introduce a way of measuring satisfaction and feedback with new facilities (as well as designing new playgrounds through consultation with local communities)		Recreation and Leisure Services Manager	Completion surveys are sought at the opening of new facilities. Consultations on designs are completed on larger schemes or with the local school to determine the best design that ‘kids’ would like to see.	<i>In place and on-going</i>
ENV02 i	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	Re-wilding project at Heatherside Estate.	Start Spring 2022	Recreation and Leisure Services Manager	Initial works complete. Mapping updated so that contractors adhere to what has been agreed at the various locations.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV02 ii	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	Wildlife hedge planting at Frimley Recreation Ground and Mytchett Recreation Ground.	Spring 2022 (Frimley) & Autumn 2022 (Mytchett)	Recreation and Leisure Services Manager	This was planted in conjunction with Tree wardens and volunteers however with recent weather some of the hedging has been lost and will need re-planting in the autumn.	<i>Completed but some additional works needed due to recent weather</i>
ENV02 iii	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	Wildlife habitat creation at various locations post tree survey works.	Throughout year	Recreation and Leisure Services Manager	Habitat piles were created however many have been stolen (probably to be used as firewood) so it has impacted the success of this in some locations.	<i>Completed</i>
ENV02 iv	Enhance and improve access to green spaces – biodiversity	Woodland improvement works at Diamond Ridge	Spring 2022	Recreation and Leisure Services Manager	Initial phase completed	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
	scheme (at least one a year)					
ENV02 v	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	Woodland improvement works at Frimley Green Recreation ground.	Spring & Autumn 2022	Recreation and Leisure Services Manager	Initial works completed.	<i>On Track</i>
Page 20 ENV02 vi	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	Tree recycling scheme (Christmas and tree survey work) at various locations post tree survey works.	January 2023	Recreation and Leisure Services Manager	Not yet due, but on track to be completed.	<i>On Track to be completed</i>
ENV03 i	Enhance and improve access to green space	Car park and improvement works at Turf Hill. These works will take place post the pipeline installation work	Spring 2023	Recreation and Leisure Services Manager	Ongoing discussions with Esso to deliver these works as part of the re-instatement works onsite. on	<i>On time and on track to be</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
		(being done by Esso) that goes through the car park.			time and this work will be completed by March 23.	<i>completed March 23</i>
ENV03 ii	Enhance and improve access to green space	Site protection works – complete consultation/works for all RED category sites.	Complete by Summer 2022	Recreation and Leisure Services Manager	Final sites being completed by the of end of the calendar year. Majority complete – delay to final sites due to issues relating to underground services but solution has been found.	<i>Majority completed – final sites completed imminently</i>
ENV03 iii	Enhance and improve access to green space	Byelaws review - all sites.	March 2023	Recreation and Leisure Services Manager	Initial review works complete. Action for 2023/24 will be consultation and final adoption.	<i>On Track</i>
ENV04	Enhance and improve access to green space	Review and implement a Borough-wide Tree Strategy (following notice of motion at Council December 2021)	March 2023	Recreation and Leisure Services Manager	The development of the tree planting & green infrastructure strategy is continuing through 2022 in collaboration between Recreation & Leisure, Climate Change and Planning colleagues	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV05 Page 22	Strategic Planning	Public consultation on the draft Surrey Heath Local Plan policies in order to adopt in 2023 an ambitious new Local Plan for the whole borough.	Publish draft Local Plan first quarter 2022/23 (April – June 2022)	Planning Policy and Conservation Manager	Draft Regulation 18 Local Plan published for public consultation in March 2022. This is in accordance with our Local Development Scheme timetable. Extensive and successful consultation engagement undertaken during March, April and May 2022. Potential risk to timetable and adoption of sound plan – gypsy and traveller and travelling showpeople site allocations.	<i>On Track</i>
ENV06 i	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Report full organisational emission baseline for 2019/20.	By January 2023	Strategic Director – Environment & Community	Data collected for Scope 1 and 2 direct Council emissions to calculate carbon impact. Further data collection underway to understand impact of elements of Scope 3 such as business travel	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
					and employee commuting. Will be reported to the Climate Change Working Group in Jan 23.	
ENV07 Page 23	Improve the air quality of the borough	Develop Energy Strategy to include pathways/options for emissions reduction (Delivery of future projects will require additional grant funding/capital).	Progress through Climate Change Working Group and publish copy on website by March 2023	Strategic Director – Environment & Community	This action is on track. A review of technology options for energy use reduction, and renewables generation on Council assets is currently underway. The review is currently at the technology review stage and planned to be presented members with options for reducing the council's scope 2 emissions in January 2023.	<i>On Track</i>
ENV08	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Promote access to national grant funding in the borough to support energy efficiency improvements in households and businesses; including LAD (Green homes grant – ‘Local Authority Delivery’), HUG (‘Home	Throughout 2022/3, relating to partnership work with	Strategic Director – Environment & Community	Delivery continues in partnership with Surrey County Council for energy efficiency grant funding (LAD 1 and 2). SHBC has been awarded just under £800,000 with Action Surrey making 93	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
		Upgrade Grant’) and LoCASE (‘Low Carbon Across the South and East’).	Surrey County Council		improvements in the Borough such as park home insulation, external wall insulation and loft insulation. LoCASE continues to be communicated to local businesses to access energy efficiency improvements	
Page 24 ENV09	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Work in partnership with Surrey County Council to develop Local Cycling and Walking Infrastructure Investment Plans to identify priority routes for investment and improvement within the borough. Provide support to facilitate specific route proposals by Surrey County Council through to delivery where appropriate.	March 2023 dependent on Surrey County Council timeframe	Strategic Director – Environment & Community	This action is on track, LCWIP progressing in partnership with SCC. We have recently held an inception meeting to start the LCWIP process. There will be a series of consultations and Member engagement over the next 6 months. In view of this, the timescale for completion is likely to be Summer 2023.	<i>Delayed but underway</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV10 i	Enhance and improve access to green spaces across the whole borough.	Public consultation on a green infrastructure policy, as part of consultation on the Draft Surrey Heath Local Plan, in first quarter of 2022/23	Publish Draft Local Plan first quarter 2022/23	Strategic Director – Environment & Community Planning & Conservation Manager	We will be commissioning a Surrey Heath Nature Recovery and Green Infrastructure Strategy which will form the basis of the biodiversity net gain strategy for the Borough and feed directly into the green infrastructure work	<i>On Track</i>
Page 25 ENV10 ii	Enhance and improve access to green spaces across the whole borough	Implementation of the Queen’s Queen Canopy project, including a tree/hedge planting initiative in celebration of the Queen’s Platinum Jubilee in 2022.	Planting by June 2022	Strategic Director – Environment & Community	2000 trees were planted for the Queens Green Canopy between October 2021 and May 2022, another 2000 trees are scheduled to be planted between October 2022 and May 2023. Losses due to the summer drought will also be replaced.	<i>On Track</i>
ENV10 iii	Enhance and improve access to green spaces	Develop a biodiversity net gain strategy in response to the Environment Bill by December 2022	Produce strategy by	Strategic Director – Environment & Community	Draft strategy to be produced for consultation by December 2022	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
	across the whole borough.		December 2022	Planning & Conservation Manager		
ENV I i	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Monitor and promote grant funding streams on Sustainable Surrey Heath webpages and social media.	Update through 2022/23	Strategic Director – Environment & Community	Surrey Heath webpages and social media kept up to date with available grant funding such as LAD grants for energy efficiency and information on LoCASE.	<i>On Track</i>
Page 26 ENV I ii	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Plan and deliver a sustainable event in Summer 2022 (pending Covid precautions).	Summer 2022	Strategic Director – Environment & Community	The event did not take place due to the departure of the Climate Change Officer. The interim Climate Change Officer has undertaken a communications review and has identified future events that the Council may wish to participate in.	<i>Did not take place, however will promote future events</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV12 i	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Continue to install LED lighting in Council assets.	Delivery to continue in 2022/23	Strategic Director – Environment & Community	LED lighting continue to replace fluorescent. Wider scale business case for full transition planned by end of year to support energy efficiency in buildings linked to energy audit.	<i>On Track</i>
ENV12 Page 27	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Prioritise delivery of carbon literacy training for Surrey Heath Staff.	Draft training delivery plan with rollout thereafter through 2022/23	Strategic Director – Environment & Community	Carbon literacy training sessions have been undertaken with staff in June with further training planned once the new Climate Change Officer is in post.	<i>On Track</i>
ENV13	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Partner with Surrey County Council (SCC) to share and support future development of a Surrey wide coordinated scheme for group buying household Solar.	New scheme expected by March 2023 depending on SCC timescale.	Strategic Director – Environment & Community Planning Policy & Conservation Manager	Surrey County Council has launched Solar Together to offer Surrey residents the chance to buy solar panels for their homes through a group-buying scheme. The scheme is promoted on Surrey Heath's website.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV13 ii	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Public consultation on the Draft Surrey Heath Local Plan policies to support climate change mitigation and adaptation in the first quarter of 2022/23	Publish Draft Local Plan first quarter 2022/23	Planning Policy & Conservation Manager	Draft Regulation 18 Local Plan published for public consultation in March 2022. This is in accordance with our Local Development Scheme timetable. Extensive and successful consultation engagement undertaken during March, April and May 2022.	<i>Complete</i>
ENV14	Respond promptly to Environmental and planning enforcement matters	Deliver three joint days with Surrey Police of planned activities to include scrap metal, anti-social behaviour and fly tipping. Work with police to check waste carrier licenses.	March 2023	Corporate Enforcement Manager	Two Anti-Social Behaviour days took place on 22nd July with Surrey Police and Accent. Going forward there are joint days scheduled for November - December 2022 working with the Police. The Waste Carrier Licences are starting on 20/10/22.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV15	Increase recycling rates	<p><i>Joint Waste Solutions:</i></p> <p>Deliver the Joint Waste Contract Area work programme 2022/23 as approved by the Joint Waste Services Collection Committee in March 2022.</p> <p>Deliver the Surrey Environment Partnership work programme objectives for 2022/23 which focus on the priorities of waste reduction, food waste recycling and reducing contamination of dry mixed recycling.</p>	March 2023	Joint Waste Solutions Partnership Director	See below.	On Track

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ENV15 - Q2 Update

Work is underway to deliver the 22/23 work programmes. Relevant key updates for Surrey Heath include:

SEP work programme

- The rollout of new food waste collection services to 2,700 flats in Surrey Heath from 3 October with letters going out in advance to communicate this to residents.
- Targeted letters went out during August and September to households in Surrey Heath where in-cab data suggested that recycling bins had been contaminated on multiple occasions. A further round of letters is planned from October.

On Track





REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
Page 30		<ul style="list-style-type: none"> – From mid-September until November, a small team will be inspecting communal bin stores and kerbside recycling bins to see what improvements can be made to reduce contamination and improve the quality of recycling. – The waste flow modelling for SEP 2025 has been completed, which has enabled us to propose provisional short-term performance targets for the partnership over the next three years. This has been reflected in an approach document, which sets out our priorities and plan to deliver these. This document will be shared with partners in October for review, before going to the November cycle of SEP meetings for partnership sign off. – Work is underway to develop recycling guides and calendars for 2023. They are due to be delivered to all households in Surrey Heath during November. – The ‘Own Your Impact’ campaign focus in September focused initially on reducing contamination of dry mixed recycling and then switched to encouraging residents to recycle as much food waste as possible. This will run until November. The campaign also promoted Plastic Free July including Plastic Bag Free Day and SEP’s August compost bin sale. The other main focus was supporting service delivery communications from the planned industrial action. <p>Joint Contract work programme:</p> <ul style="list-style-type: none"> – A new project has commenced alongside Amey to look at how the data in Whitespace will be used to improve invoicing and key performance indicators. – An assessment of customer complaint routes has been completed as part of the process review. These are being mapped to identify where improvements could be made such as the ordering of bins for new developments, etc. – We have continued to support Amey with a project to restore garden waste billing for customers with renewal emails and letters going out in Surrey Heath. – Amey have continued to recruit new members of staff to fill driver vacancies, as well as offering training to existing staff who wish to progress their careers. Driver numbers are currently stable with agency staff also available to cover absence as required. 				



