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Monday, 16 January 2023

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, 25 January 2023 at 7.00 pm**. The agenda will be set out as below.

Please note that this meeting will be recorded and live streamed on the Council's YouTube channel.

Yours sincerely

Damian Roberts

Chief Executive

AGENDA

	Pages
1 Apologies for Absence	
2 Minutes of Previous Meetings	3 - 14

To receive, and confirm as being a correct record, the minutes of the meetings of the Performance and Finance Scrutiny Committee held on 9th November 2022, 24th November 2022 and 5th January 2023.

- 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 Executive Portfolio Update: Environment & Health 15 - 28**
- To receive a report summarising the key areas of work within the Environment and Health Executive Portfolio over the last twelve months.
- 5 Air Quality Annual Review 2022 29 - 44**
- To receive a report summarising the outcomes of air quality monitoring activity during the past twelve months.
- 6 Draft Annual Plan 2023/24 45 - 84**
- To receive and comment on the Council's draft Annual Plan for 2023/24.
- 7 Corporate Risk 85 - 114**
- To receive and comment on a report setting out the Council's Corporate Risk Register and Risk Management Strategy.
- 8 Budget Setting 2023/24 Update To follow**
- To receive an update on the development of the Council's budget for the 2023/24 financial year.
- 9 Public Realm Task and Finish Group Final Report 115 - 124**
- To consider the final report of the Task and Finish Group established to review the Council's overspend on the public realm works in Camberley town centre.
- 10 Performance and Finance Scrutiny Committee Work Programme 125 - 126**
- To consider the Committee's proposed work programme for the remainder of the 2022/23 municipal year.
- 11 Date of Next Meeting**
- The next scheduled meeting of the Performance and Finance Scrutiny Committee will be held on Wednesday 15th March 2023 at 7pm.

Minutes of a Meeting of the Performance and Finance Scrutiny Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 9 November 2022

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

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|--|---|
| <ul style="list-style-type: none"> + Cllr Graham Alleway + Cllr Stuart Black - Cllr Vivienne Chapman + Cllr Paul Deach + Cllr Sharon Galliford + Cllr Edward Hawkins | <ul style="list-style-type: none"> - Cllr Liz Noble + Cllr Darryl Ratiram + Cllr Morgan Rise + Cllr Victoria Wheeler - Cllr Mark Gordon + Cllr Graham Tapper + Cllr Helen Whitcroft* |
|--|---|

- + Present
- Apologies for absence presented
- * Committee Member in attendance virtually

Substitutes: Cllr Paul Deach for Cllr Mark Gordon
Cllr Graham Tapper for Cllr Liz Noble

Portfolio Holder in Attendance: Cllr Robin Perry, Portfolio Holder: Finance

Officers Present: Sarah Bainbridge, Organisational Development Manager
Jo Chauhan, Interim Director Joint Waste Solutions
Sue McCubbin, Recreation & Leisure Services Manager
Damian Roberts, Chief Executive
Nick Steevens, Strategic Director: Environment & Communities
Bob Watson, Strategic Director: Finance & Customer Services

16/PF Minutes of the Previous Meeting

RESOLVED that the minutes of the meeting of the Performance and Finance Scrutiny Committee held on 28th September 2022 be approved as a correct record and signed by the Chairman.

17/PF Half Year Performance Report

The Committee considered a report summarising the performance of the Council, over the first six months (April to September 2022) of the 2022/23 municipal year against the objectives, priorities and success measures set out in the Council's Annual Plan for 2022/23.

It was reported that 75% of the Plan's agreed objectives and projects were on track to be completed within agreed timeframes and 61% of the agreed performance indicators were meeting their targets.

It was questioned whether, as part of work focusing on the development of School Travel Plans, the Council had any plans to engage with Surrey County Council to facilitate the reduction of car use to improve safety for pedestrians and cyclists. It was agreed that a

recent refusal by the County Council's Highway's section to use Community Infrastructure Levy payments to fund one such project would be followed up outside the meeting.

The Committee queried how realistic target HQL11, Aim to build at least 49 homes through a joint venture project with a registered social landlord (RSL) was. It was clarified that the project would involve the Council identifying appropriate land within its ownership that could then be developed by the RSL. Whilst the Council maintained regular dialogue with a variety of RSLs it was recognised that the Council was reliant on the RSLs to progress a new development. A suggestion that as the target was unlikely to be met and should therefore be removed from the Annual Plan was acknowledged however it was considered that keeping the target in the Plan until the end of the year would be more transparent.

The inclusion of projects including Surrey Heartlands as well as Frimley Integrated Care System was received positively. It was clarified that references to 'Frimley Clinical Commissioning Group were a legacy from when the original plan was agreed in March 2022

It was agreed that the possibility of extending the online safeguarding training package to members would be considered as part of work to develop the Member Induction Programme that would be delivered to all members following the elections in May 2023.

With regards to air quality, it was queried whether air monitoring would take place in parts of the Borough that were not yet monitored, it was confirmed that 50 sites across the Borough were already monitored and expanding this programme would have cost implications for the Council. It was noted that new regulations relating to the monitoring of particulate levels were awaited from the Government which could alter the way air quality was monitored.

The Committee's concern over the length of time that it was taking to process Housing Benefits Claims, 25.30 days and 25.80 days in Quarters 1 and 2 respectively compared to a target of 20 days, was acknowledged. The Committee was informed that the majority of the Housing Benefits claims being processed were for Exempt Accommodation claims, i.e. the resident was living in supported or temporary accommodation, which required more detailed assessment than standard claims. In addition, the Revenues and Benefits Team had responsibility for processing a number of new Government Initiatives including Homes for Ukraine grants and the Energy Payment Rebate Scheme, something that had impacted on team capacity.

The Committee noted the report.

18/PF Public Litter Bins

The Committee considered a report summarising the contractual arrangements for waste collection from public litter bins within the Borough, performance against those contracts and the improvements that were being made in relation to the emptying and reporting of issues with litter bins.

The Committee was informed that the Council was responsible for 836 public litter bins within the Borough. Of these 355 (155 dog waste and 200 general waste bins) were located within parks and open spaces where their maintenance and emptying was the responsibility of Glendale, the Council's Grounds Maintenance Contractor. The remaining 481 bins were classified as being street litter bins and responsibility for these fell to Amey, the Council's contracted waste collection service.

Joint Waste Solutions had recently completed an exercise to map all the litter bins in the Borough. Work was underway to locate and map public litter bins within the Borough that were managed by third party organisations for example Accent, the Ministry of Defence and Surrey Wildlife Trust; once complete this information would be combined with Joint Waste Solutions' mapping work and uploaded to the Council's website providing residents with a single point of contact to report any issues.

It was clarified that recent issues with a number of bins in parks and open spaces had occurred because a member of staff had identified that some bins required more frequent emptying than had been scheduled. This knowledge had not been passed on prior to their retirement and the maintenance schedule had reverted to the original scheduled maintenance rounds.

Work was underway to review and replace dog waste specific bins with general waste bins which could also be used for dog waste disposal with bins being clearly labelled as being appropriate for dog waste disposal.

Requests for new bins would be assessed with consideration being given to current bin provision and the amount of waste present in the area concerned. It was confirmed that requests should be sent to the Strategic Director: Environment and Community for consideration in the first instance however there would be cost implications to installing additional bins.

The Committee noted the report.

19/PF Revenue Budget Half Yearly Progress Update

The Committee considered a report providing an update on the Council's Revenue budget at the mid-way point of the 2022/23 financial year.

It was reported that, following the completion of the Star Chamber budget setting process, £647,500 of identified efficiencies, savings and additional income had been applied to the 2022/23 budgets. Notwithstanding this, at the end of the second quarter (July to September 2022) of the 2022/23 financial year there was a projected overall adverse variance of £0.303million in the revenue budget at the end of the financial year. With staff salary increases adding a further £450,000 to the budget variance by the end of the financial year.

A significant proportion of the variance was attributed to a budgeting anomaly within the Community Services budget which had created a double-count for the service level agreement (SLA) income from Surrey County Council and the shared service with Runnymede Borough Council. It was clarified that, as per the SLA, Runnymede had invoiced the Council for services provided however the invoice had been drawn up based on an assumption that the grant due from Surrey County Council for Surrey Heath residents had already been passported to Runnymede when this had not been the case. Work was underway to recoup as much of the money owed as possible.

The £123,000 variance in the drawdown from the pension holding account was attributed to the late receipt of actuarial figures from Surrey County Council which had meant the Council had to use estimated figures when the budgets were originally set and the subsequent need to make an in year adjustment to the budgets.

It was noted that the Council's accountancy function still carried a significant number of vacancies which were being filled by agency staff. Efforts were ongoing to fill roles with permanent staff however accountancy was considered to be particularly mobile profession

with staff being able to work productively from anywhere, consequently finding high quality candidates could be problematic. It was hoped that the recent pay award would encourage more interest in the permanent positions available at the council.

The Committee noted the report.

20/PF Capital Budget Half Yearly Progress Update

The Committee considered a report providing an update on the Council's Capital Budget at the mid-way point of the 2022/23 financial year.

It was reported that at the end of the second quarter (July to September 2022) of the 2022/23 financial year, total spend and commitments on the Capital Budget amounted to £1.383million against a budget of £10.654 million. At their meeting on 15th November 2022, the Executive would be asked to agree to the reprofiling of £8.222million of the agreed Capital Budget to later years reducing the in-year capital budget to £2.432million; the majority of this money was intended for use in Investment and Development projects. Arising from the Committee's questions and comments the following points were noted:

- It was clarified that the Heatherside Park play equipment related to Bentley Copse and not the recreation ground.
- It was agreed that updates on the progress of proposed works at 63A High Street Bagshot and the Whitmoor Road Play Area would be circulated.
- It was agreed that the possibility of replacing the trees removed in Wellingtonia Avenue would be explored.
- It was requested that future iterations of the table in the annex include details of the relevant council ward to aid identification..

The Committee noted the report.

21/PF Treasury Management Update

The Committee considered a report summarising the performance of the Council's Treasury Management Services during the first half (April to September 2022) of the 2022/23 financial year.

It was reported that, as at 30th September 2022, the Council held £167million of borrowing of which £51million was held with the Public Works Loan Board (PWLB), £49million with Phoenix and £67million was in the form of short term loans from other local authorities.

It was confirmed that the two loans acquired through Phoenix were 40 year loans and whilst the annuity rate for loans of this type was ordinarily higher than that obtained on loans from the PWLB, at the time the loans were taken out the two rates were comparable. Any decisions to convert short term borrowing to long term loans would be taken on a case by case basis and would be based on financial advice taken at the time that a short term loan was due to mature. Wherever possible the Council looked to pay off short term loans with cash balances when these were available.

The Committee noted the report.

22/PF Portfolio Update: Finance and Customer Service

The Committee considered a report summarising the Council's work over the past twelve months which were encompassed by the Finance and Customer Service Executive Portfolio; a portfolio which covered finance and accountancy, Revenues and Benefits, procurement and the Customer Contact Centre.

It was noted that the Council's Revenues and Benefits Team was the highest performing team in the Country for the percentage of Non Domestic Business Rates collected and in the top thirty highest performing collection authorities for the percentage of Council Tax collected in 2021/22.

Residents' concerns about the length of time that it was taking to assess new properties for Council Tax banding were acknowledged. It was clarified that the Council's Visiting Officer assessed new build properties against IRRV Standards to provide a temporary banding. The information was then passed on to the Valuations Office Agency for evaluation before a permanent banding was provided. It was noted that the Agency was experiencing a back log in its work and consequently it was taking longer to provide bandings than expected. If a resident found that the change from a temporary to a permanent banding was causing financial difficulties then they were encouraged to contact the Council Tax Team in the first instance. Appeals to banding decisions should be taken up with the Valuations Office Agency.

The Committee noted the update.

23/PF Public Realm Task and Finish Group Update

The Committee received a report setting out the findings of a review of the circumstances leading to the increased costs of the public realm improvements in Camberley town centre.

It was agreed that due to the late circulation of the report full consideration of its findings would be deferred to the Committee's next scheduled meeting. It was requested that any comments that the Committee had be forwarded to Councillor Mylvaganam for the Task and Finish Group to consider.

24/PF Work Programme

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

It was agreed that an update from the Climate Change Working Group would be added to the agenda for the Committee's meeting in March 2023.

RESOLVED that, subject to the addition above, the proposed work programme be agreed.

25/PF Exclusion of Public and Press

RESOLVED 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: Call in of Executive Decision – Property Dilapidations 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 holding that information).

26/PF Call In of Executive Decision - Property Dilapidations

It was agreed that due to the absence of the relevant Executive Portfolio Holder from the meeting this item would be deferred to a later date.

27/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 25th January 2023 at 7pm.

Chairman

**Minutes of a Meeting of the Performance
and Finance Scrutiny Committee held at
Council Chamber, Surrey Heath House,
Knoll Road, Camberley, GU15 3HD on 24
November 2022**

- Cllr Sashi Mylvaganum (Chairman)
+ Cllr Valerie White (Vice Chairman)

+ Cllr Graham Alleway	+ Cllr Edward Hawkins
+ Cllr Cliff Betton	+ Cllr David Lewis
+ Cllr Stuart Black	+ Cllr Liz Noble
- Cllr Vivienne Chapman	+ Cllr Darryl Ratiram
Cllr Paul Deach	+ Cllr Morgan Rise
+ Cllr Sharon Galliford	+ Cllr Victoria Wheeler
	+ Cllr Helen Whitcroft

+ Present

- Apologies for absence presented

Substitutes: Cllr Cliff Betton for Cllr Sashi Mylvaganum
Cllr David Lewis for Cllr Vivienne Chapman

Non Committee Members in Attendance: Cllr Rodney Bates and Cllr Tim FitzGerald

Portfolio Holders in Attendance: Cllr Shaun Garrett, Economic Development & Transformation
Cllr Robin Perry, Finance and Customer Services

Officers Present: Damian Roberts, Chief Executive
Nick Steevens, Strategic Director: Environment & Community

28/PF Declarations of Interest

It was noted for the record that:

- Councillor Liz Noble, had prior to 2018, reviewed the accounts of the third party organisation in question but no longer had dealings with them.
- Councillor Tim Fitzgerald had in the past volunteered for the third party organisation in question.

29/PF Exclusion of Public and Press

RESOLVED 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 4: Call in Settlement of Property Dilapidations 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 holding that information).

30/PF Call In- Settlement of Property Dilapidations

The Committee considered a report setting out a Member Call-in in respect of a decision taken by the Executive on 18th October 2022 to approve a decision to accept a sum of

money as full and final settlement of dilapidation payments owed in respect of a community property which had not been maintained in line with the agreed lease.

The Executive's decision to accept the payment had been called in by Councillors Rise and Whitcroft, who indicated that whilst they agreed in principle with the Executive's decision to accept the proffered monies their concerns primarily focused on the possibility that the funds would be subsumed into the Council's general budget to the detriment of the Borough's children and young people who had been the primary users of the facility in question until it had been deemed to be no longer fit for purpose.

It was noted that the organisation that the building had been leased to was no longer operational and that discussions with the parent organisation had resulted in an agreement that the Council would receive the balance on the account of the disbanded organisation to part cover the expected cost of dilapidations bill. In addition, the parent organisation, who bore no legal responsibility for the cost of the dilapidations, would as a goodwill gesture pay an additional £12,000 to the Council to assist with the dilapidations bill. The Committee was reminded that even with this additional sum the projected costs of refurbishing the building were expected to significantly exceed the money offered.

The Committee expressed concern that whilst the building had been let on a Fully Repairing and Insuring Lease the organisation that the building had been let to had made no visible effort to ensure that the building was kept in a good state of repair over the years. With this in mind, it was agreed that a recommendation would be made to the Executive that the Council's inspection regime for leased properties should be reviewed to ensure that all properties were subject to regular inspections, problems were identified and repairs made in good time.

RESOLVED that the matter be referred back to the Executive for reconsideration and the following points to be made:

- i. The £12,000 offered by the parent organisation should be used solely for the refurbishment of the building. In the event that the Council made a decision, within 12 months of this meeting, not to progress the refurbishment the building then the £12,000 should be ring fenced to be used for projects for young people in the Borough with priority being given to those projects which fell within the ward in which the building was located.
- ii. The Council's inspection regime for leased properties should be reviewed to ensure that all properties were subject to regular inspections.

Chairman

**Minutes of a Meeting of the Performance
and Finance Scrutiny Committee held at
Council Chamber, Surrey Heath House,
Knoll Road, Camberley, GU15 3HD on 5
January 2023**

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

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

+ Present
- Apologies for absence presented
* In attendance virtually

Substitutes: Cllr David Lewis for Cllr Darryl Ratiram
Cllr Graham Tapper for Cllr Morgan Rise

Members in Attendance: Cllr Shaun Garrett, Portfolio Holder: Economic Development & Transformation
Cllr Adrian Page, Portfolio Holder: Planning & Control

Officers Present: Damian Roberts, Chef Executive
Nick Steevens, Strategic Director: Environment & Communities
Bob Watson, Strategic Director, Finance & Customer Services

31/PF Declarations of Interest

Councillor Shaun Garrett declared a non-pecuniary interest as he was the Council's appointed representative on the Board of Collectively Camberley Ltd.

32/PF Call In Meeting Procedure

The Committee noted the procedure that would be followed during the meeting.

33/PF Call In of Executive Decision - Council Contributions to Collectively Camberley Limited

The Committee considered a report setting out a Member Call-in in respect of a decision taken by the Executive on 15th November 2022 to approve recommendations to make additional funding available to Collectively Camberley Limited, the administering body for the Camberley Business Improvement District (BID) outside of the statutorily set BID levy to facilitate the delivery of additional events in Camberley town centre.

The Executive's decision to approve the additional funding had been called in by Councillors Bates, Tapper and Wheeler, who expressed a number of concerns about the proposals including:

- The report contained insufficient evidence to enable an informed decision to be made and no business case had been made to justify the benefits that the proposed events would bring to the Borough.
- No evidence had been provided to show that local businesses were supportive of the proposed events
- The report provided no evidence that partner organisations including the police and the Integrated Care System had been consulted over the proposed events.
- The proposed Christmas Con event appeared to encourage the promotion of unhealthy lifestyles and anti-social behaviour something that went against the Council's agreed priorities

The members who had requested the Call-In indicated that they were in agreement with the Executive's decision to make available an additional £5,000 capital grant to cover the costs of items including safety barriers, gazebos, signage and stage decorations.

It was acknowledged that the BID, through Collectively Camberley, was beneficial to the town and that the events hosted previously by the organisation including the Car Show and Christmas lights switch on did increase footfall in the town centre. Notwithstanding this, no tangible evidence had been presented to support the assumption that an increased footfall on the days events were held had resulted in increased spending in the town centre. Furthermore, it was stressed that any events supported by the Council should be high quality and supported by solid fully costed business cases which set out tangible benefits not only to the town and current businesses and residents but also positively advertised Camberley to prospective tenants as a place that they could envisage doing business in.

It was clarified that the proposed events had been put forward by the BID as part of a larger package of potential events that the Council had been asked to consider sponsoring. The proposed events had been reviewed and the ones that were considered to be most beneficial to the town centre had been put forward for funding.

In respect of the proposed Christmas Con event it was explained that this would be based on similar events that had been held successfully elsewhere in the country and involved a series of linked events and activities including live band performances which would be used to encourage people to visit Camberley town centre in the evening boosting the night-time economy. It was confirmed that the funding would not be used to pay for alcohol.

The Committee was informed that the proposed life sized models would be of a similar standard to the model reindeer and rabbits that were placed round the town centre at Easter and Christmas, which whilst relatively robust were starting to show their age.

The anecdotal comments from retailers and business owners supporting the BID's previous events were noted. However, no evidence had been provided to corroborate the assumption that local businesses and retailers were supportive of the proposed events. The Committee was informed that the BID area covered the whole of Camberley town Centre and that 93% of the businesses within the BID's footprint had voted to support it however it was agreed that the BID would be asked to survey its contributors for their views on events.

It was recognised that the original report to the Executive lacked detail and more holistic information pertaining to the range of benefits that the proposed events would bring to Camberley as well as the cost implications for linked peripheral expenditure for example impacts on parking revenues and the cost of litter clearance and security. In addition, tangible success measures for any proposed events needed to be developed and

included in any business cases so that informed choices could be made about the success, or otherwise, of events.

RESOLVED that the matter be referred back to the Executive for reconsideration and that the following points be made:

- i. That the decision to add a supplementary estimate of £5,000 to the current capital programme to provide a capital grant to Collectively Camberley Limited be progressed.
- ii. That the decision to provide an additional one off grant of £55,000 to Collectively Camberley Limited through a supplementary estimate be deferred to enable detailed business cases to be prepared for each of the proposed events before a final decision was taken on whether each event would receive financial support from the Council.
- iii. That the Police and any other relevant partner agencies in Camberley be consulted on the proposals before they are progressed.

Chairman

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Surrey Heath Borough Council
Performance & Finance Scrutiny Committee
25 January 2023

Environment and Health Portfolio Update

Portfolio Holder: Councillor Colin Dougan, Environment & Health
Strategic Director: Nick Steevens, Strategic Director: Environment & Community
Report Author: Various

Summary and purpose

The purpose of this report is to update the Performance and Finance Scrutiny Committee on the areas of work carried out by services within the Environment and Health portfolio. The report covers information such as key activities, events and performance over the last 12 months and reference to future work activities within the portfolio.

