

SUPPLEMENTARY INFORMATION

JOINT EXECUTIVE ADVISORY BOARD

11 JANUARY 2024

Item 6: Capital and Investment Strategy 2024/25 – 2028/29

Detailed capital bids

The 15 new capital schemes are referred to in paragraph 8.13 of the report (Page 132 of the main agenda). The detailed bids were circulated to all councillors on Friday 5 January 2024 (see Appendix 1 to this Supplementary Information Sheet).

The table in paragraph 8.14 (Pages 132 and 133 of the agenda) should read as follows:

| Bid no. | Project title | GROSS ESTIMATES | | | | | TOTAL COST £000 |
|---------|--|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|
| | | 2024/25 £000 | 2025/26 £000 | 2026/27 £000 | 2027/28 £000 | 2028/29 £000 | |
| | Capital Vision (not included in net total as figures too uncertain) | - | - | - | - | - | - |
| 1 | Sutherland Memorial Park – refurb pavilion | 200 | 200 | 0 | 0 | 0 | 400 |
| | General fund: Provisional | | | | | | |
| 1 | Grounds Maintenance machinery | 22 | 10 | 10 | 0 | 0 | 42 |
| 2 | Wildfield Muga | 0 | 0 | 0 | 0 | 30 | 30 |
| 3 | Playground refurb | 20 | 80 | 300 | 200 | 0 | 600 |
| 4 | ICT Hardware | 583 | 437 | 63 | 65 | 338 | 1,486 |
| 5 | Bedford Rd MSCP and office - brickwork/concrete frame | 150 | 0 | 0 | 0 | 0 | 150 |
| 6 | Broadwater cottage roof replacement | 15 | 180 | 0 | 0 | 0 | 195 |
| 7 | Leapale Rd MSCP - cladding | 150 | 0 | 0 | 0 | 0 | 150 |
| 8 | Slyfield Enterprise - redevelop | 0 | 50 | 50 | 4,000 | 0 | 4,100 |
| 9 | Slyfield Foundation - redevelop | 0 | 25 | 25 | 2,000 | 0 | 2,050 |
| 10 | Stoke Pk Gardener's cottage re roof | 100 | 0 | 0 | 0 | 0 | 100 |
| 11 | The Billings Roof | 0 | 200 | 200 | 200 | 0 | 600 |
| 12 | Sydenham Rd CP retaining wall | 50 | 0 | 0 | 0 | 0 | 50 |
| 13 | Investigation & works to underground shelter | 20 | 0 | 0 | 0 | 0 | 20 |
| 14 | Friary bus station | 50 | 0 | 500 | 0 | 0 | 550 |
| 15 | Stoke Cemetery drainage | 80 | 0 | 0 | 0 | 0 | 80 |

| | | | | | | | |
|--|--------------------------------------|--------------|------------|--------------|--------------|------------|---------------|
| | Total | 1,240 | 982 | 1,148 | 6,465 | 368 | 10,203 |
| | Gross total (excl vision) | 1,240 | 982 | 1,148 | 6,465 | 368 | 10,203 |
| | Funded by reserves or contributions | (350) | 0 | 0 | 0 | 0 | (350) |
| | Cost to the Council | 890 | 982 | 1,148 | 6,465 | 368 | 9,853 |
| | Already in programme | 0 | 0 | 0 | 0 | 0 | 0 |
| | Net addition to the programme | 890 | 982 | 1,148 | 6,465 | 368 | 9,853 |

Item 7: Housing Revenue Account Budget 2024-25 (attached)

| Mandate Proposal | | | |
|--|--------------------------|--------------------------|-------------------------|
| Author: | | | |
| 1. Introduction and background: | | | |
| Machinery for grounds maintenance at the crematorium | | | |
| 2. Why should a project be started, or a growth bid be considered now? | | | |
| To renew vital equipment in line with HAV protocol | | | |
| 3. What is the good idea or problem to be solved? | | | |
| Machinery is nearing end of life and requires replacing - it is not an option to not maintain the crematorium gardens of remembrance | | | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | | | |
| To maintain upkeep of the gardens of remembrance where ashes are laid to rest. | | | |
| 5. What is in scope and what is out of scope? | | | |
| N/A | | | |
| What priority, corporate objective or strategy is fulfilled by this project? | | | |
| N/A | | | |
| 6. List desired benefits (non-financial) | | | |
| Maintains gardens of remembrance. | | | |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) | | | |
| N/A | | | |
| 8. What are the strategic options available to GBC to deliver a solution? | | | |
| n/a | | | |
| 9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service | | | |
| N/a | | | |
| 10. What impact assessments have been undertaken? What are the impacts on other Services or projects? | | | |
| n/a | | | |
| 11. What general approach will be taken to deliver? | | | |
| Will team with parks to obtain best value | | | |
| 12. When and why must the work/project start? | | | |
| Machinery has end of life – this capital bid incorporates what we know needs replacing. | | | |
| 13a. What does Waverley/Guildford currently do to provide this service? | | | |
| FTE are employed at the crematorium to maintain the grounds these FTE also provide chapel cover and cremator tech cover. | | | |
| 13b. What discussion has been had with Waverley/Guildford about this mandate? | | | |
| Nil | | | |
| 13c. What opportunities are there for savings through the collaboration? | | | |
| Currently looking at options for grounds maintenance for the cemeteries with Waverly's contractor but there are procurement issues at present. No collaboration ref crematorium grounds. | | | |
| 13. What stakeholders will need to be involved? | | | |
| Nil | | | |
| 14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? | | | |
| Nil | | | |
| 15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years. | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
| 2023/24 | | | |

| | | | | |
|---|--------|-----|-----|--|
| 2024/25 | 22,000 | Nil | Nil | |
| 2025/26 | 10,000 | | | |
| 2026/27 | 10,000 | | | |
| 2027/28 | | | | |
| 16. For projects, what are the potential resource costs to progress to the next stage/gate? | | | | |
| Nil | | | | |
| 17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | | |
| Issue – There is an issue that Nil | | | | |
| Assumptions – There is an assumption that... | | | | |
| Dependencies – There is a dependency on... | | | | |
| Constraints – A constraint is... | | | | |
| Opportunities – There is an opportunity to... | | | | |
| Risks – There is a risk that... | | | | |

| Mandate Proposal: Wildfield Ballcourt | |
|--|--|
| Author: Sally Astles | |
| 1. Introduction and background: | |
| <p>This report is seeking capital for <u>Wildfield ballcourt in Wood Street Village</u>. The Council entered into a lease to install and maintain a ballcourt on land owned by Surrey County Council (SCC) with the terms that GBC would remove the ballcourt at the end of the lease. The lease has expired and to avoid removing the ballcourt right now, we are entering into a renewal of five years. We estimate the tarmac surface has five to ten years of life. The surface is starting to show areas of wear. We do not anticipate any costs for maintenance over the next five years, beyond the current routine safety checks and litter removal, but we anticipate repair costs after that time. We have a legal requirement to remove the ballcourt at the end of the lease (or renew the lease and maintain the court). Visitor use of the ballcourt appears relatively light based on wear to the grass to the court.</p> | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| <p>This bid is for five years' time.</p> <p>At the end of the lease, if we neither remove the ballcourt nor maintain the surface, we will be in breach of the lease we agreed, and SCC could take legal action against us.</p> <p>Capital is required as we cannot fund the removal or a refurbishment from revenue due to the cost of tarmac. The capital is required to ensure:</p> <ul style="list-style-type: none"> • funding is in place to remove the MUGA in a timely fashion at the end of the lease; • to meet our legal obligations under the lease; • to help fund resurfacing or repairs to the tarmac surface (cost unknown) if the Council decides to keep the ballcourt and renew the lease again in five years' time. | |
| 3. What is the good idea or problem to be solved? | |
| To meet our legal obligations in a lease between GBC and SCC. | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| As described above. | |
| 5. What is in scope and what is out of scope? | |
| <p>Funding will be required to break up and remove all the tarmac, dispose of it, remove the ballcourt ends and reinstate grass. Possibly the ballcourt ends could be installed at another site rather than disposed of.</p> <p>Alternatively, funding will be required to repair the tarmac and reline the ballcourt within five years of the renewal.</p> | |
| What priority, corporate objective or strategy is fulfilled by this project? | |
| None, this is required due to GBC signing a lease that commits us to funding a ballcourt. | |

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| 6. List desired benefits (Non-financial) |
| Meeting the terms of the lease |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) |
| N/A |
| 8. What are the strategic options available to GBC to deliver a solution? |
| <p>There are two options at the end of the lease:</p> <ol style="list-style-type: none"> 1. Funding will be required to break up and remove all the tarmac, dispose of it, remove the ballcourt ends and reinstate the grass. This will allow GBC to end the lease with SCC and cease any maintenance and repair obligations. It will remove the facility, but it will end GBC's responsibility to keep the ballcourt safe and in good repair. 2. Alternatively, funding will be required to repair the tarmac and reline the ballcourt. This will continue GBC's responsibility to visit and check the site for hazards, litter and repairs. The tarmac surface will require repair at some point during the years after 2029. <p>The removal will close a facility to residents and therefore in five years' time, the Council may take the view that we should continue to maintain the ballcourt. However, the ballcourt is located on common land and GBC have no other maintenance obligations on the land. Removal will hand the site back to SCC to maintain and this is currently the recommended option, subject to a review of circumstances at that time.</p> |
| 9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service |
| <p>Joint Strategic Director – Community Wellbeing, Annie Righton, Executive Head Environmental Services, Chris Wheeler, and Lead Councillor for Planning, Environment and Climate Change, Cllr George Potter</p> |
| 10. What impact assessments have been undertaken? What are the impacts on other Services or projects? |
| None. |
| 11. What general approach will be taken to deliver? |
| <p>The removal of the ballcourt would be carried out in-house. If the courts are refurbished, a contractor would be employed.</p> |
| 12. When and why must the work/project start? |
| <p>2028/9 so that the lease can be terminated within the terms required. The exact date is not yet known as the lease renewal has not yet concluded, but it must be five years from the completion.</p> |
| 13a. What does Waverley/Guildford currently do to provide this service? |
| N/A |

| | | | |
|--|--------------------------|--------------------------|-------------------------|
| 13b. What discussion has been had with Waverley/Guildford about this mandate? | | | |
| N/A | | | |
| 13c. What opportunities are there for savings through the collaboration? | | | |
| N/A | | | |
| 13. What stakeholders will need to be involved? | | | |
| Ward Cllrs and Lead Cllr in five years' time. | | | |
| 14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? | | | |
| Nothing required until the lease ends. Then Parks staff will need to progress the in-house removal or appoint a contractor to resurface the court. Asset Management and Legal services will need to end or renew the lease. | | | |
| 15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years. | | | |
| N/A | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
| 2023/24 | | | |
| 2024/25 | | | |
| 2025/26 | | | |
| 2026/27 | | | |
| 2027/28 | | | |
| 2028/29 | £30,000 | | |
| 16. For projects, what are the potential resource costs to progress to the next stage/gate? | | | |
| N/A | | | |
| 17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | |
| Issue – Without the funding we will not be able to remove the ballcourt and will be in breach of the lease. Alternatively, we may not be able to fund keeping the ballcourt in a safe state of repair under a renewed lease. | | | |
| Assumptions – There is an assumption that... the Council's aim is not to be in breach of the lease. | | | |
| Dependencies – There is a dependency on... | | | |

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| Constraints – A constraint is... the terms of the lease. |
| Opportunities – There is an opportunity to... end the resource requirement to maintain the ballcourt (in five years' time) |
| Risks – There is a risk that... SCC could take legal action if we fail to carry out the terms of the lease. |
| 18. Reviewer List: No one further to add |
| Involved or sighted so far and to be updated on changes: <ul style="list-style-type: none"> • Ward Cllrs: Bilal Akhtar, Honor Brooker, Philip Brooker, George Potter • .. |
| Next to be consulted <ul style="list-style-type: none"> • .. • .. |

Mandate Proposal Playground Refurbishments

Author:

1. Introduction and background:

Playground Refurbishments 2024 to 2029

GBC is responsible for thirty-five play areas around the borough. The council has successfully completed a capital programme of refurbishment for many years to ensure these are upgraded, based on the council's Play Strategies and refurbishment 'Action Plans'. The [Play Strategy 2016 - 2021](#) was a project milestone within the Council's Corporate Plan 2018-2023. The overall aim of the strategy is to enhance and promote opportunities for play and to ensure the importance of play is recognised and valued. Since then, the playground action plan has been revised to incorporate the latest condition findings and the programme timescales for future refurbishments have been updated.