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
ENV16 Page 31	Improve air quality / Air 'inequality'	Profile options for Electric Vehicles / alternate fuels for each vehicle under Council ownership and business case developed for transitioning vehicles (subject to budget/funding).	By December 2022 and reported to Climate Change Working Group	Strategic Director – Environment & Community	Options for electric vehicle replacement for existing ICE fleet underway and continue to be reviewed including options for community services fleet. Replacement of existing fleet with alternative fuel vehicles is being considered at end of lease terms or end of serviceable life. Biodiesel is also being considered in-life as a means of reducing fossil fuel usage.	Delayed to January 2023
ENV17	Improve air quality / Air 'inequality'	Appoint provider for installation and maintenance of electric vehicle charging points in Council owned car parks (Installation dependent on On-Street Residential Chargepoint Scheme - ORCS funding).	By March 2023	Strategic Director – Environment & Community	Executive report scheduled for October meeting to seek approval for a concession contract for the installation of 7kw electric vehicle charging points in Council car parks. The business case for the installation of solar arrays, power	On Track



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW	STATUS – RED – AMBER – GREEN
					banks and EV charging in multi-storey car parks is also in progress.	
Page 32 VI18		Develop a business case for the construction of a permanent, replacement building to bulk recycling materials at the Council's Depot at Doman Road. Subject to the findings of the business case, gain financial approval for the project.	Autumn 2022	Strategic Director – Environment & Community	The business case for the redevelopment of the Doman Road depot is to be programmed for February to coincide with the release of the County Council Waste Infrastructure Strategy. Initial concept designs to redevelop the Doman Rd depot have been produced by Eunomia. These have been peer reviewed to ensure the site layout is robust with a second phase of designs now being prepared by Eunomia.	<i>Delayed but on track for this year</i>



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
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.	63%	60.70%	60.40%	61.57%	To follow	Always reported a quarter in arrears. Q1 submitted
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.).	360kg <i>(lower is better)</i>	322kg	324kg	311.83 kg	To follow	Always reported a quarter in arrears. Q1 submitted
Percentage of streets falling below a grade B cleaning standard	The percentage of streets reviewed as part of the regular survey falling below a 'Grade B' standard of litter (Predominately free of litter and refuse apart from some small items)	4%	1%	0.50%	0.17%	0.17%	Quite unusually, this is the same percentage as that of Q1, but, nonetheless, well within the 4% threshold for KPI deduction, which is great news in terms of the street cleansing performance.
Number of 'missed' bins.	Number of 'missed' residential kerbside collections per 100,000 collections.	80 Per 100,000 collections	38.7	42	173.5		Quarter in arrears. Q1 submitted. The 'Missed Bins' result is most likely due to garden waste service returning to



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
							full service in Q1 2022/23. 99% of missed bins were collected within two working days (with most being collected next day).
Dry Mixed Recycling (DMR) Contamination Page 34	Measuring the quality of recycling - average percentage of recycling contaminated	8% <i>(lower is better)</i>	-	-	9.37%		Quarter in arrears. Q1 submitted. Traditionally we see lower DMR tonnages in Q1 and Q2 as such the contamination rate tends to be higher. This follows a trend we have seen in recent years.
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. Government target is 60%	80%	100%	100%	86%	100%	
Processing of 'Non-Major' Applications	Percentage calculated the number of minor and 'other' applications processed within	84%	85%	81%	84%	88%	



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
	timescales (8 weeks) against total received. As per national guidelines, this includes applications where there is an agreement for an extension. Government target is 70%						
Appeals dismissed against the Council's refusal of planning permission	Percentage of appeals dismissed against the Council's refusal of planning permission.	65% <i>(Higher is better)</i>	75%	100%	92%	80%	<i>8 appeals dismissed, and 2 appeals allowed. The appeals allowed included a two-storey front extension and a detached double garage.</i>
Planning Enforcement Breaches - Referrals	Percentage of planning enforcement referrals where the initial action (e.g. a site visit) takes place within the target timescales set out in the Local Enforcement Plan.	80%	91%	92%	88%	90%	<i>43 referrals received during period – 39 within time frame</i>



HEALTH & QUALITY OF LIFE

REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
Page 26 101	Strong Community Identity	Support and deliver a programme of events for all ages across the Borough reflecting the priorities of the 5 year strategy and to strengthen community relationships. An example of an event for 2022/23 is the Queen's Jubilee in June 2022.	March 2023	Communications & Engagement Manager	Events the Council supported or organised included; Surrey Heath Show, Surrey Youth Games, Beacon Lighting for the Jubilee, Jubilee Community Picnic, Camberley Comedy Festival. Also flag raising for Armed Forces Day. The Council supported charities and community groups by promoting events (helping to strengthen local relationships) by promoting events across the Borough via our Summer of Fun campaign.	On Track



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
HQL02	Strong Community Identity	Define what an Council event is and review the 2020 and pre-Covid programmes with recommendations to repeat or change activities. Increase the number of events delivered by 20% with clear objectives for each event.	March 2023	Communications & Engagement Manager. Recreation & Leisure Services Manager	Due to this being the jubilee year the number of public events held in the parks has already increased by the 20% target.	<i>On Track</i>
Page 37 HQL03	Strong Community Identity	Hold Community Support seminar with partners in October 2022 with a focus on housing and homelessness The Community Support Working Group will work to address poverty in the participating wards of Old Dean, St Michaels, Watchetts, Frimley, Frimley Green, Deepcut & Mytchett, Chobham and any additional wards that come forward.	October 2022	Community Development Officer	On schedule to be delivered collaboratively with partners from the Community Support Working Group – 2 November 2022.	<i>On Track</i>
HQL04	Strong Community Identity	Respond and start to assess 'community trigger' (need definition)	From April 2022	Community Development Officer	All trigger complaints are dealt with in 5 Working days, and members	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
		anti-social behaviour complaints with 5 working days. Send updated information about responding to anti-social behaviour to Councillors annually.			received a presentation at the SHP meeting in February 2022. Information has been distributed to all Councillors.	
Page 38 HQL05	Improving Health & Well Being	To deliver our Physical Activity Strategy Action Plan: To support clubs and communities to 'Recover and Reinvent' from the pandemic through funding applications, guidance and support, and deliver a rebranded physical activity awards as outlined in the Physical Activity Strategy. To 'Connect Communities' by delivering a detailed engagement programme with at least 5 community groups, identifying at least 2 new champions from	Outlined in Physical Activity Strategy Action Plan	Engagement, Wellbeing & Events Manager	Successfully started women's only badminton, walks and spinning classes for ethnic minority groups, to be collated in women's activity marketing. Two activity champions have been trained and funded for physical activity leadership courses. Exploring seated exercise at Watchetts 'Warm Bank'.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
		underrepresented communities who can promote physical activity and engaging at least 2 refugee families in local activity programmes, as outlined in the Physical Activity Strategy.				
HQL05 ii 39	Improving Health & Well Being	To 'Make Activity Accessible' by supporting at least one new modified sport/activity that better suits people with reduced levels of mobility e.g. Walking Netball, working with partners to audit local walk routes and creating an accessible walks webpage, and promote new "Low-cost ways to be active", as outlined in the Physical Activity Strategy.	Outlined in Physical Activity Strategy Action Plan	Engagement, Wellbeing & Events Manager	Low-cost ways to be active to be launched during winter months. Walking Tennis has finished initial 10-week funded period with average of 10 players, and now exploring ways to sustain. 4 parks audited for accessibility walks.	On Track
HQL05 iii	Improving Health & Well Being	To 'strengthen connections with health and wellbeing' partners, using their knowledge to identify gaps in	Outlined in Physical Activity	Engagement, Wellbeing & Events Manager	Frimley CCG invited to Places Leisure Camberley wellbeing meetings and set up regular meetings with social	On Track



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
Page 40		local provision and delivering at least one new initiative to address that gap, by increasing the number of referral partners by 60% and by working closer with social prescribers to easily track referrals to physical activity projects, as outlined in the Physical Activity Strategy.	Strategy Action Plan		prescribers. Exploring ways to track number of physical activity referrals. The Council is part of wider information networks involving both Frimley and Surrey Heartlands ICS to access different partnership opportunities including green social prescribing (supporting people to access local green spaces to improve mental health).	
HQL05 iv	Improving Health & Well Being	To create 'Active Environments' for local residents by supporting at least 2 Surrey Heath Schools to sign up to School Travel Plans, delivering Phase 2 of the Watchetts & St Michaels bike recycling project and hosting a recreational bike event that encourages people to use their bikes	Outlined in Physical Activity Strategy Action Plan	Engagement, Wellbeing & Events Manager	Partnering with Surrey CC to promote 'Surrey Healthy Schools'. Phase 2 of Bike Project is currently searching for projects to partner with and source a facility for works. Hosted recreational bike event on 3rd September	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
		for short journeys, as outlined in the Physical Activity Strategy.				
HQL05 Page 41	Improving Health & Well Being	Support positive early experiences of physical activity for 'Children and Young People' by entering a team into every activity as part of the revamped Surrey Youth Games programme, relaunching the 'Friday Night Project' (or similar) giving young people a safe place to be active in the evenings, and supporting special schools to implement at least 2 new opportunities for students, as outlined in the Physical Activity Strategy.	Outlined in Physical Activity Strategy Action Plan	Engagement, Wellbeing & Events Manager	Entered teams into 7 out of 9 events at Specsavers Surrey Youth Games. Friday Night Project has been pushed back to late 2022 start and two local SEN schools are being supported with dance and performing arts and sports leaders opportunities	<i>On Track</i>
HQL06	Improving Health & Well Being	To work with partners to implement year 1 objectives from Surrey Heath Healthy Weight Action Plan	To be agreed following a second	Engagement, Wellbeing & Events Manager	Working with partners to deliver 'Happy Healthy January' - a grant	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
			partnership obesity workshop in February 2022		scheme supporting healthy eating events aimed at those most in need.	
HQL07 Page 42	Improving Health & Well Being	We will promote a rich programme of cultural and community events across the Borough. Focus on delivering activities at not just Council-owned parks but also cricket grounds, sports areas, etc. Discuss with the Villages Working Group how to work with partners to deliver shows in villages.	August 2022	Venue and Operations Manager	Following a discussion at the Villages Working Group in Spring 22 delivered a family theatre show to Bagshot Playing Fields, Frimley Lodge Park and Windlesham Field of Remembrance in August 22.	<i>On Track</i>
HQL08	A safe place to live and work	Deliver four Serious Organised Crime Joint Action Groups (SOCJAGs) with the Police and Partner groups each year (to meet Five Year Strategy target of 20)	March 2023	Community Development Officer	On schedule to achieve.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
Page 43		Continue to hold Community Harm And Risk Management meetings (CHARM) and Surrey Heath Partnership meetings to work effectively with public and voluntary partners to keep the borough a safe place to live and support vulnerable residents. Explore opportunities for collaboration with other Local Authorities on CCTV.				
HQL09	A safe place to live and work	Review safeguarding training across the organisation to maintain the target of all staff having completed safeguarding awareness training within the last three years. Roll out domestic abuse training to all front-line staff and agree an appropriate refresher period.	December 2022	Organisational Development Manager	Safeguarding elearning certification for all staff launched July 2022 – already 81% compliance. More in-depth training covering safeguarding and domestic abuse being commissioned, with dates scheduled for November, January, February and March.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
Page 14 QL10	Housing & Homelessness	Delivering partnerships that aims to eradicate homelessness across the whole Borough. (Reliant on external funding) Homelessness forum/summit by October 2022 - Joint with community support working group	April 2022: following successful bid for Rough Sleeper Initiative Funding set up three year programmes for Housing First and Floating Housing Support, and recruit to Rough Sleeper Co-Ordinator role By October 2022 hold a local homelessness forum/summit	Housing Services Manager	May 2022 – confirmation of successful Rough Sleeper Initiative bid. Project group formed with partners to deliver Housing First. OT – internal recruitment process is complete and the post will be advertised this month. Joint event with the Community Support Working Group / CASH due to be held 2 November.	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
HQL11	Housing & Homelessness	(With the overall Five Year Strategy aim to build at least 49 homes through a joint venture to support people receiving housing benefit or being paid minimum wages): Identify sites with potential and progress discussions with appropriate Joint Venture partners, with a focus on commencing the build.	March 23	Head of Investment and Development	Ongoing dialogue with Accent Housing about the potential to develop social housing. One site reviewed in Q1 and a further site being reviewed. Decision to progress lies with Accent Housing (rather than the Council). The London Road block development site provides a further potential site.	
Page 45 HQL12	Housing & Homelessness	Undertake feasibility work to investigate options to identify and allocate more sites for Gypsy and Travellers in the Draft Surrey Heath Local Plan by December 2022	December 2022	Planning Policy and Conservation Manager	Further feasibility work undertaken to investigate options to identify and allocate more sites for Gypsies and Travellers and Travelling Showpeople. Sites included in the consultation on the Draft Surrey Heath Local Plan: Preferred Options (2019 - 2038) Additional Site Allocations for Gypsy and Travellers and Travelling Showpeople	<i>Some risks to achieving</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
					Regulation 18 which was undertaken in August and September 2022.	
Page 46 HQL13	Safeguard and Support	To work in partnership with health and care partners in both Surrey Heath, and in North West Surrey, to identify opportunities for the Council to support prevention of hospital admissions and to assist in the facilitation of hospital discharge – subject to securing partnership funding where necessary	July 2022	Corporate Head of Community Services (Runnymede Borough Council) Shared Partnership Manager	No further discussions have taken place regarding the discharge/process model at the Local Joint Commissioning Group due to the need to discuss other priority matters. Meetings have taken place with the NHS Director of Operations who has confirmed that support is still there for it to be funded by the Joint Commissioning Group which will be confirmed at the next meeting. In the meantime, Heathscene is being used to promote the role of council services at the point of hospital discharge, and recruitment to a development post for the platform to	<i>Delayed</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
					be used is being recruited, which whilst funded in North-West Surrey, will benefit delivery in Surrey Heath also.	
Page 47 HQL14	Safeguard and Support	Undertake an independent review of our aids and adaptation service, funded with Better Care Fund grant and authorised by the Local Joint Commissioning Group (jointly chaired by SHCCG and SCC ASC). The review is to look at improving joint working with health, social care, and housing to ensure effective delivery of services that keep residents independent in the community, reduce hospital admissions and, where they do occur, support timely discharge and re-ablement.	Review to be completed by March 2023	Housing Services & Family Support Manager	Rough Sleeper Initiative (RSI) funding announced – the SHBC bid has successfully secured a three-year funding settlement of £286,617 to deliver the homelessness projects in the annual plan.	On Track