Recommendation

The Performance and Finance Scrutiny Committee is requested to consider and comment on the update on work areas contained within the Environment & Health Portfolio.

1. Background and Supporting Information

- 1.1 The Environment and Health Portfolio covers a wide range of public facing services. The Services covered are:
- a. Climate Change Action
 - b. Corporate Enforcement including Environmental Enforcement
 - c. Emergency Planning & Business Continuity
 - d. Environmental Health, Licensing and Air Quality
 - e. Health & Wellbeing
 - f. Recycling, Waste Collection and Street Cleansing

2. Climate Change Action

- 2.1 Following the declaration of a Climate Emergency in October 2019, the Planning Policy and Conservation Team in conjunction with the Climate Change Working Group developed a Climate Change Action plan which was agreed by the Executive on the 16th March 2021.

The Surrey Heath Climate Change Action Plan has two key aims:

- a. To work towards achieving the ambitious net-zero carbon emission target by 2030 as an organisation (see box 1) and contribute to making the Borough net zero by 2050 (with the aspiration for net zero by 2030)
- b. To ensure that the Council as an organisation is resilient to the impacts of climate change and support the resilience of the Borough to the impacts of climate change.

- 2.2 Thorough oversight of the Climate Change Action Plan is conducted by the Climate Change Working Group.
- 2.3 Now located within the Recreation & Leisure service, the Climate Change Officer position has been subject to change in 2022. The former Climate Change Officer, Dr Anna Godleman left Surrey Heath in August. To ensure continuity an interim Climate Change Officer was sourced to bridge the gap in recruitment. Simon Mills has remained in post until January 2023 to ensure a through handover with our new Climate Change Officer Cameron Dent who joined the Council In December 2022.
- 2.4 Net zero means achieving a balance between the greenhouse gases put into the atmosphere and those taken out. In other words the net-zero commitment means that by 2030, Surrey Heath Borough Council will reduce the carbon dioxide it emits. This may be achieved by:
- a. Reducing the size of its operational estate
 - b. Enhancing the energy efficiency of its buildings, through the installation of insulation and energy efficient lighting
 - c. Replacing Heating, Ventilation and Air Conditioning (HVAC) units with more energy efficient plant
 - d. Generating a proportion of the energy it uses through renewables such as solar panels or micro-wind turbines installed on its operational estate
 - e. Reducing the use of petrol or diesel in its fleet (including those used by its contractors, such as waste collection), as much as possible
- 2.5 The Council will calculate how much carbon it is emitting and will seek to offset the remainder. These offsets could be achieved in a number of ways:
- a. By planting trees
 - b. By purchasing biofuels for use in its fleet
 - c. By purchasing renewable energy
 - d. Purchase of carbon offset credits
 - e. Inward carbon insetting investment

To deliver these aims the Action Plan includes actions across 6 key themes. It sets out Surrey Heath specific actions, whilst recognising the importance of partnership working to deliver these actions.

- 2.6 The climate change action plan is divided into six sections each of which contains actions aimed at either Surrey Heath Borough Council or the wider borough. Details of progress in these areas is covered below

Section	Action	Objective	Status
Energy	E1	Develop and implement an Energy Strategy for the Council to deliver Energy actions, working with partners including the Surrey Energy Partnership and Surrey Climate Commission.	A detailed energy strategy has been developed and is currently under review. It will be taken to the Climate Change Working Group in late January 2023
	E5	Continue and accelerate improvements to the energy efficiency of Council owned and operated buildings. Work with tenants to identify	In February 2022 Inspired Energy Solution Ltd were commissioned to conduct energy audits at Surrey Heath House and the Camberley Theatre.

		and implement measures to improve the energy efficiency of the Council's leased assets.	energy strategy.
	E6	Examine the viability of installing renewable energy onto Council owned buildings and land, such as solar panels, and identify buildings and/or land that is suitable for renewable energy installations.	Initial feasibility studies have been conducted at the Camberley Theatre, Frimley Lodge, Surrey Heath House, Knoll Road Car Park & Main Square Car Park. Multiple quotations have been obtained for solar arrays at the Theatre.
	E9	Work with businesses and citizens across Surrey Heath by providing information and advice on low cost technologies to reduce energy consumption.	Residential Energy efficiency grants in the Borough are managed by Action Surrey, an impartial energy advice service set up by local councils across Surrey as well as Surrey County Council, between April and October 2022 helped 22 households across Surrey Heath with more than £160,000 of improvements which saved approximately 33 tonnes of carbon.
Transport	T5	Investigate the potential to increase electric vehicle charging points within Council car parks.	Following a survey of resident car park users 7 locations have been selected for the installation of EV charging points. A procurement exercise was conducted using a KCS framework and a contractor has been appointed on a concession contract basis. OZEV funding is being applied for and installation of the infrastructure is due to commence in April 2023.
Environment	ET7	Examine how the carbon storage capacity of the Council's green assets can be maximised.	5000 new trees are being planted as part of the Queens Green Canopy programme. When mature these will absorb 125 tonnes of CO2 per year. This is in addition to the approximately 3420 tonnes of CO2 absorbed by the boroughs existing woodland cover ¹ .

¹ Calculation based on Forestry Commission figures of 1ha of trees absorbing 90 tonnes per year. The Borough is 9500ha in area, 40% of the borough is forested (source ONS)

Behavioural change	B1	Increase and diversify our communications and engagement on climate change, including directing resources towards community engagement and behavioural change.	A review is currently underway of climate change content on the Council's web pages and new content will be posted in the new year. The new energy strategy contains extensive actions for communicating responsibility for energy efficiency to staff.
Operations	O7	Educate, train and encourage internal procurers and commissioners to review their consumption of goods and services, reduce usage and adopt more environmentally friendly products and procedures	Carbon literacy training was piloted for staff in July 2022. The aim of this programme is to create a network of climate change champions who can educate, train and encourage staff across the organisation.
Monitoring	M2	Create a monitoring framework for the Action Plan to monitor progress.	Quarterly reports are given to the Climate Change Working Group on progress in implementing the Climate Change Action Plan (CCAP). A review of the CCAP will be undertaken in 2023 to ensure that the council is on course to achieve net zero by 2030.

3. Corporate Enforcement

3.1 The Corporate Enforcement Team covers a number of statutory enforcement functions on behalf of the Council including:

- Planning enforcement
- Abandoned vehicles
- Environmental crime such as fly tipping and other unlawful disposal of waste
- Unauthorised encampments
- Social housing/Council tax fraud
- Anti-social behaviour
- Dog fouling
- Dog on dog attacks

3.2 Following a restructure and successful recruitment drive in November 2021, the resourcing within the service currently totals 12 team members, 4 of which work part time hours. This includes a dedicated planning enforcement resource which dovetails into the overall Corporate Enforcement service. Further changes to the service structure occurred in December 2022 with the inclusion of Community Safety and the appointment of a Corporate Enforcement Team Leader and the recruitment of two Senior and one Principal Planning Enforcement Officer.

3.3 The level of work undertaken by the Corporate Enforcement team over the last twelve months is shown in the following table.

CASES	2022
Abandoned vehicles reports	236
Dog-on-dog attack reports	13
Anti Social Behaviour complaints	17
Community Protection (Warning) Notices issued	12
Community Protection Notices issued	5
Planning Enforcement referrals	196
Planning Enforcement Notices Issued	11
Unauthorised Encampments	6
Waste offences e.g. fly tipping	37
Fixed Penalty Notices issued (waste offences & abandoned vehicles)	6
Prosecutions (breach of CPN)	2

3.4 In Summer 2021 the Council carried out its largest resident consultation. The resident responses were evaluated and were instrumental in the moulding of the Surrey Heath BC 5-year strategy. Within the responses residents gave a clear steer that they wanted us to Deliver a safe borough and take prompt action in response to environmental crime (such as fly-tipping) and anti-social behaviour, building a reputation as the safest Borough in Surrey and deliver improvements to green infrastructure across the Borough.

3.5 The Driving Improvement initiative has focused on the 3 key objectives of:

- Tackling Antisocial Behaviour
- Taking action against Fly Tipping
- Planting 4,000 new trees in the borough by the end of planting season in March 2023

3.6 The Corporate Enforcement team has spearheaded the Driving Improvement Initiative through its targeted approach to dealing with antisocial behaviour (ASB) and fly tipping. The service has worked closely with other internal departments such as Environmental Health as well as external partners to:

- Tackle ASB at an early juncture, increase public awareness and partnership working to provide greater collaboration to bring forward a quick resolution wherever possible
- Identify fly tipping hot spots and work with partners to identify perpetrators and undertake clear-ups to enhance the local environment.

3.7 Some of the more challenging cases managed by Corporate Enforcement over the last 12 months include:

- Community Protection Notice Warnings (CPNW's) were issued in conjunction with Policing colleagues to deal with unauthorised car meets that were taking place at Watchmoor Park/Riverside Way off the Blackwater Valley Road A331. These meets were happening on an almost weekly basis and the noise and associated behaviour was having a detrimental impact on neighbouring

residential areas. As a result of over 100 CPNWs issued and within a couple of weeks the situation had been managed and the drivers responsible had moved elsewhere

- The owner of a trailer dumped full of rubbish was successfully prosecuted in court for breaching a Community Protection Order resulting in a fine of over £2,600

- 3.8 Following the introduction of deployable CCTV as part of the Driving Improvement incentive, the team are looking to take appropriate action against individuals who fly tip or fail in their duty of care.
- 3.9 The current borough wide Public Space Protection Order (PSPO) in place expires in October 2023. The public / partner organisation consultation exercise will commence in May 2023 with a view to future implementation of the scheme.
- 3.10 Following a number of successful joint activities with Accent housing and Surrey Police, further days of action are being scheduled for later in the year to combat illegal scrap metal dealers, unauthorised waste carriers and fly tipping.
- 3.11 In relation to planning enforcement, the investigation and action against breaches of planning control are carried out in accordance with the Council's Local Enforcement Plan and are measured against a 80% target of first action within the specified time frame. These are:
- HIGH PRIORITY = 2 working days
 - MEDIUM PRIORITY = 10 working days
 - LOW PRIORITY = 21 working days

Quarter 4	January to March 2022	89%
Quarter 1	April to June 2022	88%
Quarter 2	July to September 2022	90%
Quarter 3	October to December 2022 (to date)	95%

- 3.12 In October the Corporate Enforcement service advertised three planning enforcement positions which are intended to rectify the services ongoing reliance on agency staff and fixed-term contracts. Interviews were conducted in late November with the following posts being recruited to:
- Corporate Enforcement Team Leader
 - 1 Principal Planning Enforcement Officer
 - 2 x Senior Planning Enforcement Officers

- 3.13 As a result of the changes in the Planning Enforcement structure compliance checking will now be shared between the two newly-appointed Senior Planning Enforcement Officers to provide allow greater resilience. It is anticipated that all our new appointments will all be in post by February 2023.

4. Emergency Planning & Business Continuity

- 4.1 The Civil Contingencies Act 2004 places duties on the Council to ensure critical services are resilient to respond to disruptive events and that the Council has plans in place to respond to a civil emergency in the Borough. The Council is supported in delivering these services through Applied Resilience; a specialist public service mutual procured for this purpose.

- 4.2 As legislation and guidance for Covid-19 has subsided the workload associated with Covid-19 had drastically reduced over the year. Covid-19 remained an ongoing challenge at the start of the year, and meetings were held during the first quarter of the year to coordinate the recovery. However, there were several other incidents which the Council responded to throughout the year in order to support residents and businesses. These included the response to:
- Storm Eunice in February
 - Extreme Heat over the summer
 - Industrial action
 - Surface Water Flooding in November
- 4.3 There is continued focus to ensure that Officers at all levels and Members are trained to respond to Civil Emergencies and disruptive incidents to the Council's services. The training and exercises carried out in 2022 include:
- Service Level Business Continuity Exercises (January)
 - Borough Emergency Control Centre (BECC) Training (February/October)
 - Incident Liaison Officer (ILO) Training (February/November)
 - Rest Centre Manager training (February)
 - Member Training (October)
 - Incident Management Team (IMT) Training (March)
 - BECC Exercise (May)
 - IMT Cyber Exercise (May)
 - Widespread Power Outage Exercise (October)
- 4.4 To ensure the Council is prepared for civil emergencies and disruptive events of all types, and ensure compliance with legislation, the following plans were reviewed and updated in 2022:
- Surrey Local Resilience Forum (SLRF) Multi Agency Flood Plan Part 2
 - Adverse Weather Plan
 - Fuel Shortage Plan
 - Borough Emergency Control Centre Plan (BECC) Plan
 - Service Level Business Continuity Plans
 - Strategic Business Continuity Plan
- 4.5 Some additional projects carried out in 2022 include:
- The development and implementation of the Fuel Shortage Plan
 - The development of a rest centre set up guide
 - General winter preparedness
 - The development and delivery of a multi-agency widespread loss of power exercise.
- 4.6 The Council continues to work closely with the Local Resilience Forum on multi-agency plans, procedures, training, and exercises. In 2022 there has been a focus on power outages as well as ensuring multi-agency plans are updated and tested.
- 4.7 Applied Resilience have recently developed the work programme for 2023 to ensure that the Council continues to be resilient to disruptive events and prepared to support residents and businesses impacted by civil emergencies, particularly as emerging risks increase in likelihood and impact.

5. Environment Health and Licensing

5.1 The Environmental Health (EH) Team enforce a range of statutory functions to protect health and the environment. These functions include:

- Food Safety in approximately 700 food businesses including inspections, revisits and complaint investigations
- Health & Safety in approximately 1400 workplaces including investigation of workplace accidents and safety at public events
- Air Quality monitoring (see separate report on the Agenda)
- Statutory Nuisance investigation such as noise, smoke, light, odour, rubbish and animal nuisances
- Control of Pollution Emitting Premises such as paint sprayers, dry cleaners and petrol stations
- Contaminated Land investigations
- Licensing of animal activity establishments, street trading, scrap metal and registration of skin piercing activities
- Investigation of infectious diseases;
- Pest Control and Stray Dog control.

5.2 An out of hours noise complaint response service operates between 17.00 Thursday to 08.00 Monday and Bank Holidays, to respond to complaints about excessive and unreasonable noise disturbance.

5.3 The Council through an agreement with Buckingham and Surrey Trading Standards Service acts as Primary Authority for food hygiene matters for:

- Krispy Kreme
- Exclusive Hotels (who own Pennyhill Park Hotel)
- Manning Impex (a food importer)
- Kerry Foods, (a large multi-national food manufacturer)
- Huel (nutritional shakes manufacturer)
- Pilgrim's Food Masters (food manufacturer)
- The Health Food Manufacturers Association.

5.4 The Council also acts as Primary Authority for health and safety for Exclusive Hotels and Manning Impex. The main benefits that businesses get from their Primary Authority Partnership include:

- Assured advice, consistency in interpretation of legislation and protection against enforcement action from other regulators
- Stronger relationships with partner regulators including Trading Standards, Food Standards Agency and Health and Safety Executive
- Support in identifying and targeting resources to areas of greatest business risk
- Notification of emerging regulatory changes
- Insight into the regulatory world such as National Health and Safety/Food Safety inspection priorities
- Personal development of business managers to undertake self-audits and develop priority based action plans for compliance matters

In turn the Council is able to recover the cost of providing advice and support to those businesses through the Primary Authority Partnership approach.

- 5.4 During 2021/22 Environmental Health investigated 656 service requests, the majority of which concerned requests to investigate statutory nuisances and complaints or enquiries about food safety and workplace safety. Performance of the service is high, with Quarter 2 performance against the corporate success measure *resolution within 90 days for nuisance investigations* was 91% against the target of 80%.
- 5.5 Whilst most complaints can be resolved informally formal notices may be served and a prosecution is currently underway relating to a resident's failure to comply with a Community Protection Notice with regard to noise disturbing neighbours.
- 5.6 The Food Standards Agency requires the Council to inspect food premises in accordance with a risk based inspection programme and to rate eligible food businesses under the national Food Hygiene Rating Scheme. In 2021/22 the Team carried out 435 routine food hygiene inspections which was 98% of those due.
- 5.7 In 2022/23 the routine inspection programme has been impacted in due to a 3 month vacancy in the team and a spate of voluntary or enforced closures of food premises due to pest infestations and a food poisoning outbreak. In Autumn 2022 officers were redeployed from routine workloads to investigate a food poisoning outbreak which culminated in a Hygiene Emergency Prohibition Notice being served on the business, requiring it to shut immediately to protect public health. An Order then had to be sought from the Magistrates Court to confirm they agreed with the action taken by officers.
- 5.8 Despite the significant workloads caused by the food premises closures, performance to the end of November 2022 remained good with 184 inspections of food premises being carried out resulting in a Quarter 2 performance of 96% against the corporate success measure target of 100%.
- 5.9 The proportion of food businesses rated three or above under the food hygiene rating scheme (a rating of Satisfactory/Good/Very Good) is currently 98.5% against the corporate success measure target of 95%.
- 5.10 A major proactive health and safety enforcement project has been undertaken in 2022 with checks being carried out on 132 independent catering businesses to check the safety of their gas appliances. This has resulted in 30 formal notices being served prohibiting the use of unsafe equipment or requiring improvements to safety in a specified time. Further such initiatives are planned for electrical safety in outdoor hospitality settings resources permitting.
- 5.11 The Licensing Team are responsible for the licensing of:
- Hackney Carriages and Private Hire Vehicles
 - Premises that sell alcohol and/or provide public entertainment;
 - Gambling premises;
 - The placing of tables and chairs on the pavement (Pavement Licenses)
 - Street collections
- 5.12 The two Licensing Officers administer and monitor over 900 active licences. Officers work closely with businesses and other agencies to help promote the Licensing Act objectives in licensed premises in the Borough, which are:
- The prevention of crime and disorder,
 - Public safety,

- The prevention of public nuisance
- The protection of children from harm.

5.13 Our Licensing Officers are proactive in their work to ensure licence holders are acting responsibly and adhering to the requirements of their licences. This proactive work includes weekly meetings with the Police Licensing Officer and attendance at all the Town Centre and Village Pubwatch meetings.

5.14 Both Environmental Health and Licensing are heavily engaged in the Council's Driving Improvement initiative in relation to Anti-social Behaviour. Officers undertake regular joint enforcement initiatives with partners including the Police and Trading Standards colleagues. Many of these initiatives involve out of hours work to check licensing conditions, particularly in relation to underage alcohol sales such as the recent Borough-wide Day of Action. Further Licensing compliance initiatives are planned for 2023/24, involving the Police and DVSA in relation to taxi vehicle safety.

6. Health & Wellbeing

6.1 The Council were previously asked by the Surrey Health Health Alliance to lead on delivery of a "Whole Systems Approach" to Obesity, which aims to support residents to maintain a healthy weight by following a six stage Public Health framework. This is a highly collaborative project involves partners from Voluntary Support North Surrey, Surrey Public Health, Frimley Clinical Commissioning Group, Active Surrey and the University of Surrey.

6.2 A WSATO summit started the obesity conversation in Surrey Heath, with representatives including those from community, faith, voluntary, health and educational sectors being given the opportunity to share their experience and ideas. A key outcome from the summit was the development of detailed, causal maps which centred around six themes leading to obesity (lack of education around healthy eating, poverty, lack of cooking skills, a need for exercise and movement, lack of time, and mindset).

6.3 Following on from the summit, a smaller group attended a second workshop to work through the themes and pinpoint priorities for the delivery action plan. These priorities are mindset/mentality, poverty, education, and cost.

6.4 More recently, the cost-of-living crisis has had an impact as people need to eat as cheaply as possible, yet healthy options are considered by some to be expensive. To combat this, funds from WSATO have been utilised to help the community to change their mindset through the acquisition of skills to help understand ingredients and prepare healthy food.

6.5 Utilising the WSATO funding, the Happy Healthy January initiative has been developed with grants of up to £500 being offered to small groups wishing to deliver a healthy eating event or activity during Happy Healthy January. It is hoped the start date will attract people with health-based new year's resolutions as well as those looking to save money at the start of the year. Projects will be selected according to how they match the WSATO priorities, and how collectively, they offer breadth of opportunity without replication. To be successful and sustainable, activities need to offer participants education or skills around healthy eating, but a further requirement is detail around how feedback will be obtained from participants and shared with SHBC.

- 6.6 The first round of Happy healthy January assessed six applications. Groups are invited to continue to apply throughout January:
<https://www.surreyheath.gov.uk/happy-healthy-january>
- 6.7 Officers are reviewing the potential for a Healthy High Streets initiative in Surrey Heath and the places available in shopping centres for the community to walk, eat and rest. Work is also taking place in conjunction with Collectively Camberley to identify ways to integrate health and wellbeing into all events in Camberley, promoting physical activity and healthy eating.
- 6.8 Cross-departmental working is taking place with the Council's new Climate Change Officer supporting a project looking at the environmental impact and health benefits of projects such as:
- Walk to school week/
 - Promoting anti-idling of vehicles at key locations in the borough such as outside schools and major junctions
 - Reducing consumption of red meat and looking at plant-based options
- 6.9 Officers are also working closely with Surrey County Council to understand why Healthy Schools accreditation levels are low in Surrey Heath and to see if there is a way to promote an uptake.
- 6.10 In conjunction with Environmental Health and Public Health Colleagues a relaunch of Eat Out, Eat Well is being proposed to encourage healthier options and ingredient substitutions in food premises such as takeaways and restaurants.