In 2024, two playgrounds in Westborough will be refurbished using capital funding and a further play area in Ash will be refurbished later in the year, using s106 funding. Whilst s106 continues to be pooled to fund playground refurbishments, it is not necessarily available to the playgrounds that need refurbishing or in amounts required to fund a full replacement. Many wards do not have opportunities for s106 from development, or they are in small amounts. Westborough for instance lacked s106 funding and therefore capital was the only option.

This mandate it to seek approval to continue the capital programme for playground refurbishments from 2025 onwards to be used to support and supplement available s106, where appropriate.

2. Why should a project be started, or a growth bid be considered now?

Local authorities are one of the main providers of play provision and facilities. We recognise that play is a crucial part of a child's development and wellbeing. It is something adults take for granted that children do naturally. The more complicated, busy and risk averse our lives become, the fewer opportunities there are for children to play freely. Play provision is therefore part of the necessary infrastructure, which needs to be planned and sustained, in order to play its part in sustaining healthy communities.

By adequately funding our play areas we will also ensure that we are adhering to the UN convention on the rights of the child.

[UN Convention on the Rights of the Child - UNICEF UK](#)

3. What is the good idea or problem to be solved?

Playgrounds require continuous maintenance. Their typical lifespan is around 20 to 25 years, but parts that move and surfacing has a life expectancy of around 5 years or less. Playground equipment must be kept safe and is expensive to replace. Revenue only supports day to day repairs.

Funding for playgrounds needs to be planned and sustained to ensure safe and attractive play spaces for residents of the borough. Failing to refurbish them is likely to lead to closures due to safety issues and lack of revenue budget to repair or replace them.

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| 4. What will be delivered? What are the success criteria? What is the purpose of the project? |
| <p>The objective will be to complete five playgrounds in the next five years using s106 and capital funding, in addition to the three planned to complete in 2024. Parks will also deliver a new path for the newly refurbished Foxenden Quarry play area which has a cost of £20,000 and creates DDA access through the play area.</p> |
| 5. What is in scope and what is out of scope? |
| <p>Refurbishment of play areas will include reviewing and replacing where necessary fencing, gates, surfacing, play equipment, playground paths and landscaping at each play area.</p> |
| What priority, corporate objective or strategy is fulfilled by this project? |
| <p>Corporate Plan: “ We will support the most vulnerable members of our community as we believe that every person matters.” “Tackling inequality in our communities” “Work with communities to support those in need”</p> <p>Guildford’s Play Strategy: The play strategy establishes that ‘play provision is part of the necessary infrastructure for healthy communities’. It sets out the action plan to refurbish our play areas.</p> <p>In 2019, the Surrey Health and Wellbeing Board published a 10-year Health and Wellbeing Strategy, refreshed in 2022, to ensure a focus on reducing health inequalities. The strategy’s priorities, supported by GBC, are:</p> <ul style="list-style-type: none"> • promote physical, emotional and mental wellbeing • help people achieve their full potential by addressing the things that affect health • supporting people to lead a healthy lifestyle. |
| 6. List desired benefits (Non-financial) |
| <p>Research has evidenced the positive role of open space and physical activity for children and adults alike in reducing health inequalities and improving mental as well as physical health. Outdoor activity has been shown to benefit children who find it difficult to concentrate indoors, to benefit mental health and general physical health and thereby contribute to healthy communities. There is also evidence that the more children play outside, the more likely they are to use outdoor spaces as adults – and therefore go on to encourage their own children to play outside. The research is reflected in the physical activity guidelines for children and adults produced by the Department of Health.</p> |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) |
| N/A |
| 8. What are the strategic options available to GBC to deliver a solution? |
| <p><u>Do Nothing</u> – Parks will continue to maintain the playgrounds we have, but when repairs to make them safe exceed the available revenue budget, the only option will be closure.</p> |

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| <p><u>Do Minimum</u> - this would be a small capital budget to replace surfacing and equipment when it fails. Play areas would remain as they are, requiring increased levels for maintenance as they age. This option may still lead to playground closures if funds run out. A minimum amount for this purpose might be around £100,000. It would not be sufficient to completely replace a mid-sized play area but would replace a few items of equipment and/or surfacing.</p> <p><u>Do more</u> – approve the funding for the current programme for the next five years (recommended). This is requested at £600,000 and assumes there will be s106 available over the next five years to top up this fund.</p> <p><u>Do most</u> – approve a larger capital budget for the next five years for even better/larger playgrounds at the proposed sites and potential to refurbish more playgrounds in the time period. A guide amount for this would be £1,000,000.</p> |
| <p>9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service</p> |
| <p>Joint Strategic Director – Community Wellbeing, Annie Righton, Executive Head Environmental Services, Chris Wheeler, and Lead Councilor for Planning, Environment and Climate Change, Cllr George Potter</p> |
| <p>10. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p> |
| <p>N/A</p> |
| <p>11. What general approach will be taken to deliver?</p> |
| <p>Each new playground will be procured via a tender process.</p> |
| <p>12. When and why must the work/project start?</p> |
| <p>Available budget for new playgrounds runs out in 2024, once the two playgrounds in Westborough open. This capital bid is therefore for the year 2025/26 onwards.</p> |
| <p>13a. What does Waverley/Guildford currently do to provide this service?</p> |
| <p>The maintenance of playgrounds is outsourced.</p> |
| <p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p> |
| <p>N/A</p> |
| <p>13c. What opportunities are there for savings through the collaboration?</p> |
| <p>None</p> |
| <p>13. What stakeholders will need to be involved?</p> |
| <p>Cllrs, Ward Cllrs and residents local to each playground who will need to be consulted on the design proposals.</p> |
| <p>14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p> |
| <p></p> |

Parks Asset officer to progress the projects, Procurement, Legal, Comms etc. at various stages of each playground refurbishment.

15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2023/24 | 0* | | |
| 2024/25 | £20,000 | | |
| 2025/26 | £80,000 | | |
| 2026/27 | £300,000 | | |
| 2027/28 | £200,000 | | |

*excludes already approved capital for Westborough playgrounds

16. For projects, what are the potential resource costs to progress to the next stage/gate?

No additional resource costs. Progressed in-house.

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that there is no planned funding to replace old and unsafe playgrounds.

Assumptions – There is an assumption that...the council wishes to continue to provide playgrounds in its open spaces and maintain the number it currently has.
That the capital will only be used to replace existing playgrounds and not to add additional new ones where none already exist (as this will increase revenue costs).

Dependencies – There is a dependency on... staff resource to project manage, develop contracts and procure contractors to carry out the refurbishments.

Constraints – A constraint is... budget level and availability

Opportunities – There is an opportunity to... continue the refurbishment programme and maintain the high standard of Guildford’s play spaces.

Risks – There is a risk that...playgrounds will be delayed by lack of staff resource and slow processes.
There is a risk of price increases, reducing what the budget will purchase in future years.

18. Reviewer List:

Involved or sighted so far and to be updated on changes:

- ..
- ..

Next to be consulted

- Cllr George Potter
- ..

19. CMB:EPB Date & Direction

CMB: EPB Date:

CMB:EPB outcome and next steps:

Governance route - What are the possible or proposed next steps for this mandate/business justification case in terms of governance and decision making?

Delegated authority to the Exec Joint Head of Environment for each playground contract.

| Mandate Proposal |
|--|
| Author: James Beach |
| 1. Introduction and background: |
| <p>Historically ICT has had access to the IT Renewals Reserve via an "IT Renewals Fund" allocation of £500k annually. This has funded:</p> <ul style="list-style-type: none"> - The organisation's annual Microsoft Enterprise Agreement (licensing and cloud usage charges) renewal - IT user hardware (laptops, monitors etc.) replacement/purchases - Infrastructure hardware purchases <p>This year we are being asked to bid for this funding. This bid covers the second and third bullet points only: our IT user hardware replacement/purchases and minor infrastructure hardware purchases.</p> <p>IT hardware used to be replaced on a break-fix basis i.e. we used them until they broke. This model impacts business users with older devices as they become less reliable with use.</p> <p>In 2020 we agreed a lifecycle for each device type (based on common industry standards), and forecast to replace devices in-line with this. Due to the Council's financial challenges, this model was paused in 2021 for all devices other than smartphones and tablets where devices are insecure after their vendor-defined lifecycle ends due to the Council's financial challenges.</p> |
| 2. Why should a project be started, or a growth bid be considered now? |
| <ul style="list-style-type: none"> • Existing IT hardware will become increasingly unreliable and ultimately fail if there is no plan to replace them. Unreliable user hardware reduces the efficiency of affected staff, unreliable infrastructure hardware is likely to cause wider outages of ICT services. • New devices are needed when there are no existing devices for new starters, or replacement of a lost, stolen or irreparable failure. |
| 3. What is the good idea or problem to be solved? |
| <p><u>Good idea:</u> Agree a new lifecycle or approach for device replacement, and reinstate the IT Renewals fund accordingly.</p> <p><u>Problem:</u> Existing ICT hardware has not been replaced unless it completely fails*, since 2020 (possibly before):</p> <ul style="list-style-type: none"> • Most "new" ICT infrastructure hardware was purchased in Summer 2018. These are seen to have a 5-year reliable lifecycle stretchable to 7-years, therefore will likely need to be replaced in the next couple of years to remain reliable. With the removal of the IT Renewals Fund, no repair or replacement budget currently exists. • Most laptop were bought between November 2018 and January 2019. These are seen to have a 3-year reliable lifecycle stretchable to 4-years, therefore we are likely to see increased issues with these. With the removal of the IT Renewals Fund, no repair or replacement budget currently exists. <p>*Except smartphones and tablets as these devices have a vendor-defined lifecycle and become insecure once this is reached (no security updates are released).</p> |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? |
| <p>Funding to:</p> <ul style="list-style-type: none"> - Replace IT hardware on an agreed lifecycle, and |

- Repair and maintain IT hardware within lifecycle

Assuming an extended lifecycle remains the agreed strategy for the Council (perhaps 7 years for infrastructure hardware, and 5-years for user hardware), a repair budget would not only repair accidental damage (e.g. broken screens) but also parts that are more likely to fail with age (e.g. batteries, hard drives, keyboards and fans).

Success would be measured by:

- Maintaining near-zero IT outages from hardware failure
- Maintaining a low level of tickets for user hardware failure
- Business satisfaction that user devices and peripherals are not affecting the efficiency of their teams.

5. What is in scope and what is out of scope?

In-scope:

- Capitalisable IT hardware (e.g. servers, network switches and firewalls, plus laptops, PC's, monitors, and docking stations)

Out-of-scope:

- Smartphones and tablets (Finance do not treat these as capital assets currently)
- Peripherals e.g. headsets and USB keyboards

What priority, corporate objective or strategy is fulfilled by this project?

All – IT infrastructure hardware and user devices are used across all business areas, to support the delivery of their goals.

“Efficient” mission: Reliable hardware enables staff in all teams to work more efficiently.

The above said, this bid is less about accelerating replacement of devices, and more about clarifying our interim IT hardware replacement strategy.

6. List desired benefits (Non-financial)

Agreement to an interim hardware replacement strategy whilst financial constraints have made it appropriate to pause existing lifecycles.

7. IT Project Requirements (Ensure you consider links to Business World and Salesforce)

There is likely to be a resource requirement to support the infrastructure hardware replacement need when this is scheduled.

8. What are the strategic options available to GBC to deliver a solution?

1. Do nothing (current process): Seek to strip broken hardware for parts, and try to repair/fix devices as they fail wherever possible.

This option has a significant risk of efficiency impacts on users from extended outages both from individual laptop outages, and infrastructure outages.

It is still likely that a number of laptops would be needed over time, to replace irreparable devices, and those stripped for parts.

This option requires a budget:

- a. To replace hardware left irreparable or stripped for parts
- b. Optional but recommended: a small budget for parts

c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

2. Do minimum: Agree an extended lifecycle for hardware, seeking to repair devices up to this extended lifecycle, replacing them only when they require repair beyond this extended lifecycle.

This option clarifies a strategy, and then seeks to use hardware until the point of failure, repairing to an agreed age, and replacing on failure thereafter. This option allows increasing reliability issues to affect the business, but seeks to get life out of assets that work beyond their forecast lifecycle.

If this option is chosen, it is recommended that Case Services/ICT Specialists be supported in the early retirement of devices that have high repair costs (or repeated repair requirement) close to the lifecycle date. This avoids investment in devices that the Council's ICT experts expect to remain unreliable.