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
HQL15	Safeguard and support	Through the Council’s Family Support programme work together with families and children with complex needs or in crisis to help them get back on their feet, offering the right help at the right time to prevent things escalating. Over 5 years will support a minimum of 100 families in crisis.	70 families supported by March 2023	Family Support Team Manager	20 families supported in Q1 and 81 families in Q2. On track to meet target.	<i>On Track</i>
HQL16	Safeguard and support	Schedule regular meetings with the Business Improvement District (BID) to maintain good relationships and deliver best outcomes for local businesses.	Quarterly meetings <ul style="list-style-type: none"> • Apr 2022 • Jul 2022 • Sep 2022 • Jan 2023 	Revenues and Benefits Manager	The Director of Finance & Customer Services, Chief Executive and Director of Community & Environment meet regularly with BID colleagues to discuss the BID levy and activities and joint events in Camberley Town Centre.	<i>On Track</i>
HQL17		Review the impact of the first 6 months of the Local Council Tax Support Scheme on residents, and	Report to Community Support	Revenues and Benefits Manager	Will be reported to the Community Support Working Group in February 2023.	<i>Delayed</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
		capacity within the team and report to the Community Support Working Group.	Working Group in October 2022			
HQL18 Page 49	Safeguard and Support	Continue to support families resettled in Surrey Heath to have the resources to thrive in the community, and respond to any further requests from the Government to assist in humanitarian programmes appropriately when considering local resources.	May 2022 – all Afghani families moved on from temporary accommodation and being supported in the community.	Family Support Team Manager	All Afghani families are now living in long term Private Rental Accommodation	<i>On Track</i>
HQL19	Improving Health & Well Being	Following work with Parish Councils, and a public consultation, submit an external funding bid and proposals to carry out a pilot providing Council-run transport from the six outlying villages and other key locations. Subject to the proposals securing Government funding, use	Summer 2022	Corporate Head of Community Services (Runnymede Borough Council) - Shared Service Partnership Manager	Enhancement of the Community Transport service has been impacted by recruitment issues which were highlighted at the October Community Services Partnership Board. Vacancies have been readvertised and initial indications	<i>Delayed</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	MID YEAR REVIEW (Q2 UPDATE)	STATUS – RED – AMBER – GREEN
Page 50		this pilot to understand demand and make proposals for future service. If external funding is not successfully secured, consider alternative options that may be possible within existing resources.			are that the second round of recruitment has been positive. More widely, a review of Community Transport across the Community Services Partnership is to be completed, to consider future delivery models/priorities. The service continues to be available for residents across the borough, and staff/vehicles have been flexibly deployed across the partnership area to reduce risk of refusing journeys.	



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
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 (Annual target)	801	1,926	2,224	1,507	<ul style="list-style-type: none"> - 68 attended events at the museum - 33 enquiries (13 were research) - 342 outreach (120 schools, 14 care home, 108 external events (Heritage Open Days & walks). 11,700 web hits - 19,514 reached via Facebook posts
Reduction in the Percentage of Surrey Heath Residents who say they do less than 30 minutes physical activity a week	<p>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.</p> <p>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.</p>	23% (Lower is better)	21%	-	21.30%	-	No data this quarter (six monthly report)
Participation at the Leisure centre - usage	NEW PROPOSED INDICATOR % quarterly analysis in usage compared to previous quarter	Trend Analysis	-	-	173,727 (baseline figure Q1)	191,639	10% increase in Q2 from Q1



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
		<i>(Quarter on Quarter)</i>					
People Attending Events at Camberley Theatre	The number of people attending theatre and community events at Camberley Theatre.	55,000 <i>(Annual target)</i>	1,965	4,760	14,923	5,304	July/August is a maintenance period so lower attendance reflects this. Q3 (panto) is typically highest during year.
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%	97.3%	96.60%	98.3%	98.5%	
Page 12 Food Premises that are Inspected Within 28 Days of Being Due	Percentage of inspections due each quarter that were carried out within 28 days of the due date	100%	-	-	90.3%	96%	Inspection of 2 home caterers was not possible within 28 days as they did not respond to officer contacts to arrange an inspection visit which is required for businesses on domestic premises. Inspections of 25 new food businesses were also carried out.
Environmental Health Nuisance Complaints	The number of noise, bonfire (domestic & commercial), and light complaints received during each quarter and the	80%	85%	86%	98%	91%	



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
	number closed each quarter expressed as a percentage						
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.	40,000 (Annual target)	12,100	11,215	9,801	9,750	<i>Consistent against Q1, but impact of cost of living a concern</i>
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)	1,100 (Target based on a ‘snapshot’ at the end of each quarter)	1,101	1,104	1,176	1,010	<i>Natural fluctuation in numbers because of those who leave the service and when referrals are received. However, there is also a concern re impact of cost of living crisis.</i>
Number of referrals to social prescribing service	Number of referrals to Social Prescribing service across whole of Surrey Heath partnership project.	650 (Annual target)	149	138	223	248	
Handyperson service referrals	Number of referrals to the Handyperson service.	235 (Annual target)	45	61	56	75	
Benefits Processing – New	a) Number of days taken to process new housing benefits claims	20 days			25.30 (A number of complex supported accommodation cases have affected the	25.8	<i>Comments for Housing Benefit days outside of target remain as previous. Fewer HB claims to process but those that we process are mainly Exempt</i>



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
					processing days.)		<i>accommodation claims that are far more complicated than standard claims and require considerably more information.</i>
Benefits processing - Changes	b) Number of days taken to process changes to benefits	10 days			3 days	2.7 days	
Page 54 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 <i>(Target based on a 'snapshot' at the end of each quarter)</i>	30	37	39	38	<i>This includes 6 households who are in bed and breakfast. The Team is seeing an increase in homeless families due to the end of the eviction ban implemented during the pandemic. Temporary accommodation options are becoming increasingly difficult to find.</i>
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	120 <i>(Annual target)</i>	25	6	22	20	<i>Historically the private rented sector has played an important part in finding homes for households at risk</i>



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
	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						<i>of homelessness. This sector is shrinking and rent levels are not affordable for many residents on low incomes,. This reduces the options available.</i>
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 (Annual target)	18	39	28	33	
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%	No data available	95%	94%	90%	

ECONOMY



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
CON01	Invest in our urban and rural areas	<p>Undertake consultation with borough parishes to identify and establish five sites and development needs across the borough.</p> <p>Establish and progress the Council's long term strategy for the House of Fraser building</p> <p>Establish and progress the Council's long term strategy for the former Alders site</p> <p>Secure planning consent for housing development at 63a High St, Bagshot</p>	March 23	Head of Investment and Development	<p>A feasibility study on the House of Fraser block has been completed. This evaluated three alternative options for enhancing and intensifying the use of the property repurposing and the recommended was endorsed by the Property Investment Working Group in August. A report is currently being prepared to present to the Executive seeking approval to progress to the next design stage.</p> <p>A recommendation is to be submitted to the Executive in November 2022 for the approval of a submission of a planning application for redevelopment of the rear parts of 63a High Street, Bagshot to residential use and the</p>	<i>On Track</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
					costs of refurbishment of the upper parts to enable flexible office occupation.	
ECON02 Page 57	Invest in our urban and rural areas	Update the London Road Block feasibility and options as Covid recovery progresses.	October 2022	Head of Investment and Development	The London Road Block procurement strategy has been agreed subject to concluding discussions with Homes England and Member approval. This will facilitate commencement of a fresh process for invitation of proposals from prospective development partners in late 2022 with a view to receiving proposals in early 2023.	<i>On Track</i>
ECON03	Invest in our urban and rural areas / Deliver a new	Publish a Draft Infrastructure Delivery Plan in the first quarter of 2022/23. Undertake a whole plan viability assessment by December 2022	Publish first quarter 2022/23 Publish assessment by	Planning Policy and Conservation Manager	Draft Infrastructure Delivery Plan published in March 2022 as part of consultation on the Regulation 18	<i>On Track</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
	Local Plan for Surrey Heath	Public consultation on Draft Surrey Heath Local Plan policies, including site allocations, to support the delivery of new homes to address local housing needs	December 2022 Publish Draft Local Plan first quarter 2022/23		Draft Local Plan consultation from March 2022 to May 2022. Consultants appointed to undertake a Whole Plan Viability Assessment and this is in progress.	
Page 58 ECON04	Deliver a new Local Plan for Surrey Heath	Publish a SANG (Suitable Alternative Natural Green Space) topic paper to set out options for SANG provision to enable development for new homes.	Publish topic paper in first quarter of 2022/23	Planning Policy and Conservation Manager	A SANG topic paper published in March 2022 to set out options for SANG provision to support the development of new homes. An updated topic paper planned to be published in early 2023 to support the Regulation 19 Draft Local Plan.	<i>On Track</i>
ECON05	Pro-business approach / Support our businesses / Attract more inward	Complete Town Centre strategy. Undertake borough engagement. Establish phasing plan and approach for early quick wins.	March 23	Head of Investment and Development	A draft strategy for Camberley town centre has been prepared and shared with Members. Next stage will be consultation within the borough and	<i>On Track</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
	investment into the borough as a whole				development of the detailed strategy action plans. The draft masterplan shows the opportunities for early quick wins. The Engine of Growth strategy will require stronger engagement, marketing and promotion to the business community and this is being incorporated into the action plan.	
ECON06	Pro-business approach...	Create and action a ' <i>meanwhile strategy</i> ' for town centre units. Promote the opportunity	June 2022 Post June 2022	Economic Development Manager	There are a number of examples of 'meanwhile' uses that have/are taking place within The Square including Squish pop-up children's' theatre, a vaccination centre and other independent sellers. The 'meanwhile strategy' is currently being reviewed.	<i>In progress but delayed</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
ECON06 ii	Pro-business approach	Create a State of the Borough brochure to promote the borough opportunities	July 2022	Economic Development Manager	This will follow on from the delivery of the Economic Development Strategy (see ECON12 below)	<i>Delayed</i>
ECON06 iii	Pro-business approach	Establish a Surrey Heath Independent Network	June 2022	Economic Development Manager	Surrey Independent Business Network “indies” launched on the 12th September	<i>Complete</i>
ECON07	Pro-business approach	Create and roll out pro-business guidance to all departments within Surrey Heath Borough Council	September 2022	Economic Development Manager	Guidance from the Head of Investment and Development will be circulated to all department managers shortly.	<i>Delayed</i>
ECON08	Pro-business approach / Support our businesses / Attract more inward	Increase the amount of Council procurement spent locally: Benchmark current amount of procurement spent locally Review and agree new procurement strategy maximising local procurement	March 2023	Procurement Officer / Strategic Director – Finance & Customer Services	Local business procurement spending will be reviewed, and implemented over the coming year. The strategy has been completed.	<i>On Track</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
	investment into the borough as a whole	where possible and getting the most cost-effective outcome for the Council and residents Ensure transparency information published is up to date (e.g. end dates of current contracts) to make available to local businesses			Council contract database (Airtable) has been fully revamped, and contracts dated accurately. A quarterly update of live contracts is now accurately provided. Work underway to improve internal procurement and contract register forms.	
Page 61 ECON09	Help young people into employment	Continue to deliver the Youth Hub with DWP 2. Investigate further needs of the community and identify projects which can support further employment (subject to securing funding through DWP).	July 2022	Economic Development Manager	The Youth Hub secured funding for a second year to support young people into work. Due to the declining numbers of young people out of work, the project may need to revert to a community hub part way through the year to accommodate a wider age group range. Discussions are on-going with DWP about this.	<i>On Track</i>



	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
ECON10	Pro-business approach	Deliver a Business engagement strategy to incorporate the statutory business consultation on budget	April 2023	Economic Development Manager	Strategy drafted and will be brought forward for approval as part of the budget-setting process for 2023/24.	<i>On Track</i>
ECON11	Pro-business approach	Deliver a robust economic development strategy supporting economic recovery and sustainable growth in the borough, and taking into account the 2022 Levelling Up White Paper. Align actions with the Climate Change Strategy and Action Plan.	Consult on new Strategy April / May 2022. Launch new Strategy June / July 2022.	Economic Development Manager	This has been delayed due to the departure of the Economic Development manager but will be completed during this financial year.	<i>Delayed</i>

INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
The number of people Parking	'Parking events' compared to pre-Covid numbers in 2019/20.	90%	132,655	85%	92.30%	89.10%	