7 Waste & Recycling

- 7.1 Surrey Heath Borough Council's contract with Amey for waste and street cleaning services is part of a joint arrangement alongside Elmbridge Borough Council, Mole Valley District Council and Woking Borough Council.
- 7.2 The Contract is managed by a joint client team, the operational arm of Joint Waste Solutions (JWS). The team reports to a Contract Partnership Board, which comprises of the Lead Officers from each of the partner authorities who provide strategic direction and leadership to JWS. The Contract Partnership Board in turn reports to the Joint Waste Collections Services Committee (JWCSC) and is comprised of the Portfolio Holders from the authorities and provides political scrutiny of the contract. Ultimately the JWCSC reports back to individual authorities but has authority to make decisions under agreed delegation.
- 7.3 Surrey Heath is the host authority for the JWS team, which includes providing corporate support services and ensuring that the governance arrangements for both the joint contract and the Surrey Environment Partnership (SEP) are working effectively.
- 7.4 The services provided by Amey are measured against a suite of key performance indicators (KPI's) covering both their kerbside collection and street cleansing responsibilities. Areas included in the Authority's own quarterly performance reports include levels of missed collections and the results of street cleaning surveys. Performance figures for the year to date are provided in the table below.

		Target	A	M	J	J	A	S	O	N	D
Missed collections	No. missed per 100,000 collections	80	44	76	57	54	804	62	50	46	
Street cleaning surveys	% transects below standard (litter)	4	0.2			0.2					
	% transects below standard (detritus)	8	8.7			8.5					

7.5 Other service measures relate to the amount residual waste collected per household and the recycling rate – the percentage of all waste which is sent for recycling or composting.

		Target (22/23)	Q1	Q2
Residual waste	Kg per household of residual waste – based on rolling 12 month total	360kg	312 kg	309kg

7.6 Encouraging waste reduction and driving down the volume of residual waste will be a priority for 2023-24. SHBC traditionally boasts a high recycling rate, comparing favourably to other authorities, and work continues to be carried out to sustain this and make improvements where possible. The following table sets out the monthly recycling rate and the rolling 12-month rate for the year to date.

		Target (22/23)	A	M	J	J	A	S	O	N
Recycling rate	% material sent for recycling and composting	63.0	56%	66%	62%	60%	55%	61%	60%	62%
	% Rolling 12 months		59%	60%	59%	59%	58%	59%	59%	59%

7.7 In 2021-22 recycling rates were impacted by the disruption to garden waste services with the reduced number of collections meaning less material was sent for composting. The figures above show that while the recycling rate recovered as the service was restored, the dry summer resulted in lower than normal green waste tonnages in July and August, which again impacted the overall recycling rate. August collections were also affected by two weeks of industrial action.

7.8 Garden waste collections were restored to a fortnightly service in April 2022 following a period of reduced service due to driver shortages. The staffing issues resulted from a combination of factors which were addressed through benchmarking pay, offering recruitment and retention incentives, and with longer term initiatives such as training existing staff to qualify as HGV drivers. In the summer, Amey began the process of contacting customers whose accounts were due for renewal. This process had been paused during the disruption, and this has now been brought up to date.

7.9 In the summer Amey staff in two depots, including Surrey Heath, voted to take industrial action over their proposed pay deal. Initially three weeks of strike action were

notified, followed by a further three week notice being submitted. However Amey engaged ACAS to facilitate negotiations with the GMB union, which saw an agreement reached and strikes called off after 10 days. While recycling and garden waste services were impacted by staff shortages during this period, refuse and food waste collections took place throughout and normal services were rapidly resumed.

- 7.10 Work has been carried out by JWS to improve the quality of recycling collected in the borough. This has seen a range of new initiatives from crew training to targeted interventions such as additional checks alongside collection crews and information letters sent to residents who have put incorrect items into their recycling bin. To support the crew training in the longer term a video has been created to be used for both induction and refresher sessions. This was produced in-house by JWS.
- 7.11 In October and November the food waste collections service was expanded, and introduced to 2,700 properties who were previously not able to use this. The work was delivered by the JWS projects team, who are funded by SEP, and work across the county to support service improvements in all 11 Districts and Boroughs. The team, assisted by the Operations Officers, oversaw the delivery of food waste bins, kitchen caddies and service information leaflets to households. This was followed by several weeks of monitoring to ensure a smooth introduction of collections.
- 7.12 Officers from SHBC, JWS and Surrey County Council have been working in partnership to review options and prepare a business case for the redevelopment of the Doman Road depot. The current facilities for tipping at the site require updating, and options are being explored to ensure that any improvements carried out are not only fit for purpose for the Council's waste collection contractor, but are aligned with SEPs infrastructure requirements and the Resources and Waste Strategy (RaWS) and key emerging government policy in the longer term.
- 7.13 Looking ahead to improvements that will be carried out to enhance services for our residents, the Recreation & Leisure and JWS teams are working together to review litter bin distribution and the routes available for residents to report issues with bins. This project aims to improve the customer journey for anyone needing to report an issue with a litter bin, using maps and improved processes to ensure the problem is directed to the correct department or contractor first time. In the longer term and subject to funding, there is a plan to undertake a review of bin locations and replacement of bins which are no longer fit for purpose.
- 7.14 The government's RaWS will impact how we collect waste and recycling in the future, although we await further information including the outcome of a range of consultations, to understand the extent of the policy changes that will be implemented and how we will need to adapt our services in order to meet any new requirements. The Partnership's Joint Municipal Waste Management Strategy (JMWMS) is due for review, however it was not felt viable to meaningfully do this without clear policy direction. As such, "SEP 2025 – a partnership approach to waste prevention and recycling" , has been developed on behalf of all Surrey local authorities through the SEP to cover the three-year period from 2023-24 to 2025-26. SEP 2025 sets out our strategic aims and priorities in the short to medium term, while focusing on the longer-term policy direction and the strategic vision for the partnership.

Annexes

None

Background Papers

None

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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
25 January 2023

Air Quality Review 2022

Strategic Director: Nick Steevens, Strategic Director: Environment & Community
Report Author: James Robinson, Senior Environmental Health Officer
Key Decision: No
Wards Affected: All

Summary and purpose

To provide Members with information on air pollution levels across the Borough, including the 2022 Air Quality Annual Status Review report and reviews the Council's Local Air Quality Management Area work.

Recommendation

The Performance and Finance Scrutiny Committee is advised to RESOLVE that the contents of the report be noted together with the 2022 Air Quality Annual Status Report and to note the work of the Council has undertaken under its Local Air Quality Management statutory duties

1. Background and Supporting Information

- 1.1 Under Part IV of the Environment Act 1995 and associated Regulations, Local Authorities are statutorily required to periodically review and assess air quality in their areas and to report against health-based objectives for specified pollutants to Defra. Where it appears that the objectives will not be met, local authorities must declare an Air Quality Management Area (AQMA) and develop action plans in pursuit of those objectives.
- 1.2 An Air Quality Annual Status Report (ASR) for Surrey Heath Borough is produced and submitted to Defra as part of the Councils local air quality management responsibilities. Its purpose is to report on progress in the preceding calendar year in achieving reductions and compliance in concentration of emissions relating to relevant pollutants and to identify new or changing sources of emissions. The reports are also published on the Council's website.

2022 Air Quality Annual Status Report (ASR).

- 1.3 The 2022 ASR for Surrey Heath has been approved and accepted by Defra and may be viewed on the following page;
<https://www.surreyheath.gov.uk/residents/environmental-services/noise-nuisance-pollution/air-quality>
- 1.4 The report outlines the adverse health impacts associated with air pollution, which include respiratory conditions, onset of heart disease and cancer and the particular

detrimental effects it has on the elderly, the young and those with existing health conditions.

- 1.5 The main air quality issues locally are identified as being associated with the emission of pollutants (nitrogen dioxide NO₂ and particulate matter smaller than 10 micrometres in size, PM₁₀) from road traffic, in particular the M3 motorway. There are no other significant sources of local emissions, these pollutants often originating from outside of the Borough.
- 1.6 The report outlines the air quality modelling and monitoring that informs the assessment of local air quality locally.
- 1.7 The actions taken to address air quality concerns, including the declaration and subsequent extension of a section of the Borough along the M3 as an Air Quality Monitoring Area (AQMA) in 2002 are outlined. It is recognised that as the main source of local pollution is traffic emissions from the motorway and major trunk roads, over which the Council has no direct control, measures to undertake effective local reduction in traffic emission levels and the outstanding items in the Council's current Air Quality Action Plan are limited.
- 1.8 The report concludes that nitrogen NO₂ and PM₁₀ levels across the Borough in 2021 met the current health based statutory air quality objectives at places of relevant exposure i.e. locations where people would be exposed to pollutants over defined periods of time (see Annex 1). Based on the latest monitoring results it is intended to continue with the current level of monitoring and retain the existing AQMA, until a period of non-lockdown and motorway work has elapsed.

Air Quality Objectives and local pollutants.

- 1.9 There are national air quality objectives for seven pollutants (Appendix E of the ASR). Previous assessments of local air quality in Surrey Heath have enabled the Council to conclude that concentrations of carbon monoxide, benzene, 1-3 butadiene, lead, and sulphur dioxide are compliant with the relevant objectives, leaving just NO₂ and PM as pollutants to consider. These objectives are detailed in Table 1 below.

Table 1 Air Quality Objectives for NO₂ and PM₁₀.

Pollutant	Air Quality Objective	
	Concentration	Measured as
Nitrogen Dioxide (NO ₂)	200 µg/m ³ not to be exceeded more than 18 times a year	1-hour mean
	40 µg/m ³	Annual mean
Particulate Matter (PM ₁₀)	50 µg/m ³ , not to be exceeded more than 35 times a year	24-hour mean
	40 µg/m ³	Annual mean

- 1.10 Levels of pollutants that residents are exposed to come from pollution generated not only within the Borough but also from 'background' levels blown in from outside the area. For oxides of nitrogen (NO_x) up to around 25% of levels recorded at locations away from main roads can be from these background sources. The main source of NO₂ produced within the Borough is from road traffic exhaust fumes, accounting for about 80% of all NO_x produced. However for particulate matter, up to 90% of levels in the Borough come from background sources, produced elsewhere. Even at the busiest road location only about a fifth of particles comes from road traffic (e.g.

carbon emissions from engines, particles of rubber/metal from engine wear/braking and road surface dust), other sources including the building trade/industry, and wind-blow dust, pollens and soil particles. This presents a particular challenge for the Council to impact and influence local levels.

- 1.11 Detailed modelling carried out by specialist consultants as part of a 2019 Surrey Air Alliance project confirmed the influence of road traffic on pollutant levels, with major trunk routes such as the M3 motorway and the A30, A322 and A325 being clearly demarcated with predicted higher levels above the national air quality objective along the road corridors and at major junctions. (The Surrey Air Alliance is an air quality officers group of all eleven districts and borough Councils across Surrey and Surrey County Council with representation from National Highways).

Air Quality Management Area.

- 1.12 In 2002, the Council designated an area of land adjacent to the M3 motorway an Air Quality Management Area (AQMA) for both short and long term levels of NO₂ and short term 24 hour PM₁₀.
- 1.13 The AQMA comprises a twenty metre wide strip both sides of the edge of the M3 from the Frimley Road flyover to just north of the Ravenswood Roundabout A325. To seek compliance within this area, in 2005 an Air Quality Action Plan (AQAP) was produced.
- 1.14 Work towards the majority of the actions in the AQAP has been completed. That required to accomplish the remaining five actions is ongoing although progress with these has been limited because the main source of emissions within the AQMA - the M3 motorway traffic - is under the control of National Highways. Local measures that can be conducted to reduce traffic emission levels on the M3 are therefore limited.
- 1.15 At locations of relevant exposure within the AQMA there has been concentrations compliant with the objectives for the last three years. Whilst concentrations were compliant in 2021, there has been a lack of three years' 'normal' (i.e. without COVID-19) data collected since the motorway upgrade was completed. Whilst revocation for this AQMA is likely, it will be delayed until such time as sufficient data has been collected to progress this.

Air Quality Monitoring in Surrey Heath and analysis of results.

- 1.16 In 2021 the Council undertook non-automatic (passive) diffusion tube monitoring of NO₂ at fifty one locations around the Borough. The locations are detailed in the ASR at Appendix B Table A2 and shown on the maps in Appendix D Figures D1 and D2. Monthly results are used to calculate annual mean levels.
- 1.17 There is one continuous monitoring station in the Borough at Castle Road, Camberley adjacent to the M3 providing real time measurements of both NO₂ and PM₁₀ within the AQMA. (A continuous monitoring station is a generic term for a cabinet which can contain a number of different analysers depending on which pollutants are to be monitored. Results from continuous monitoring can generate not only short-term averages such as 15 minute, hourly or daily averages, but also annual averages).
- 1.18 A summary of the air quality monitoring results over the past eight years of the NO₂ diffusion tubes and thirteen from the continuous analyser is contained within this report (Chart 3 in paragraph 1.29 and Chart 1 Annex B). In 2021, the annual mean

NO₂ concentrations were below 40 µg/m³ at all of the 51 diffusion tube monitoring locations. This correlates with the 2020 results, when also no exceedances were recorded. This includes sites SH16 and SH33 (both at Wood Road, Frimley), that were identified as potential areas for concern due to previous exceedances in 2019. The improvements to traffic flow on the M3 are likely to have been a major contributing factor in keeping NO₂ concentrations below the annual mean objective at these sites, alongside the reduction in traffic activity associated with COVID-19 restrictions.

- 1.19 Of the seventeen new sites introduced in 2020, mainly outside schools, none of the concentrations monitored were close to the annual mean NO₂ objective throughout 2021. There were no exceedances of the short term hourly mean objective anywhere in the Borough recorded during 2021, which is consistent with previous years' results.
- 1.20 The annual mean NO₂ concentration for the continuous monitoring location at Castle Road in 2021 was 30 µg/m³, which thus met the annual mean NO₂ objective. The 2021 result is lower than concentrations recorded in the previous three years. (see Chart 3). There were no occasions here where the hourly mean NO₂ was greater than the objective value of 200 µg/m³, and the site is therefore well within the 18 hours permitted per year.
- 1.21 The 2021 monitoring results (14 µg/m³) for PM₁₀ from the automatic monitoring station remain well within the relevant air quality objectives (40 µg/m³). This is a decrease in the concentration from that in 2020 (16 µg/m³).
- 1.22 Analysis of the daily exceedances results determine that short term PM₁₀ concentrations are also well below the corresponding objective of no more than 35 daily incidences of levels above 50µg/m³ in any one year, and this is also consistent with past years data.
- 1.23 The 2021 PM₁₀ results are broadly consistent with those of the last six years, indicating that any exceedances of the air quality objectives in the future are very unlikely (see Chart 3 - dust).
- 1.24 In conclusion, there was a slight increase in NO₂ concentrations across the borough for the diffusion tube monitoring sites, with 42 of 54 monitored concentrations (continuous monitor and 53 diffusion tubes) recording marginally higher values than 2020. Overall this represents an small average increase of 4.5% from the 2020 figures but a 28% reduction from 2013 data, the last year that was unaffected by road works or COVID-19, and the overall trend remains downward.
- 1.25 It should be noted that the small increase in NO₂ levels in 2021 is likely related to the ending of COVID-19 lockdowns during the year. The Council will continue looking closely at the monitoring data during 2022 as normal traffic levels are restored.
- 1.26 The monitoring results showed that exceedances of the relevant PM₁₀ and NO₂ objectives, either short or long term, are unlikely at any residential properties in the Borough, or at other places of 'relevant exposure'.
- 1.27 There is no statutory obligation on council's to monitor fine particles known as PM_{2.5} (less than 2.5µm diameter) yet, but the council is expected to seek a reduction in emissions or concentrations. The Council uses background mapping and modelling provided by Defra and from our own studies to determine that the background annual average PM_{2.5} concentrations in Surrey Heath ranged from 9 µg/m³ to 13 µg/m³ in 2021. This is roughly half the EU limit value of 20 -25 µg/m³. In addition, as annual

levels of PM10 are well below the objective, it is inferred that PM 2.5 concentrations here are likely to be compliant with this limit based on the empirical relationship published in relevant technical guidance (LAQM.TG (16)). New Government guidance under the Environment Act 2021 was expected by 31st October 2022 on the measures and monitoring that local authorities would be expected to undertake for this pollutant in the coming years, but this has been delayed and no new timeframe provided.

- 1.28 A full summary of monitoring results for 2021 is available on the Council's website together with real time monitoring which can be accessed by selecting air quality in Surrey Heath where there is also an indication of the health risks associated with the levels. <https://www.surreyheath.gov.uk/residents/environmental-services/noise- nuisance-pollution/air-quality>

Levels alongside the M3 Motorway through the Borough.

- 1.29 Both NO2 and PM10 are measured continually at Castle Road and NO2 at representative locations where people live aside the motorway through the Borough. Comparing levels pre smart 2013 with those in 2021 indicates a 26% fall in NO2 levels. Table 3 and Charts 3 and 4 detail the results.

Table 3: Monitoring of NO2 near M3.

Location Adjacent to M3	2013	2019	2020	2021
Castle Road Continuous Monitor	43	38	32	30
M3 Brick Hill SH7	41	40	32	32
Brick Hill 30m SH8	32	25	35	20
Wood Road SH16	41	44	28	34
Old Pond Close SH31	38	35	28	31
Two Hoots Old Pond Close SH32	35	30	32	27
Wood Road Garages SH33	47	40	23	33
Brackendale Road SH34	46	33	25	24
Prior End SH35	33	33	31	25
Youlden Drive SH36	35	30	23	30
Crawley Hill Camberley SH37	35	33	26	28
Chestnut Avenue SH5	38	33	28	27
Focus Frimley Road SH30	44	35	23	36
AQM Castle Road SH15,22 25	42	37	34	29
Badgers Copse SH14	40	31	19	30
Total of all in M3 corridor	547	479	387	406

Chart 3: Continuous Monitoring Results Pre and post SMART motorway work.