This option requires a budget:

- a. *To replace hardware that is retired*
- b. *Optional but recommended: a small budget for parts*
- c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

3. Do more: Agree to reimplement agreed lifecycle model for hardware, but ask ICT to take greater risk in lifecycle timings

This option would reinstate lifecycles permanently, but ask ICT to model the timelines for lifecycles on a higher risk approach than standard industry lifecycles (e.g. targeting 10% level of user hardware failure before a model is replaced).

This approach increases the risk of business impact from outages, but extends the use of hardware within the organization, thereby reducing planned costs. So long as lifecycles are not excessively extended, it is likely to impacts will be contained to efficiency loss without financial costs (external spend).

This option requires a budget:

- a. *To replace hardware that is retired*
- b. *Optional but recommended: a small budget for parts*
- c. *Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers*

4. Do most: Agree to reimplement originally agreed lifecycle for hardware

This option would make most user hardware due for replacement in 2024/25, and infrastructure hardware either in 2024/25 or 2025/26. This would bring hardware back into support, and reduce outage risks.

Lifecycles are not fixed timelines. When implemented, they should be monitored by the Lead Specialist for ICT, and adjusted (left and right) based on actual hardware performance. Models seeing earlier signs of failure than expected may see their lifecycle shortened, equally lifecycles are extended where models appear to outperform expectations.

Given the significant delays to the business system migrations in the ICT Refresh Programme, the 2018 servers have not been used as heavily as their lifecycle assumed. It is therefore

| |
|--|
| <p><i>likely that ICT would choose to extend their lifecycle, and monitor carefully for early signs of failure.</i></p> <p><i>This option requires a budget:</i></p> <ul style="list-style-type: none"> <i>a. To replace hardware that is retired</i> <i>b. Optional but recommended: a small budget for parts</i> <i>c. Optional but recommended: a small budget for third party repairs to enable a wider range of repairs to be conducted by skilled maintenance engineers</i> <p>Option 3 is recommended, as it balances the need to avoid business impact (by retiring models rather than waiting for each device and therefore staff member to be affected by a hardware failure) with the need to reduced costs for the Council. This will increase the risk and occurrence of hardware failures, but it is believed that this is an appropriate interim balance whilst the Council tackles cost challenges.</p> |
| <p>9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service</p> |
| <p>Director: Annie Righton Executive Head: Nicola Haymes Portfolio Holder: Angela Goodwin</p> |
| <p>10. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p> |
| <p>The original lifecycles were based on minimizing the impact from outages on business areas. Dependent on the option chosen, it may be appropriate to perform impact assessments for the impacts of outages.</p> |
| <p>11. What general approach will be taken to deliver?</p> |
| <p>Case services are likely to be able to handle end-user hardware replacements.</p> <p>Case services can handle some simple end-user hardware maintenance and repairs, if parts are available (purchased or stripped from other devices).</p> <p>Complex or risky end-user hardware maintenance and repairs would currently need to be outsourced (if a budget was available for this).</p> <p>A similar situation exists for infrastructure hardware with ICT Specialists. Significant infrastructure changes may also require third party assistance (e.g. replacement of firewalls for security reasons must be implemented perfectly first-time).</p> |
| <p>12. When and why must the work/project start?</p> |
| <p>Prior to the new financial year: Without a clear direction on IT hardware replacement plans, the removal of the IT Renewals Fund leaves no option for IT hardware to be replaced when failed, or for new starters to be issued hardware if no functional option exists.</p> |
| <p>13a. What does Waverley/Guildford currently do to provide this service?</p> |
| <p>Waverley currently replace hardware in a similar lifecycle model (in-line with the IT Manager's recommendation).</p> |
| <p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p> |
| <p>None</p> |

13c. What opportunities are there for savings through the collaboration?

If the Council's were happy that things did not need to be reasonably reversible, the Council's could share business systems, or an infrastructure environment (servers etc.). Whilst this would not half the ICT infrastructure costs (unless sites and staff reduced to that of one of the organisations), a reduction in infrastructure costs would be expected from decommissioning one organisations server infrastructure.

Laptops/end-user devices differ significantly between the organisations. If a standard was agreed between the organisations, we could share the cost of these, rather than issue separate end-user devices (WBC issuing thin clients, GBC issuing laptops).

13. What stakeholders will need to be involved?

Finance/Financial Control Panel, ICT, and potentially JMT/Directors.

This is a decision about balancing the risk/impact of hardware failure with the hardware costs during a financially pressured time for the Council. There is no "right" answer.

14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

Capital bid process stakeholders

15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

This estimate assumes option 3. Also, per Finance team standards, this does not allow for inflation, although inflation is standard in ICT hardware providers so it is strongly recommended that this is applied.

It should be noted that this estimate has to predict hardware failures, and the timing that BAU resource will be able to implement infrastructural hardware. It is therefore subject to many variables. Whilst long-term estimates are likely to be reasonably accurate, the allocation to each Financial Year is likely to be less accurate.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|--|-------------------|------------------|
| 2023/24 | £73,000 | | |
| 2024/25 | £577,000 + £3,000 + £3,000 | | |
| 2025/26 | £430,500 + £3,000 + £3,000 | | |
| 2026/27 | £57,000 + £3,000 + £3,000 | | |
| 2027/28 | £59,000 | | |

| | | | |
|---------|-------------|--|--|
| | + £3,000 | | |
| | + £3,000 | | |
| 2028/29 | £332,000 | | |
| | + £3,000 | | |
| | + £3,000 | | |

16. For projects, what are the potential resource costs to progress to the next stage/gate?

Case services are likely to be able to handle end-user hardware replacements.

Case services can handle some simple end-user hardware maintenance and repairs, if parts are available (purchased or stripped from other devices).

Complex or risky end-user hardware maintenance and repairs would currently need to be outsourced (if a budget was available for this). An allowance has been included in Q15 for this.

A similar situation exists for infrastructure hardware with ICT Specialists. Significant infrastructure changes may also require third party assistance (e.g. replacement of firewalls for security reasons must be implemented perfectly first-time). Costs would have to be identified when individual hardware components were considered for replacement.

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue

- There is an issue that the Council has withdrawn the usual allocation for the IT Renewals Fund, without which a further 5-years would need to be gained from all existing hardware with no repair bills or new purchases incurred. This is highly unlikely to be possible.
- The Council is in the process of signing a new mobile telephony contract, which will no longer provide a “technology fund” (a pre-purchased hardware fund for smartphones and tablets). This means there will be no ability to replace existing devices when they can no longer receive security updates, are broken, or an additional device is requested.

Assumptions

- There is an assumption that Finance wish to continue to capitalize laptops, PC’s, monitors and docking stations, plus bulk but not small-scale purchases of smartphones and tablets.

Dependencies – There is a dependency on

Constraints – A constraint is that all new staff and many contractors using our systems need a device. IT has no choice but to buy (and therefore fund) such hardware once a new starter record is created by the business (showing they have entered a contract with a new staff member or organization).

Opportunities

- There is an opportunity to explore Bring-Your-Own-Device for staff and/or contractors, to avoid providing laptops. In the case of staff, this is likely to require the Council to avoid a cash allowance initially equal to the cost of the replacement, so of little short term benefit. For contractors this has been reviewed by ICT. The current urgent nature of the ICT Refresh Programme and Cyber Resilience Programmes have been prioritized first, but initially assessments have suggested further

server hardware and licensing would be needed to handle the volume of virtual desktop sessions to replace contractor devices. It is assumed that this will be considered in the options for scaling of replacement servers once agreed to happen.

Risks –

- There is a risk that the number of WBC employees requiring a GBC device continues to slowly grow without funding from the collaboration programme.
- There is a risk that short term staff including work experience students and contractors are recruited to tackle short term business area challenges. These generally require laptops and can force purchases.
- Continuation of the last 3-years freeze on IT hardware lifecycles with an aim to “review in a year” risks us having no plan for the capital costs when replacement becomes essential.
- The longer hardware lifecycles are extended, the more likely the Council will default to the “IT device refresh project” model (i.e. replace all devices in a short window), likely requiring external resource to manage a large-scale rollout. Lifecycling was designed to avoid such costs by replacing 25-33% of user devices per year ongoing.
- Hardware is already being used beyond warranty support periods (including core network and server infrastructure). If failures occur, outages could be significant as no support arrangement is in-place to repair/replace the failed hardware, and specialist resources may need to be purchased to resolve/recover for issues.

| Mandate Proposal – Bedford Rd MSCP – Brick, Concrete and Water Damage Repairs | |
|--|---|
| Author: Scott Jagdeo | |
| 1. Introduction and background: | Bedford Road Multi Storey Car Park is one of five owned and operated in Guildford by the Council. There are structural issues with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding are loose and required immediate attention to repair. Investigations show that sections of the brick cladding and surrounding reinforced (RC) concrete frame are failing because of water leaking from adjacent raised flower beds on a podium deck that serves Housing's Bedford Rd HRA flats above the car park. Works are required to remove or tank these flower beds, followed by safe access and brick cladding and concrete repairs to the RC concrete frame. |
| 2. Why should a project be started, or a growth bid be considered now? | The project is required since initial investigations identified failings in the brick cladding and concrete frame to parts of the car park. Temporary works have been undertaken to make the area safe. However, a permanent repair is required. |
| 3. What is the good idea or problem to be solved? | Remove or tank / line the raised flower beds to the podium deck that are largely responsible for the surrounding failures to the brick cladding and concrete frame. Repair and stabilise the brick cladding and concrete frame to various part of the car park where this is failing and mitigate any health and safety risks. |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | The purpose of the project is to repair and stabilise the brick cladding and concrete frame to various parts of the car park. Remove and repair the cause for these failures, namely, the adjacent brick-built planters. The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all health and safety matters are suitably addressed. |
| 5. What is in scope and what is out of scope? | In scope is safe access (scaffold, cherry picker etc.) and rebuilding and repairing the brick cladding and concrete to various parts of the car park. Moreover, works to either remove or line the brick-built flower beds to prevent any further decay. No other works to Bedford Rd MSCP or the curtilage of this property or land are proposed. |
| 6. What priority, corporate objective or strategy is fulfilled by this project? | The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve structural and health and safety issues that are currently mitigated by temporary repair works. |
| 7. List desired benefits (Non-financial): | Resolution of structural and health and safety issues. Repairs and future preservation of a Council owned asset. |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): | N/A. |
| 9. What are the strategic options available to GBC to deliver a solution? | As a project designed to repair high level brick cladding and reinforced concrete frame there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted, temporary repairs undertaken, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the brick cladding and RC concrete frame, increased cost, and the likelihood that parts of the car park will need to be taken out of use. |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: | The work will be managed and undertaken Assets and Property building surveyors. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property |

- Cllr Richard Lucas - Lead Member for Assets and Finance

11. What impact assessments have been undertaken? What are the impacts on other Services or projects?

No impact assessments have been undertaken.

The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property.

12. What general approach will be taken to deliver?

The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Structural Engineer will be required and will be appointed externally. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role also.

13. When and why must the work/project start?

The works are proposed to commence in 2024/2025. Works are of a health and safety concern and thus deemed critical.

13a. What does Waverley/Guildford currently do to provide this service?

N/A.

13b. What discussion has been had with Waverley/Guildford about this mandate?

N/A.

13c. What opportunities are there for savings through the collaboration?

N/A.

14. What stakeholders will need to be involved?

Assets and Property will coordinate the works with the Council's Parking team, to ensure works do not impact on the operation of the car park too greatly. The Housing team will be kept abreast of matters relating to works to the podium deck. Marieke van der Reijden will be kept informed of the project.

15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

The work will be managed by a building surveyor in the Assets and Property team.

Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place.

A structural engineer will be appointed in connection with the design of the structural repairs. An external CDM coordinator will be employed to oversee compliance with the Construction (Design and Management) Regulations 2015.

16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2023/24 | | | |
| 2024/25 | £150,000.00 | | |
| 2025/26 | | | |
| 2026/27 | | | |
| 2027/28 | | | |

17. For projects, what are the potential resource costs to progress to the next stage/gate?

Subject to financial approval, the next stage of this project is to design and specify the repair works and seek the necessary approvals to proceed. For that the input of external consultants together with officer time to

manage the process will be required. The cost of this exercise is estimated to be in the region of £15k-£20k. Costs are included in the above.

18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that:

- There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap.