EFFECTIVE & RESPONSIVE COUNCIL

REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
ERC01	To listen and engage with our communities.	<ul style="list-style-type: none"> i. Agree a best-in-class framework for all consultations delivered by the Council and ensure officers have access to the tools and training required. ii. Agree when consultation or engagement with the public/businesses should take place and which policies are considered key. iii. Review best practice in consultation with 	<ul style="list-style-type: none"> i. December 2022 ii. From April 2022 iii. September 2022 iv. Ongoing 	Communications & Engagement Manager	<p>The Council’s approach to public consultation builds on the success and lessons from the extensive consultation carried out in Summer 2021 to inform the Council’s Five Year Strategy.</p> <p>A major consultation in 2022/23 has been the Draft Local Plan regulation 18 consultation from 14 March to 9 May, which included an online and paper survey, exhibitions, drop-in events and virtual public sessions. A further consultation on Site Allocations for Gypsy and Travellers and Travelling Show People site allocations took place 8 August to 19 September and also featured an online presentation and in-person drop in sessions. Other consultations have included an online Business Consultation in April, a consultation</p>	



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
Page 64		external providers and other public bodies and make recommendations for a future approach. iv. Ensure plain English is used in Council documents and when communicating with residents.			on the new Mytchett Skatepark and, most recently, public engagement sessions to shape the delivery of the Council’s new website. A formal framework will be prepared which incorporates the learning and best practice from recent consultations and external training.	
	ERC02 i	To deliver customer friendly and responsive services	Agree the current opening hours of the Council, and regularly review to ensure an accessible service.	October 2022	Customer Relations Manager / Organisational Development Manager	Opening hours maintained at 9am to 1pm Monday to Friday. Meet and Greet service maintained from 9am to 5pm Monday to Thursday and 9am to 4.30pm Friday. This also enables us to manage customer enquiries



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
					<p>received during the afternoon, should they occur.</p> <p>Customer footfall continues to be monitored daily. To date, customer satisfaction remains high and the current opening hours are working well for both the customer and the business.</p>	
Page 65 ERC02 ii	To deliver customer friendly and responsive services	Investigate the possibility of service reviews in some departments, dependent on resources, to improve customer processes and service.	March 2023	Customer Relations Manager / Organisational Development Manager	<p>Discussions underway to bring initial Parking Fine challenges into the Contact Centre.</p> <p>New queue management system under UAT for Main Reception. This will improve the statistics available for both the Contact Centre and Revenues and Benefits.</p> <p>Contact Centre to undertake triage for Bonfires and Smoke nuisance and Light nuisance, including the initiation of letters where necessary.</p>	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
					<p>Agreed that Contact Centre will undertake the administration required for ID cards on behalf of Elections.</p> <p>Contact Centre to oversee the knowledge tests for Licensing both Private Hire and Hackney Carriage, including Uniform updates.</p> <p>Processes for Environmental Health and Noise Pollution, updated and streamlined.</p>	
Page 69 ERC02 iii	To deliver customer friendly and responsive services	Implement customer service objectives in all staff appraisals	July 2022	Organisational Development Manager	Meetings/workshops undertaken with WMT & CMT members regarding appraisals and customer service objectives and request for customer service objectives included in appraisal template.	<i>Complete</i>
ERC02 iv	To deliver customer friendly and responsive services	Refresh the Council's values and behaviours to ensure a strong emphasis on customer service which is ingrained into the	May 2022	Organisational Development Manager	<p>New Values and Behaviours launched May 2022</p> <p>following engagement with staff, staff reps, WMT and CMT. Integral in appraisals and the new intranet, Warbler.</p>	<i>Complete</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
		culture of the organisation.				
ERC03	To deliver customer friendly and responsive services	Consider partnership working when first implementing a service. Look at partnerships outside of Surrey for procurement purposes. Consider skill shortages in certain departments and look at opportunities for sharing information and learning across Councils.	March 2023	Head of HR, Performance, and Communications	Pilot building control partnership in place with Runnymede Borough Council to improve service and increase resilience. Continue to review opportunities as they arise.	On Track
ERC04	To deliver customer friendly and responsive services	Implement the actions from the 2021 Planning Advisory Service (PAS) review of the Development Management Service.	December 2022	Development Manager	Second team leader started at the end of May as per the PAS recommendation to have two teams, so that line management could be shared. PAS recommended a Validations Team and resource agreement for the Technical Support	On Track



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
Page 68					<p>team to undertake planning application validations was secured - Training undertaken and to commence the beginning of Q2, piloting the validation of householder planning applications.</p> <p>PAS recommended taking on a planner or support staff at trainee level. This has been done with the recruitment of a graduate planner.</p> <p>PAS recommended establishing a routine whereby ward Councillors could be updated on the progress of significant schemes. Officers now meet with ward Councillors to do this. Regular planning training sessions have also been held with Councillors.</p>	
	ERC05	Work towards financial autonomy and fully	Following the approval of the Council's new Medium Term Finance Strategy (MTFS) in February 2022,	Review to Council in February 2023	Strategic Director – Finance & Customer Services	During Q1, the Council has carried out its 'Star Chamber' process and has achieved the required cost reduction targets for both 2022/23 and 2023/24. The service budgets



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
Page 69	sustainable services	carry out a rolling annual update of the Strategy alongside the annual budget every year, to reflect the priorities in the Five Year Strategy. Ensure agreed savings targets in Strategy and the annual budget are achieved through regular budget management.			will be adjusted in the second quarter of the financial year and delivery against these budgets will be monitored. The revision of the MTFS will begin in Q3 and report to Council in February 2023. A reconciliation of establishment data is underway. The budget process for 2023/24 , is starting earlier this year . The preparation of the budget for 2023/24 will be incorporated with a review of the Medium Term Financial Strategy to see if any revisions are required to this document .	
	ERC06 Work towards financial autonomy and fully sustainable services	Identify opportunities to bring down costs and/or increase income through the annual Revenue and Capital Bid process.	October 2022	Chief Accountant and Wider Management Team	There has been some progress via the star chamber sessions that took place at the beginning of the Quarter. Director of Finance and Customer Services is working on this following on work from the star chamber meetings . The aim is to	<i>On Track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
					implement invest to save initiatives reduce costs and increase income	
ERC07	Continue to deliver Digital Transformation	Upgrade the Council's website, making it easier to access a wider range of Council services on-line.	November 2022	Communications & Engagement Manager	Phase 1 of this work completed mid July 2022 with the migration of all of our websites away from Plan Alpha to a new hosting environment managed by Annertech. Consultation is taking place with residents, Councillors and staff to ensure the new website provides the best customer experience possible.	<i>On Track</i>
ERC08	Continue to deliver Digital Transformation	Implement Citizens Access packages for Revenues, Benefits and Landlords to enable our residents, businesses and landlords to manage their council tax and business rates accounts online.	CLL (Landlord portal): to go live April 2022 CAB (Benefits): to go live May 2022	Revenues and Benefits Manager / ICT Manager	Citizens Access Revenues is up and running however Citizens Access Landlord and Benefits are not yet in place due to an implementation issue at set up phase. Due to be completed in this year in time for annual Council tax billing	<i>Delayed</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
ERC09	Continue to deliver Digital Transformation	Continue to search for opportunities to re-furbish and re-use our old PC stock and deliver them to charitable causes. Specifically we will aim to deliver 15 PCs to the Youth Hub for re-distribution.	December 2022	ICT Managers	<ul style="list-style-type: none"> – 7 PCs delivered to The Workshop June 2022 – 2 PCs delivered to Potters (asylum seekers) June 2022 – 2 PC delivered to Ukrainian refugees via Family Support June 2022 – 2 PCs to Special Ears charity - June 2022 	<i>On Track</i>
Page 71 ERC10	Making the Council a more agile and responsive organisation	Ensure Uniform software (supporting a number of key frontline services) is upgraded to be supported by laptops for all users. Ensure all PC users are migrated onto laptops.	May 2022	ICT Managers	<p>All Uniform servers have been migrated to Microsoft Azure and all Uniform users are now operating via laptops and Azure Virtual Desktop.</p> <p>Laptop roll out to Contact Centre staff and Corp Enforcement staff now complete leaving just Revenues and Benefits team and a couple in the theatre to deploy laptops to. 227 laptops rolled out by September 2022.</p>	<i>Delayed but on track</i>



REF	FIVE YEAR STRATEGY AIM	2022/23 TARGET/PROJECT	MILESTONES/TARGET	RESPONSIBLE OFFICER	Q1 UPDATE	STATUS – RED – AMBER – GREEN
					Revenues and Benefits system now available on virtual desktop and being tested by the team.	
ERC11	Making the Council a more agile and responsive organisation	Increased income in 2022/23 and better partnership working through increased space in Surrey Heath House for the Police.	From April 2022	Head of HR, Performance, and Communications	Office moves and rationalisation of desks and furniture have lead to increased space available for partners.	On Track

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INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
Percentage of Complaints Responded to Within Target	Percentage of 'formal' complaints (stage 2-3) responded to within target 2 days to acknowledge and 10 days to reply)	90%	67%	75%	75%	80%	10 stage 2/3 7 x Stage 2 2 complaints exceeded the agreed service response time. This was caused by staff absence. The complaints were acknowledged and the customer informed.



INDICATOR	DESCRIPTION	TARGET 2022/23	Q1 2021/22	Q2 2021/22	Q1 2022/23	Q2 2022/23	COMMENTS
Customer Satisfaction Rating of Good/Excellent to Exceed 90%	Contact centre and wider organization. Customer satisfaction rating of good/excellent to exceed 90%	90%	100%	100%	100%	100%	Surveys July 131 - 100% August 107 - 100% September 141 - 100%
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	Q1 29.7% Q2 59.4% Q3 84.15% Q4 99%	29.72%	57.49%	29.50% £26.6m collected	57.60% £50.12m collected	99% (Year-end target – measured cumulatively through the year)
Non-Domestic (Business) Rates Collected	Percentage calculated, as a cumulative year-to-date figure, from the total business rates payments received compared to the total amounts payable in that year	Q1 29.7% Q2 59.4% Q3 84.15% Q4 99%	29.59%	54.96%	31.29% £10.6m collected	57.55% £19.03m collected	99% (Year-end target – measured cumulatively through the year)
Invoices Paid On Time	Percentage of invoices paid on time.	97%	99.01%	97.36%	98.6%	98.99%	



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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Public Litter Bins

Portfolio Holders:	Cllr Colin Dougan, Environment & Health Cllr Rebecca Jennings-Evans, Leisure, Culture & Community
Strategic Director:	Nick Steevens, Strategic Director, Environment & Community
Report Authors:	Nick Steevens, Strategic Director, Environment & Community Sue McCubbin, Recreation and Leisure Manager Jo Chauhan, Interim Director, Joint Waste Solutions
Key Decision:	No
Wards Affected:	All

Summary and purpose

Following concerns expressed at the September Performance & Finance Scrutiny Committee about the frequency with which litter and waste bins were being emptied officers were requested to prepare a report to the November Committee meeting. This report sets out the contractual arrangements for waste collection from public litter bins within the borough, performance against those contracts and the improvements which are being conducted in relation to the emptying and reporting of issues with litter bins.

Recommendation

The Performance and Finance Scrutiny Committee is requested to consider and comment upon the contents of the report.

1. Background and Supporting Information

- 1.1 The Council is responsible for the emptying of 836 public litter bins (including dog waste bins) within the borough.
- 1.2 Of these 355 are located within parks and open spaces consisting of 155 dog waste and 200 general waste bins. These are the responsibility of the Council's grounds maintenance contractor, Glendale and fall within the portfolio of Leisure, Culture & Community.
- 1.3 The other 481 bins are considered as street litter bins which are managed by Amey under supervision of Joint Waste Services (JWS) under the portfolio of Environment & Health.
- 1.4 Litter bins in the borough were mapped by the JWS team in 2021. This included recording the type and condition of the bin. An example of the GIS map is shown in Annex 1 with parks/open spaces bins denoted as either green (playground or park general waste bin) or red (dog waste bins). Bins showing as black circles are street litter bins that Amey service with contractual oversight falling to JWS. For ease of identification contractors use different colour bin liners so teams know who is responsible for the emptying. Black liners are used by Glendale and beige liners are

Amey.

- 1.5 There are many other public litter bins within Surrey Heath which the Council is aware of and are in the process of uploading this information onto our GIS mapping. These bins are owned and managed by third-party organisations including Accent, the Ministry of Defence and Surrey Wildlife Trust. As part of the proposed improvements for the reporting of bin issues officers will be looking to include details of these bins and their owners onto the Council's website.
- 1.6 The Council has committed to replacing 10 open-topped bins per annum to prevent wind dispersal and animal attacks on the waste bins which is prevalent with the open top type bin. The annual quantity is to ensure the replacement is met from within existing budgets and staffing resources. There are approximately 50 open-topped bins remaining so at the current rate of replacement the programme will be completed within 5 years.
- 1.7 It is important to understand the implication of installing new bins, the cost to install a bin is dependent on the type of bin but is typically £650 per bin to purchase and install. The cost to empty a general waste bin is around £160 a year and the cost of maintenance and subsequent replacement also needs to be factored in to decisions around increasing the number of bins in the borough.