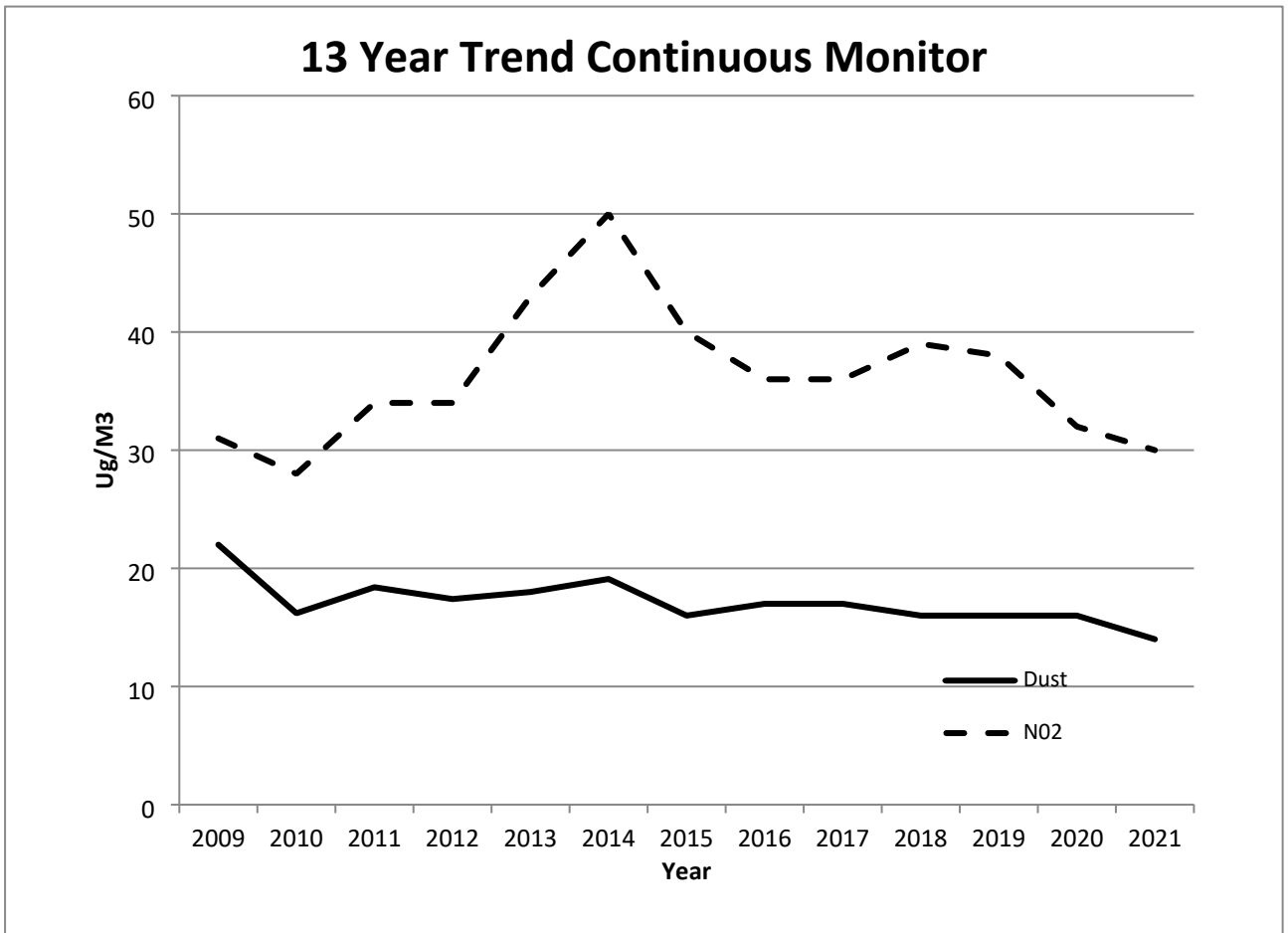
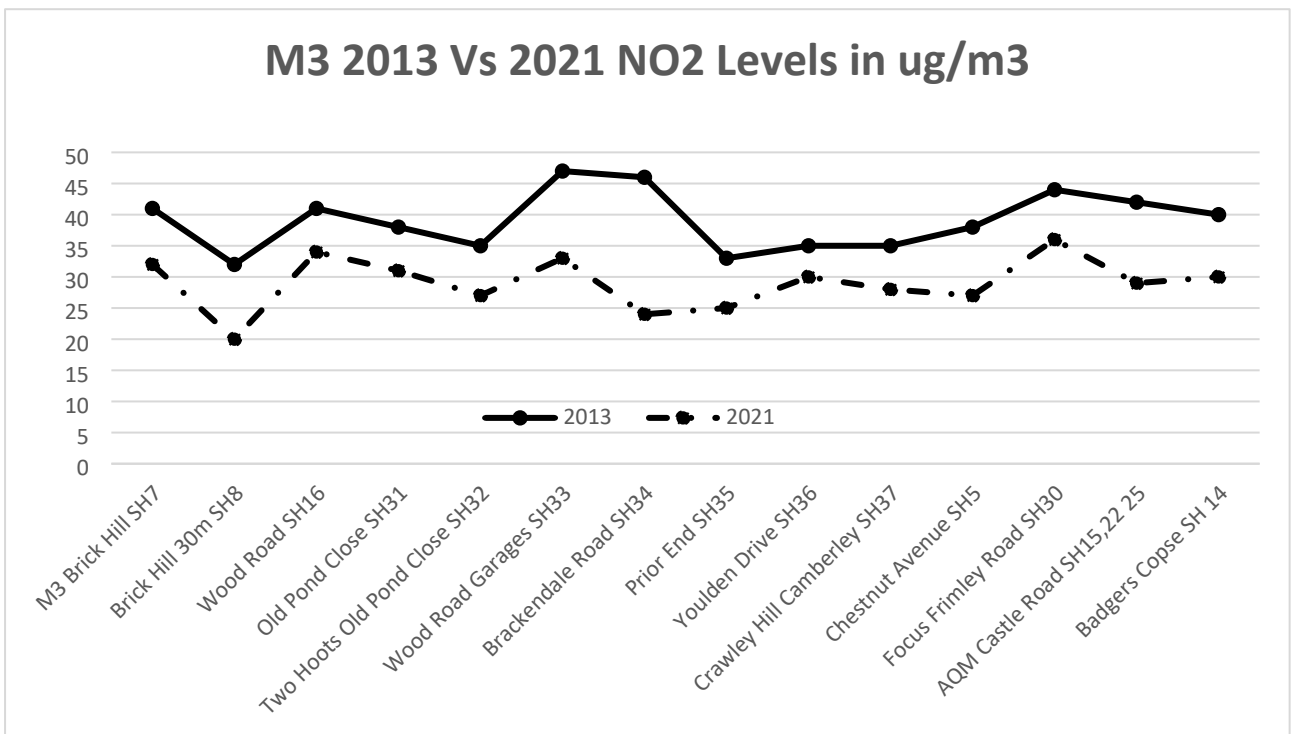


Chart 4: Diffusion Tube Results pre and post widening.



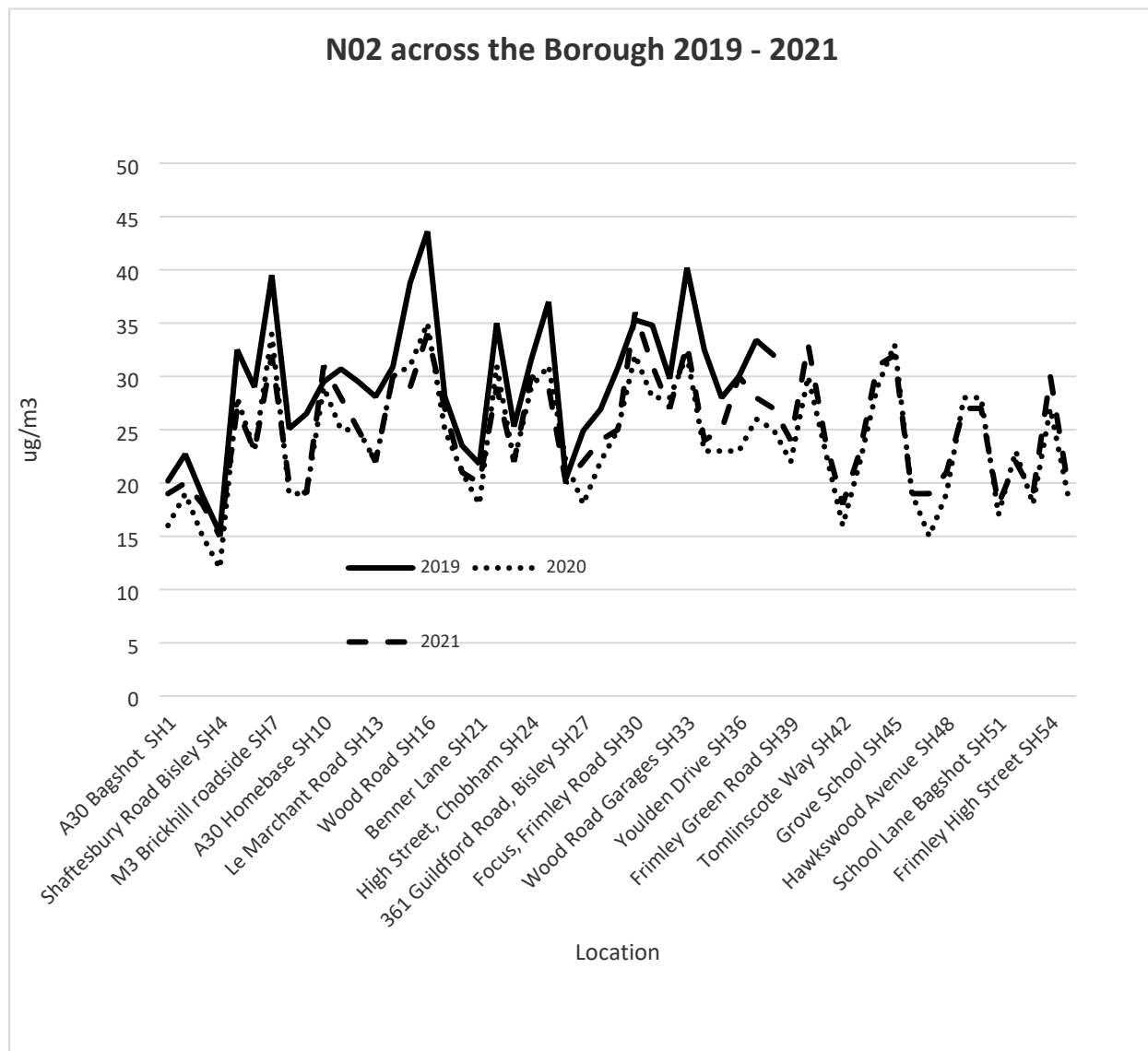
- 1.30 In 2021 there were no exceedance's of legal maximum limits anywhere at relevant exposures adjacent to the motorway through the Borough.
- 1.31 In the period of smart works (2014-2017) there was a 50mph limit imposed. Initially this resulted in a rise in pollution because lanes were moved closer to the motorway edge hence residential areas, before being moved over toward the central reservation a year later. (Chart 3). The average NO₂ levels during the works thereon was 37 µg/m³ which rose to 39 µg/m³ when it fully reopened. In 2021 the level was 30 µg/m³ which is below the 2013 pre smart work level of 43 µg/m³
- 1.32 As regards adverse conditions and episodes, these short term effects are addressed by the 1 hour means. For NO₂, the air quality objective allows a max number of 18 times a year with levels above 200ug/m³. There have been no occasions when this was exceeded since 2015.
- 1.33 The annual mean PM₁₀ concentration for 2021 was 14 µg/m³, which is well below the annual mean PM₁₀ objective (40 µg/m³) and represents a decrease from that in 2020 (16 µg/m³). Based on the recent years' monitoring results, it can be concluded that annual mean PM₁₀ concentrations would not be expected to deviate significantly from the recently observed trend without significant new sources being introduced.
- 1.34 The daily mean PM₁₀ short term objective value of 50 µg/m³ was not exceeded during 2021 and consequently, the daily mean objective (35 permitted days) was achieved. This result remains consistent with previous years.

Trends and Effects of the Lockdown.

- 1.35 In general, in 2021 there was a slight increase in NO₂ concentrations across the borough for the diffusion tube monitoring sites, with most of the monitored concentrations recording marginally higher values than in 2020.
- 1.36 The highest concentration recorded during 2021 was at SH30 at Frimley Road adjacent to M3 flyover (35.7 µg/m³), which was below the annual mean NO₂ objective. This is a very marginal increase over the highest concentration recorded in 2020 at SH16 Wood Road (35.4 µg/m³). This increase is as expected considering to the effects of the easing of COVID-19 restrictions during the year.

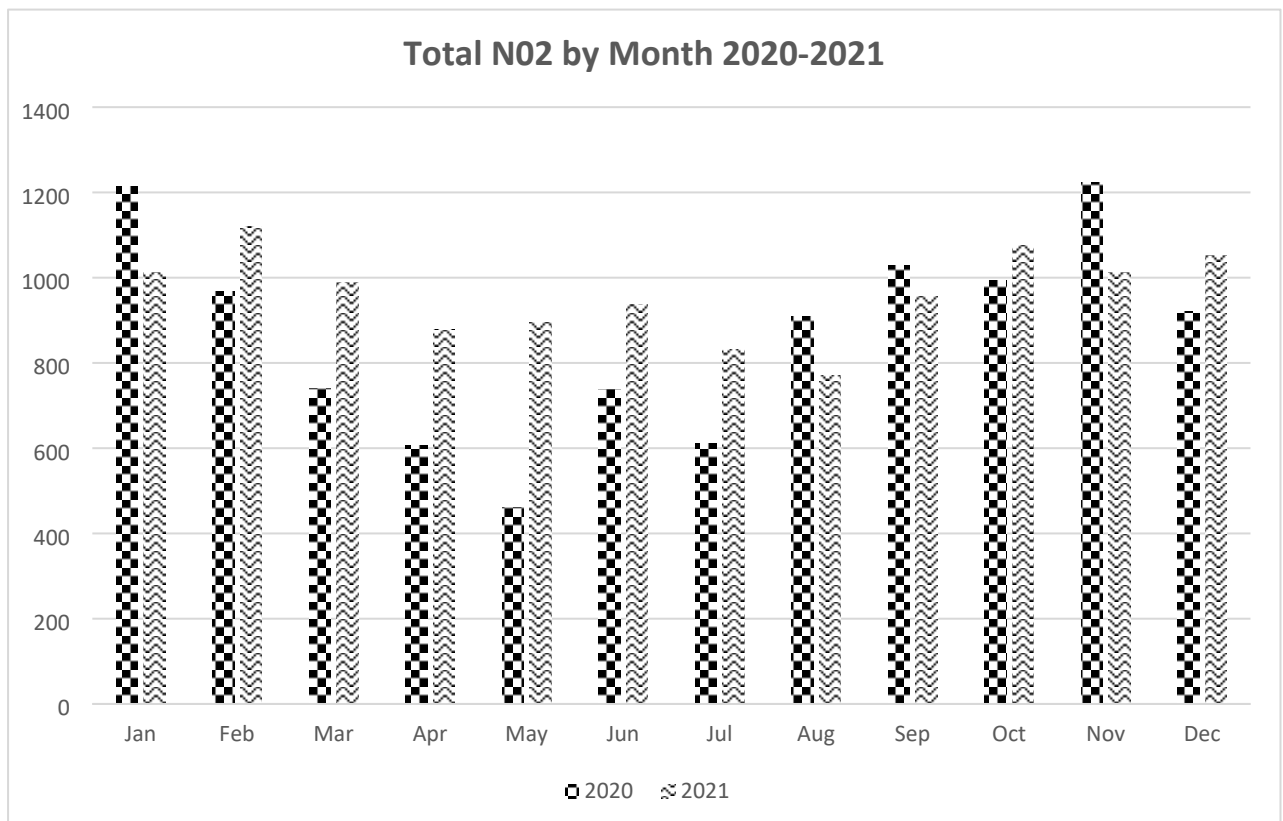
See Chart 3 below for the 2019/2020/2021 comparison of results across all the tube locations and Chart 4 for the changes that occurred month by month in 2021.

Chart 5: 2020 Vs 2021 and 2019 Jan – Dec NO2.



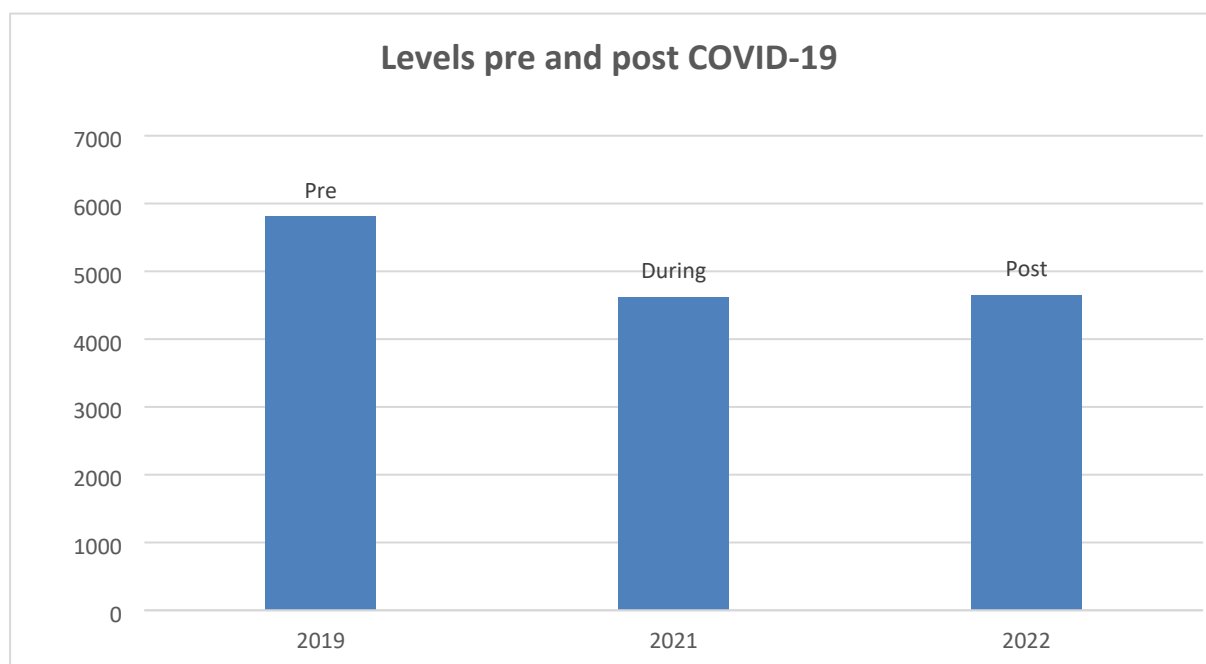
- 1.37 To note from Chart 3 is the downward trend of NO2 **since 2014**. This can be expected bearing in mind the lower traffic levels associated with the lockdowns in 2020/21 and the reduced speeds on the motorway due to roadworks during 2014-2018, whilst the levels of PM10 are unchanged. This provides further robust evidence and confirmation that road traffic is not the principle contributor of dust pollution in the Borough.
- 1.38 Chart 5 demonstrates the fall in nitrogen dioxide levels across the Borough during the two years affected by COVID-19 restrictions when compared against a normal year of 2019.

Chart 6: Total NO2 Levels at All Locations by Month 2020-2021.



- 1.39 Lockdown dates in 2021 were phased January to April with full lifting not until July. In 2020 they were April to July and November to December. The fall in NO2 pollution during the 2021 main lockdown period was 27%, calculated by comparing the average of the tube network in January to April 2021 with the same period in 2020.
- 1.40 The levels in post lockdown 2021 (July to December) compared to those for the same period of 2020 pre lockdown, were on average 18% higher.
- 1.41 To date despite the complete removal of restrictions associated with coronavirus and its consequence of less road traffic, levels across the entire Borough and within the AQMA are less than 1% higher this year 2022 than last and are 20% lower than pre pandemic levels recorded in 2019. Chart 7 demonstrates this data.
- 1.42 It is important to note that 2022 figures are provisional and liable to change as the seasonality of air quality means that higher levels are typically recorded over the winter months, which may raise the final annual mean results.

Chart 7: Levels across all sites Jan – Jul each year.



Air Quality Management Area Action Plan.

- 1.52 Following the declaration of the AQMA in 2002, the Council were required to prepare an Air Quality Management Area Action Plan (AQAP). The AQAP was adopted in 2005 and set out the measures the Council intended to implement to address air quality issues in the Borough and to meet the UK air quality objectives. The plan identified a number of considerations and options for National Highways to consider.
- 1.53 The vast majority of the actions identified in the plan have been completed and those outstanding are shown in Table 2.2 of the ASR. A number of National Highways traffic management actions have not been pursued because the good air quality compliance locally meant these were not a priority for them given demands from the rest of the national motorway network.
- 1.54 Where possible the Council has undertaken activities to promote the reduction in traffic pollution levels including promotion of low pollution vehicles and electric vehicle charging infrastructure, working with transport companies to provide real time bus information, installation of cycle racks in schools and at Frimley Park Hospital, the introduction of an agile working policy, the building of a website specific to air quality, funding to schools for equipment such as hi-vis vests to encourage walking and others.
- 1.55 Since the ASR was finalised the Council has undertaken further work to promote low emission transport, with a project underway to install electric vehicle charging points in Council car parks from August 2023.

A331 Blackwater Valley Road.

- 1.56 The Council continues its work as part of the Blackwater Valley Group with Rushmoor Borough Council to address exceedances of the NO₂ statutory annual mean limit along part of the A331, identified by Defra in 2017 to be contributing to a

national exceedance. As a result of the group's work, in May 2019 a temporary 50mph limit was imposed along the stretch of road in both directions between the A325 Farnborough Road and the Coleford Bridge Road junctions. Evaluation on the effect of this on reducing NO₂ levels to no more than 40µg/m³ over a period of time will be reported on fully by 2024 when the programme finishes. Provisionally, since installed, the speed reduction has resulted in a 1ug/m³ reduction alongside the road which would achieve compliance, and the Council is in communication with Defra on what is required by them to sanction its removal.

Future Actions.

- 1.57 It is the intention that the AQMA for short term PM₁₀ be revoked as there have been no exceedances at relevant exposure locations for over five years. As regards NO₂, due to lack of a three year 'normal' data collection period since motorway full lane running, we will be retaining the AQMA until this data has been collected with a view to rescinding it for both pollutants simultaneously.
- 1.58 The Council remains committed to continuing to implement the outstanding actions within the existing AQAP, in pursuit of further improving air quality within the Borough. However, the M3 motorway is out of the control of the Council. We do not foresee any local measures that can be carried out to reduce traffic emission levels on the M3 other than a speed restriction proposal and remain supportive of this should the monitoring data reveal it is necessary.
- 1.59 Officers continue to work and liaise with the Surrey Air Alliance members and where appropriate and resources permit, will participate in local air quality projects and initiatives. This, for example, includes Surrey wide air quality modelling, taxi vehicle licensing policy review, the control of sale and burning of domestic solid fuel, and project work with schools.
- 1.60 Officers will continue to enforce legislation that can have an impact on air quality such as reducing pollution from construction/trade/business sites and responding to complaints about domestic bonfires and smoke.
- 1.61 Under the Environment Act 2021, although currently delayed, the Government will be publishing new statutory guidance for local authorities which is expected to include stricter air quality objectives, including a new objective relating to fine particulate matter PM_{2.5}. A revised National Air Quality Strategy is expected to be forthcoming that will likely strengthen the existing Local Air Quality Monitoring framework to enable greater cooperation at local level and broaden the range of organisations that play a positive role in contributing to improved local air quality. The Council will implement, review and revise the Borough's local air quality strategy accordingly and reflect in the annual planning as necessary.
- 1.62 In anticipation of the new PM_{2.5} targets, in 2022 officers submitted a grant application to Defra seeking funding to purchase a portable PM_{2.5}/PM₁₀ monitor with supporting packages, and to expand and improve Surrey Heath's air quality webpage. An enhanced air quality website can communicate the most relevant information. Further outreach to schools and care homes is proposed to promote the effective protective and preventive measures that vulnerable individuals can adopt to reduce their exposure, as well as measures individuals can take to improve local air quality.
- 1.63 In addition, a separate second Defra grant application was made to fund the raising of awareness about the burning of solid fuels, which contribute to PM levels, in

conjunction with other Surrey local authorities and Surrey County Council. Should this application be successful, information packages on minimising the impacts from burning solid fuel will be made available to raise awareness amongst the public.