Assumptions – There is an assumption that:

- The Council has an aspiration to retain the asset.
- Funding will be afforded.

Dependencies – There is a dependency on:

- Procurement.
- Legal.
- External consultants will also be required; namely, Structural Engineer and Principal Designer.

Constraints – A constraint is:

- Internal resource.
- The car park will be operational thus works will need to be undertaken in close liaison with the Council's car parks team.

Opportunities – There is an opportunity to:

- Repair and stabilise the brick cladding and concrete frame to various sections of the car park as well as remove / repair the brick-built flower beds that are the cause for most of these failures.

Risks – There is a risk that:

There are several broad risks associated with the project beyond those normally attributed to construction work:

- The failed brick cladding and RC concrete frame may deteriorate further, despite the temporary repairs undertaken.
- The failed brick cladding and RC frame is considered a dangerous structure and notice served as such under the Building Act.
- As advised above, this issue is a health and safety concern and whilst repairs have been undertaken to mitigate the risk, a permanent, long-term solution is required.

| Mandate Proposal - Crematorium Broadwater Cottage – Roof Replacement and Structural Repairs | |
|--|--|
| Author: Scott Jagdeo | |
| 1. Introduction and background: | |
| Broadwater Cottage is a Grade II listed property located on New Pond Road, list entry number 1029435. The property is used for staff accommodation for the Council's Bereavement Services Lead, located adjacent to the Council owned Crematorium. The cottage underwent substantial refurbishment works over recent years, during which structural issues with the roof became apparent. Repairs were undertaken at the time to mitigate these issues, but the Council were advised by independent Structural Engineers that larger scale structural repairs were required. The Council has been advised that the roof finish requires removing, structural repairs undertaken, and the property re-roofed. Due to the listed nature of the property and that it is also known bat roost, there are restrictions. | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| The project is required since the Council has been advised by independent Structural Engineers that essential structural repairs are required to the asset. Due to the age of the building, it is susceptible to further degradation and deterioration. | |
| 3. What is the good idea or problem to be solved? | |
| The structural issues currently present at Broadwater Cottage need to be fixed to prevent further deterioration of the building and preserve the listed asset's future. | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| The purpose of the project is to undertake essential repair works to the cottage to ensure this is structurally sound, further deterioration prevented, and to preserve the future of the listed asset. The property will need to remain unoccupied during the works. | |
| The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with listed building consent, license from Natural England, and building control consent are also essential. | |
| 5. What is in scope and what is out of scope? | |
| In scope is scaffold access, stripping the roof tiles, battens, felt, undertaking structural repairs, and re-roofing. This will require a license with Natural England due to the bat roost, listed building consent, and likely building control consent. | |
| No other works to the property or its curtilage are proposed. | |
| 6. What priority, corporate objective or strategy is fulfilled by this project? | |
| The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the structural issues at one of the Council's owned assets. | |
| 7. List desired benefits (Non-financial): | |
| Protection of a Council owned grade II listed asset of special architectural and historic interest. | |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): | |
| N/A. | |
| 9. What are the strategic options available to GBC to deliver a solution? | |
| As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted by an external Structural Engineer, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the asset, increased cost, and the property will need to remain vacant. It should be noted that deterioration will be of a grade II listed property of special architectural and historic significance, which leaves the possible risk of notification by Natural England obliging the Council, as landowner, to undertake the works. | |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: | |

| <p>The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance | | | | | | | | | | | | | | | | | | | |
|--|-------------------|-------------------|------------------|------|-------------------|-------------------|------------------|---------|--|--|--|---------|------------|--|--|---------|--------------|--|--|
| <p>11. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p> | | | | | | | | | | | | | | | | | | | |
| <p>No impact assessments have been undertaken. The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property, Building Control, and Planning Services (listed building consent application).</p> | | | | | | | | | | | | | | | | | | | |
| <p>12. What general approach will be taken to deliver?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Structural Engineer will be required and appointed externally. An ecologist will be required and appointed externally. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13. When and why must the work/project start?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The works are proposed to commence in 2025/2026. Due to the listed nature of the property, and more importantly, that it is a known bat roosts, timings will be critical and will be agreed with Planning’s Conservation Officer and Natural England in advance. This work is proposed to commence during 2024/2025.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13a. What does Waverley/Guildford currently do to provide this service?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A</p> | | | | | | | | | | | | | | | | | | | |
| <p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A</p> | | | | | | | | | | | | | | | | | | | |
| <p>13c. What opportunities are there for savings through the collaboration?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A</p> | | | | | | | | | | | | | | | | | | | |
| <p>14. What stakeholders will need to be involved?</p> | | | | | | | | | | | | | | | | | | | |
| <p>Assets and Property will coordinate the works with the Bereavement Services Lead who resides at the property, and to ensure works do not impact on the adjacent Crematorium. Marieke van der Reijden will be kept abreast of the project.</p> | | | | | | | | | | | | | | | | | | | |
| <p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. The input of an independent structural engineer will be required in connection with the design of the structural repairs. An ecologist will be appointed as the cottage is a known bat roost. Finally, an external CDM coordinator will be required to oversee compliance with the Construction (Design and Management) Regulations 2015.</p> | | | | | | | | | | | | | | | | | | | |
| <p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p> | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Year</th> <th>Capital Total (£)</th> <th>Revenue Total (£)</th> <th>Income Total (£)</th> </tr> </thead> <tbody> <tr> <td>2023/24</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2024/25</td> <td>£15,000.00</td> <td></td> <td></td> </tr> <tr> <td>2025/26</td> <td>£ 180,000.00</td> <td></td> <td></td> </tr> </tbody> </table> | | | | Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | 2023/24 | | | | 2024/25 | £15,000.00 | | | 2025/26 | £ 180,000.00 | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | | | | | | | | | | | | | | | | |
| 2023/24 | | | | | | | | | | | | | | | | | | | |
| 2024/25 | £15,000.00 | | | | | | | | | | | | | | | | | | |
| 2025/26 | £ 180,000.00 | | | | | | | | | | | | | | | | | | |

| | | | |
|---------|--|--|--|
| 2026/27 | | | |
| 2027/28 | | | |

17. For projects, what are the potential resource costs to progress to the next stage/gate?

Subject to financial approval, the next stage of this project is to design and specify the repair works and seek the necessary approval to proceed. This will require the input of external consultants together with officer time to manage the process. The cost of this exercise is estimated to be in the region of £15K. These costs are included in the above.

18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks:

Issue – There is an issue that:

- There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to be appointed until later in 2024/2025.

Assumptions – There is an assumption that:

- The Council has an aspiration to retain the asset.
- Listed Building Consent will be granted.
- Natural England will grant a license for the works.
- Funding will be afforded.

Dependencies – There is a dependency on:

- Procurement.
- Legal.
- The Building Surveying team of Assets and Property.
- External consultants namely, Structural Engineer, Ecologist, and Principal Designer.

Constraints – A constraint is:

- Internal resource.
- Due to the listed nature of the property and that it is a known bat roost, all works, and the timings of such works will need to be agreed with the appointed Conservation Officer and Natural England.

Opportunities – There is an opportunity to:

- Repair and secure the future longevity of the asset.
- Reinstate the asset as staff accommodation on completion of the works.

Risks – There is a risk that:

There are several broad risks associated with the project beyond those normally attributed to construction work:

- The failed structure may deteriorate to the point that it becomes unsafe and costs to repair increase.
- It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal.
- Due to the listed nature of the property and that it is a known bat roost, the works and the timings are heavily influenced by the appointed Conservation Officer and Natural England.

| Mandate Proposal - Leapale Rd MSCP – Brick Cladding Repair | |
|---|--|
| Author: Scott Jagdeo | |
| 1. Introduction and background: | |
| <p>Leapale Road Multi Storey Car Park is one of five owned and operated in Guildford by the Council. There are structural issues with the brick clad wall at a high level on one corner of the car park. Sections of the brick cladding are loose and required immediate attention to repair.</p> <p>Investigations show that sections of the brick cladding and surrounding reinforced (RC) concrete frame are structurally unsound. Works are required to provide scaffold access and undertake repairs to the brick cladding.</p> | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| <p>The project is required since initial investigations identified failings in the brick cladding on Level 12 of the car park, which consequently has insufficient lateral restraint at a high level and to the corners rendering one corner exposed to movement. Temporary works have been put in place to make safe and mitigate any risk. Part of the car park is currently cordoned off. Until repair works are undertaken, part of this car park, will remain out of use. Whilst temporary works have been undertaken to make the area safe, a permanent repair is required.</p> | |
| 3. What is the good idea or problem to be solved? | |
| <p>Repair and stabilise the brick cladding to Level 12 to re-open this part of the car park and mitigate any ongoing health and safety risks.</p> | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| <p>The purpose of the project is to repair and stabilise the brick cladding to Level 12 to re-open this part of the car park and mitigate any ongoing health and safety risk.</p> <p>The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all health and safety matters are suitably addressed, and this section of the car park can be re-opened for public use.</p> | |
| 5. What is in scope and what is out of scope? | |
| <p>In scope is scaffold access and rebuilding and repairing the brick cladding to Level 12. No other works to Leapale Rd MSCP or the curtilage of this property or land are proposed.</p> | |
| 6. What priority, corporate objective or strategy is fulfilled by this project? | |
| <p>The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve structural and health & safety issues that are currently mitigated by temporary measures.</p> | |
| 7. List desired benefits (Non-financial): | |
| <p>Resolution of structural and health and safety issues. Repairs and future preservation of a Council owned asset.</p> | |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): | |
| N/A. | |
| 9. What are the strategic options available to GBC to deliver a solution? | |
| <p>As a project designed to repair high level brick cladding there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case structural issues have been highlighted, temporary measures incorporated, and repairs are deemed essential. Not undertaking these works will lead to further deterioration of the brick cladding, increased cost, and the part of the car park will need to remain out of use.</p> | |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: | |
| <p>The work will be managed and undertaken Assets and Property building surveyors. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property | |

| <ul style="list-style-type: none"> • Cllr Richard Lucas - Lead Member for Assets and Finance | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|-------------------|-------------------|------------------|---------|--|--|--|---------|-------------|--|--|---------|--|--|--|---------|--|--|--|---------|--|--|--|
| <p>11. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>No impact assessments have been undertaken. The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>12. What general approach will be taken to deliver?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Structural Engineer will be required and will be appointed externally. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role also.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>13. When and why must the work/project start?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The works are proposed to commence in 2024/2025. Works are of a health and safety concern and thus deemed critical.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>13a. What does Waverley/Guildford currently do to provide this service?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>13c. What opportunities are there for savings through the collaboration?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>14. What stakeholders will need to be involved?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Assets and Property will coordinate the works with the Council’s Parking team, to ensure works do not impact on the operation of the car park too greatly. Marieke van der Reijden will be kept informed of the project.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. A structural engineer will be appointed in connection with the design of the structural repairs. An external CDM coordinator will be employed to oversee compliance with the Construction (Design and Management) Regulations 2015.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Year</th> <th>Capital Total (£)</th> <th>Revenue Total (£)</th> <th>Income Total (£)</th> </tr> </thead> <tbody> <tr> <td>2023/24</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2024/25</td> <td>£150,000.00</td> <td></td> <td></td> </tr> <tr> <td>2025/26</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2026/27</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2027/28</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> | Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | 2023/24 | | | | 2024/25 | £150,000.00 | | | 2025/26 | | | | 2026/27 | | | | 2027/28 | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | | | | | | | | | | | | | | | | | | | | | |
| 2023/24 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024/25 | £150,000.00 | | | | | | | | | | | | | | | | | | | | | | | |
| 2025/26 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2026/27 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2027/28 | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>17. For projects, what are the potential resource costs to progress to the next stage/gate?</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Subject to financial approval, the next stage of this project is to design and specify the repair works and seek the necessary approvals to proceed. For that the input of external consultants together with officer time to</p> | | | | | | | | | | | | | | | | | | | | | | | | |