2. Street Litter Bins

- 2.1 The current waste collection and street cleaning contract runs to June 2027. Amey took over the services in Surrey Heath in February 2018, as part of the Joint Contract which also sees them deliver services in Woking, Elmbridge and Mole Valley.
- 2.2 Amey are required to empty street litter bins as part of the street cleaning element of the contract with the Council. All of the 481 street litter bins are categorised according to their location or priority zone, which is a category which is reflective of the type of area they are located in and the levels of footfall and usage they are expected to see. Higher priority zones receive more frequent collections and subsequently attract a higher annual charge for emptying.
- 2.3 The current breakdown in bins by priority zone is in the table below:

Priority Zone	Number
Town Centres and Local Shopping Areas Priority Zone	217
High Visibility Through Routes and Low Usage Village Centres Priority Zone	32
Main Through Routes, Spine Roads and High Need Residential Priority Zone	159
General Residential Priority Zone	73
Low Use Rural Priority Zone	0

- 2.4 The priority zone classification is designed to ensure the contract operates in line with guidance set out in the Code of Practice on Litter and Refuse (COPLAR).

- 2.5 The street cleaning contract with Amey does not prescribe how often a litter bin should be emptied. Instead of specifying a frequency, Amey are required to ensure that no litter bin reaches more than 75% capacity. This approach is designed to ensure that bins are visited on a frequency that best suits the rate at which it is usually filled, while allowing Amey to have flexibility in its resourcing of the service, and scope to adapt this according to changing needs (such as seasonal fluctuations in use).
- 2.6 There are Key Performance Indicators (KPIs) that apply to the street cleaning elements of the services provided by Amey. The specific measure which applies in the case of litter bins is KPI 11 – Street Cleaning Performance Failure Not Rectified.
- 2.7 Should a litter bin be found to be full or overflowing, Amey are required to empty this within a prescribed time period. A full or overflowing litter bin does not automatically result in a penalty being applied – but if the report is not responded to and completed with the required timeframe then it counts as a failure and a penalty can then be applied. Details of the number of failures recorded for this KPI in recent years are included in the table below

	2019-20	2020-21	2021-22	2022-23
KPI 11	15	7	53	4

- 2.8 The response time is again set according to the priority zone, with those in heavier footfall areas needing to be actioned more quickly than those in lower footfall areas.

Priority Zone	Response Time to empty Litter Bins that are full to over 75% capacity.
Town Centres and Local Shopping Areas Priority Zone	2 hrs
High Visibility Through Routes and Low Usage Village Centres Priority Zone	6 hrs
Main Through Routes, Spine Roads and High Need Residential Priority Zone	By end of next Working Day
General Residential Priority Zone	By end of next Working Day
Low Use Rural Priority Zone	By end of next Working Day

N.B. In whitespace town centres SLA is set to 2 hours, but High Vis routes is set as 'By end of next working day' as with other zones. This is due to the way hours/days are calculated in the system currently. This is likely to change as part of ongoing development in the system and once available the SLA will be set back to as per contract.

- 2.9 Litter and detritus surveys are a further KPI measure where problems with litter bins would contribute to penalties. During these quarterly surveys, a sample of 300 sections of street are assessed for levels of litter and detritus (again using standards set out in COPLAR). The target for Amey is that no more than 4% of transects can fall below a grade B for litter, and no more than 8% roads can fall below a grade B for detritus. The results table below shows the percentage of transects which have failed (found to be below a grade B) for the last 6 rounds of surveys.

	2021-22				2022-23	
	Q1	Q2	Q3	Q4	Q1	Q2
Litter (%)	1	0.5	0.5	0.7	0.2	0.2
Detritus (%)	6.3	5.5	13.5	6.2	8.7	8.5

- 2.10 Issues with litter bins are reported by both officers and members of the public. They are treated in the same way for the purposes of performance measures. The web forms used by residents (or the Amey contact centre if reported by phone) ensure that the depot receives the job as soon as it is logged, and this is why reporting via webforms or directly to the Amey contact centre should be encouraged. Emailing reports can introduce a delay to the job to attend to the bin being raised in the system.
- 2.11 JWS operations officers aim to spend around 50% of their time out in the contract area undertaking inspections and visits across the week. As a result they are often reporting issues they've directly observed, as well as monitoring locations where repeat problems have been identified. Where the same bins are found to be regularly causing problems then these will be highlighted in weekly meetings with the depot manager, and inspected periodically to identify the underlying cause, whether this is related to the emptying frequency, or other issues. For example this might be inappropriate use by nearby businesses or householders to dispose of their waste.
- 2.12 Reporting ability is straightforward thanks to online forms, but we know that residents don't always know which department or organisation is responsible for a particular bin. We are working together across the council to consolidate our mapping data so that this can be used online to ensure residents are directed to the correct route to report the litter bin to the right team first time. Amey's new IT system (Whitespace), introduced in April 2022, gives them greater ability to make use of the data on reports of problem litter bins, and have greater flexibility in updating collection rounds.

3 Parks & Open Spaces Litter Bins

- 3.1 The Parks and Grounds Maintenance Contract was awarded to Glendale for a five year period with an option to extend for a further 2 years at the end of the five year period. The contract commenced on 1st November 2020.
- 3.2 Under the terms of the contract, Glendale are responsible for the following activities relating to litter bins:
- 3.2.1 Ensuring all sites remain litter free and presentable at all times and are able to demonstrate a regular inspection and litter picking regime.
 - 3.2.2 Preparing and implementing a schedule based on site use and known littering.
 - 3.2.3 Inspecting and emptying all bins regularly enough to ensure they do not overflow, do not smell and always provide sufficient capacity.
 - 3.2.4 Informing the public as to the use of dog bins and dog fouling and any related byelaws. This may include the gathering of photo evidence of persistent offenders to allow the Council to prosecute if required.
 - 3.2.5 Replenishment of dog poo bags at the 43 Tikspak stations located around the borough.
 - 3.2.6 Supporting and contributing to any campaigns or initiatives that are aimed at reducing dog fouling, littering, graffiti and general anti-social behaviour in parks.
 - 3.2.7 Inspecting litter bin for structural damage, undertaking repairs or removing those beyond repair with the Council responsible for supplying replacements

- 3.2.8 Inspecting the bins at the premier parks, Watchetts, London Road, Frimley Green Recreation Ground 7 days a week and appropriate action taken.
- 3.2.9 Undertaking a higher frequency of litter pick at Heatherside Recreation Ground, Frimley Green Recreation Ground, Old Dean Recreation Ground and Camberley Town Park on weekends.
- 3.3 The contract with Glendale has a number of monitoring and performance mechanisms incorporated. This includes performance indicators which are scored monthly and linked to the annual contractual value. The contractor must ensure they achieve the specified performance indicators to obtain the full annual contract value. The value of the performance indicators is set out in Annex 2 and is linked to key areas of the contract.
- 3.3 Performance against the contract is monitored by the Senior Contract Officer (the Client Officer) and the Recreation & Leisure Services Manager. Under the contract, there are detailed implications for poor, non-performance of contractual obligations that can be applied.
- 3.4 The Client Officer is responsible for investigation of cases where the contractor appears to have failed to meet with the provisions of the contract. Where there has been a failure to perform the services satisfactorily the Council can:
 - 3.4.1 Instruct the Contractor to remedy the failure within a reasonable period. Where an instruction is issued the contract permits the council to recover monies in respect each instruction or notice of failure issued.
 - 3.4.2 Require the contractor to pay liquidated damages and monies for each notice of failure. Liquidated damages are set out as a percentage of the total contract annual price per day for each day.
 - 3.4.3 Terminate the Contract
- 3.5 Where a Default Notice is served for a failure to perform, liquidated damages in accordance with the table set out in Annex 2.
- 3.6 Defaults are issued at the discretion of the Client Officer and will reflect the nature and severity of the services not performed. Year 1 of the contract 9 defaults were issued for non-performance. In year 2 of the contract the Client Officer will have issued 16 defaults for non- performance.

4 Planned Improvements

- 4.1 Whilst it is relatively straightforward to report problems through the Council's online forms and via the contact centre, often residents are unsure who is responsible for a particular bin. Officers are working collaboratively to consolidate the mapping data and develop a public map for the Council website. The map will allow residents to identify the ownership of specific bins in the borough and provide details of the most direct route to report problems such as damaged or overflowing bins. Clicking on the interactive map to report the bin to the correct organisation will allow for closer monitoring of those bins where the collection frequency is no longer sufficient or are suffering from fly-tipping. This solution will also assist in providing a useful mechanism for the monitoring of contractor performance.
- 4.2 To compliment the mapping solution, a project team has been convened to establish the resources required to place stickers on all bins managed by the Council. The stickers are intended to include a QR code which will direct residents straight to the mapping and reporting page on the Council's website. This will assist residents in

identifying them as a borough bin and will assist the contact centre in directing customers to the correct service and also Client Officers in monitoring the level of fault reporting.

- 4.3 As part of the project to inform residents of which bins are owned by the Council there will also be an increased drive to ensure that the correct reporting mechanisms are followed to ensure there is minimal delay in the Council's contractors being informed of a bin-related issue.
- 4.4 Officers in JWS are due to carry out a review of the location and priority zone classification of all bins to ensure they meet the needs of the area, balancing reasonable capacity and requirements for emptying frequency. This adheres to WRAPs guidance on 'Right Bin, Right Place' in order to ensure that the ongoing revenue costs of litter bin emptying are providing value for money.
- 4.5 An additional element of work which officers wish to pursue is the use of Community Infrastructure Levy (CIL) for replacing street litter bins. Utilising CIL would reduce the cost of replacement to the Council and form part of a longer term improvement plan.
- 4.6 Both Recreation & Leisure and JWS are reviewing the provision of dog waste bins in the borough. All waste bins are able to take dog waste as all waste collection for street and park bins is disposed of at energy recovery sites for incineration. Conventional dog waste bins are smaller than palisade bins and therefore require more frequent emptying which is inefficient. Additionally the location of dog waste bins in many locations is immediately adjacent or close to a litter bin. Whilst the frequency of emptying needs to be balanced against other potential issues such as odour, the presence of dedicated dog waste bins is no longer deemed to be cost effective.

Annexes

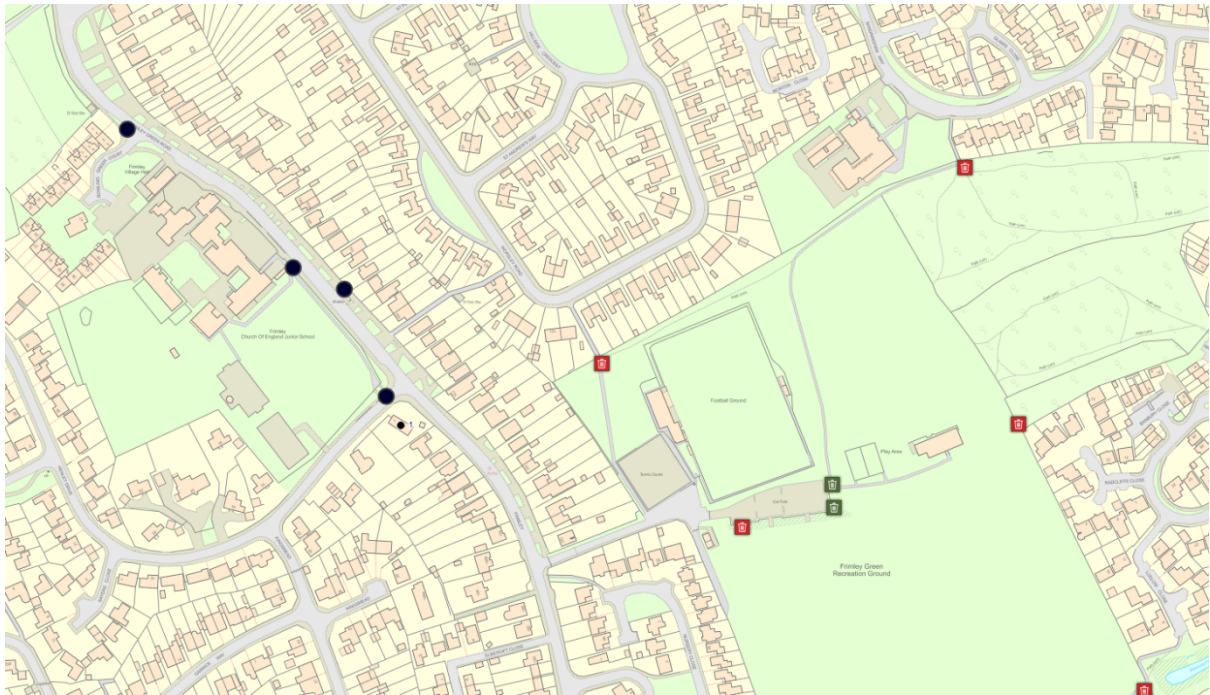
Annex 1 – Example GIS bin layer

Annex 2 – Confidential Annex relating to Glendale contract

Background Papers

None

Annex 1 – Example GIS bin layer



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Regulations 2000.

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Revenue Budget 2022/23
Monitoring Report – Quarter 2

Portfolio Holder: Councillor Robin Perry - Finance
Strategic Director: Bob Watson, Executive Director: Finance and Customer Service
Report Author: Nilufa Begum,
Key Decision: No
Wards Affected: All

Summary and purpose

To provide the Performance and Finance Scrutiny Committee with a summary of the budget and financial performance for the first two quarters of 2022/23 – up to accounting period ending 30 September 2022.