- 1.64 In 2022, further to Member comments received on last year's ASR, an additional two monitoring sites in Mytchett have been added to the network. The results will be reported upon in the 2023 Annual Status Report.

2. Reasons for Recommendation

- 2.1 Air quality monitoring work is undertaken by the Council under its Local Air Quality Management statutory duties

3. Proposal and Alternative Options

- 3.1 None applicable.

4. Contribution to the Council's Five Year Strategy

- 4.1 The Council's local air quality management work is included in the Council's 2022/23 Annual Plan and will contribute to the following aims within the Council's 2022- 2027 Five Year Strategy priorities:
- i. Environment - Improve the air quality of the borough by working with partners to improve public transport and supporting and enabling greener and more active methods of travel.
 - ii. Health and wellbeing - Support health and wellbeing by promoting and developing initiatives that means residents can lead active and healthy lives.
 - iii. The Councils LAQM work will also contribute to Objective 3 of the Climate Change Action Plan;
 - iv. Work with partners to support initiatives and infrastructure to increase the uptake of walking, cycling and public transport, and low emission vehicles.

5. Resource Implications

- 5.1 There are no resource implications at this time. Local air quality management work is funded from existing budgets, with additional Government funding having been successfully sought in the past for specific work in relation to the M3 AQMA and the A331. In 2022, a grant has been applied for specific air quality work related to initiatives that may be required under the Environment Act 2021. Successful awards will not be notified until March 2023.

6. Section 151 Officer Comments:

- 6.1 Set out in the body of the report.

7. Legal and Governance Issues

- 7.1 The Council's Local Air Quality Management work is a statutory duty and anticipated changes under the provisions of the Environment Act 2021 will be kept under review and implemented as is required.
- 7.2 Diffusion tubes are supplied and analysed by Lambeth Scientific Services, a NAMAS approved laboratory and readings from the continuous monitor are ratified and adjusted by an external consultant to ensure accuracy of results. Quality assurance details are contained in Appendix C of the ASR 22. Insert text

8. Monitoring Officer Comments:

- 8.1 Nothing further to add.

9. Other Considerations and Impacts

Equalities and Human Rights

- 9.1 The work on air quality is of universal benefit to all residents and visitors of the Borough regardless of age, sex, race, faith disability, and sexuality and especially to those vulnerable members of the community having health problems, the old and the very young whom are most affected by poor air quality.

Annexes

Annex A: Extract regarding meaning of relevant exposure.

Annex B: Trends in Nitrogen Dioxide Levels.

Background Papers

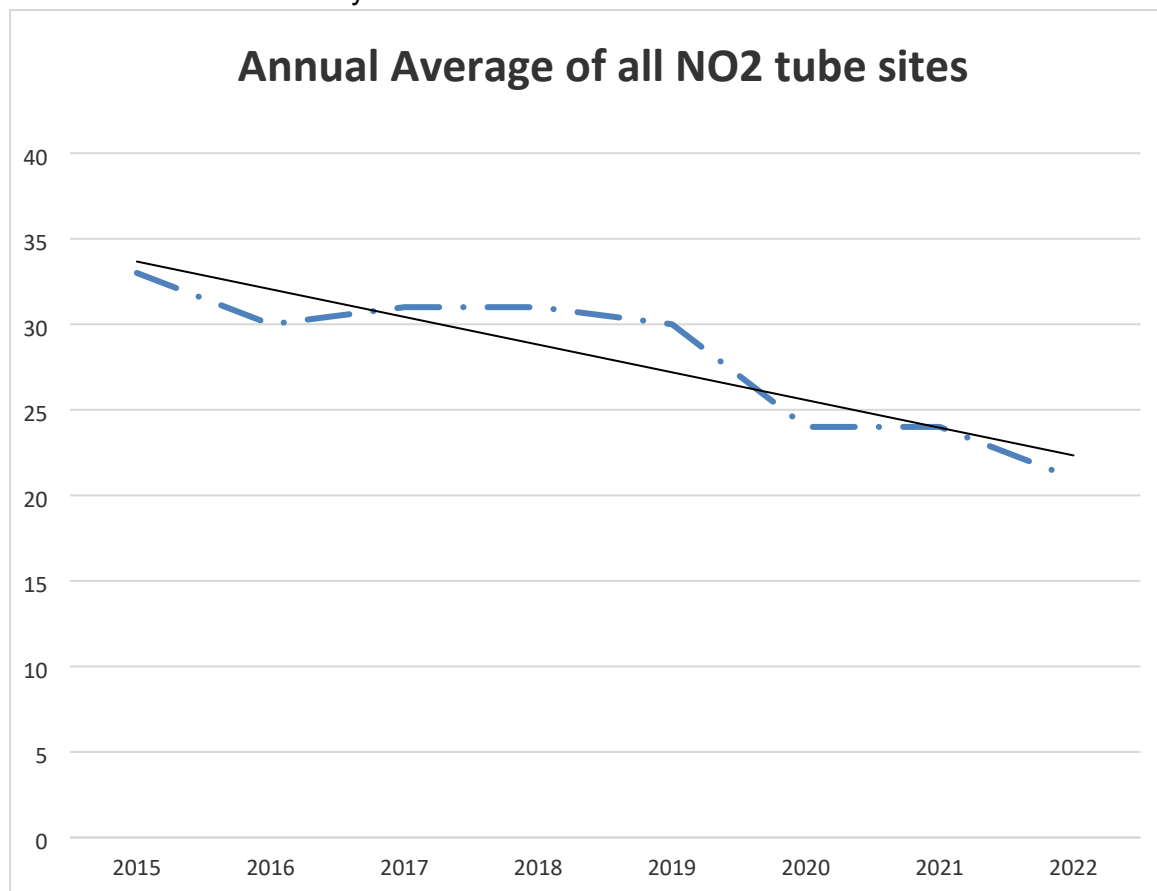
None

Relevant Exposure; Where the Air Quality Objectives Apply.

Averaging Period	Objectives should apply at:	Objectives should generally not apply at:
Annual mean	All locations where members of the public might be regularly exposed. Building façades of residential properties, schools, hospitals, care homes etc.	Building façades of offices or other places of work where members of the public do not have regular access. Hotels, unless people live there as their permanent residence. Gardens of residential properties. Kerbside sites (as opposed to locations at the building façade), or any other location where public exposure is expected to be short term.
24-hour mean	All locations where the annual mean objective would apply, together with hotels. Gardens of residential properties at locations where people may sit for long periods.	Kerbside sites (as opposed to locations at the building façade), or any other location where public exposure is expected to be short term.
1-hour mean	All locations where the annual mean and: 24 and 8-hour mean objectives apply. Kerbside sites (for example, pavements of busy shopping streets). Those parts of car parks, bus stations and railway stations etc. which are not fully enclosed, where members of the public might reasonably be expected to spend one hour or more. Any outdoor locations where members of the public might reasonably be expected to spend one hour or longer.	Kerbside sites where the public would not be expected to have regular access.

Trends in Nitrogen Dioxide Levels

Chart 1: Diffusion Tubes by Year 2014-2022.



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Surrey Heath Borough Council
Performance & Finance Scrutiny Committee
25 January 2023

Draft Annual Plan 2023/24

Head of Service: Sally Kipping, Head of HR, Performance & Communications
Report Author: Sarah Bainbridge, Organisational Development Manager
Key Decision: Yes
Wards Affected: All

Summary and purpose

This report contains the draft Annual Plan 2023/24, which sets out the key projects and performance indicator targets for the next financial year. The Performance & Finance Scrutiny Committee is asked to consider the plan and submit any comments for the Executive to review at its meeting on 14 February 2023.

Recommendation

The Executive is advised to CONSIDER the attached Annual Plan for 2023/24, and submit any comments for the Executive to review at its meeting on 14 February 2023.

1. Background and Supporting Information

- 1.1 The Council agreed a new Five Year Strategy 2022 – 2027 in October 2021. This followed one of its largest ever public engagement exercises to agree the priorities going forward for the Council and the Borough. The Strategy sets out ambitious goals and targets under the headings of *Environment, Health & Quality of Life, Economy and Effective & Responsive Council*.
- 1.2 The Council agrees an Annual Plan each year which sets out the main goals, projects and targets for the coming financial year. The Annual Plan is the main delivery vehicle for ensuring that the ambitions in the Five Year Strategy are delivered for residents.
- 1.3 Progress against these plans are reported to the Executive and Performance & Finance Scrutiny Committee at mid-year and year-end.
- 1.4 The draft Annual Plan has been prepared alongside the draft revenue and capital budgets for 2023/24 which are also being considered at this meeting before final consideration at Full Council on 22 February 2023.
- 1.5 The proposed Annual Plan 2022/23 is attached at Annexe 1, which Committee is asked to consider and submit comments to the Executive. The proposed Annual Plan will be sent to the Executive for approval on 14 February 2023, subject to the approval of the Annual Budget at Full Council on 22 February 2023.

1.6 The plan includes key projects and milestones for 2022/23. This will not generally include 'business as usual' activities. Details of key performance indicators for services are also included and proposed targets for 2022/23. These measure many of the Council's key 'business as usual' functions.

2. Contribution to the Council's Five Year Strategy

2.1 The Annual Plan is the main delivery vehicle for ensuring that the ambitions in the Five Year Strategy 2022 – 27 are delivered for residents and the Borough.

3. Resource Implications

3.1 All projects and targets within the Annual Plan need to have the necessary resources (revenue funding, capital funding, staffing, external/grant funding) in place to deliver them. The draft Annual Plan is being prepared alongside the draft budget for 2023/24. Where particular projects and targets are contingent on securing external funding, this is set out in the attached plan.

4. Section 151 Officer Comments:

4.1 The Medium Term Financial Strategy is aligned with the Annual Plan and a budget allocation of £125,000 is provided to support the plan and the service growth.

5. Legal and Governance Issues

5.1 There are no specific legal or governance issues.

6. Monitoring Officer Comments:

6.1 No additional comments from the Monitoring Officer.

7. Other Considerations and Impacts

Environment and Climate Change

7.1 The Five Year Strategy very clearly sets out the Council's ambition with regards to the Environment, climate change and associated work of the Climate Change Action Plan. The draft Annual Plan contains a number of actions to deliver these ambitions.

Equalities and Human Rights

7.2 An equalities impact assessment was undertaken of the Five Year Strategy and identified a number of ways the Five Year Strategy ambitions can deliver positive impacts for different equality groups.

Risk Management

7.3 The draft Annual Plan itself has no risk attached to it but individual projects will be appropriately risk assessed and will be managed and reported through the Council's performance monitoring process at Performance & Finance Scrutiny Committee and the Executive.

Community Engagement

- 7.4 The Council agreed a new Five Year Strategy 2022 – 2027 in October 2021, following one of its largest ever public engagement exercises to agree the priorities going forward for the Council and the Borough.
- 7.5 In addition, several of the individual projects listed in the draft Annual Plan involve or are based on significant public consultation and input, such as The Local Plan, considering the need for a Public Space Protection Order (PSPO) and the design and delivery of new playgrounds.

Annexes

Annex 1 – Draft Annual Plan 2023 – 2024

Background Papers

Surrey Heath Borough Council Five Year Strategy 2022 - 2027

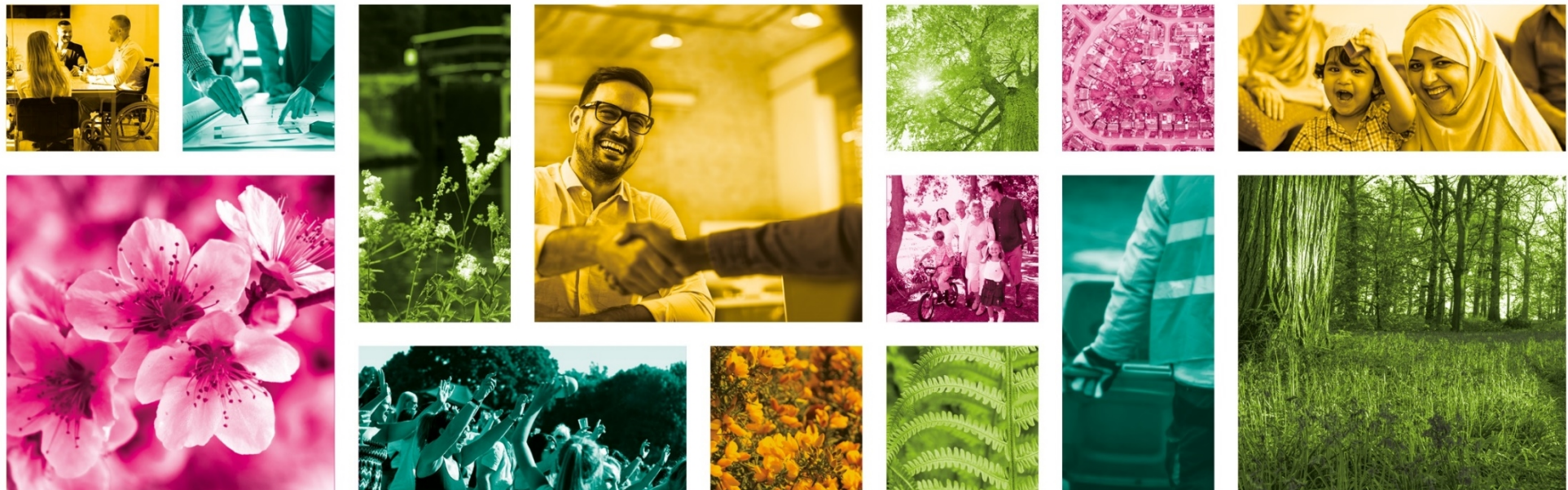
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Draft v5

Delivering our Five Year Strategy

ANNUAL PLAN 2023/24

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Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
ENV01	Enhance and improve access to green spaces – playground improvements (at least one a year)	Playground Improvements: <ul style="list-style-type: none"> • Deanside playground • Lightwater Fitness trail (further funding and delivery) • Skatepark at Crabtree (subject to CIL funding) 	December 2023	Recreation and Leisure Services Manager	Leisure, Culture & Community
ENV02	Enhance and improve access to green spaces – biodiversity scheme (at least one a year)	<ul style="list-style-type: none"> • Planting fruit/nut trees and hedgerows to increase foraging and improve biodiversity. • Deliver tree strategy action plan 	March 2024	Recreation and Leisure Services Manager	Leisure, Culture & Community
ENV03	Enhance and improve access to green space	Byelaws review: Consultation with user groups, public and Secretary of State	December 2023	Recreation and Leisure Services Manager	Leisure, Culture & Community



Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
ENV04	Strategic Planning	To meet the requirements of a new policy expected from the Government relating to bio-diversity offsetting / net gain. Policy will be reflected within the new Local Plan (see targets below)	Dependent on Government timescales	Planning Policy and Conservation Manager	Planning & Control
		Joint work being commissioned which will identify capacity for biodiversity offsetting on the Council's and a way to deliver this through the planning process – implement actions as a result.	Dependent on Government timescales	Planning Policy and Conservation Manager	Planning & Control
ENV05a	Strategic Planning	Delivery of a new Local Plan for Surrey Heath. Regulation 19 publication of the plan. Following this, submit the plan to the Secretary of State. Participate in the examination process leading to adoption. The Government announced proposed changes to the rules governing Local Plans at the end of 2022 that could give Councils much more flexibility in determining the number of new homes that are right	Timescales to be confirmed through the publication of a new Local Development Scheme - in consultation with Local Plan Working Group before	Planning Policy and Conservation Manager	Planning & Control



Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		for their borough. To take full advantage of these potentially significant changes the Council has decided to delay publication of the next version of the Local Plan.	approval by Executive in March.		
ENV05b		Work in partnership with Surrey County Council to develop Local Cycling and Walking Infrastructure Investment Plans	Tbc (dependent on SCC)	Planning Policy and Conservation Manager	Environment & Health
Page 52 ENV06	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Delivery of Climate Change action plan working towards longer-term target of becoming carbon neutral across our estate and operations by 2030. Annual emissions reporting.	Quarterly updates to Climate Change working group	Climate Change Officer	Environment & Health
ENV07	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Electric Vehicle (EV) charging points: <ul style="list-style-type: none"> EV charging points in multi-storey car parks – business case 	September 2023	Climate Change Officer	Environment & Health



Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
ENV08	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Develop and adopt an Energy Strategy which includes: <ul style="list-style-type: none"> • Reporting our energy use • Ensure that energy is used as efficiently as possible in our own operations and by our contractors, identifying where energy use can be reduced and planning and delivering the necessary work to realise savings • To support residents and business to reduce energy costs • Identify opportunities to install renewable energy generation on council-owned land 	Quarterly updates to Climate Change Working Group	Climate Change Officer	Environment & Health
ENV09	Net Zero Carbon Emissions & resilient to the impacts of Climate Change	Engage residents, businesses and staff in promoting climate change initiatives and carbon reduction through a communications strategy (external) and carbon literacy training and climate change champions (internal).	June 2023	Climate Change Officer	Environment & Health
ENV10	Respond promptly to Environmental and planning	<ul style="list-style-type: none"> • Deliver initiatives to combat fly-tipping through the use of CCTV 	10 CCTV deployments in 2023/24	Corporate Enforcement Manager	Environment & Health



Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
	enforcement matters	<ul style="list-style-type: none"> Joint action event with Police & VOSA in relation to unlicensed waste carriers 	2 multi-agency initiatives to tackle unlicensed waste carriers.		
Page 54 ENV11	Increase recycling rates	Joint Waste Solutions / Surrey Environment Partnership SEP) SEP25 – A Partnership Approach to Waste Prevention and Recycling Action the Surrey Heath Delivery Plan 2023/24 (<i>to be agreed at Project Board March 2023</i>) actions, focusing on: <ul style="list-style-type: none"> Increasing recycling rate Reducing kg waste per household Reducing recycling contamination rate 	March 2024	Partnership Director – Joint Waste Solutions	Environment and Health
ENV12	Improve air quality / Air 'inequality'	Awaiting new national air quality standards – Draft Regulations published December 2022 which set national targets for fine particulate matter (PM2.5) to be achieved by 2040. Awaiting publication of the	Awaiting publication of Government timetable	Environmental Health and Licensing Manager	Environment and Health



Environment

Ref	Five Year Strategy	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		Environmental Improvement Plan which will set out how interim targets and how they are to be achieved.			
ENV13		Doman Road Depot – development of business case to consider future use options <ul style="list-style-type: none"> - Complete necessary agreements to proceed - Submit planning application 	March 2024	Strategic Director – Environment & Community	Environment and Health
ENV14		New statutory duties in 2023/24 around pavement licensing (Levelling Up bill) New licensing regime from September 2023 to support businesses and economy (following temporary changes during Covid). New policy and fee proposals to Licensing Committee for approval.	To be confirmed – aiming for June Licensing Committee depending on timescales of regulations from the Government.	Environmental Health and Licensing Manager	Environment and Health

Indicator	Description	Q2 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Household waste recycled and composted (rolling annual average figure)	Rolling annual average figure, calculated by comparing the amount of waste sent for recycling, reuse and	Q1 - 61.57% Q2 – in arrears	63% <i>(Higher is better)</i>	63%	Joint Waste Solutions Partnership Director



Indicator	Description	Q2 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
	composting against the total waste collected. This figure includes street sweepings.				
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.).	Q1 – 311.83 Q2 – in arrears	360kg <i>(lower is better)</i>	324kg <i>(lower is better)</i>	Joint Waste Solutions Partnership Director
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)	0.17%	4% <i>(lower is better)</i>	4% <i>(lower is better)</i>	Joint Waste Solutions Partnership Director
Number of 'missed' bins.	Number of 'missed' residential kerbside collections per 100,000 collections.	Q1 - 59 Q2 – in arrears	80 per 100,000 collections	80 per 100,000 collections	Joint Waste Solutions Partnership Director
Dry Mixed Recycling (DMR) Contamination	Measuring the quality of recycling - average percentage of recycling contaminated – reported as a rolling annual average	Q1 – 9.73% Q2 – in arrears	8% <i>(lower is better)</i>	8% <i>(lower is better)</i>	Joint Waste Solutions Partnership Director
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%	100%	80% <i>(Higher is better)</i>	80%	Development Manager



Indicator	Description	Q2 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Processing of 'Non-Major' Application	Percentage calculated the number of minor and 'other' applications processed within timescales (8 weeks) against total received. As per national guidelines, this includes applications where there is an agreement for an extension. Government target is 70%	88%	84% <i>(Higher is better)</i>	85%	Development Manager
Appeals dismissed against the Council's refusal of planning permission	Percentage of appeals dismissed against the Council's refusal of planning permission.	80%	65% <i>(Higher is better)</i>	65%	Development Manager
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.	90%	80% <i>(Higher is better)</i>	85%	Corporate Enforcement Manager