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| manage the process will be required. The cost of this exercise is estimated to be in the region of £15k-£20k. Costs are included in the above. |
| 18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks |
| Issue – There is an issue that: <ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap. |
| Assumptions – There is an assumption that: <ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. • Funding will be afforded. |
| Dependencies – There is a dependency on: <ul style="list-style-type: none"> • Procurement. • Legal. • External consultants will also be required; namely, Structural Engineer and Principal Designer. |
| Constraints – A constraint is: <ul style="list-style-type: none"> • Internal resource. • The car park will be operational thus works will need to be undertaken in close liaison with the Council's car parks team. |
| Opportunities – There is an opportunity to: <ul style="list-style-type: none"> • Repair and stabilise the brick cladding and concrete frame to various sections of the car park as well as remove / repair the brick-built flower beds that are the cause for most of these failures. |
| Risks – There is a risk that: <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed brick cladding and RC concrete frame may deteriorate further, despite the temporary repairs undertaken. • The failed brick cladding and RC frame is considered a dangerous structure and notice served as such under the Building Act. • As advised above, this issue is a health and safety concern and whilst repairs have been undertaken to mitigate the risk, a permanent, long-term solution is required. |

| Mandate Proposal – Slyfield Enterprise Estate – Repairs and Redevelopment |
|---|
| Author: Charles Wood |
| 1. Introduction and background: |
| <p>Slyfield Enterprise Estate is a multi-let estate consisting of 25 light industrial letting units. The property was built in the 1980s and is nearing the end of its useful life. The units are popular with tenants and fully occupied/income generating, but the buildings are becoming increasingly tired and failing to meet the needs of modern light industrial occupiers. It is likely this will impact on rental income as tenants seek to relocate elsewhere. At the same time the units are starting to fail minimum energy efficiency standards (MEES) for commercial property in England and Wales, and this will worsen with future milestones that have been set by Central Government to comply with minimum standards. Accordingly, Assets and Property officers are working towards total refurbishment/redevelopment to meet modern requirements and to enhance rental income. This process will require careful planning. We envisage this process will start in the 2025/26 financial year with preliminary work and planning.</p> <p>The cost implications are detailed below: -</p> <p>2024/25 – 0 2025/26 – £50,000 – preliminary costs relating to redevelopment or comprehensive refurbishment 2026/27 – £50,000 - preliminary costs relating to redevelopment or comprehensive refurbishment 2027/28 - £4,000,000 - Redevelopment/complete refurbishment</p> |
| 2. Why should a project be started, or a growth bid be considered now? |
| <p>The long-term redevelopment proposal will be comprehensive and require considerable resource in advance to secure planning consent, architects' drawings/specification, creation of Tender documents and then to seek contractors via tender. At the same time Assets and Property will need to work towards achieving vacant possession to enable the works to proceed. The standard lease at the estate is for three years, officers envisage preparing a strategy to achieve this potentially involving a phased development to minimize tenant disruption.</p> <p>The growth bid should therefore be considered now to allow time for officers to bring detailed proposals together.</p> |
| 3. What is the good idea or problem to be solved? |
| <p>Due to the nature of this ageing asset, it is not achieving full potential. Current rents are c.£15 per sq ft as compared to our recently completed Midleton Enterprise Park units that are achieving rents in the region of £19-22 per sq ft, depending on size.</p> <p>Midleton Enterprise Park development forms a model for what is envisaged at Slyfield Enterprise Estate where the specification is fit for purpose to cater for the needs of modern occupiers with green credentials to include renewable energy generated via roof mounted PV units, electric car chargers, efficient insulation and built to achieve A category EPCs.</p> <p>The existing estate is somewhat 'tired' and becoming obsolete at the end of its economic lifespan, which is likely to result in tenants relocating elsewhere coupled with diminishing tenant demand and consequently achievable rent levels and potential voids. Given the current challenges in acquiring new commercial property investments for increased income and following the success of the regeneration of Midleton Enterprise Park through the redevelopment programme, investment into the Council's existing portfolio will enable officers to secure the best lease terms to protect and grow financial returns and achieve its strategic objectives whilst driving regeneration of the Council's portfolio.</p> |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? |
| <p>This project will replace ageing stock that has reached the end of its useful economic life with modern fit for purpose small industrial units aimed at local enterprises. These small estates are important as they act a</p> |

seedbed for small businesses who often move on to larger premises and enhanced job creation. As well as this longer-term aim, the short-term appearance can be improved to make this scheme less of an eyesore and source of regular complaints from the existing tenants. In addition, the work proposed will:

- Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020.
- Ensure the Council is positioned to proactively respond to enquiries from third parties.
- Contribute to a dynamic economy and regenerations by improving the quality of the properties for the Council’s tenants.

As a result, the success criteria are to:

- Protect and grow existing income and generate new additional income.
- Ensure that our corporate property estate is fit for purpose.
- Support the Council’s corporate priorities e.g., create employment opportunities, support business community, and attract new inward investment.
- Create new employment opportunities via refurbishment and regeneration of land and buildings.

5. What is in scope and what is out of scope?

n/a

6. What priority, corporate objective or strategy is fulfilled by this project?

Commercial Property Investment Programme

Assets and Property have been tasked to achieve additional rental income of £230K in 23/24, £200K in 24/25, £200K in 25/26 and £200K in 26/27, therefore totalling £830K above the 2022/23 budget, known as the ‘base budget’. The investment of capital monies is required to ensure the corporate property estate, particularly the investment and industrial assets are in a tenatable condition and preferably refurbished to a high specification to allow officers to secure the highest possible rent per square foot and generate the necessary additional income of £830K over the next 4 years.

Capital and Investment Strategy

The additional rental income will allow officers to contribute to the Council’s Capital and Investment Strategy 2022/23 – 2026/27 and as such help the Council achieve financial excellence and value for money. It will also support the delivery of the Corporate Plan.

7. List desired benefits (Non-financial)

- Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020.
- Ensure the Council is positioned to proactively respond to enquiries from third parties.
- Contribute to a dynamic economy by regeneration the estate and improving the quality of the properties for the Council’s tenants.
- Ensure our diverse community can work in safety and with dignity.
- Ensure that our corporate property estate is fit for purpose.
- Provide a platform for Local Enterprise in the form of a ‘seedbed centre’.

8. IT Project Requirements (Ensure you consider links to Business World and Salesforce)

n/a

9. What are the strategic options available to GBC to deliver a solution?

1. **Do nothing** – do not invest in our property estate and risk the loss of income.
2. **Do minimum** – abandon the major works to in favor of basic refurbishment. Officers consider this is simply delaying the problem and will result in a loss of rental income/possible voids going forward. It is unlikely however that MEES thresholds will be met in 2025, 2027 and 2030 without considerable investment. Refurbishment prospects are somewhat limited (e.g. The cladding is single skin and as a minimum needs replacement).

3. **Do more** – proceed with a comprehensive redevelopment of the Asset as set out.

Officers recommend option 3, considered strategically and financially advantageous.

10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service

Dawn Hudd – Joint Strategic Director – Place
 Marieke van der Reijden – Executive Head for Assets and Property
 Cllr Richard Lucas - Lead Member for Assets and Finance

11. What impact assessments have been undertaken? What are the impacts on other Services or projects?

N/A

12. What general approach will be taken to deliver?

For the stated capital sums to be made available over a 5-year period.

13. When and why must the work/project start?

From April 2025 (the start of the 25/26 financial year) so that the Council can protect the continued receipt of rental income from properties which would otherwise become less desirable to tenants.

13a. What does Waverley/Guildford currently do to provide this service?

n/a

13b. What discussion has been had with Waverley/Guildford about this mandate?

n/a

13c. What opportunities are there for savings through the collaboration?

n/a

14. What stakeholders will need to be involved?

CMB, Finance and Assets and Property including the Building Surveying and Corporate Programmes team.

15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

Assets and Property, Finance

16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2024/25 | 0 | | |
| 2025/26 | 50,000 | | |
| 2026/27 | 50,000 | | |
| 2027/28 | 4,000,000 | | |

17. For projects, what are the potential resource costs to progress to the next stage/gate?

N/A

18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that the Asset is reaching the end of its useful life/is no longer fit for purpose.

Assumptions – There is an assumption that redevelopment cost will be an enhanced floor area of 20,000 sq ft at £200 per sq ft based on previous market evidence.

Dependencies – There is a dependency on successfully achieving vacant possession of the units on a phased basis to allow the reworks to take place.

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| Constraints – Planning consent will be required. Tenants will have to be relocated at least temporarily. |
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| Opportunities – There is an opportunity to replace ageing stock and regenerate the estate with modern fit for purpose units and enhance the floor area along with rental income. |
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| Risks – There is a risk that costs will escalate and/or the occupational market will diminish. |
|--|

| Mandate Proposal – Slyfield Foundation Units – Repairs and Redevelopment |
|---|
| Author: Charles Wood |
| 1. Introduction and background: |
| <p>Slyfield Foundation Units comprise a multi-let estate consisting of 12 light industrial letting units. The property was built in the 1980s and is nearing the end of its useful life. The units are popular with tenants and fully occupied/income generating, but the buildings are becoming increasingly tired and failing to meet the needs of modern light industrial occupiers. It is likely this will impact on rental income as tenants seek to relocate elsewhere. At the same time the units are starting to fail minimum energy efficiency standards (MEES) for commercial property in England and Wales, and this will worsen with future milestones that have been set by Central Government to comply with minimum standards. Accordingly, Assets and Property officers are working towards total refurbishment/redevelopment to meet modern requirements and to enhance rental income. This process will require careful planning. We envisage this process will start in the 2025/26 financial year with preliminary work and planning.</p> <p>The cost implications are detailed below: -</p> <p>2024/25 – 0 2025/26 – £25,000 – preliminary costs relating to redevelopment or comprehensive refurbishment 2026/27 – £25,000 - preliminary costs relating to redevelopment or comprehensive refurbishment 2027/28 - £2,000,000 - Redevelopment/complete refurbishment</p> |
| 2. Why should a project be started, or a growth bid be considered now? |
| <p>The long-term redevelopment proposal will be comprehensive and require considerable resource in advance to secure planning consent, architects' drawings/specification, creation of Tender documents and then to seek contractors via tender. At the same time Assets and Property will need to work towards achieving vacant possession to enable the works to proceed. The standard lease at the estate is for three years, officers envisage preparing a strategy to achieve this potentially involving a phased development to minimize tenant disruption.</p> <p>The growth bid should therefore be considered now to allow time for officers to bring detailed proposals together.</p> |
| 3. What is the good idea or problem to be solved? |
| <p>Due to the nature of this ageing asset, it is not achieving full potential. Current rents are c.£13 per sq ft as compared to our recently completed Midleton Enterprise Park units that are achieving rents in the region of £19-22 per sq ft, depending on size.</p> <p>Officers envisage a continuation of motor trade use here – there are very few locations left in the Borough where motor trade use is permitted, and this estate allows small businesses to establish in a 'seedbed' environment.</p> <p>Midleton Enterprise Park development forms a model for what is envisaged at Slyfield Foundation Units where the specification is fit for purpose to cater for the needs of modern occupiers with green credentials to include renewable energy generated via roof mounted PV units, electric car chargers, efficient insulation and built to achieve A category EPCs.</p> <p>The existing estate is somewhat 'tired' and becoming obsolete at the end of its economic lifespan, which is likely to result in tenants relocating elsewhere coupled with diminishing tenant demand and consequently achievable rent levels and potential voids. Given the current challenges in acquiring new commercial property investments for increased income and following the success of the regeneration of Midleton Enterprise Park through the redevelopment programme, investment into the Council's existing portfolio will</p> |

| |
|--|
| enable officers to secure the best lease terms to protect and grow financial returns and achieve its strategic objectives whilst driving regeneration of the Council's portfolio. |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? |
| <p>This project will replace ageing stock that has reached the end of its useful economic life with modern fit for purpose small industrial units aimed at local enterprises. These small estates are important as they act a seedbed for small businesses who often move on to larger premises and enhanced job creation. As well as this longer-term aim, the short-term appearance can be improved to make this scheme less of an eyesore and source of regular complaints from the existing tenants. In addition, the work proposed will:</p> <ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy and regenerations by improving the quality of the properties for <p>As a result, the success criteria are to:</p> <ul style="list-style-type: none"> • Protect and grow existing income and generate new additional income. • Ensure that our corporate property estate is fit for purpose. • Support the Council's corporate priorities e.g., create employment opportunities, support business community, and attract new inward investment. • Create new employment opportunities via refurbishment and regeneration of land and buildings. |
| 5. What is in scope and what is out of scope? |
| n/a |
| What priority, corporate objective or strategy is fulfilled by this project? |
| <p>Commercial Property Investment Programme</p> <p>Assets and Property have been tasked to achieve additional rental income of £230K in 23/24, £200K in 24/25, £200K in 25/26 and £200K in 26/27, therefore totalling £830K above the 2022/23 budget, known as the 'base budget'. The investment of capital monies is required to ensure the corporate property estate, particularly the investment and industrial assets are in a tenatable condition and preferably refurbished to a high specification to allow officers to secure the highest possible rent per square foot and generate the necessary additional income of £830K over the next 4 years.</p> <p>Capital and Investment Strategy</p> <p>The additional rental income will allow officers to contribute to the Council's Capital and Investment Strategy 2022/23 – 2026/27 and as such help the Council achieve financial excellence and value for money. It will also support the delivery of the Corporate Plan.</p> |
| 6. List desired benefits (Non-financial) |
| <ul style="list-style-type: none"> • Improve the ongoing management and performance of the Asset which is linked to the Asset Investment Strategy 2020. • Ensure the Council is positioned to proactively respond to enquiries from third parties. • Contribute to a dynamic economy by regeneration the estate and improving the quality of the properties for the Council's tenants. • Ensure our diverse community can work in safety and with dignity. • Ensure that our corporate property estate is fit for purpose. • Provide a platform for Local Enterprise in the form of a 'seedbed centre'. |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) |
| n/a |
| 8. What are the strategic options available to GBC to deliver a solution? |

1. **Do nothing** – do not invest in our property estate and risk the loss of income.
2. **Do minimum** – abandon the major works to in favor of basic refurbishment. Officers consider this is simply delaying the problem and will result in a loss of rental income/possible voids going forward. It is unlikely however that MEEs thresholds will be met in 2025, 2027 and 2030 without considerable investment. Refurbishment prospects are somewhat limited (e.g. The cladding is single skin and as a minimum needs replacement).
3. **Do more** – proceed with a comprehensive redevelopment of the Asset as set out.