Recommendations

The Performance and Finance Scrutiny Committee is advised to RESOLVE that they

- (i) note the spend against the approved revenue budget for the period 1 April to 30 September 2022 and the end of year predicted forecast of full year outturn.
- (ii) make as necessary any comments and recommendations from this Committee to the Council's Executive at their meeting on Tuesday 15 November 2022.

1. Background and Supporting Information

- 1.1 This is the second quarterly monitoring report against the 2022/23 approved revenue budget as at the 30 September 2022 (end of Quarter 2).
- 1.2 At the end of the second quarter the Council's services are reporting an overall **adverse variance position of £0.302 million** in their forecasts of outturn for the end of the current financial year. At the end of the first quarter all services were predicting an outturn as on budget.
- 1.3 Budget adjustments from the budget agreed at Council in February are applied as follows:

<u>Service</u>	Budget agreed at Council £000	Carry forwards agreed by Executive £000	Star Chamber savings £000	Supp Estimates agreed at Executive £000	Working budget £000
Environment and Community	7,346	15	(207)	0	£7,154
Finance and Customer Services	2,399	0	(38)	15	£2,376
HR, Performance & Comm	3,736	23	(92)	0	£3,667
Investment and Development	(£1,395)	64	(105)	13	(£1,423)
Legal and Democratic Services	1,191	3	(26)	0	£1,168
Planning	1,280	178	(180)	0	£1,278
Strategic Management	162	0	0	0	£162
Corporate budget	69				£69
Overall Position	14,788	283	(648)	28	£14,451

- 1.4 Carry forward budgets agreed at Executive from 2021/22 have now been included in the 2022/23 budgets.
- 1.5 £647,500 of identified efficiencies, savings and additional income as part of 'star chamber' process earlier in the year have been applied to the 2022/23 budgets.
- 1.6 Working with their finance business partners, services have reviewed their budgets and considered their forecast outturn position; the high level summary by service is below:

<u>Service</u>	Working Budget £000	Profiled budget P6 £000	Actual at P1-P6 £000	Year-end Forecast £000	Forecast Variance £000
Environment and Community	£7,154	3,577	3,219	7,296	£142
Finance and Customer Services	£2,376	1,188	1,533	2,644	£268
HR, Performance & Comm	£3,667	1834	1884	3,613	(£54)
Investment and Development	(£1,423)	(712)	(£820)	(£1,423)	£0
Legal and Democratic Services	£1,168	584	625	1,134	(£38)
Planning	£1,278	639	469	1,257	£21
Strategic Management	£162	81	61	125	(£37)
Overall Position	14,382	7,303	6,971	14,917	302

- 1.7 Service commentaries. The services are predicting an outturn position as highlighted below, with explanations of major variances:

Service area and detail	Variance £ 000
<u>Environment and Community</u> Pressure on the community service budget as a result of prior year budgeting anomaly which created a double-count for the service level agreement income from the Surrey County Council and the shared service with Runnymede Borough Council.	167
Emergency electrical works for car parks creates a budget pressure (offset by increased income – see next line below)	50
Increased use of Knoll Road multi-storey car park (mscp)	(75)
<u>Finance and Customer Service</u> Use of agency within Accountancy to cover vacant posts due to resignations and difficulty in recruiting permanent replacements (position net of permanent costs)	70
Engagement of consultant accountant for closing of annual statements (2019/20 – 2021/22)	75
Increased drawdown on the pension holding account.	123
<u>HR, Performance and Communications</u> Underspend due to temporary managed vacancy for two posts.	(54)
<u>Investment and Development</u> Due to the recent appointment of the new head of service and also a new service finance business partner, it is not possible to show a forecast at this time. There is anticipated to be a temporary in-year pressure due to the granting of rent-free periods as part of new lettings, which will be offset by a reduction in the cost of holding void properties. The revised position will be reported at the end of Q3.	0
<u>Legal and Democratic Services</u> Underspend due to temporary managed vacancy within Electoral Services	(38)
<u>Planning</u> There is a reduction in the number of planning applications being received during the year to date reflecting the position nationally. It is expected that there will be some major applications and Pre- Planning Applications (PPA) by the end of the year that may change to position, but best estimate forecast has been provided.	21
<u>Strategic Management</u> Underspend due to managed vacancy for the Mayoral Assistant post and efficiencies on civic activities	(37)

- 1.8 Supplementary Estimate. There has been one additional supplementary budget estimate for £15,000 for a contribution for Collectively Camberley Limited towards the Christmas lights and other functions as agreed by Executive at its meeting on 16 August 2022.

- 1.9 Star Chamber process. Executive on 16 June 2022 received and reviewed a report on the Star Chamber review of services. At the meeting they agreed to accept a number of the proposals in the report. These are summarised below:

Star Chamber agreed efficiencies (all figures in £ 000)

	2022/23	2023/24	2024/25	2025/26	Total
MTFS target	475	425	300	150	1,350
Star chamber	647.5	482.5	34	5	1,169

2. Reasons for Recommendation

- 2.1 It is imperative for strong financial management that the revenue budgets are reviewed regularly and reported on a quarterly basis to Performance and Finance Scrutiny Committee and the Executive.

3. Proposal and Alternative Options

- 3.1 The Committee is asked to note the report on the 22/23 Revenue Budget for the period 1 April to 30 June 2022 and make any comments and recommendations to the Executive for consideration.
- 3.2 Alternatively, the Committee may just note the report and make no further recommendations or comments.

4. Contribution to the Council's Five Year Strategy

- 4.1 The budgets agreed at Council are aligned to and support the approved five-year strategy.

5. Resource Implications

- 5.1 The budget monitoring is related back to the original budgets set at Council in February 2022, adjusted as detailed to form the working budget for the year..

6. Section 151 Officer Comments:

- 6.1 Whilst the Council is predicting an overspend at year end, it is considered that currently no remedial action needs to be taken in terms of supplementary budget estimate requests at this point in time. If these budget pressures continue as the Council progresses through the financial year, then additional budget will be requested in accordance with the Council's Financial regulations.
- 6.2 The Star Chamber process has proved very successful in delivering on the budget reviews and has nearly achieved the four-year target set in the MTFS. This will be developed further during the next MTFS and annual budget plan to be presented to Council in February 2023.
- 6.3 The current national economic situation will create pressures on future year budgets and this is already being factored into the revision of the MTFS for Council agreement in February 2023.

7. Legal and Governance Issues

- 7.1 The revenue budget is monitored monthly and reported to CMT, Executive and Performance and Finance Scrutiny Committee quarterly.

8. Monitoring Officer Comments:

- 8.1 The Committee's terms of reference includes the function to monitor, review and to report to the Leader/ Executive in relation to the performance of the Council's services.

9. Other Considerations and Impacts

Environment and Climate Change

- 9.1 Details of these are in the individual service areas that the budgets support

Equalities and Human Rights

- 9.2 Details of these are in the individual service areas that the budgets support

Risk Management

- 9.3 Inadequate budget monitoring represents a reputational and financial risk to the Council.
- 9.4 Regular financial monitoring enables risks and budgetary pressures to be highlighted and addressed at an early stage so that mitigating actions can be taken.

Community Engagement

- 9.5 Where necessary engagement will be taken through individual service areas the budgets support.

Annexes

None

Background Papers

None

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Capital Budget 2022/23
Monitoring Report – 2nd Quarter 2022

Portfolio Holder: Councillor Robin Perry - Finance
Strategic Director: Bob Watson, Strategic Director: Finance and Customer Service
Report Author: Adrian Flynn, Chief Accountant
Key Decision: No
Wards Affected: All

Summary and purpose

To provide the Performance and Finance Scrutiny Committee with a summary of the progress against the 2022/23 capital programme and budget for the first half of the financial year (FY), the period 1 April 2022 to 30 September 2022.

Recommendation

The Performance and Finance Scrutiny Committee is advised to RESOLVE that they

- (i) note the spend against the approved capital programme for the period 1 April to 30th September 2022.
- (ii) note the proposed reprofiling of budgets to later years that Executive will be asked to approve at their meeting on 15 November 2022.
- (iii) make as necessary any comments and recommendations from this Committee to the Council's Executive at their meeting on Tuesday 15 November 2022.

1. Background and Supporting Information

- 1.1 This is the first monitoring report against the 2022/23 approved capital programme and budget as at the 30 September 2022.
- 1.2 At the end of Quarter 2 the total spend and commitments amounted to £1.383 million against a budget of £10.654 million, which amounts to 13.0%.
- 1.3 Services have identified £8.222 million of capital budgets that need to be reprofiled to later years. Executive is asked to approve this, This will reduce the in-year capital budget to £2.432 million.
- 1.4 It should be noted that the majority of reprofiling is in the Investment and Development service. Currently expenditure plans for these budgets are under development and if the need arises, there may be some of the reprofiled budgets that

will be used in 2022/23. In this instance it will be reported in Q3 and Q4 is the spend profile changed.

- 1.5 A detailed breakdown of the 2022/23 capital programme and spend is included at Appendix 1

2. Reasons for Recommendation

- 2.1 It is imperative for strong financial management that the capital budgets are reviewed regularly and reported on a quarterly basis to Performance and Finance Scrutiny Committee and the Executive.

3. Proposal and Alternative Options

- 3.1 The Committee is asked to note the report on the 22/23 Capital Budget for the period 1 April to 30 September 2022 and make any comments and recommendations to the Executive for consideration.
- 3.2 Alternatively, the Committee may just note the report and make no further recommendations or comments.

4. Contribution to the Council's Five Year Strategy

- 4.1 The budgets agreed at Council are aligned to and support the approved five-year strategy.

5. Resource Implications

- 5.1 The original capital programme was set at Council in February 2022 and included budget for the new projects and the reprofiling of budgets from prior years to allow projects to complete.

6. Section 151 Officer Comments

- 6.1 The Council continues to spend on its capital assets and infrastructure. The year end position is still fluid due to market conditions, however it is considered that no remedial action needs to be taken at this point in time as a number of projects that currently reporting minimal or no spend at present are still anticipated to complete by the end of the financial year.
- 6.2 There are some major projects in the Investment and Development service with significant budgets that are currently under development, for example the London Road site that will need to have budget profiled to match the expected expenditure; this piece of work will be completed in time for the third quarter report.

7. Legal and Governance Issues

- 7.1 The Capital budget is monitored monthly and reported to CMT; it is also reported to Executive and Performance and Finance Scrutiny Committee quarterly.

8. Monitoring Officer Comments:

- 8.1 The Committee's terms of reference includes the function to monitor, review and to report to the Leader/ Executive in relation to the performance of the Council's services.

9. Other Considerations and Impacts

Environment and Climate Change

- 9.1 Details of these are in the individual service areas that the budgets support

Equalities and Human Rights

- 9.2 Details of these are in the individual service areas that the budgets support

Risk Management

- 9.3 Inadequate budget monitoring represents a reputational and financial risk to the Council.
- 9.4 Regular financial monitoring enables risks and budgetary pressures to be highlighted and addressed at an early stage so that mitigating actions can be taken.

Community Engagement

- 9.5 Where necessary engagement will be taken through individual service areas the budgets support

Annexes

Annex A – Capital Monitoring

Background Papers:

None

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CAPITAL MONITORING 2022/23 PERIODS 01-06

ANNEX 1

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	B/Fwd from 2021/22	Approved Bids 2022/23	Total 2022/23 Programme	Current Spend & Commitments	Forecast Spend	Reprofile to later years
	£'000	£'000	£'000	£'000	£,000	
Investment and Development						
1 Public Realm Works	322	0	322	-41	0	322
2 Cambridge Square Refurbishment	1,412	0	1,412	-5	5	1,412
3 Camberley High Street Trees	0	0	0	5	0	
4 Property Acquisition Strategy	2,343	0	2,343	0	0	2,343
5 London Rd Block	3,600	0	3,600	-8	0	3,600
6 Ashwood House (Market Hall)	6	0	6	0	6	
7 Boiler @ Hudson House, Albany Park	25	0	25	20	20	
8 Theatre Kitchen Refurb	0	35	35	22	35	
9 Capital Maintenance Budget	0	110	110	0	110	
10 House of Fraser building	0	0	0	0	0	
11 Ashwood House Public Realm - Surface Resurfacing	0	0	0	0	0	
12 63A High Street Bagshot Development	0	112	112	102	112	
13 Refurbishment of Unit 5, Albany Park, Frimley	0	55	55	0	55	
14 Replacement of Elect Distrib Boards	0	74	74	0	74	
15 Town Centre Strategy – early win projects Implementation strategy	0	0	0	0	0	
16 5 Sites regeneration project	0	0	0	0	0	
17 128 London Rd (Connaught Court)	0	0	0	2	2	
18 151 Gordon Avenue (Night Stop)	0	0	0	10	10	
Sub Total	7,708	386	8,094	106	429	7,677
Environment & Community						
19 Openspace Works / Acquisition Land & Buildings	2	0	2	0	0	
20 Renovation Grants	665	780	1,445	1,084	1450	
21 Frimley Lodge Car Park - Capacity Increase	105	0	105	0	0	105
22 Camberley Theatre Frontage & Lighting Upgrade	0	0	0	40	40	
23 Camberley Theatre Restoration Fund	0	38	38	0	38	
24 Lightwater CP Visitors Centre	2	0	2	0	0	
25 Deanside DR Woods Play Area	19	0	19	0	19	
26 Mytchett Skate Park	54	0	54	54	54	
27 Board Sites	6	0	6	0	0	
28 Frimley Lodge Play Area	28	0	28	0	0	28