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
HQL01	Strong Community Identity	Support and promote a programme of events for all ages across the Borough reflecting the priorities of the five-year strategy and to strengthen community relationships, working with partners such as the BID. King Charles' III Coronation on 6 May	December 2023	Community Development Manager / Communications Manager	Leader and Leisure, Culture & Community
Page 58 HQL02	Strong Community Identity	Charity hub proposals to be brought forward, subject to funding being secured.	March 2024	Economic Development Manager / Community Development	Housing, Safeguarding & Support
HQL03	Strong Community Identity	Managing any Government Grants (Phase 4 of Household Support Fund) – awaiting confirmation from Government	Dependent on Government Funding	Community Development Manager	Housing, Safeguarding & Support
HQL04	Strong Community Identity	Deliver Community Support Working Group Annual Plan 23/24 to support communities to mitigate the impact of the cost of living crisis.	By March 2024	Community Development Manager	Housing, Safeguarding & Support



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
HQL05	Strong Community Identity	Joint projects between theatre and museum to increase footfall Explore intergenerational community projects	Summer 2023	Recreation and Leisure Services Manager	Leisure, Culture & Community
HQL06	Improving Health & Well Being	Deliver Year 2 of the Physical Activity Strategy: <i>Connecting Communities</i> - Engage with at least 5 community champions to deliver projects for underrepresented communities such as refugees, minorities and older people.	March 2024	Community Development Manager	Leisure, Culture & Community
		<i>Making Activity Accessible</i> - Introduce 'Finding Your Feet' programme for residents with poor health and transition the healthy walks scheme from Rambler Walks.	March 2024		
		<i>Strengthen Connections with Wellbeing</i> - Working closely with health partners to increase the number of referrals to projects by 60% and creating a monitoring and evaluation tool to track referrals.	March 2024		



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
Page 60		<i>Active Environment</i> – - Champion links between health and Climate Change by delivering a bike recycling scheme, recycling at least 10 bikes for low-income residents and supporting 2 schools to apply for Surrey Healthy Schools Accreditation.	March 2024		
		<i>Children and Young People</i> – - Enter a team into every activity as part of the Specsavers Surrey Youth Games. Lead the delivery of 'Club Dean' and engage with at least 30 young people in the project and support 2 Special Schools with links to funding opportunities for extracurricular physical activity.	Summer 2023		
HQL07	Improving Health & Well Being	Health Weight project <ul style="list-style-type: none"> Using the feedback from Happy Healthy January Grants to identify need within the community SHBC multi department WSATO (Whole Systems Approach to Obesity) meetings to 	April 2023 Summer 2023	Community Development Manager	Leisure, Culture & Community



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		ensure obesity stays on the agenda and within local policy.			
HQL08	Improving Health & Well Being	Delivering work to improve Tennis and Netball courts in conjunction with Lawn and Tennis Assoc.	September 2023	Recreation and Leisure Services Manager	Leisure, Culture & Community
HQL09 Page 61	Improving Health & Well Being	Managing and monitoring performance of leisure centre. Particularly encouraging participation for vulnerable and/or those experiencing deprivation. Working with colleagues from Frimley Integrated Care System (ICS)	October 2023	Recreation and Leisure Services Manager	Leisure, Culture & Community
HQL10	A safe place to live and work	Upgrading CCTV infrastructure – delivering re-deployable CCTV. Business case to be developed in 23/24 (following current pilot of mobile cameras and assessment of impact)	September 2023	Corporate Enforcement Manager	Housing, Safeguarding & Support
HQL11	A safe place to live and work	<ul style="list-style-type: none"> Partnership working initiatives (Community Safety, Corporate Enforcement, Environmental Health, Parking Services, Accent & Police) to 	Deliver a minimum of 6 joint initiatives with Partners	Corporate Enforcement Manager /	Housing, Safeguarding & Support



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		combat ASB in the borough (overlap with parking in relation to delivery mopeds) <ul style="list-style-type: none"> Night-time economy- joint working enforcement initiatives with Police & licensing to be increased resources permitting Taxi vehicle safety checks – multi- agency initiatives with DVSA/Police 		Environmental Health & licensing Manager	
HQL12 Page 62	Housing & Homelessness	Maximising use of Night Stop and Connaught Court	Operating on average at beyond 80% capacity.	Housing Services Manager	Housing, Safeguarding & Support
HQL13	Housing & Homelessness	Delivering funded projects that aim to eradicate homelessness and help individuals who find themselves at risk of homelessness	Deliver at least two projects during 2023/24	Housing Services Manager	Housing, Safeguarding & Support
	Safeguard and Support	Complete an independent review of aids and adaptations services – deliver findings of the review	September 2023	Housing Services Manager	Housing, Safeguarding & Support



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
HQL14	Safeguard and Support	Meeting needs of expanded resettlement programmes (now three) and respond to any new programmes Manage impact of interim accommodation arrangements for Homes4Ukraine project	Secure and maintain sufficient homes in the private rented and host families to meet demand	Family Support Manager	Housing, Safeguarding & Support
HQL15	Safeguard and Support	Deliver group parenting programmes to reach more vulnerable residents	Commence by June 2023	Family Support Manager	Housing, Safeguarding & Support
Page 63 HQL16	Safeguard and Support	Increase uptake of community services – balancing need to raise fees / minimising impact on vulnerable residents and focusing on recruitment challenges. Increase how we work with partner organisations/sectors from across the Surrey Heath Alliance.	Increase average service take-up by a minimum of 10% by March 2024	Corporate Head of Community Services – Runnymede BC (Shared partnership manager)	Leisure, Culture and Community
HQL17	Safeguard and Support	Complete review of Community Transport service and deliver outcomes, ensuring the service meets the needs of residents in all areas of the borough and	August 2023 – Review completed and recommendations	Corporate Head of Community Services – Runnymede BC	Leisure, Culture and Community



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		supporting the work of key health partners where possible.	presented to Members for approval March 2024 – implementation of recommendations (where appropriate) completed	(Shared partnership manager)	
Page 64 HQL18	Safeguard and Support	Commence refresh of Community Alarm service, transferring from analogue to digital technologies and commence delivery of Cascade technology in support of health and care partners.	May 2023 – review of budget requirements for digitalisation of service, identification of budget required and presented Members for approval June 2023 – Launch of delivery of Cascade September 2023 – Completion of procurement exercise for new equipment provider	Corporate Head of Community Services – Runnymede BC (Shared partnership manager)	Leisure, Culture and Community



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
			March 2024 – End of year 1 of refresh programme (to be continued in 2024/25)		
HQL19 Page 65	Safeguard and Support	Complete review of Meals at Home service to identify future service delivery model and implement outcomes of review.	Target March 2024 Approval of business case August 2023	Corporate Head of Community Services – Runnymede BC (Shared partnership manager)	Leisure, Culture and Community
HQL20	Safeguard and Support	Progressing local plan policy to support delivery of affordable housing through Local Plan examination. To be monitored via annual monitoring report (can include % target in future). The Government announced proposed changes to the rules governing Local Plans at the end of 2022 that could give Councils much more flexibility in determining the number of new homes that are right	Timescales to be confirmed through the publication of a new – Local Development Scheme in consultation with Local Plan Working Group before approval by Executive in March.	Planning Policy and Conservation Manager	Planning & Control



Health & Quality of Life

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
		for their borough. To take full advantage of these potentially significant changes the Council has decided to delay publication of the next version of the Local Plan.			
HQL21 Page 66	Safeguard and Support	<p>Equalities and Diversity:</p> <ul style="list-style-type: none"> - Review of Equality Policy, using latest data available (census) on our communities and residents within the borough - Increase the Council's promotion and celebration of diverse communities within the borough, for example a range of religious and cultural festivals 	December 2023	Community Development Manager / Organisational Development Manager	Housing, Safeguarding & Support
HQL22	Respond promptly to Environmental/ planning enforcement matters	Carry out a public consultation over summer 2023 assessing if there is still a need for a Public Space Protection Order (PSPO) - current order expires October 2023.	Summer 2023	Corporate Enforcement Manager	Housing, Safeguarding & Support



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
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.	1,507	6,500 <i>(Annual target)</i>	6,500 <i>(Annual target)</i>	Recreation and Leisure Services Manager
Reduction in the Percentage of Surrey Heath Residents who say they do less than 30 minutes physical activity a week	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. 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.	Q1 - 21.30% Q2 - (as above; 6 monthly report)	23% <i>(Lower is better)</i>	23%	Community Development Manager
Participation at the Leisure centre - usage	NEW PROPOSED INDICATOR % quarterly analysis in usage compared to first year of operation – maintain levels	191,639	Trend Analysis <i>(Quarter on Quarter)</i>	Trend Analysis <i>(compare with same quarter 2022/23)</i>	Recreation and Leisure Services Manager
People Attending Events at Camberley Theatre	The number of people attending theatre and community events at Camberley Theatre.	5,304	55,000 <i>(Annual target)</i>	55,000 <i>(Q1 – 15,000 Q2 – 6,000 Q3 – 21,000 Q4 – 13,000)</i>	Venue and Operations Manager



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Food Businesses with a 'Food Hygiene Rating' of 3 or Over	Percentage of establishments with a rating of 3 (generally satisfactory) or better under the Food Hygiene Rating Scheme.	98.50%	95% <i>(Higher is better)</i>	95%	Environmental Health and Licensing Manager
Food Premises that are Inspected Within 28 Days of Being Due	Percentage of high-risk (i.e. risk category A, B and non-compliant C) food premises inspections due, that were completed within 28 days.	96%	100% <i>(Higher is better)</i>	98%	Environmental Health and Licensing Manager
Environmental Health Nuisance Complaints	The number of noise, bonfire and light complaints (domestic & commercial), received during each quarter and the number responded to within five working days each quarter expressed as a percentage.	91%	80% <i>(Higher is better)</i>	90%	Environmental Health and Licensing Manager
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.	11,219	40,000 <i>(Annual target)</i>	37,000	Head of Community Services (Runnymede Borough Council)
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	1,100 <i>(Annual Target - 'snapshot' at the end of each quarter)</i>	1,100	Head of Community Services (Runnymede Borough Council)



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Number of referrals to social prescribing service	Number of referrals to Social Prescribing service across whole of Surrey Heath partnership project.	138	650 <i>(Annual target)</i>	650	Head of Community Services (Runnymede Borough Council)
Handyperson service referrals	Number of referrals to the Handyperson service.	61	235 <i>(Annual target)</i>	235	Head of Community Services (Runnymede Borough Council)
Benefits Processing – New	a) Number of days taken to process new housing benefits claims	25.8	20 days <i>(Lower is better)</i>	20 days	Revenues and Benefits Manager
Benefits processing – Changes	b) Number of days taken to process changes to benefits	2.7	10 days <i>(Lower is better)</i>	5 days	Revenues and Benefits Manager
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.	38	30 <i>(Lower is better – snapshot at the end of each quarter)</i>	35	Housing Services Manager



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Housing advice – homelessness prevented	A count of the number of households who approached the Council as homeless or threatened with homelessness within 56 days who had their homelessness prevented (i.e. were able to remain in their current home) or relived (i.e. were found a move to an alternative home) by the work of the Council's Housing Solutions Team	20	120 (Annual target)	No target - monitoring indicator only	Housing Services Manager
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.	33	80 (Annual target)	80 (Annual target)	Housing Services Manager
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.	90%	70% (Higher is better)	75% (Higher is better)	Family Support Manager



Economy

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/target	Responsible Officer	Portfolio
ECON01	Invest in our urban and rural areas	Continue to work with social housing providers to identify potential sites for affordable housing in the borough and facilitate the viability of developments where possible.	March 2024	Head of Investment & Development	Leader
ECON02	Invest in our urban and rural areas.	London Road Development – actions during 2023/24 <ul style="list-style-type: none"> • Work towards securing vacant possession of development site • Appoint a development partner • Develop a detailed master plan for the site 	March 2024	Head of Investment & Development	Leader
ECON03	Invest in our urban and rural areas.	Review and advance opportunities to improve the condition and appearance of the 45-51 Park Street building (House of Fraser) to increase income.	March 2024	Head of Investment & Development	Leader / Economic Development & transformation
ECON04	Invest in our urban and rural areas.	Develop a business case for the future use of the Land East of Knoll Road, including the Surrey Heath House Council Offices.	March 2024	Head of Investment & Development	Leader / Economic Development & transformation
ECON05	Deliver a new Local Plan for Surrey Heath	Continue to address the challenge and explore opportunities for of the provision of SANGs (Suitable	Timescales to be confirmed through the publication of a new –	Planning Policy and Conservation Manager	Planning & Control



Economy

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/target	Responsible Officer	Portfolio
		Alternative Natural Green Space) to enable housing development.	Local Development Scheme in consultation with Local Plan Working Group before approval by Executive in March.		
Page 72 ECON06	Pro-business approach / Support our businesses / Attract more inward investment into the borough as a whole	Work with BID to deliver a high quality programme of events in Camberley Town Centre.	Additional events by March 2024 (subject to approval by Executive)	Head of Investment & Development	Economic Development & Transformation
ECON07	Investment in Infrastructure	Review the Council's CIL scheme (subject to updated Government Legislation)	Within three month of pending legislation due in 2023/24	Head of Planning Services / Development	Planning & Control



Economy

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/target	Responsible Officer	Portfolio
				Management Manager	
ECON08 Page 73	Pro-business approach / Support our businesses / Attract more inward investment into the borough	Deliver the Council's Economic Development Strategy 2023-2026	Draft due to be finalised February 2023. Identify actions which can be achieved in 2023/34 by June 2023.	Economic Development Manager	Economic Development & Transformation
ECON09	Pro-business approach	Increase amount of procurement spent locally – implementation of procurement strategy.	March 2024	Procurement Officer	Finance & Customer Services
ECON10	Help young people into employment	Seek alternative funding sources / sponsorship to continue to support young people into employment through The Workshop after the current funding arrangements expire in June/July 2023.	July 2023	Economic Development Manager	Economic Development & Transformation



Economy

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/target	Responsible Officer	Portfolio
ECONI1		UK Shared Prosperity Fund – year 2 Prepare a plan to utilise the proposed 2023/24 funding from the UKSPF.	September 2023	Economic Development Manager	Economic Development & Transformation
ECONI2		ANPR procurement – new car park control system tender/procurement to be completed within the year for installation in 2024/25. Regular biennial review of parking fees, charges and policy to be completed – changes in place from April 2024 (approval by February 2024)	February 2024	Parking Services Manager	Economic Development & Transformation
ECONI3		Take actions to promote Fairtrade (following a Council Motion) throughout the Borough including: <ul style="list-style-type: none"> - The Council’s procurement processes - Engagement with the community Engagement with businesses	March 2024	Strategic Director Finance & Customer Services	Housing, Safeguarding & Support/Economic Development & transformation



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
The number of people Parking	'Parking events' compared to pre-Covid numbers in 2019/20.	<i>Customers against pre covid 2019/20</i> 19/20 - 217,043 22/23 - 193,432 89.1%	90%	90%	Parking Services Manager



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
ERC01	To listen and engage with our communities.	Implement Voter ID arrangements for the first time for the Borough Elections May 2023	4 May 2023	Head of Legal & Democratic Services / Democratic Services Manager	Leader
ERC02 Page 76	Making the Council a more agile and responsive organisation	Implement improved ICT solutions for Members following the elections in May 2023. Implement an effective programme of induction for new Members including training, virtual tour of the Borough, market place of services and a buddying system with officers.	May/June 2023	Head of Legal & Democratic Services / Democratic Services Manager	Leader / Economic Development & Transformation
ERC03	To listen and engage with our communities.	Consultations – use consultation framework and best practice. Consultations during the year to include new Byelaws, engagement on regeneration schemes, Local Plan regulation 19 and review of the Public Space protection order.	March 2024	Communications Manager	Leader
ERC04	To deliver customer friendly and	Business hub – admin support for services from contact centre and post room – expanding opportunity to other services	March 2024	Customer Relations Manager	Finance & Customer Services



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
	responsive services				
ERC05	To deliver customer friendly and responsive services	Improve customer service experience and customer journey. New CRM system – should allow for greater monitoring of customer journey into the back office and allow managers to monitor the effectiveness of their teams. Gain customer feedback through a survey and other methods e.g. focus groups to improve customer experience and journey. (subject to budget approval).	December 2023	Customer Relations Manager / ICT Managers	Finance & Customer Services
Page 77 ERC06	To deliver customer friendly and responsive services	Following an Local Government Association Peer Review of the Council in Summer 2023 – work with services and the peers to identify actions needed to improve	Autumn 2023	Head of HR, Performance & Communications /Organisational Development Manager	Leader
ERC07	Work towards financial autonomy and fully	Continue to assess investment opportunities for regeneration and employment within Surrey Heath Borough.	March 2024	Head of Investment & Development	Leader / Economic Development



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
	sustainable services	Deliver business plans for the Council's investment property portfolio, including The Square (£x target). Deliver an updated retail delivery plan.			& Transformation
ERC08	Work towards financial autonomy and fully sustainable services	Review of Medium Term Financial Strategy (Feb 2024) – modelling the impacts of inflation and the cost-of-living increases. Regular review of Fees and Charges throughout the year Upskill staff in financial management	December 2023	Strategic Director Finance & Customer Services	Finance & Customer Services
ERC09	Work towards financial autonomy and fully sustainable services	Agree commercial strategy	December 2023	Strategic Director Finance & Customer Services	Finance & Customer Services
ERC10	Work towards financial autonomy and fully	Implement procurement strategy including contract management. Upskill staff in procurement.	Summer 2023	Strategic Director Finance and Customer Services and Procurement Officer	Finance & Customer Services



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
	sustainable services				
ERC11	Work towards financial autonomy and fully sustainable services	Partnership working – move towards formalising the partnership with Runnymede Borough Council Building Control service.	May 2023	Strategic Director Finance and Customer Services and Head of Planning	Leader
Page 79 ERC12	Continue to deliver Digital Transformation	Upgrade Camberley Theatre website (subject to capital bid)	Before November 2023	Communications Manager	Economic Development & Transformation
ERC13	Continue to deliver Digital Transformation	Identify options to continue to increase digital communication with residents (e.g. email versions of HeathScene).	Summer 2023	Communications Manager	Leader
ERC14a	Continue to deliver Digital Transformation	Citizens Access – increase uptake with Council Tax payers. Roll out with Businesses and Benefit Claims	Businesses – by May 2023 Benefit claims – August 2023	Strategic Director Finance and Customer Services & Revenues & Benefit Manager	Economic Development & Transformation



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
					/ Finance & Customer Services
ERC14b		Upgrade to Council's Cash management and reconciliation system to bring improvements to payment experience for customers (capital bid pending)	March 2024	ICT Managers / Chief Accountant	Economic Development & Transformation / Finance & Customer Services
ERC15	Making the Council a more agile and responsive organisation	<ul style="list-style-type: none"> - Agile working – continuing move of systems to cloud, laptop rollout , better use of physical office space: - Reduce server room potential to reduce size of server room – consolidation / decommissioning – all contribute to better use of Surrey Heath House space and potential for income generation. Reduce power useage. 	March 2024	ICT Managers	Economic Development & Transformation



Effective & Responsive Council

REF	Five Year Strategy Aim	2023/24 Target/Project	Milestones/Target	Responsible Officer	Portfolio
ERC16	Making the Council a more agile and responsive organisation	Implement Workforce for the Future programme – projects to improve recruitment, retention and staff engagement within the wider cost-of-living context. Focus on learning and development. Deliver the Council’s apprenticeship, graduate trainee and internship programmes.	March 2024	Head of HR, Performance & Communications / HR Manager / OD Manager	Leader
		Agree a new People Strategy – Workforce for the Future	October 2023		
ERC17		Review and update the Council’s Discretionary Business Rate Relief Policy	October 2023	Revenues & Benefit Manager	Finance & Customer Services

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Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Percentage of ‘formal’ Complaints Responded to Within Target	Percentage of ‘formal’ complaints responded to within target (2 days to acknowledge and 10 days to reply)	80%	90% <i>(Higher is better)</i>	90%	Customer Relations Manager



Indicator	Description	Q2 result 2022/23	Target 2022/23	Proposed Target 2023/24	Responsible Officer
Customer Satisfaction with contact centre – rating of Good/Excellent to Exceed 90%	Customer satisfaction rating of good/excellent to exceed 90%	100%	90% <i>(Higher is better)</i>	90%	Customer Relations Manager
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	57.60%	99% <i>(Year-end target – measured cumulatively through the year)</i>	98.5% (Q1 29.5% Q2 57.5% Q3 84.5%)	Revenues and Benefits Manager
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	57.55%	99% <i>(Year-end target – measured cumulatively through the year)</i>	98.5% (Q1 29.5% Q2 57.5% Q3 84.5%)	Revenues and Benefits Manager
Invoices Paid On Time	Percentage of invoices paid on time.	98.99%	97% <i>(Higher is better)</i>	97%	Chief Accountant





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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
25 January 2023

**Corporate Risk Management Strategy
and Corporate Risk Register**

Strategic Director: Bob Watson, Strategic Director: Finance & Customer Service
Report Author: Sally Turnbull, Information Governance Manager
Key Decision: No
Wards Affected: N/A

Summary and purpose

To note and comment on the Corporate Risk Register and Risk Management Strategy

Recommendation

The Committee is advised to RESOLVE that they have:

- (i) Considered and commented on the Corporate Risk Register
- (ii) Considered and commented on the Risk Management Strategy

1. Background and Supporting Information

- 1.1 The attached Corporate Risk Register summarises the main risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council's Corporate Plan.
- 1.2 The attached Risk Management Strategy has been written and is designed to inform the Council how we would like risk managed Council wide with a clear reporting structure and each service area managing their own risks. The strategy is top level and will be supported by more detailed procedures.