Officers recommend option 3, considered strategically and financially advantageous.

9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service

Dawn Hudd – Joint Strategic Director – Place
 Marieke van der Reijden – Executive Head for Assets and Property
 Cllr Richard Lucas - Lead Member for Assets and Finance

10. What impact assessments have been undertaken? What are the impacts on other Services or projects?

N/A

11. What general approach will be taken to deliver?

For the stated capital sums to be made available over a 5-year period.

12. When and why must the work/project start?

From April 2025 (the start of the 25/26 financial year) so that the Council can protect the continued receipt of rental income from properties which would otherwise become less desirable to tenants.

- 13a. What does Waverley/Guildford currently do to provide this service?

n/a

- 13b. What discussion has been had with Waverley/Guildford about this mandate?

n/a

- 13c. What opportunities are there for savings through the collaboration?

n/a

13. What stakeholders will need to be involved?

CMB, Finance and Assets and Property including the Building Surveying and Corporate Programmes team.

14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

Assets and Property, Finance

15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2024/25 | 0 | | |
| 2025/26 | £25,000 | | |
| 2026/27 | £25,000 | | |
| 2027/28 | £2,000,000 | | |

16. For projects, what are the potential resource costs to progress to the next stage/gate?

N/A

17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

| |
|---|
| Issue – There is an issue that the Asset is reaching the end of its useful life/is no longer fit for purpose. |
| Assumptions – There is an assumption that redevelopment cost will be an enhanced floor area of 10,000-12,000 sq ft at £200 per sq ft based on previous market evidence. |
| Dependencies – There is a dependency on successfully achieving vacant possession of the units on a phased basis to allow the reworks to take place. |
| Constraints – Planning consent will be required. Tenants will have to be relocated at least temporarily. |
| Opportunities – There is an opportunity to replace ageing stock with modern fit for purpose units and enhance the floor area along with rental income. |
| Risks – There is a risk that costs will escalate and/or the occupational market will diminish. |

| Mandate Proposal – Stoke Park Gardeners Cottage – Roof Replacement | |
|---|--|
| Author: Scott Jagdeo | |
| 1. Introduction and background: | |
| Stoke Park Gardeners Cottage is a detached dwelling house located in Stoke Park, Guildford. The cottage is used for staff accommodation and is currently occupied. The cottage has undergone a series of planned and reactive roofing repairs over the last few years; however, the roof has come to the end of its useful life expectancy and replacement is required. | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| The project is required since the roof has come to the end of its useful life expectancy and maintenance and repair is no longer feasible. | |
| 3. What is the good idea or problem to be solved? | |
| To replace the roof that has come to the end of its natural lifecycle and will ensure preservation of the asset's future. | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| The purpose of the project is to replace the roof of the cottage to ensure this is wind and watertight, further deterioration prevented, and to preserve the future of the asset. | |
| The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with building control consent is also essential. | |
| 5. What is in scope and what is out of scope? | |
| In scope is scaffold access, stripping the roof tiles, battens, felt, undertaking any required repairs that are identified, and re-roofing. This will require building control consent. | |
| No other works to the property or its curtilage are proposed. | |
| 6. What priority, corporate objective or strategy is fulfilled by this project? | |
| The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the failed roof at one of the Council's owned assets. | |
| 7. List desired benefits (Non-financial): | |
| Protection of a Council owned asset. | |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): | |
| N/A | |
| 9. What are the strategic options available to GBC to deliver a solution? | |
| As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case the roof has failed, is beyond its reasonable life expectancy, and replacement is deemed essential. Not undertaking these works will lead to further deterioration of the asset and increased cost. Moreover, the property may become uninhabitable. | |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: | |
| The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance | |
| 11. What impact assessments have been undertaken? What are the impacts on other Services or projects? | |
| No impact assessments have been undertaken. The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property, and Building Control. | |

| 12. What general approach will be taken to deliver? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|-------------------|------------------|------|-------------------|-------------------|------------------|---------|--|--|--|---------|-------------|--|--|---------|--|--|--|---------|--|--|--|---------|--|--|--|
| The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. When and why must the work/project start? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| This works are proposed to commence during 2024/2025. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13a. What does Waverley/Guildford currently do to provide this service? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13b. What discussion has been had with Waverley/Guildford about this mandate? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13c. What opportunities are there for savings through the collaboration? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14. What stakeholders will need to be involved? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assets and Property will coordinate the works with the resident of the property as well as the Parks and Countryside team to ensure works do not impact on the adjacent park and occupation of the property too greatly. Marieke van der Reijden will be kept abreast of the project. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. An external CDM coordinator will be required to oversee compliance with the Construction (Design and Management) Regulations 2015. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Year</th> <th>Capital Total (£)</th> <th>Revenue Total (£)</th> <th>Income Total (£)</th> </tr> </thead> <tbody> <tr> <td>2023/24</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2024/25</td> <td>£100,000.00</td> <td></td> <td></td> </tr> <tr> <td>2025/26</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2026/27</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2027/28</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> | | | | Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | 2023/24 | | | | 2024/25 | £100,000.00 | | | 2025/26 | | | | 2026/27 | | | | 2027/28 | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023/24 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024/25 | £100,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2025/26 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2026/27 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2027/28 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 17. For projects, what are the potential resource costs to progress to the next stage/gate? | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subject to financial approval, the next stage of this project is to design the repair and replacement roof works and seek the necessary approval to proceed. This will require the input of external consultants together with officer time to manage the process. The cost of this exercise is estimated to be in the region of £10k. These costs are included in the above. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Issue – There is an issue that: There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assumptions – There is an assumption that: <ul style="list-style-type: none"> The Council has an aspiration to retain the asset. | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| |
|---|
| <ul style="list-style-type: none"> • Funding will be afforded. |
| <p>Dependencies – There is a dependency on:</p> <ul style="list-style-type: none"> • Procurement. • Legal. • The Building Surveying team of Assets and Property. • External consultants namely, Principal Designer. |
| <p>Constraints – A constraint is:</p> <ul style="list-style-type: none"> • Internal resource. • The property is occupied and thus works will need to be undertaken in close liaison with the resident. |
| <p>Opportunities – There is an opportunity to:</p> <ul style="list-style-type: none"> • Repair and secure the future longevity of the asset. • Retain the asset as staff accommodation on completion of the works. |
| <p>Risks – There is a risk that:</p> <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed roof may deteriorate further and costs to repair increase. • It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal. |

| Mandate Proposal - The Billings - Roof Replacement | |
|---|--|
| Author: Scott Jagdeo | |
| 1. Introduction and background: | |
| The Billings is a detached brick built former printing works constructed in 1856 converted into office units and one warehouse unit. The Billings is located along Walnut Tree Close, with Guildford Train Station located to the West and the River Wey to the East. The property forms part of the Council's investment portfolio and is currently let on various leases. All slate roofs have come to the end of their useful life expectancy and thus require replacement. The roof to Unit 4 was replaced last year. This bid covers the replacement of roofs to Units 1, 2 and 3. | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| The project is required since the roofs to Units 1, 2 and 3 have come to the end of their useful life expectancy and maintenance and repair is no longer feasible. | |
| 3. What is the good idea or problem to be solved? | |
| The proposal is to replace the roofs to Units 1, 2 and 3, which have come to the end of their useful life expectancy. This will ensure preservation of the asset's future and help to secure existing and future lettings. | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| The purpose of the project is to replace the slate roof to Units 1, 2 and 3 to ensure the offices remain wind and watertight, further deterioration is prevented, and to preserve the future of the asset. | |
| The success criteria will be to deliver the project on time, within budget, and to the requisite quality. Compliance with building control consent is also essential. | |
| 5. What is in scope and what is out of scope? | |
| In scope is scaffold access, stripping the roof slates, battens, felt, undertaking any required repairs that are identified to the roof structure, and re-roofing. This will require building control consent. | |
| No other works to the property or its curtilage are proposed. | |
| 6. What priority, corporate objective or strategy is fulfilled by this project? | |
| The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve various failed roofs at one of the Council owned investment assets. | |
| 7. List desired benefits (Non-financial): | |
| Protection / futureproofing of a Council owned investment asset. Reduce further deterioration and hence cost. Easier to market and let; new roofs will come with an insurance backed guarantee. Also more likely that existing tenants will wish to renew their leases. Council maintains exterior of Unit 2 and thus has lease obligations to the existing tenants in this property. | |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): | |
| N/A. | |
| 9. What are the strategic options available to GBC to deliver a solution? | |
| As a project designed to repair and maintain an existing asset, there are few alternatives to affecting an approved repair other than to replace the roof. Whilst the option of doing nothing always exists, in this case the roofs have failed, are beyond their reasonable life expectancy, and thus replacement is deemed essential. This was known and pointed out as a risk when the Council acquired the property. Not undertaking these works will lead to further deterioration of the asset and increased cost. Moreover, the property may become unlettable. | |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: | |
| The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows: <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place | |

- Marieke van der Reijden – Executive Head for Assets and Property
Cllr Richard Lucas - Lead Member for Assets and Finance

11. What impact assessments have been undertaken? What are the impacts on other Services or projects?

No impact assessments have been undertaken.

The services that will be involved in delivery of the project are Procurement, Legal, Assets and Property and Building Control. Whilst it is not envisaged that external consultants will be required, apart for the Principal Designer role, this is subject to officer availability.

12. What general approach will be taken to deliver?

The project will largely be delivered in house by a building surveyor within the Assets and Property team. A Principal Designer will be required to comply with the CDM Regulations 2015; an external consultant will be appointed for this role.

Due to value, works will go through a competitive tender process, which will likely be evaluated on a cost and quality basis. Tenders will be dealt with via the Council’s online In-Tend portal. Alternatively, existing frameworks may be sought to expedite matters, but this would have to be agreed with the Council’s Procurement and Legal teams.

13. When and why must the work/project start?

The works are proposed to commence on Unit 2 in 2025/2026, followed by Unit 1 in 2026/2027, and then Unit 3 in 2027/2028. The roof to Unit 4 has already been replaced, and works were undertaken last year.

13a. What does Waverley/Guildford currently do to provide this service?

N/A.

13b. What discussion has been had with Waverley/Guildford about this mandate?

N/A.

13c. What opportunities are there for savings through the collaboration?

N/A.

14. What stakeholders will need to be involved?

Assets and Property will coordinate the works with the occupying tenants, where applicable, as well as the Council’s Asset Management team to ensure works do not impact on the occupation of the property too greatly. Marieke van der Reijden will be kept abreast of the project.

15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?

The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place.

Externally, we will require the input of a Principal Designer / CDM advisor to oversee compliance with the Construction (Design and Management) Regulations 2015.