	B/Fwd from 2021/22	Approved Bids 2022/23	Total 2022/23 Programme	Current Spend & Commitments	Forecast Spend	Reprofile to later years
	£'000	£'000	£'000	£'000	£,000	
29 Whitmoor Rd	25	0	25	0	25	
30 Watchetts Recreation Ground Tennis & Netball	134	0	134	1	134	
31 CCTV Equipment	3	0	3	0	0	
32 Camberley Bowls Club	45	0	45	0	45	
33 Frimley Park Lawn Tennis Club	20	0	20	12	20	
34 Frimley lodge Fitness Trail	29	0	29	0	0	29
35 Southcote and Bentley Corpes Play Area	22	0	22	0	0	22
36 Heatherside Ward Benches (CIL)	0	4	4	2	4	
37 Heatherside Park Replacement (CIL)	0	15	15	0	15	
38 Green Spaces - Increased Security Measures	158	0	158	12	43	115
39 Community Bus	40	0	40	0	0	40
Sub Total	1,356	837	2,193	1,206	1,887	339
HR, Performance & Communications						
40 Replacement of Intranet System	0	0	0	19	19	
41 XCAM360 Imagery Service	13	0	13	0	0	13
42 Door Access System Upgrade	91	0	91	0	30	61
43 People Analytics Platform for iTrent	11	0	11	11	11	
44 Rebuild of SHBC, Theatre, Build Cont Website CRM	41	0	41	41	41	
Sub Total	156	0	156	71	101	74
Finance and Customer Service						
45 Drainage Works	53	0	53	0	13	40
46 Civica Financials Module	30	0	30	0	30	0
47 Travellers' Sites - SHBC Contribution	127	0	127	0	35	92
Sub Total	210	0	210	0	78	132
GRAND TOTAL OF ALL SCHEMES	9,430	1,223	10,654	1,383	2,495	8,222

B/Fwd from 2021/22	Approved Bids 2022/23	Total 2022/23 Programme	Current Spend & Commitments	Forecast Spend	Reprofile to later years
£'000	£'000	£'000	£'000	£,000	

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Treasury Outturn 2021/22 and 2022/23

Portfolio Holder: Councillor Robin Perry - Finance
Strategic Director: Bob Watson, Strategic Director: Finance and Customer Service
Report Author: Bob Watson, Strategic Director: Finance and Customer Service
Key Decision: No
Wards Affected: All

Summary and purpose

To provide the Committee with the Treasury Outturn report that was considered and agreed by Executive at their meeting on 20 September 2022 and an update on the position of the Council's Treasury Management at the midway point of the 2022-23 financial year.

Recommendation

The Committee is advised to RESOLVE that they

- (i) note the attached reports.

Annexes

Annex A – Treasury Management Report 2021-22

Annex B – Treasury Management 2022-23 Mid Year Report

Surrey Heath Borough Council

Executive

20 September 2022

Treasury Management Outturn 2021/22

Portfolio Holder:	Councillor Robin Perry- Finance
Strategic Director/Head of Service	Bob Watson
Report Author:	Tony McGuinness/Miriam Norris
Key Decision:	no
Date Portfolio Holder signed off the report	1 September 2022
Wards Affected:	All

Summary and purpose

To provide the Executive with a high-level view of the treasury management performance during 2021/22 including compliance with the 2021/22 prudential indicators.

Recommendation

The Executive is advised to NOTE the report on Treasury Management including compliance with the 2021/22 Prudential Indicators.

The Executive is also advised to note the comments made in Section 6 by the Strategic Director Finance and Customer Services (the Council's 'section 151 officer') regarding the Treasury policy and the sustainability of debt and reserve balances.

1. Background and Supporting Information

- 1.1 This report is the annual report for the 2021/22 financial year. It includes both a summary of treasury management performance during the year as well demonstrating compliance with the 2021/22 Treasury Management Strategy, agreed by Council in February 2021.
- 1.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2017 Edition which requires the Council to approve a treasury management strategy before the start of each financial year and, a mid-year and annual treasury outturn report. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

- 1.3 Treasury Management is defined as: “The management of the organisation’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.” Each of these areas are detailed below in the report and illustrate that the Council complied with its Investment and Borrowing Strategies for 2021/22 in line with the CIPFA Treasury Management Code of Practice.
- 1.4 The Council’s treasury management strategy for 2021/22 was approved at the Council meeting on 24 February 2021. The Council borrows and invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council’s treasury management strategy. All investments are considered with regard to security, liquidity and yield, and in that order.
- 1.5 The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council’s Capital Strategy, complying with CIPFA’s requirement, was approved by full Council on 24 February 2021.
- 1.6 Treasury income returns decreased in 2021/22 compared to the previous year; Treasury income in 2021/22 was £115k which was a reduction of £10k compared to £125k in 2020/21. In comparison with other Surrey councils, Surrey Heath achieved a rate of return on its investments of 0.23%. The lowest return for other local authorities was 0.04% up to the highest of 0.793%; however it is important to note that different councils will have different strategies all set to their local needs and factors such as balances and appetite for treasury risk.

2. Supporting Information

Treasury Management Strategy 2021/22

- 2.1 The Council approved the 2021/22 Treasury Management Strategy, which includes the investment strategy, at its meeting on the 24th February 2021. All treasury management activity complied with the approved treasury management strategy, the CIPFA Code of Practice and the relevant legislative provisions.

Investment Strategy 2021/22

- 2.2 The approved investment strategy for 2021/22 adopted a view to investment that sought to balance risk against return. It maintained a policy, on the advice of our treasury advisors Arlingclose of diversifying investments including longer term investment funds which give a good

return but can be more volatile. The Council maintained its longer term investment in the CCLA Property Fund.

- 2.3 The Council continued to use local authorities and money markets with investments being placed generally for short periods only.

Borrowing Strategy 2021/22

- 2.4 The Council's chief objective when borrowing has been to strike a low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
- 2.5 The Council uses a combination of short term borrowing from local authorities coupled with long term loans mainly from the PWLB to achieve this objective.

Treasury Advisors

- 2.6 In 2021/22 the Council used Arlingclose Limited as its treasury management advisors to provide advice on all aspects of treasury management including interest rate forecasts, counterparty lists and management advice. From the 1 April 2022 following a competitive tender process this independent treasury advice is provided by Link Asset Services.

Borrowing and Investment Activity in 2021/22

Borrowing Activity 2021/22

- 2.7 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR arises directly from the capital activity of the Council, and the resources applied to fund the capital spend; this represents the unfinanced element of capital expenditure. At 31 March 2022 the Council's underlying need to borrow for capital was £174m.
- 2.8 At 31 March 2022, the Council had £184.9m (£180.6m at 31 March 2021) of actual borrowing and £38.9m (£22.3m at 31 March 2021) of cash and treasury investments. The net level of borrowing and investments was £146.00m (£158.3 m at 31 March 2021). This is less than the CFR of £174 m as at 31 March 2022 as the Council is able to use "Internal borrowing" to fill this gap subject to holding a minimum short-term investment balance of £5m.

- 2.9 A large proportion of the Council's borrowing consisted of short term loans. This enabled the Council to reduce borrowing costs by taking advantage of low interest rates. In 2021/22 the average interest rate on 6 month borrowing was 0.08% (2020/21 - 0.53%).
- 2.10 However, in order to manage interest rate risk, the Council arranged in 2017/18, £50 million of forward starting loans. Loan 1 for £25 m commenced in 2020/21 at a rate of 2.853% and Loan 2 also for £25 m will commence in February 2022 at a rate of 2.908%. Both loans will be repayable over 40 years.
- 2.11 The Council is confident that it will be able to refinance the short term loans either by other short-term loans or by longer term borrowings primarily from the PWLB. It is always advisable to have a mix of short term borrowing and longer term borrowing so as to allow the Council to reduce its borrowed balances if capital receipts are received.
- 2.12 The Council's borrowing activity is shown in the table below:

	31.03.21 Balance £m	2021/22 Movement £m	31.03.22 Balance £m	31.03.22 Rate %
Public Works Loan Board	-53	1	-52	2.57%
Phoenix Loan	-25	-25	-50	2.86%
Local authorities (long term)	0	0	0	0.00%
Local authorities (short term)	-102	19	-83	0.08%
Total Borrowing	-180	-5	-185	1.26%

- 2.13 The outturn for debt interest paid in 2021/22 was £1.9m (2020/21 - £1.7m) on a debt portfolio of £185m (2020/21 - £180 m).

Investment Activity 2021/22

- 2.14 The Council held investments which represent income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balance rose from £22.3 million to £38.9m. The CIPFA code and government guidance gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles.
- 2.15 The table below shows a summary of the investment activity for 2021/22:

Investment counterparty	Balance on 01/04/2021	Investments Made	Maturities / Investments Sold	Balance on 31/03/2022	Average Rate at 31/03/2022
	£000s	£000s	£000s	£000s	%
UK Central Government					

Short Term	12,802	297,975	302,970	7,807	0.052%
Long Term	0	0	0	0	
UK Local Authorities					
Short Term	0	20,000	0	20,000	0.585%
Long Term	0	0	0	0	
Banks, Building Societies & Other Organisations					
Short Term	2,681	743,307	744,021	1,967	0.010%
Long Term	0				
Money Market Funds					
Short Term Cash			-		
Equivalents	4,700	9,924	7,924	6,700	0.054%
Property Investments					
Long Term	2,091	367		2,458	16.14%
Total Investments	22,274	1,071,573	1,054,915	38,932	

2.16 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

2.17 Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy for 2021/22. Investments held during the year included:

- Deposits with the Debt Management Office
- Deposits with Other Local Authorities
- Investments in AAA-rated constant and variable net asset value Money Market Funds
- Longer Term Property Fund

Budgeted Income and Outturn

2.18 £2m of the Council's investments are held in externally managed strategic pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated an average total return of £462k, comprising a £95k income return which is used to support services in year, and £367k of unrealised capital gain.

2.19 These unrealised capital gain will not have an impact on the General Fund as the Council has elected to present changes in the funds' fair values in other comprehensive income (FVOCI).

2.20 Because this fund has no defined maturity date, but is available for withdrawal after a notice period, its performance and continued suitability in meeting the Council's investment objectives is regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates. In light of the fund's performance over the long-term and the Council's latest cash flow forecasts, investment in this fund has been maintained.

Non-Treasury Investments

2.21 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. This is supported by guidance issued by the government. The performance of the Council's non-treasury investments is reported separately to members twice a year.

Compliance

2.22 The Council confirms that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is shown in the table below:

Investment Limits

	2021/22 Limit	Complied? Yes/No
Any single organisation except the UK Government	£3m	Yes
UK Central Government	Unlimited	Yes
Any group of organisations under the same ownership	£3m per group	Yes
Money Market Funds	£15m in total	Yes

2.23 Compliance with the authorised limit and operational boundary for external debt is demonstrated in the table below:

Debt Limits

	31.03.2022 Actual £m	2021/22 Operational Boundary £m	2021/22 Authorised Limit £m	Complied? Yes/No
Borrowing	185.0	230.0	235.0	yes
Finance Leases	0	0		yes
Total Debt	185.0	230.0	235.0	

3. Reasons for Recommendation

- 3.1 Part of strong financial management is that the treasury management performance is reviewed regularly and reported to Performance and Finance Scrutiny Committee and the Executive for review and discussion

4. Proposal and Alternative Options

- 4.1 The Executive is asked to note the report on the Treasury Management performance for the period 1st April 2021 to 31st March 2022

5. Contribution to the Council's Five Year Strategy

- 5.1 The budgets agreed at Council including treasury management budgets are aligned to and supports the approved five year strategy.

6. Resource Implications

- 6.1 The resource implications are detailed in this report

7. Section 151 Officer Comments:

- 7.1 This report is one of three statutory reports that are required to be produced by the CIPFA code on Treasury Management. The report shows that the Council operates a sound treasury strategy and did not breach any of its prudential indicators during the last financial year (1 April 2021 to 31 March 2022).
- 7.2 The Council operates a prudent treasury policy with due regard to minimising the risk of any financial investments (security of lending by the Council), the requirement to have funding available at the appropriate time (liquidity) and the need to make the best possible return on investment after priority is given to the previous two criteria.
- 7.3 The Council is permitted to borrow longer term to finance its capital programme and delivery of infrastructure. The level of debt held is both sustainable and affordable within current revenue budgets. The policy of a mix of long term debt (at fixed rates) and some shorter term debt is sound and hedges against rate rises, whilst maintaining the flexibility to repay debt if the opportunity arises.
- 7.4 The Council has invested in recent years in assets within the borough that support its principles of regeneration, protection of employment and ensuring the viability and future of the town centre in Camberley. The borrowing for these assets is supported through the income they generate and although they have recently experienced a downward valuation due to prevailing market conditions and the recent Covid-19 pandemic, it is considered that as these are long-term assets held for regeneration purposes, any down turn in capital appreciation is

temporary and provided the annual revenue returns cover the cost of the debt financing, the long-term (in excess of 25 years) potential for capital appreciation is favourable based on historic trends.