2. Reasons for Recommendation

- 2.1 To identify the key Corporate risks to the Council.
- 2.2 To guide the Council on the strategy for risk management

3. Proposal and Alternative Options

- 3.1 It is proposed that members review the Corporate Risk Register and comment as appropriate. It is also proposed that the Risk Register is reviewed again by this committee in 12 months.
- 3.2 It is proposed that members review the proposed Risk Management Strategy and comment as appropriate.

4. Contribution to the Council's Five Year Strategy

- 4.1 The corporate risk register highlights the risks for services that may impact on the delivery of the Council's strategy.

5. Resource Implications

- 5.1 Detailed within the Risk Register.
- 5.2 Detailed within the Risk Management Strategy

6. Section 151 Officer Comments:

- 6.1 Effective risk identification and management of those risks is integral to the delivery of effective and efficient services to residents and businesses. Risk impacts can be both financial and reputational.

7. Legal and Governance Issues

- 7.1 The Risk Management Group is chaired by the Council's Senior Information Risk Officer (SIRO) who is the Strategic Director, Finance and Customer Services. The group is made up of the key heads of service and meet quarterly to review the register. The risk register is reported to the Corporate Management Team every 3 months or additionally when a new risk is identified or a risk rating has fundamentally changed.
- 7.2 The Risk Management Strategy is support and endorsed by CMT.

8. Monitoring Officer Comments:

- 8.1 Insert MO's comments

9. Other Considerations and Impacts

Environment and Climate Change

- 9.1 Identified within the attached Corporate Risk Register

Equalities and Human Rights

- 9.2 None identified

Risk Management

- 9.3 The Council has a Corporate Risk Management Strategy which is in place. Proposal to adopt a Council Wide Risk Management Strategy.
- 9.4 The Corporate Risk Register includes high level risks. Each risk is rated between 1 and 4 as to how likely it is to occur and also between 1 and 4 as to the potential financial impact. The product of these two numbers gives the initial rating. Mitigation is then put in place to reduce the risk rating.

Community Engagement

9.5 None

Annexes

Annex A - Corporate Risk Register

Annex B - Risk Management Strategy

Background Papers

None

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SURREY HEATH BOROUGH COUNCIL



CORPORATE RISK REGISTER – Jan 2023

This register summarises the main risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council’s Corporate Plan. It also notes the current mitigation action being taken to control those risks, and identifies any further action needed to implement other necessary mitigation action. The register does not identify all risks, but seeks to highlight the relevant main strategic risks.¹

¹ COVID-19 and other viral infections impacts on the majority of the risks on Surrey Heath Borough Council’s risk register. The Corporate Risk group has estimated these impacts in the updated risk ratings. However, please note that given COVID-19 is an emerging infectious disease, these risk ratings are only an estimate and cannot reflect unknown variables.

Nevertheless, a number of mitigative measures are being undertaken by Surrey Heath Borough Council to minimise the risks of COVID-19, including further wave planning and updating service level business continuity plans.

Introduction

The following summary matrix shows at high level overview the key risks faced by the Council. All identified risks have mitigating actions that are regularly reviewed to try and reduce the risk and bring them to an acceptable risk.

Summary Matrix – key strategic risks after mitigation

Likelihood				
4 Very Likely (>80%)				
3 Likely (50% - 80%)		Major incident Business Continuity Failure of major contractor Cyber Security Voter ID		
2 Possible (10% - 50%)		Information Management Exposure to treasury risk	Exposure to Property risk Contaminated land Vulnerable people Loss of Funding	
1 Unlikely (<10%)				
Impact	1 Low (Minimal reputational damage) (< £10k)	2 Moderate (Some reputational damage) (£10k to £200k)	3 Major (Major reputational damage) (£200k to £1m)	4 Severe (Significant reputational damage) (>£1m)

	RISK	Likelihood	Impact	Initial Rating	Mitigation	Progress made	Owner	Revised Likelihood	Revised Impact	Revised Rating
	<p>1. Information Management, Data Sharing and Data Security Loss, misuse or unauthorised disclosure of data leading to a breach of legislation, fines or reputational damage.</p>	3	3	9	<p>Data Protection and Security Toolkit Accreditation; paper and electronic data management systems; document and record retention schedules; system to respond to data access requests; email archiving system; training for all staff on data security. Data and Security breaches policy and procedure approved by Council. Data sharing protocol in place. Appointment of Data Protection Officer and Senior Information Risk Owner Operational changes as a result of lessons learnt</p>	<p>Data Security and Protection Toolkit 2022/23 accreditation achieved this allows the Council to measure its performance against the National Guardian data standards</p>	GR	2	2	4
Page 91	<p>2. Loss of funding for services Reduction in Council Tax and Business Rates collection, also continued loss of funding from Government and reduction in income from service activities could result in a reduction in services to residents and businesses within the borough</p>	3	4	12	<p>The Council's medium term financial strategy up to 2025/26 had a robust service efficiencies target which was achieved. The latest iteration of the MTFS (for Budget Council in Feb 23) has an increased pressure on Council budgets from the cost of utilities and contractual inflation. Whilst the Council assumes a balanced budget this is only by reducing reserve balances, which is not sustainable in the longer term, by the end of the period, based on the MTFS proposals being approved and followed. In addition, the Council holds reserves to deal with fluctuations which are sufficient to cover the MTFS period. The Council actively pursues where appropriate parties that owe the Council money.</p>	<p>The current cost of living crisis may see more defaults of council tax as household budgets become squeezed. The Council has lowered its expected collection rates on Council Tax and Business Rates accordingly</p>	BW	2	3	6

3.	Business continuity systems, processes and resourcing To plan for challenges to the continuity of the Council's business. Hence, to ensure the effects on the community in such cases are mitigated as much as is practicable. This includes mitigating impacts on resourcing of key services whereby the Council does not have sufficient staff available with the skills required.	3	3	9	Business Impact Assessments and Service Level Business Continuity Plans have been reviewed to address a loss of staff, property and IT scenario. There is ongoing work focusing on loss of power, namely rota cuts. Learning from Covid-19 are to be included into the Pandemic Plan.	The Strategic Business Continuity Plan is to be reviewed this month (January). Service Level plans are due to be reviewed March 2023. The Fuel Shortage Plan has been written and signed off.	NS	3	2	6
4.	Failure of major contractor or supplier Major contractor goes into liquidation or enters into dispute with the Council which cannot be easily resolved. The impacts could be reduced performance and/or increased contract or procurement costs and loss of reputation.	2	3	6	The risks are mitigated by strong contracts with clear dispute resolution processes, good contract management and clear exit strategy if needed. Strong procurement processes ensure that major contracts have guarantee provisions and step in rights. Service teams to ensure alternative provider or in	In the current economic climate, it becomes more important that strong contract manage-	BW	3	2	6

					house ability to take on interim management in event of contract supplier failure. Service directors/heads of service to ensure they have their own plans for continuity of services in the event of supplier failure.	ment is maintained along with the ability to engage early with suppliers around any difficulties they may be facing.				
5. Major incident A major incident may directly or indirectly affect the Council's ability to deliver services. The Council will take on lead agency responsibility for food contamination incidents, volcanoes and earthquakes pending sign off from the SLRF, increasing county-wide responsibility in major incidents.	3	4	12	The Council has a comprehensive Emergency Plan accompanied by multiple supplementary plans to ensure thorough preparation to major incidents in the Borough. Key staff have frequent training and exercising to ensure that they are well prepared to respond and that Council arrangements are rigorously tested. Mutual aid arrangements are in place with other Surrey Authorities. Emergency planning and climate change colleagues liaise to align climate change impact with emergency planning arrangements.	BECC – Coordinator training delivered (October) Incident Liaison Officer training delivered (November) All Staff Emergency Planning training (October) Widespread Power Outage exercise delivered (October)	NS	3	2	6	

					Developme nt of a rest centre set up guide. Emergency plans updated; SLRF Multi agency Flood Plan (part 2) Adverse Weather Fuel Shortage Plan BECC Plan					
6.	Exposure to treasury risk Volatility in interest rates is driven by market forces. Adverse movements in these rates could lead to financial pressure on Council budgets	3	3	9	Investment decisions are made in consultation with professional advisers and after due diligence. The Council has an annual treasury management strategy which is approved annually by Council which controls the levels of borrowing, investment and the counter parties to be used. Future interest rates on borrowing are fixed where possible to bring certainty of costs. In the first year of the NTFS £25 million of short-term variable rate borrowing will be converted to long-term fixed rate, and a further £25 million will be converted in the following year	Longer term loans are now being utilised to mitigate the rise in interest rates driven by inflationary pressures. However, it is expected that the current high level of rates will reduce as inflation is lowered	BW	2	2	4

						over the next couple of years and thus it would be prudent to remain with short-term loans until longer term rates become more favourable.				
Page 95	7. Exposure to Property risk Reduction in property rental income caused by factors including tenant vacations, tenant business failures, reductions in market rental values and failure to secure full contractual rent payments, this resulting in unplanned shortfalls in budgeted income and increased void costs. The risk is enhanced in the current covid recovery period and by the structural changes in town centres and office occupancy.	3	3	9	Contracts in place for all tenant occupations. Business plans informed by detailed scenario planning for all properties to a tenancy level. Proactive lease management. Proactive rent recovery policy and processes, supported by legal action where appropriate. Monthly reporting and action logging to provide EWIs. Proactive letting of vacant areas.	Systems and governance in place. Improvement in letting %. Legal action to recover arrears.	MB	2	3	6
	8. Contaminated land Contamination leads to environmental damage and potential harm to human life that then needs to be cleaned up including adopted land with long term liabilities associated with it.	2	4	8	Contaminated land that the Council owns, and is responsible for, is actively monitored and remedial work is undertaken to responsibly manage site conditions.	No change to the progress in relation to site remediation on the two	NS	2	3	6

					The Council may need to consider remediation on 2 sites of contaminated land which is likely to be expensive to mitigate, however currently there is no risk of harm to health associated with these locations due to the nature of the land use.	locations identified.				
9	Vulnerable people The Council may not be able to support vulnerable people during a major incident due to the timing of uploading data to the Vulnerable Persons Reporting Systems (VPRS) and the quality of data being uploaded.	3	3	9	Information Sharing Agreement is being agreed to allow pro-active upload of the data on a daily/weekly basis. The Council is corporately responsible for collecting and quality checking the vulnerable peoples data.	SCC are looking to roll out the use of Cascade Technology Enabled Care technology Surrey-wide. Mobilisation of this system will be the way in which Community Services can support vulnerable persons.	NS	2	3	6
10	Cyber Security A Cyber event taking place either directly within the Council or within a supplier to the Council could result in significant impact by way of loss of services, loss of data, financial	3	4	12	ICT have a number of measures in place to mitigate Cyber Security risks where we can, the measures include. Migration of key Council workloads to cloud services / Intune laptop	Cyber Security Exercise completed in May 2022. AR and ICT are	SK	3	2	6

	<p>impact; ransom demand or ICO fine, and impact on reputation.</p>			<p>deployment, this approach reduces our on-prem attack surface and moves some of the security risk to the cloud vendors we use. Implementation of MFA for remote access along with access restrictions outside of the UK. Implementation of Barracuda email security (anti-phishing with impersonation protection and spam and virus protection). Undertaking annual health check for PSN compliance. Monthly server and endpoint patching. Adoption of Protective DNS on Intune laptops (blocks malicious links) Backups are part of a managed service (containing an air-gapped copy of data) Cyber awareness presentation for all staff – led by Surrey and Sussex Cyber Crime Unit. ICT are actively working with the DLUHC on our Cyber Treatment Plan and have addressed all high rated actions. Actions include deployment of a logging platform, creating separate standard accounts for all privileged users and ensuring admin accounts are only used for necessary admin purposes, following NEC guidance on passwords (using the three</p>	<p>producing a cyber response checklist to sit alongside the Strategic Business Continuity Plan. Implementation of actions on our Cyber Treatment plan which is monitored and updated as part of our quarterly check-ins with DLUHC.</p>				
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					random word technique) and running a password audit to identify any accounts that are using known bad passwords. Need to raise further awareness through training. Procurement contract to include Data Protection and Information Security clauses, Information Sharing Agreements to be written where appropriate.					
11.	Potential Risk to note; Voter ID Failure of the Government's ERO portal near critical deadlines, leading to delays in processing and issuing Voter Authority Certificates for electors without necessary ID for presenting in Polling Stations. Lack of awareness in the electorate of the need to produce ID in Polling Stations, leading to concerns/ perceptions of voter disenfranchisement and potential challenge to the outcome of the poll.	4	2	8	Working with the Communication team on a comms strategy to raise awareness of voter ID and to work with stakeholders on development of the portal.		GR	3	2	6

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Key to initials

- GR - Gavin Ramtohal - Head of Legal Services & Monitoring Officer
- BW – Bob Watson - Strategic Director, Finance and Customer Services
- NS - Nick Steevens – Strategic Director, Environment and Community
- MB – Martin Breeden – Head of Investment & Property

SK – Sally Kipping– Head of HR, Performance and Communications



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RISK MANAGEMENT STRATEGY

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1. INTRODUCTION

Risk can be defined as uncertainty of outcome. Risk is ever present and a certain amount of risk-taking is inevitable if the Council is to achieve its objectives.

Risk management implies adopting a planned and systematic approach to the identification, evaluation and control of the risks facing the Council and is a means of minimising the costs and disruption to the Council caused by undesired events.

Risk management covers the whole spectrum of risks and not just those associated with finance, health and safety and insurance. It also includes risks

V2.0 Jan 2023

Risk Management Strategy
Surrey Heath Borough Council
Knoll Road, Camberley GU15 3HD



associated with public image (reputation), the environment, technology, contracts/partnerships, projects etc.

The Council cannot eliminate all risks but should minimise the potential impacts of existing or future risks, and be prepared to accept that it has to address acceptable risks.

The Council also has a statutory responsibility to have in place arrangements for managing risks, as stated in the Accounts & Audit Regulations 2015:-

“A relevant body must ensure that it has a sound system of internal control which:

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- (b) ensures that the financial and operational management of the authority is effective; and
- (c) includes effective arrangements for the management of risk.

2. AIMS AND OBJECTIVES

The aim of Risk Management is to ensure that the Council has an effective process to support better decision making through good understanding of risks and their likely impact.

The objectives of the Council’s Risk Management Strategy are to:-

- Engender a culture which encourages the identification and management of risks
- Minimise loss, disruption, damage and injury and reduce the cost of risk, thereby maximising resources
- Inform policy and decision making by identifying risks and their likely impact.
- Reduce the probability that the objective of the Council will be threatened by unexpected events.



These objectives will be achieved by:-

- Establishing clear roles, responsibilities and reporting lines within the Council for risk management
- To derive estimates of the individual likelihood of occurrence of each risk and their potential impact
- To apply agreed criteria in order to identify those significant risks that must be addressed immediately and those moderate risks that need to be monitored on a regular basis;
- To monitor regularly progress on completing agreed risk management actions
- To monitor regularly moderate risks in case they become significant
- To continue to identify and manage new risks, as they become apparent.
- Monitoring progress in delivering the strategy and reviewing the risk management arrangements on an on-going basis

3. RISK MANAGEMENT

The Council manages its risks at two main organisational levels;

Corporate Risk

Those risks that are identified whereby the impact and/or likelihood of the risk occurring could be high and effect the Councils ability to achieve the objectives and priorities as defined in the Councils Corporate Plan. Corporate risks also include cross-cutting risks that impact more than one service. Corporate Risks are owned and managed by the Corporate Risk Management group.

Service Level Risk

All identified risks that could affect and/or impact on the objectives and business of an individual service. Any significant risks identified at service level must be



raised with Corporate Risk Management who will review the risk and decide if it should be added to the Corporate Risk Register.

4. ROLES AND RESPONSIBILITIES

Nominated/designated responsibility for execution of this strategy is as follows;

Corporate Management Team (CMT)

CMT is corporately responsible for pursuing the aims and objectives of risk management, although it delegates routine management matters to the Risk Management Group.

Corporate Risk Management Group (CRMG)

The CRMG is made up of the key heads of service and will meet quarterly to review the Corporate Risk Register.

The Strategic Director, Finance and Customer Services

Will chair the CRMG, and will be responsible for reporting risk to CMT, and Council.

Service Managers

Responsibility for the identification and governance of service level risks. All managers are expected to be continually aware and accountable for risk management issues as they affect their service area and staff. If a risk is identified within their service area they will be the Risk Owner and are responsible for raising any significant risks with CRMG.

All Employees

Each member of staff should be aware of the Risk Management Strategy and Health and Safety Policy and raise any concerns or identified risk with their Service Managers.

Applied Resilience



Business Continuity and Emergency Planning considerations and risks are the responsibilities of Applied Resilience. A representative from Applied Resilience will sit on the CRMG.

5. MONITORING AND REPORTING

Risk Registers are used to report on risk, to prioritise improvement action and to monitor results.

The **Corporate Risk Register** is reviewed and quality assured each quarter by the Corporate Risk Management Group (CRMG). The CRMG Chair takes the Corporate Risk Register to CMT quarterly or as an when a new high risk is identified and annually to the Performance and Finance Committee. The CRMG are required to review and update the Corporate Risk Register quarterly to;

- Monitor performance and progress against the mitigated risks.
- Ensure current controls are effective and do not require further planned actions.
- Ensure identified risks are still relevant and located on the correct register
- Re-assess risks when change happens or new information comes to light
- Review any significant Service Area risk that have been brought to the group and access if they should be added to the Corporate Risk Register.

Service Area Risk Registers are reviewed and quality assured monthly by the relevant Service Manager. New and amended assessments are identified and recorded as and when necessary. Service Managers are required to review and update their risks on the departmental registers monthly to:

- Ensure current controls are effective and do not require further planned actions.
- Ensure identified risks are still relevant and located on the correct register



- Re-assess risks when change happens or new information comes to light, such as new equipment, changes in legislation, or at the start of a new project/procurement.
- Review key project, procurement, contract management and partnership and identify risks.
- Identify where risks require more corporate support, have increased significantly in score and/or become more strategically important. These risks are escalated to the CRMG.

6. RISK ANALYSIS AND SCORING

Once risks have been identified they need to be assessed. This process requires Risk Owners to assess the level of risk by considering:-

- The probability of an event occurring - “likelihood”; and
- The potential severity of the consequences should such an event occur – “impact”.

The following tables provide *Impact* and *Likelihood* descriptors to assist with this process:-

Likelihood

Score	Description	Indicative Guidelines
4	Very Likely (>80%)	<ul style="list-style-type: none"> • There is a high exposure to the risk • Event expected to occur. Has occurred and will continue to do so without action being taken • Indication of imminent occurrence • There are external influences which are likely to make our controls ineffective



3	Likely (50%-80%)	<ul style="list-style-type: none"> • There is a moderate exposure to the risk • Reasonable to expect event to occur • Has occurred in the past • Is likely to occur within the Council's planning cycle • There are external influences which may reduce effectiveness of controls
2	Possible (10%-50%)	<ul style="list-style-type: none"> • There is a low exposure to the risk • Little likelihood of event occurring • There is a potential for external influences which may reduce effectiveness of controls
1	Unlikely (<10%)	<ul style="list-style-type: none"> • Extremely remote • Not expected to occur but may do so in exceptional circumstances • There are few or no external influences which may reduce effectiveness of controls

Impact

Score	Description	Indicative Guidelines
4	Severe	<ul style="list-style-type: none"> • The consequence is so bad that urgent action must be taken to improve the situation or prevent it worsening. • External support from the Government or other agencies is likely to be needed • Complete loss, severe delay or interruption to services • One off event which would de-stabilise the Council • Financial loss, additional costs or loss of assets which would need a Council decision as the scale of



		<p>the loss would be outside the Council's budget & policy framework</p> <ul style="list-style-type: none"> • The risk will cause the objective not to be reached, causing damage to the organisation's reputation. • Will attract medium to long-term attention of legislative or regulatory bodies • Major complaints • Significant adverse media interest • Death or life threatening injury
3	Major	<ul style="list-style-type: none"> • The consequence is sufficiently serious to require attention by Leadership Team • Major loss, delay or interruption to services • Medium term impact on operational efficiency or performance • Financial loss, additional costs or loss of assets that is within the Council's budget & policy framework but needs a Statutory Officer decision, Leadership Team decision • The risk will cause some elements of the objective to be delayed or not achieved, causing potential damage to the organisation's reputation. • May attract medium to short term attention of legislative or regulatory bodies • Significant complaints • Serious accident / injury (but not life threatening)
2	Moderate	<ul style="list-style-type: none"> • The consequences can be dealt with by the Service Manager and the Head of Service • Moderate loss, delay or interruption to services • Noticeable impact on operational efficiency or performance affecting customers



		<ul style="list-style-type: none"> • Negligible financial loss • The risk will not substantively impede the achievement of the objective, causing minimal damage to the organisation’s reputation • Minimal external interest • Moderate complaint • Minor injuries / accident
I	Low	<ul style="list-style-type: none"> • The consequences can be dealt with as part of the normal day-to-day business by the Service Manager • Minor loss, delay or interruption to services • Short term impact on operational efficiency or performance • Minor financial loss • The risk will not impede the achievement of the objective, causing no damage to the organisation’s reputation • No external interest • Isolated complaints • Low level of foreseeable minor injuries

Both **initial** and **revised** scores should be identified to effectively review and monitor the effectiveness of the controls in place.