16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2023/24 | | | |
| 2024/25 | | | |
| 2025/26 | £200,000.00 | | |
| 2026/27 | £200,000.00 | | |

| | | | | |
|--|-------------|--|--|--|
| | | | | |
| 2027/28 | £200,000.00 | | | |
| 17. For projects, what are the potential resource costs to progress to the next stage/gate? | | | | |
| <p>Subject to financial approval, the next stage of this project is to design the repair and replacement roof works and seek the necessary approval to proceed. The Council will require the input of external consultants (Principal Designer / CDM Advisor) together with officer time to manage the process.</p> <p>The cost of this exercise is estimated to be in the region of £100,000 per roof. Costs are included in the above.</p> | | | | |
| 18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | | |
| <p>Issue – There is an issue that:</p> <ul style="list-style-type: none"> • There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. As such, the Council may not have the internal resource to manage this project. | | | | |
| <p>Assumptions – There is an assumption that:</p> <ul style="list-style-type: none"> • The Council has an aspiration to retain the asset. If divesting of the asset, then proposed works will likely be withdrawn. • Funding will be afforded. | | | | |
| <p>Dependencies – There is a dependency on:</p> <ul style="list-style-type: none"> • Procurement – tendering. • Legal – contracts. • The Assets and Property Building Surveying Team– project management, contract administrator etc. • External consultants will also be required; namely, Principal Designer / CDM Advisor. | | | | |
| <p>Constraints – A constraint is:</p> <ul style="list-style-type: none"> • Internal resource. • The properties are let / part let and thus works will need to be undertaken in close liaison with the current tenants. • Access is a constraint for this site generally, and scaffold licenses and possibly lane closures along Walnut Tree Close will be required. | | | | |
| <p>Opportunities – There is an opportunity to:</p> <ul style="list-style-type: none"> • Repair and secure the future longevity of the asset. • Retain the asset as an investment asset on completion of the works. | | | | |
| <p>Risks – There is a risk that:</p> <p>There are several broad risks associated with the project beyond those normally attributed to construction work:</p> <ul style="list-style-type: none"> • The failed roof may deteriorate further and costs to repair increase. • It is difficult to determine the exact extent of the work until the roof finish is stripped. This is mitigated by provisional sums and contingency allowances in this proposal. • Access is a particular constraint here and works can only be undertaken subject to scaffold licenses and possibly a lane closure along Walnut Tree Close. It is assumed that such licenses / permissions will be forthcoming in a reasonable timeframe. | | | | |

| Mandate Proposal – Sydenham Rd Car Park – Party Wall Works |
|---|
| Author: Scott Jagdeo |
| 1. Introduction and background: |
| Sydenham Road Car Park is an open-air car park owned by the Council and is currently used by private permit holders for town centre parking. Adjacent to the car park is 12 Trinity Churchyard. The owner of 12 Trinity Churchyard has raised two issues with the Council in relation to the repair and replacement of a party wall and damage to the gable wall of number 12 because of the adjacent Council owned car park. |
| 2. Why should a project be started, or a growth bid be considered now? |
| The project is required since initial investigation has shown that the failing brick wall is likely to be a party wall issue and so jointly owned by the Council and the owner of 12 Trinity Cottage. As such, the Council is likely to be responsible for an apportionment of the costs for rebuilding / repairing the wall. Moreover, the raising of levels to form the Council owned car park has potentially led to structural and damp issues to the gable wall of 12 Trinity Cottage. The owner of 12 Trinity Cottage has appointed a local firm of Surveyors and Engineers and has contacted the Council regarding the above matters. |
| 3. What is the good idea or problem to be solved? |
| Repair and replace a party wall jointly owned by the Council and the owner of 12 Trinity Cottage and repair the failing gable wall to 12 Trinity Cottage; failure is potentially attributable to the raising of levels to the ground on which the Council owned car park sits. |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? |
| The purpose of the project is to repair / replace a party wall jointly owned between the Council and the owner of 12 Trinity Cottage as well as repair the failing gable wall to 12 Trinity Cottage; failure potentially attributable to the Council – see above. |
| The success criteria will be to deliver the project on time, within budget, and to the requisite quality. As well as ensuring that all potential liabilities to the owner of 12 Trinity Cottage are settled. |
| 5. What is in scope and what is out of scope? |
| In scope is rebuilding / repairing the party wall in tandem with the owner of 12 Trinity Cottage as well as repairing the failing gable wall to 12 Trinity Cottage. |
| No other works to 12 Trinity Cottage, Sydenham Road Car Park, or the curtilage of either property or land are proposed. |
| 6. What priority, corporate objective or strategy is fulfilled by this project? |
| The proposed work does not specifically address a corporate objective or strategy. It does, however, look to resolve the Council's potential liabilities to the owner of 12 Trinity Cottage with regards to a party wall and failing gable wall. |
| 7. List desired benefits (Non-financial): |
| Resolution of any liabilities to the owner of 12 Trinity Cottage. Repairing and unsafe wall that is jointly owned by the Council. |
| 8. IT Project Requirements (Ensure you consider links to Business World and Salesforce): |
| N/A. |
| 9. What are the strategic options available to GBC to deliver a solution? |
| As a project designed to repair / replace a party wall, and repair a gable wall, there are few alternatives to affecting an approved repair in the manner described. Whilst the option of doing nothing always exists, in this case the owner of 12 Trinity Cottage has appointed a local firm of Structural Engineers and Building Surveyors and has approached the Council for party wall discussions. Initial investigation shows that the failing wall is likely to be either a party wall or jointly owned (this is currently being checked by the Council's Legal team) and the damage to the gable wall of 12 Trinity Cottage, is likely to be in part caused by the raising of the adjacent land to on which the Council owned car park sits. Thus, the Council looks to be partly liable for both items. |
| 10. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service: |

| <p>The work will be managed and undertaken by a building surveyor of the Asset Management team. As such, the relevant leads for that team are as follows:</p> <ul style="list-style-type: none"> • Dawn Hudd – Joint Strategic Director – Place • Marieke van der Reijden – Executive Head for Assets and Property • Cllr Richard Lucas - Lead Member for Assets and Finance | | | | | | | | | | | | | | | | | | | |
|---|-------------------|-------------------|------------------|------|-------------------|-------------------|------------------|---------|--|--|--|---------|------------|--|--|---------|--|--|--|
| <p>11. What impact assessments have been undertaken? What are the impacts on other Services or projects?</p> | | | | | | | | | | | | | | | | | | | |
| <p>No impact assessments have been undertaken.</p> <p>The services that will be involved in delivery of the project are Procurement, Legal, and Assets and Property. However, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages, in which case, only Assets and Property and Legal teams will be required.</p> | | | | | | | | | | | | | | | | | | | |
| <p>12. What general approach will be taken to deliver?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The project will largely be delivered in house by a building surveyor within the Assets and Property team. However, as above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages. A building surveyor in the Assets and Property team will be required to undertake any party wall negotiations as well as oversee any repairs that are being part funded by the council.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13. When and why must the work/project start?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The works are proposed to commence in 2024/2025. As advised, the owner of 12 Trinity Cottage has already appointed a firm of Structural Engineers and Surveyors and is already in contact with the Council on both issues.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13a. What does Waverley/Guildford currently do to provide this service?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13b. What discussion has been had with Waverley/Guildford about this mandate?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | |
| <p>13c. What opportunities are there for savings through the collaboration?</p> | | | | | | | | | | | | | | | | | | | |
| <p>N/A.</p> | | | | | | | | | | | | | | | | | | | |
| <p>14. What stakeholders will need to be involved?</p> | | | | | | | | | | | | | | | | | | | |
| <p>Assets and Property will coordinate the works with the current owner of 12 Trinity Cottage and the Council's car park team. Marieke van der Reijden will be kept abreast of the project.</p> | | | | | | | | | | | | | | | | | | | |
| <p>15. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request?</p> | | | | | | | | | | | | | | | | | | | |
| <p>The work will be managed by a building surveyor in the Assets and Property team. Input will be required from Procurement to assist with tendering for the work and from Legal for putting the necessary contracts in place. As advised above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages – this is the preferred approach. In this case a building surveyor will still be required to negotiate any party wall requirements as well as monitor works that are in part being funded by the Council.</p> | | | | | | | | | | | | | | | | | | | |
| <p>16. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.</p> | | | | | | | | | | | | | | | | | | | |
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| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | | | | | | | | | | | | | | | | |
| 2023/24 | | | | | | | | | | | | | | | | | | | |
| 2024/25 | £50,000.00 | | | | | | | | | | | | | | | | | | |
| 2025/26 | | | | | | | | | | | | | | | | | | | |

| | | | | |
|--|--|--|--|--|
| | | | | |
| 2026/27 | | | | |
| 2027/28 | | | | |
| 17. For projects, what are the potential resource costs to progress to the next stage/gate? | | | | |
| Subject to financial approval, the next stage of this project is to design the repair and replacement of the party wall and gable wall and seek the necessary approval to proceed. However, as above, if the owner of 12 Trinity Cottage decides to pursue matters under the relevant legislation, then it may simply be that the Council needs only pay damages – this is the preferred approach. In this case a building surveyor will still be required to negotiate any party wall requirements as well as monitor works that are in part being funded by the Council. | | | | |
| 18. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | | |
| Issue – There is an issue that: | | | | |
| <ul style="list-style-type: none"> There is an issue that the Assets and Property service currently does not have a senior building surveyor in post. This could lead to delays in procuring the external consultants to get going asap. | | | | |
| Assumptions – There is an assumption that: | | | | |
| <ul style="list-style-type: none"> The Council has an aspiration to retain the open-air car park. If the Council were able to sell the parcel of land, then the issue would cease to exist for it. Funding will be afforded. | | | | |
| Dependencies – There is a dependency on: | | | | |
| <ul style="list-style-type: none"> Procurement (possibly). Legal. The Building Surveying team in Assets and Property. | | | | |
| Constraints – A constraint is: | | | | |
| <ul style="list-style-type: none"> Internal resource. 12 Trinity Cottage is occupied and thus works will need to be undertaken in close liaison with the current occupier alongside the Council's car parks team. | | | | |
| Opportunities – There is an opportunity to: | | | | |
| <ul style="list-style-type: none"> Repair and stabilise the party wall and gable wall to 12 Trinity Cottage and avoid any legal claims in relation to either of these. | | | | |
| Risks – There is a risk that: | | | | |
| There are several broad risks associated with the project beyond those normally attributed to construction work: | | | | |
| <ul style="list-style-type: none"> The failed party wall and gable wall may deteriorate further and costs to repair and replace increase. The party wall and/or gable wall are considered a dangerous structure and notice served as such under the Building Act. The owner pursues the Council under the relevant legislation before the Council has secured funding. | | | | |

| Mandate Proposal – Investigation and Works to Underground Shelter | |
|---|--|
| Author: Marieke van der Reijden | |
| 1. Introduction and background: | |
| An area of open space in Guildford requires investigation of what is believed to be an underground shelter dug during WW2. Further investigation is required to open the area of ground and make safe. | |
| 2. Why should a project be started, or a growth bid be considered now? | |
| To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public. | |
| 3. What is the good idea or problem to be solved? | |
| To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public. | |
| 4. What will be delivered? What are the success criteria? What is the purpose of the project? | |
| The capital bid will provide funds to pay for the works under the Council's Civil Engineering Contract at the direction of GBC Engineers. | |
| 5. What is in scope and what is out of scope? | |
| To investigate the full extents of the structure and understand its condition with the possibility of filling the structure to avoid the risk of collapse and the potential danger to the public and return the area to good order. | |
| What priority, corporate objective or strategy is fulfilled by this project? | |
| The proposed work does not specifically fulfil a corporate objective or strategy. It does, however, resolve a potential health and safety concern. | |
| 6. List desired benefits (Non-financial) | |
| Remove the potential danger to the public and return the area to good order. | |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) | |
| N/A | |
| 8. What are the strategic options available to GBC to deliver a solution? | |
| <ol style="list-style-type: none"> 1. Do nothing – Risk of deterioration and collapse that would result from that decision. 2. Do minimum – only undertake the initial investigation to understand the full extent of the structure. 3. Do more – act proactively and undertake the necessary investigation being prepared for the likelihood that the structure is more extensive. | |
| Officers recommend option 3, considered reputationally advantageous. | |
| 9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service | |
| Dawn Hudd – Joint Strategic Director – Place Marieke van der Reijden – Executive Head of Service for Assets & Property Cllr Richard Lucas – Lead Member for Assets and Property | |
| 10. What impact assessments have been undertaken? What are the impacts on other Services or projects? | |
| None. This may require the Council to liaise the Surrey Archaeology | |
| 11. What general approach will be taken to deliver? | |
| The project will be managed inhouse via the Council's Civil Engineering Contract. | |
| 12. When and why must the work/project start? | |
| ASAP but could be delayed to 24/25 | |
| 13a. What does Waverley/Guildford currently do to provide this service? | |
| N/A | |
| 13b. What discussion has been had with Waverley/Guildford about this mandate? | |
| None | |
| 13c. What opportunities are there for savings through the collaboration? | |
| None | |
| 13. What stakeholders will need to be involved? | |

| | | | |
|--|--------------------------|--------------------------|-------------------------|
| Local ward councillors | | | |
| 14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? | | | |
| The investigatory work will be undertaken by GBC Engineers and Council's Civil Engineering contractor providing the physical works. | | | |
| 15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years. | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
| 2023/24 | £5,000 or defer to 24/25 | | |
| 2024/25 | £15,000 | | |
| 2025/26 | | | |
| 2026/27 | | | |
| 2027/28 | | | |
| 16. For projects, what are the potential resource costs to progress to the next stage/gate? | | | |
| Estimate of 20 hours of GBC Engineers time. | | | |
| 17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks | | | |
| Issue – None | | | |
| Assumptions – That funding for this work will be made available. | | | |
| Dependencies – Involvement of Surrey Archaeology may delay the works. | | | |
| Constraints – Involvement of Surrey Archaeology may delay the works. | | | |
| Opportunities – Make the area available to the Public. | | | |
| Risks – The structure may collapse. | | | |