- 7.5 The Council can raise borrowing from a number of sources and as this is essentially underwritten by the government's sovereign rating, there are no anticipated problems with refinancing of short-term debt, either from other local authorities or from the Public Works Loans Board.

8. Legal and Governance Issues

8.1 Insert text

8.2 Insert text

9. Monitoring Officer Comments:

9.1 Insert MO's comments

10. Other Considerations and Impacts

Environment and Climate Change

10.1 No impact

Equalities and Human Rights

10.2 No impact

Risk Management

10.3 Regular reviews of risk are undertaken when investments are placed and investments are made in accordance with the approved counterparty lists

Community Engagement

10.4 Where necessary engagement will be undertaken

Background Papers

None

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
9 November 2022

Treasury Management 2022/23
Half Yearly Report

Portfolio Holder: Councillor Robin Perry - Finance
Strategic Director: Bob Watson, Strategic Director: Finance and Customer Service
Report Author: Adrian Flynn, Chief Accountant
Key Decision: No
Wards Affected: All

Summary and purpose

This report advises members of the performance of the treasury management service for the first half of 2022/23 as at 30 September 2022 and confirms the compliance with the Treasury Management Indicators for 2022/23.

Recommendation

The Performance and Finance Scrutiny Committee is advised to RESOLVE that they

- (i) note the Treasury Management report for the period 1 April to 30 September 2022.
- (ii) make any comments or recommendations on the report to Executive when the report is considered on 15 November 2022.

1. Background and Supporting Information

- 1.1 This report sets out the performance of the Council's investments and borrowing for the first six months of the year. It is also confirms that the Council is complying with the Treasury Management Indicators set by Council as part of the Treasury Management Strategy.
- 1.2 As at the 30 September 2022, the service has not breached any of the Treasury Management Indicators set for 2022/23. These are:

Treasury Management Indicator 22/23	
Average Credit Rating	A or above
Liquidity Risk Indicator	£5 million (maximum per counterparty)
Interest Rate Exposure	£1 million (maximum per counterparty)
Maturity Structure of Borrowing	Upper 100%, Lower 0%
Principal Sums invested for periods in excess of twelve months.	£2.5 million (maximum per counterparty)

- 1.3 The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end).
- 1.4 The Council's Treasury Management Strategy for 2022/23 was approved by Executive on 15 February 2022 and Council on 23 February 2022.
- 1.5 The Prudential Code 2021 includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by Council on 23 February 2022.
- 1.6 Through investment, the Council is potentially exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The Council is also exposed to increases in revenue costs on its borrowing due to changes in interest rates. The Council seeks to moderate this impact by following the advice of its treasury advisers. This report covers treasury and borrowing activity and the associated monitoring and control of risk.

2. Local Context

- 2.1 At 31 March 2022, the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £174m (2020/21 - £176m), an reduction of £2m from 2020/21. The Council must not borrow in excess of its CFR requirement and indeed at the 30 September 2022 total borrowing was £167m

3. Borrowing Activity to the 30th September

- 3.1 At 30 September 2022 the Council held £167m of borrowing as part of its strategy for funding previous and current year's capital programmes.
- 3.2 The borrowing position is shown in the table below

	30.09.22 Balance £million
Public Works Loan Board	51
Phoenix	49
Local Authorities (Short Term)	67
	167

- 3.3 A full list of the counterparties lending to the Council including the maturity dates and interest rates is shown at **Appendix A**.
- 3.4 For the current financial year (2022/23) the Council has an upper operational limit of borrowing of £230 million.

4. Investment Activity to 30th September 2021

- 4.1 The Council's investment position at the half year is £19 million; a breakdown of this figure is shown below:

Investments held at the 30 September 2022

	<u>Balance</u>
	<u>£</u>
<u>Money Market Funds</u>	
Aberdeen Asset Management	3,000,000
Aviva	3,000,000
Federated Investors UK	3,000,000
Legal & General	3,000,000
<u>Property Funds</u>	
CCLA Property Fund	3,000,000
<u>UK Government</u>	
Debt Management Office	3,000,000
<u>Transactional Banking Service</u>	
Nat West Bank	1,118,000
Total Investments	<u>19,118,000</u>

5. Interest rate Update

- 5.1 The Council has appointed Link Asset Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates.
- 5.2 The latest forecast on 27 September this year sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy, whilst the government is providing a package of fiscal loosening to try and protect households and businesses from the ravages of ultra-high wholesale gas and electricity prices.
- 5.3 Where possible the Council has mitigated the impact of the rising interest rates by taking advantage of forward dealing and releasing some of its core investment balances to repay debt.

6. Economic Update

- 6.1 Nationally the second quarter of 2022/23 saw:
- Gross Domestic Product revised upwards in Q1 2022/23 to +0.2% q/q from -0.1%, which means the UK economy has avoided recession for the time being;
 - Signs of economic activity losing momentum as production fell due to rising energy prices;
 - Consumer price inflation: Inflation increases to 10.1% y/y in September, having been 9.0% in April, and domestic price pressures showing little sign of abating in the near-term;
 - The unemployment rate fall to a 48-year low of 3.6% due to a large shortfall in labour supply;
 - Bank Rate rise by 100bps over the last quarter, taking Bank Rate to 2.25% with further rises to come;
 - Gilt yields surge and sterling fall following the “fiscal event” of the new Prime Minister and Chancellor on 23 September. Increases in Gilt yield increase the Government’s cost of borrowing.

NB: Gilt yields have since reduced and sterling exchange rates have recovered to previous levels following the appointment of the new Prime Minister on 24 October 2022.

7. Reasons for Recommendation

- 7.1 CIPFA's treasury management code requires that authorities report on the performance of the Treasury management function at least twice a year to the Executive and the Performance and Finance Scrutiny Committee.

8. Proposal and Alternative Options

- 8.1 The Committee is asked to note the 22/23 half yearly treasury management report and make any comments or recommendations to be considered by the Executive when they review the report at their meeting on 15 November 2022.
- 8.2 Alternatively Committee may just note the report and not make any comments or recommendations to Executive.

9. Contribution to the Council's Five Year Strategy

- 9.1 The returns from Treasury Management investments support the approved five-year strategy.

10. Resource Implications

- 10.1 None directly as a result of this paper, but the investment income and borrowing costs do impact the revenue budget.

11. Section 151 Officer Comments

- 11.1 Robust treasury management forms part of the management of the Council's cash balances. All investments are made with regard to security of the funds, the timing of when funds are needed (liquidity) and the need to make a return with due considerations of the previous two points first.
- 11.2 The Council will always consider investing funds in the most ethical way wherever practicable.

12. Legal and Governance Issues

- 12.1 The report demonstrates that the Council is complying with the Prudential Framework.

13. Monitoring Officer Comments:

- 13.1 The Committee's terms of reference includes the function to monitor, review and to report to the Leader/ Executive in relation to the performance of the Council's services.

14. Other Considerations and Impacts

Environment and Climate Change

14.1 Details of these are in the individual service areas that the budgets support

Equalities and Human Rights

14.2 Details of these are in the individual service areas that the budgets support

Risk Management

14.3 Weak returns on investments could lead to a reduction in income generated to support the revenue budget.

14.4 Increased uncertainty and increase in perceived risk in financial institutions and the economy. This will usually be at the cost of lower returns.

14.5 The Council has taken and acted on advice from its advisers in relation to increasing returns albeit at increased risk and its borrowing strategy. There are risks that interest rates can change and that any investment is not guaranteed.

14.6 The investments ratings provided by credit ratings agencies are only a guide and do not give 100% security. There is always a risk that an institution may be unable to repay its loans whatever the credit rating. However this can be mitigated by spreading investments amongst a number of institutions

Community Engagement

14.7 Where necessary engagement will be taken through individual service areas the budgets support

Annexes

Annex A – Summary of Council Borrowing

Background Papers

None

Summary of Council Borrowing as at 30 September 2022

	Notional Asset	Start Date	Maturity Date	Interest Rate	Type of loan	Total £'000	
Long Term Borrowing							
PWLB - Loan No 504063	St Georges Ashwood	23 Apr 15	22 Apr 65	3.16%	Annuity	(7,857)	
PWLB - Loan No 504203	House	26 Jun 15	25 Jun 65	3.44%	Annuity	(5,641)	
PWLB - Loan Ref 507410	Trade City	24 May 18	24 May 33	2.65%	Maturity	(1,500)	
PWLB - Loan Ref 507411	Trade City	24 May 18	24 May 43	2.77%	Maturity	(2,500)	
PWLB - Loan Ref 507412	Trade City	24 May 18	24 May 53	2.65%	Maturity	(4,000)	
PWLB - Loan Ref 507413	Trade City	24 May 18	24 May 63	2.52%	Maturity	(5,000)	
PWLB - Loan No 508733	Theta House	12 Mar 19	12 Mar 39	2.03%	EIP	(4,950)	
PWLB - Loan No 508734	Theta House	12 Mar 19	12 Sep 41	2.52%	Maturity	(1,500)	
PWLB - Loan No 508735	Theta House	12 Mar 19	12 Sep 46	2.53%	Maturity	(1,500)	
PWLB - Loan No 508736	Theta House	12 Mar 19	12 Sep 51	2.48%	Maturity	(1,500)	
PWLB - Loan No 508737	Theta House	12 Mar 19	12 Sep 56	2.43%	Maturity	(1,500)	
PWLB - Loan No 508738	Theta House	12 Mar 19	12 Sep 61	2.40%	Maturity	(1,500)	
PWLB - Loan No 508739	Theta House	12 Mar 19	12 Sep 66	2.39%	Maturity	(1,500)	
PWLB - Loan No 508746	Vulcan Way	13 Mar 19	13 Mar 39	2.01%	EIP	(10,725)	
Phoenix Loan 1		22 Feb 21	22 Feb 61	2.85%	Annuity	(24,485)	
Phoenix Loan 2		22 Feb 22	22 Feb 62	2.91%	Annuity	(24,833)	
Total Long Term Borrowing						(100,490)	A
Short Term Borrowing							
West Midlands Combined Authority		15 Jun 22	15 Dec 22	0.75%	Fixed	(5,000)	
Barnsley Metropolitan Borough Council		20 Jun 22	20 Dec 22	0.75%	Fixed	(6,500)	
West Midlands Combined Authority		15 Jun 22	15 Dec 22	0.75%	Fixed	(5,000)	
Crawley Borough Council		16 Jun 22	16 Dec 22	0.75%	Fixed	(3,000)	
West of England Combined Authority		16 Jun 22	16 Dec 22	0.75%	Fixed	(5,000)	
West of England Combined Authority		23 Jun 22	23 Dec 22	0.75%	Fixed	(5,000)	
West Midlands Combined Authority		23 Jun 22	23 Dec 22	0.80%	Fixed	(5,000)	
North Somerset District Council		13 May 22	14 Nov 22	1.17%	Fixed	(5,000)	
West Yorkshire Combined Authority		25 Jul 22	7 Jun 23	1.30%	Fixed	(4,000)	
Barnsley Metropolitan Borough Council		30 Aug 22	29 Aug 23	1.90%	Fixed	(3,000)	
Salford City Council		17 Aug 22	19 Jun 23	1.80%	Fixed	(4,000)	
Basildon Borough Council		17 Aug 22	17 Feb 23	1.60%	Fixed	(3,000)	
Basildon Borough Council		3 Aug 22	3 Feb 23	1.60%	Fixed	(2,000)	
Hyndburn Borough Council		31 Aug 22	30 Aug 23	1.85%	Fixed	(2,000)	
Oxfordshire County Council		16 Sep 22	16 Jun 23	1.92%	Fixed	(6,000)	
Mid Sussex District Council		26 Sep 22	26 Sep 23	2.70%	Fixed	(3,000)	
Total Short Term Borrowing				1.32%		(66,500)	B
Total Borrowing						(166,990)	A+B

<u>PWLB Loans by type</u>	£
Equal Installments of Principal (EIP)	(15,675)
Maturity	(22,000)
Annuity	<u>(13,498)</u>
	(51,173)
Phoenix (annuity)	<u>(49,317)</u>
	<u><u>(100,490)</u></u>

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Performance and Finance Scrutiny Committee
Work Programme 2022/23

January 2023

1. Corporate Risk Register
2. Air Quality Annual Review
3. Draft Annual Plan
4. Budget Setting
5. Executive Portfolio Update: Environment & Health

March 2023

1. 3rd Quarter Finance Report
2. Executive Portfolio Update: Housing, Support & Safeguarding
3. Executive Portfolio Update: Leisure, Culture & Community

July 2023

1. Annual Performance Report
2. End of Year Revenue Report
3. End of Year Capital Report and Prudential Indicators
4. Quarter 1 Finance Report

September 2023

1. Annual Complaints Monitoring Report
2. Surrey Heath Local Plan Authority Monitoring Report

November 2023

1. Treasury Management Report
2. Half Year Budget Monitoring Update Report (Capital and Revenue)

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