- **Initial Score** - The level of risk faced before internal controls/mitigating actions have been applied / implemented.
- **Revised Score** - The level of risk faced after any internal controls/mitigating actions have been applied / taken into account.

Internal controls are the Council’s policies, procedures and processes or any additional controls or mitigating actions taken to deal with a particular risk. A



judgement has to be made by the Risk Owner as to the numerical reduction to the initial risk score to produce the revised risk score.

RISK MATRIX

The revised scores are then plotted onto the risk matrix, A risk matrix is a key tool used to analyse the likelihood and impact of a risk. The Council uses a 4x4 risk matrix, with the score determined by multiplying the 'likelihood' score with the 'impact' score. We have adopted this approach as it encourages a decision to be made about whether a likelihood or impact is high (red), medium (amber) or low (green), see below;

Likelihood	4 Very Likely (>80%)				
	3 Likely (50%-80%)				
	2 Possible (10%-50%)				
	1 Unlikely (<10%)				
		1 Low (minimal reputational damage) (<£10k)	2 Moderate (Some reputational damage) (£10k- £200k)	3 Major (Major reputational damage) (£200k- £1m)	4 Severe (Significant reputational damage) (>£1m)
		Impact			

Having identified and analysed the risks, it is necessary to decide what to do and who will do it. Priority will be given to the high (red) risks which will require immediate action plans.



Medium (amber) risks will require actions plans and / or to be closely monitored as appropriate.

A decision will need to be made about whether a low-scoring (green) risks can be removed from the register or “accepted” and will stay on the register but will not require actions plans. Accepted low scoring risks are risks that will need to be continually monitored to ensure that controls remain operational to manage them so they do not run out of control and become medium (amber) or high (red) risks.

7. RISK CONTROL

Risk Owners must judge which courses of control action are the most appropriate to address each of the risks they have identified, taking advice from the Head of Service, the CRMG and other support services where appropriate.

The cost/benefit of each control action must be assessed. The benefits will not always be solely financial. Risk Owners need to use their own professional knowledge and experience to judge whether the financial cost of risk control is justified in terms of non-financial benefit to the Council. On occasions, Risk Owners may conclude that the cost of the control action may outweigh the benefits which will accrue to the Council as a result of the action being taken. In such instances, all or an element of the risk is retained. However, no statute should be breached when making this decision.

To complete the risk management cycle, there must be monitoring and review of:-

- The implementation of the agreed risk control actions;
- The effectiveness of the action in controlling the risk; and
- How the risk has changed over time.



Risk Owners must monitor the implementation of the risk actions to ensure that responsibilities, deadlines do not slip.

8. AWARENESS

Having developed a robust approach and established clear roles and responsibilities and reporting lines, it is important to provide all staff with the knowledge and information necessary to enable them to identify and manage risk effectively. It is the responsibility of Service Managers to promote Risk Management with their staff. The Risk Management intranet site managed by the CRMG should include templates, a copy of this strategy, the latest Corporate Risk Register and minutes from the Corporate Risk Management Group.

The opposite point of view to 'risk' is 'opportunity'. All staff should be aware that in the same way that 'risk' is managed out of the Council's programmes and projects, 'opportunities' should be managed in to ensure that they are realised.

9. REVIEW

This strategy will be reviewed 3 yearly by the Corporate Risk Management Group and approved by CMT and the Performance and Finance Scrutiny Committee.

Document history

Date	Version	Author	Approved by CRMG	Approved by CMT	Approved by P&F Committee
July 2022	V2.0	Sally Turnbull – IG Manager	05/01/23		





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Surrey Heath Borough Council
Performance and Finance Scrutiny Committee
25 January 2023

**Task and Finish Group report on the Overspend on the works for
the Public Realm Camberley Town Centre Project**

Strategic Director: Bob Watson, Strategic Director Finance and Customer Services

Report Author: Bob Watson, Strategic Director Finance and Customer Services

Date Signed off by Chairman of Working Group: 16 January 2023

Key Decision: No

Wards Affected: N/A

Summary and purpose

At the Performance and Finance Scrutiny Committee (P&FSC) meeting held on 8th September 21, the Committee commissioned a Task and Finish (T&F) group to instruct the Chief Accountant to undertake a review of the circumstances leading to the increased costs of the Public Realm project in Camberley Town Centre.

Further to the reports by both the Head of Legal and Democratic Services (Monitoring Officer) and the Chief Accountant (Deputy Section 151 Officer) the Committee then instructed the Council's Strategic Director finance and Customer Services (Chief Finance Officer and Section 151 Officer) to conduct a further review with a series of additional questions to be addressed.

This report presents the findings of the Strategic Director Finance and Customer Services and makes some recommendations to the for future best practice.

Recommendations

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

- (i) the findings and recommendations of the Strategic Director Finance and Customer Services (Chief Finance Officer) are noted.
- (ii) the recommendations set out at section 3 of this report are commended to the Council's Executive for adoption by officers when managing significant contracts.

1. Background and Supporting Information

Project Background

- 1.1 In 2017, the Council submitted a bid to the Enterprise M3 Local Economic Partnership (EM3LEP) for £3.5M as a contribution towards the improvement of the public realm in High Street, Knoll Walk and Princess Way in Camberley Town Centre. The following the successful bid, the Executive approved a recommendation to

contribute £0.9 million from developers' contributions and income from the Community Infrastructure Levy (CIL) to meet the total expected cost of the works.

- 1.2 At the Council meeting in February 2018, the Council resolved to increase the capital programme to include funding of £4.4 million for the Public Realm works.
- 1.3 In May 2021, the Executive was asked to recommend to Council that an additional £754,600 be added to the Capital Programme, to be funded from the Council's reserves, in order to meet additional costs resulting from Covid 19 and the discovery of unknown underground utility services. The additional works required a significant redesign of the scheme to accommodate and protect these services. It is not uncommon for the overall cost of a project to increase as a result of additional works that could only be discovered by intrusive inspection.

Key Issues

- 1.4 Previously both the Monitoring Officer and the Chief Accountant have reviewed the relevant decisions which gave effect to the administration and management of the public realm works.
- 1.5 Subsequently these have now been further reviewed by the Strategic Director Finance and Customer Service with regard to the terms of reference set out by the Task and Finish Group and the key findings are as follows:

a. Decision making and authority

At the Executive Committee meeting held in December 2017 the Executive resolved that:

- (i) up to £900k from current and future CIL and section 106 contributions be used on the High Street Public Realm Improvements; and
- (ii) authority be delegated to the Executive Head of Regulatory in consultation with the Leader, to take forward the delivery of the High Street Public Realm Improvement Project.
- (iii) RECOMMENDED to Council that a Capital scheme be approved for £4.4m for the High Street public realm.

- 1.6 It is clear from the above recommendations that the Executive Head of Regulatory was delegated authority to manage the project; this that the delegation for project management included budget management within the budget set.

b. Tendering Process

- 1.7 The competitive tender process took place during Spring/Summer of 2019 and five companies submitted tenders. Having reviewed the tender process there are no concerns about how this was conducted, and the Council's procurement regulations were followed at all times.
- 1.8 The extension to the original tender deadline of one week was due to clarification on points within the issued document and all tenders were received by the new deadline date.

- 1.9 The Assessment panel included Council officers (including the project manager) supported by external professionals with the relevant knowledge and experience in this type of construction and quantity surveying.

The is no evidence that all the five companies who submitted tenders were not treated equally throughout process.

c. Funding of the Project and increasing the budget

- 1.10 As shown above, the initial funding was agreed in accordance with the Council's budget process and financial regulations. The extent of the cost overrun became apparent in early spring of 2021 and subsequently a report was submitted to the Executive in May 2021 requesting a supplementary estimate to increase the Budget.
- 1.11 Although the initial estimates of supplementary funding required was £0.755 million, the final position was significantly lower at £0.400 million. The additional budget was agreed and approved by the Executive and then Council and added to the Project in the Capital Programme in May 2021. The process followed was in line with the Council's budgetary procedures.
- 1.12 The Executive report in May 2021 set out the reasons for the overspend as a result of increased costs due to the impact of from Covid-19 on the supply of materials and labour markets and also the discovery of underground utility services not identified by the utility companies through the feasibility study. Nationally, construction projects undertaken during the Covid-19 pandemic lockdown were all exposed to the increase in material and labour costs and the cost of delays to construction projects arising from elements of the national lock down and although these represent legitimate financial risks, the depth and sudden impact would have been impossible to predict in 2019 before the Covid-19 pandemic occurred.
- 1.13 The Council did engage the services of WH Stephens as quantity surveyors from an early stage in the project. The use of a specialist cost consultant represents industry best-practice as a means of ensuring cost control during the life of a capital project.
- 1.14 The utilities issue arose as a result of the information provided by the utility companies to the Council being incorrect. Although Camberley still relatively young as a town, it can be the case that the records of underground utility infrastructure, vary from their actual location. However, the project team would have worked to the best information provided and it is only when intrusive groundworks during the constructure phase, uncovered the discrepancy in the plans that the extent of the extra cost became known.
- 1.15 It is considered that the Executive Head of Regulatory acted within the delegations authorised by the Executive and authorised expenditure, but it is further believed that the potential overspend should have been reported earlier to assist with the risk management and authority for approval of a supplementary estimate could have been sought sooner. Members will already be aware that if reporting had been undertaken earlier, it would still not have been possible at that stage to provide an accurate assessment of the additional costs, and any delay in progressing the works, would in itself have resulted in further additional costs to the Council.

2 Subsequent Questions from the Task and Finish Group

- 2.1 Having reviewed both the Monitoring Officer's and the Chief Accountant's reports was further agreed that the review of the public realm works and the associated

budget overspend by the Strategic Director should focus not only on identifying where processes were either not followed or where appropriate checks and balances were not sufficiently robust but also on how processes could be improved so that the situation did not recur. In doing this it was also agreed that the following questions would also need to be answered:

What exploratory works were done before the project specification was drawn up and were the outcomes of this work appropriately reported to the Council?

Findings: The process of requesting the plans of utilities locations was followed. It was only when the groundworks were being instigated during the construction phase, did it become apparent that the plans held by the utility companies were not as accurate as they should have been. It is considered that at the preliminary stage of the project, using utility plans was the correct process and sufficient prior to any intrusive groundworks.

What did the Quantity Surveyor's report on the proposed project say and who in the Council received their report?

Findings: It is not possible to access the mailbox of officers who have left the Council, and therefore it has not been possible to find a copy of this report. See below on Project reporting however.

Were the original costings a true reflection of the work that had been identified as being needed?

Findings: It is considered that the original costings were the best estimate at a high level. It is standard procedure that the original cost estimates are refined as the project progresses, but care should always be taken to initially provide realistic estimates without over-estimating costs for the sake of contingency.

However, it is considered that in this instance those initial costings were created by someone with limited highways engineering experience and with limited experience in construction delivery projects. This is not unusual in Borough and District Councils where such projects are not part of the routine work of the Council. As the project progressed it became apparent that some of the cost estimates were too low. Lessons were learnt from this and for the public realm works on Ashwood House, the project team engaged a Quantity Surveyor (QS) from the start of the project.

What processes, if any, were in place to review the progress of the project and ensure that any problems or concerns were raised and addressed at the earliest opportunity?

Were any Change Control Notices issued? If so, who received them?

What mechanisms were in place to provide the Council with updates on the project's progress? Who received reports and was there any member involvement in these?

Findings: The Contract was carried out under NEC 3 Option A Construction Contract being a priced contract with an activity schedule, which relates to a programme where each activity is allocated a price and interim (staged) payments are made against the completion of each activity. The contractor largely bears the risk of carrying out the work at the agreed prices.

In terms of Project reporting, the project team and the engaged Agent (WH Stephens) held:

- monthly site progress meetings with the Contractor & Client
- monthly liaison meetings with town centre stakeholders, specifically the Square shopping Centre

These meetings were minuted and the Strategic Director Finance and Customer Services has seen examples of these and considers them complete and fit for purpose.

The agent also issued regular dashboard reports complete with Financial Statement and Risk Register. Again the Strategic Director Finance and Customer Services has seen examples of these and considers them complete and fit for purpose.

In terms of the budgetary issues, the contract instructions related to issues below the ground, particularly in relation to utility services (later proved not to be accurate).

Change Management followed the processes set out in that contract in terms of:

- Early warnings
- Instructing the change
- Seeking quotation for the change
- Acceptance of the quotation
- Review and acceptance of the project programme

There were some 120 Project Management Instructions (PMIs) issued to the Contractor across the course of the project. The contractor (WH Stephens) holds on file all of the PMIs, Project Management Notifications (PMNs) and Project Management Amendments (PMAs) which were issued as part of the project.

All the PMIs, PMNs, PMAs and Change Control Notices were issued to the Project Board which included the Executive Head of Regulatory and the Council's Project manager.

The Strategic Director Finance and Customer Services has seen examples of these and considers them appropriate and in accordance with correct project management principles.

What oversight, if any, did the Council's Internal Audit Function have over the project?

The Senior Internal Auditor cannot recall having to review the public realm works in any detail during the project as it did not form part of the annual audit programme approved by Members.

It was raised as part of the capital audit last year (albeit only as a small part of the overall audit) when Internal Audit reviewed the capital budget monitoring processes. Although the works were looked at with the finance team, it was difficult to find many details as the Executive Head of Regulatory, the project manager and the project accountant no longer work for the Council.

3 Summary of findings and recommendations for improvement

- 3.1 The Task and Finish Group is advised to note the findings of the Strategic Director Finance and Customer Services and consider the following recommendations. These

are not just specific to the Public Realm works but represent best practice for all major projects.

1.	<p>The decision making between each project phase could be strengthened.</p> <p>Recommendation: Initial and inter-project gateways should be set up as part of the business case for any major project to assess progress and readiness to commence with the next phase in the project.</p>
2.	<p>There is a need to strengthen skills and knowledge within project teams.</p> <p>Recommendation: Skills audits of the project team should be part of the project set-up. Where gaps are identified these are either filled by training the existing staff or recruiting on an ad-hoc basis to fill the gaps; if the latter option is taken, arrangements should be made to ensure knowledge transfer to permanent member of the team.</p> <p>Added to addressing skills, there often is the assumption that officers can take on the extra duties of running a major project as part of their regular operational workload. All major projects should be adequately resourced with the appropriate number of officers with the required level of knowledge and experience.</p>
3.	<p>The initial project costings should be refined as the project progresses. External cost consultants and/or Quantity Surveyors should be used to assist with this.</p> <p>Recommendation: Initial estimates for capital projects at the planning stage should consider building in a level of contingency depending on the likely risk involved in the project. A higher contingency may be required for unique construction projects especially projects that rely on works underground in an urban area, as these works carry significantly more risk of additional costs as demonstrated by the additional utility infrastructure which could not be discovered by initial site inspection.</p> <p>The Treasury Green Book provides guidance on option appraisals and in particular the supplementary guidance on 'optimism bias' should be noted and observed by all project managers and included in all project appraisals and evaluations.</p>
4.	<p>Adequate contingency should be provided for in capital projects</p> <p>Recommendation: it is recommended that rather than allocates a general contingency amount to each projects (which often is seen as extra budget for the project) a central capital contingency is held within the capital programme based on an assessment of the likely contingency amounts in all the projects, but adjusted for the lower probability of all being needed. It is further recommended that this central contingency is held by the Strategic Director for Finance and Customer Services and can only be drawn down with the authority of the Strategic Director Finance and Customer Services in consultation with the Portfolio Holder for Finance and Customer Services.</p>
5.	<p>The professional agents were engaged after the project had been through the budgetary approval process.</p> <p>Recommendation: Initial Estimates for complex construction capital projects should be undertaken in consultation with a relevant professional Engineer or Surveyor, and any option appraisal should be made in consultation with a finance professional.</p>

	<p>A system of initial gateway should be developed to provide the budget and resource to investigate the project and produce the main gateway case for final budget approval – best practice suggests an initial 5% budget estimate for such preliminary works.</p>
6.	<p>There would be benefit in vesting oversight on major projects to a project board, rather than a single senior officer.</p> <p>Recommendation: The Council should consider if large and/or significant capital projects should be managed by a specific project board; any such board should contain (as a minimum) a project sponsor (senior responsible officer), a project manager, finance and legal support and relevant experts (e.g.: engineer/QS) as required. Each officer on the board should be aware of their responsibilities to the project and to the Council as a whole.</p>
7.	<p>Risk management. Whilst there is no evidence that there was not proper risk identification, mitigation and management in this project (and certainly there was proper control from the agent), it is recommended that all major projects follow a proper process of risk management. This will include identification, scoring, mitigation treatment and revised scoring and quantification (cost/impact). Risk should be managed out of the project where possible and it is further recommended that any officers involved in the sponsorship and management of major projects should be appropriately trained in risk control and management.</p>
8.	<p>There was a delay in reporting the potential overspend to the appropriate committee.</p> <p>Recommendation: The Council's Strategic Director of Finance and Customer Service should remind project managers of the importance of early reporting of potential overspends to the appropriate committee as part of the Council's financial regulations. The Council's Director of Finance and Customer Service should also provide quarterly monitoring reports on capital projects to the Executive and the Performance and Finance Scrutiny Committee.</p>
9.	<p>Internal Audit were not made aware of any issues until very late on in the process</p> <p>Recommendation: As soon as a project or programme is predicting an overspend against the original budget, the Chief Finance Officer and the Monitoring Officer should be informed to consider the use of the Internal Audit Team to investigate and make recommendations. This should apply not just to the overall project budget, but to individual parts of the project as defined by a gateway process.</p>
10.	<p>Loss of corporate knowledge. The investigation carried out by the Strategic Director Finance and Customer Services was made more difficult by not being able to interview the relevant officers who have since left Surrey Heath Borough Council; this was further exacerbated by difficulty in finding original correspondence and records.</p> <p>Recommendation: The Council is now using the BOX filing system which allows it to retain and keep correspondence and files. All project officers are to use this system and not keep project documentation on their own folders. If necessary, the Council should consider refresher training on BOX (<i>already in progress</i>).</p>

4 Conclusion

- 4.1 This review has demonstrated that the increased costs incurred on this project were due to the discovery of underground utilities during construction, which were not present on the original plans submitted by the utility companies. The only way that this risk could have been mitigated would have been to undertake additional intrusive surveys during the feasibility stage. However, this would have led to increased costs at that stage, and additional disruption to visitors and businesses. There is also no guarantee that these additional intrusive surveys would have discovered the anomaly in the plans.
- 4.2 Many of the issues identified are not unique to this project or this Council, but represent a common challenge for Local Authorities around resourcing such major and complex programmes – often in a desire to keep costs to a minimum.
- 4.3 Use of business case, option appraisal and gateway reviews is considered best practice and should be introduced across all significant capital projects, proportionate to their size and risk.
- 4.4 Officers have now established internal operational monitoring arrangements that review spend on capital projects on a monthly basis to ensure that they are on time, on budget and meeting the standards set out in the specification. These are reported to the Performance & Finance Scrutiny Committee and Executive on a quarterly basis under a stand-alone report covering the capital programme in full.
- 4.5 As part of the Council's financial regulations, officers have been reminded that any significant overspends in major projects should be reported at the earliest opportunity to the relevant Committee.
- 4.6 Use of the Internal Audit team to investigate cost and time overruns is recommended where considered appropriate by either the Chief Finance Officer or the Monitoring Officer.
- 4.7 Retention of relevant documents when staff leave should be a priority, including complete handover notes on any project they are working on.
- 4.8 Adequate contingency for any project should be identified and reported to the Strategic Director Finance and Customer Services. The Director will then make a judgement call on the overall level of central contingency to be held within the capital programme.
- 4.9 Given the length of this review, and its clear findings, it is now considered that any further investigation is unlikely to discover new information or establish any different facts, and it is recommended that Performance and Finance Scrutiny Committee consider that this Task and Finish Group is complete.

5 Reasons for Recommendation

- 5.1 To strengthen the Council's management and oversight of key projects.

6 Proposal and Alternative Options

- 6.1 None applicable

7 Contribution to the Council’s Five-Year Strategy

7.1 As set out in the body of the report

8 Resource Implications

8.1 As set out in the body of the report.

9 Section 151 Officer Comments:

9.1 As set out in the body of the report

10 Legal and Governance Issues

10.1 As set out in the body of the report

11 Monitoring Officer Comments:

11.1 As set out in the body of the report.

12 Other Considerations and Impacts

Annexes

None

Background Papers

None

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Performance and Finance Scrutiny Committee
Work Programme 2022/23

March 2023

1. 3rd Quarter Finance Report
2. Climate Change Working Group Update
3. Executive Portfolio Update: Housing, Support & Safeguarding
4. 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)

January 2024

1. Corporate Risk Register
2. Air Quality Annual Review
3. Draft Annual Plan
4. Budget Setting

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