Mandate Proposal – Guildford Bus Station – Repairs and Resurfacing

Author: Marieke van der Reijden

1. Introduction and background:

The Council is responsible for the concrete surface deck and drainage at Guildford Bus Station, which is located adjacent to and partly above the Friary Centre. The deck surfacing and drainage have failed, which is allowing water ingress through the concrete deck into the basement car park and electrical substation below. During heavy downpours the basement car park and substation flood, causing a health and safety risk as well as making the basement unusable. The car park is used by several companies and the Council is being pursued by the freeholder owner beneath the deck to remedy the issue as a matter of urgency.

The North St Development project includes for an upgrade and refurbishment of Guildford Bus Station in around 2-3 years' time. When these works take place, the Council will have an opportunity to undertake long-term infrastructure repair works to the surface of the bus station. These long-term maintenance repairs were known to the Council at the time the bus station land title transferred to Council ownership in 2020 when the risks were highlighted as part of the negotiations and decision to proceed.

2. Why should a project be started, or a growth bid be considered now?

Works have been undertaken over the past 2 years by the Assets and Property team to resolve the immediate issue of water leaking through the bus station concrete deck; this included drainage clearance alongside repairs to the movement joints in the concrete deck undertaken by M&G, the owner of the freeholder interest in land beneath the deck. Unfortunately, whilst these repairs helped mitigate the flooding, the leaks remain an issue and further works are required. These works are required as a matter of urgency.

A complete resurfacing of the bus station is also required for long term protection of the deck and column structure underneath.

3. What is the good idea or problem to be solved?

Preliminary investigation and immediate works are required. Assets and Property are applying for £12,000 to be made immediately available to facilitate the appointment of an external consultant(s) to undertake a full survey and provide a report to diagnose the cause(s) of the water ingress and the immediate works required to resolve the matter.

The appointed consultant will also be asked to provide cost estimates for the proposed works to facilitate a total resurfacing project.

There are currently no arrangements in place to deal with this matter. As the bus station was inherited in this state, there have been no actions undertaken to date that adequately satisfy addressing the issue at hand.

4. What will be delivered? What are the success criteria? What is the purpose of the project?

The capital bid will provide funds to appoint a consultant(s) to produce a report into what the major causes of the disrepair and produce all required documentation to allow the Council to procure a contractor to undertake short term repair works. It is likely the appointed consultant(s) will also be asked to manage the project.

Their work will inform the progression of a detailed project to resurface the deck and any remedial actions required to the infrastructure. This will inform the Council of the expected costs, extent of repair work required, any additional consents that might be required, and the timescales involved. This, in turn, will enable the Council to liaise with the North St Developer to synchronise the timings for the long-term surface repair works with when the developer closes the bus station to undertake their refurbishment. The benefit of synchronising the works means only having to close the bus station once and possibility of negotiating a share of the costs attached to temporary relocation of the bus stops and stopping up of the highway.

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| <p>Key deliverables include:</p> <ul style="list-style-type: none"> • Short term – avoiding disputes or insurance claims for damage to the freeholder’s interest beneath the bus station. • Long term – contribution to the overall desire of the North St project to have a newly refurbished bus station for the benefit of the public using or transferring through the bus station • Safeguarding the Council’s asset by stopping the water ingress damaging the reinforced concrete structure. |
| 5. What is in scope and what is out of scope? |
| The investigation into the water leaks and damage to the bus station deck and underground car park beneath, paying for short term repairs, and resurfacing for the long term. |
| What priority, corporate objective or strategy is fulfilled by this project? |
| The proposed work does not specifically fulfil a corporate objective or strategy. It does, however, resolve a potential health and safety concern. It also contributes to the Homes and Jobs corporate priority including: <ul style="list-style-type: none"> • Revive Guildford town centre to unlock its full potential. • Support high quality development of strategic sites. |
| 6. List desired benefits (Non-financial) |
| Long term – contribution to the overall desire of the North St project to have a newly refurbished bus station for the benefit of the public using or transferring through the bus station. |
| 7. IT Project Requirements (Ensure you consider links to Business World and Salesforce) |
| N/A |
| 8. What are the strategic options available to GBC to deliver a solution? |
| <ol style="list-style-type: none"> 1. Do nothing – do not invest in bus station and risk the deterioration that would result from that decision. 2. Do minimum – only undertake the short-term repairs to resolve immediate concerns and risk further deterioration that will lead to a more costly resurfacing later. 3. Do more – act proactively and undertake the necessary investigation being prepared for the likelihood that short term repairs will be required followed by substantial resurfacing later for protection of this asset into the long term. <p>Officers recommend option 3, considered strategically and reputationally advantageous.</p> |
| 9. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service |
| <p>Dawn Hudd – Joint Strategic Director – Place Marieke van der Reijden – Executive Head of Service for Assets & Property Cllr Richard Lucas – Lead Member for Assets and Property</p> |
| 10. What impact assessments have been undertaken? What are the impacts on other Services or projects? |
| None. This will require the Council to liaise and work closely with the North St Developer to ensure the long-term resurfacing works are delivered at the same time as their bus station refurbishment works. |
| 11. What general approach will be taken to deliver? |
| The project will be managed inhouse but delivered via outsourced external consultancy support. |
| 12. When and why must the work/project start? |
| <p>From April 2024 (the start of the next financial year) so that the Council can protect itself from a deteriorating asset that could lead to insurance claims in the future. Works are deemed essential; during the last heavy downpour the basement electrical substation flooded, and the electricity supply company, UKPN, were called-out to undertake an emergency inspection.</p> <p>Undertaking the detailed work now will also assist in being prepared for the resurfacing works to be prepared well in advance of the North St Development refurbishment of the bus station thereby avoiding as best we can the potential consequences of any delays.</p> |
| 13a. What does Waverley/Guildford currently do to provide this service? |

| N/A | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|------------------|---------|--|--|--|---------|--------|--|--|---------|--|--|--|---------|---------|--|--|---------|--|--|--|
| 13b. What discussion has been had with Waverley/Guildford about this mandate? | | | | | | | | | | | | | | | | | | | | | | | | |
| N/A | | | | | | | | | | | | | | | | | | | | | | | | |
| 13c. What opportunities are there for savings through the collaboration? | | | | | | | | | | | | | | | | | | | | | | | | |
| N/A | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. What stakeholders will need to be involved? | | | | | | | | | | | | | | | | | | | | | | | | |
| <ul style="list-style-type: none"> • Freehold owner of land beneath the bus station • Bus operators • North St Developer • Highways Authority • Corporate Programmes | | | | | | | | | | | | | | | | | | | | | | | | |
| 14. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>The investigatory work will be undertaken by an external, specialist consultant and any physical works will be designed and managed by them. The responsibility for the corporate running of the short-term project will be the Assets and Property service. The resurfacing works may end up being run by Corporate Programme Service.</p> <p>Input required from Procurement to assist with tendering for the work.</p> <p>Input required from Legal in connection with arranging access equipment permits and for putting the necessary works contracts in place.</p> <p>An external CDM coordinator required to oversee compliance with the Construction (Design and Management) Regulations 2015.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| 15. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years. | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Year</th> <th>Capital Total (£)</th> <th>Revenue Total (£)</th> <th>Income Total (£)</th> </tr> </thead> <tbody> <tr> <td>2023/24</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2024/25</td> <td>50,000</td> <td></td> <td></td> </tr> <tr> <td>2025/26</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2026/27</td> <td>500,000</td> <td></td> <td></td> </tr> <tr> <td>2027/28</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> | Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | 2023/24 | | | | 2024/25 | 50,000 | | | 2025/26 | | | | 2026/27 | 500,000 | | | 2027/28 | | | |
| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) | | | | | | | | | | | | | | | | | | | | | |
| 2023/24 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024/25 | 50,000 | | | | | | | | | | | | | | | | | | | | | | | |
| 2025/26 | | | | | | | | | | | | | | | | | | | | | | | | |
| 2026/27 | 500,000 | | | | | | | | | | | | | | | | | | | | | | | |
| 2027/28 | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. For projects, what are the potential resource costs to progress to the next stage/gate? | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Subject to financial approval, the first stage of the project is to obtain consultancy advice from Structural/Drainage Engineer and Building Surveyor to determine what the likely source of the issues is and the deterioration that requires a short-term repair; this exercise is estimated to be in the region of £12-15K.</p> <p>The next stage will be to design the repair works and seek the necessary approvals to enable the work to proceed. For that we will require officer time together with some input from the external consultants. We are not clear on what those costs will be but anticipate they will need doing in the short-term and this makes up the remainder of the £50K for 2024-25.</p> | | | | | | | | | | | | | | | | | | | | | | | | |

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| 17. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks |
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| <p>Issue – There is an issue that the Assets and Property service currently does not have a senior building surveyor or engineer in post. This could lead to delays in procuring the external consultants to get going asap.</p> |
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| <p>The works are reliant on being able to gain access to the structure part of which is the responsibility of the landowner beneath the bus station. The complex nature of the repair makes it impractical to undertake this work easily and we will have to gain agreement for access from the landowner beneath the deck as well as the bus operators whilst undertaking any repair work within an operating bus station.</p> |
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| <p>Assumptions – There is an assumption that permission to access the site will be forthcoming from the adjacent landowners, and that funding for this work will be made available.</p> |
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| <p>Dependencies – The project will depend on the successful liaison with the adjoining landowner to coordinate the long-term resurfacing project with the refurbishment of the bus station, that is, the willingness of the North St Developer to work in tandem.</p> |
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| <p>Constraints – The constrained nature of the site makes the work more difficult to implement because of the enclosed space underneath the structure and the exposed nature of the working areas above ground. Plus, this work could be weather dependent. Significant wind or rain will have a detrimental impact on the ability to complete the work and it is for this reason that it must be undertaken during the summer and autumn months.</p> |
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| <p>Opportunities – There is an opportunity to create a resurfaced and refurbished bus station for the benefit of the users and those who traverse the site contributing to good public realm.</p> |
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| <p>Risks – The strategic risks associated with the successful delivery of the project beyond those normally attributed to construction work are:</p> |
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| <ul style="list-style-type: none"> • The bus station surface and infrastructure beneath may deteriorate to the point that it becomes unsafe. Whilst we consider this to be unlikely in the short term, this could arise, and so investigatory works area required asap, and we would implement temporary measures should the need arise. • It is difficult to determine the exact extent of the works required until it is possible to closely assess all areas of issue. This is mitigated by allowances in this proposal for investigatory works to be done asap. • The work is very susceptible to interfering with the operation of the adjoining landowner's car park beneath the deck and the bus operation above. This would be mitigated by setting up joint meetings to communicate and inform, plus good project management. |
|---|

| Mandate Proposal |
|---|
| Author: |
| 1. Introduction and background: |
| Leak at Stoke cemetery |
| 2. Why should a project be started, or a growth bid be considered now? |
| Health and Safety issues both in terms of walking hazard but also leakage through cemetery grave spaces. |
| 3. What is the good idea or problem to be solved? |
| A section of the cemetery is waterlogged affecting graves and main pedestrian footpath. Our engineers have come up with a draft proposal to divert water to a pre-existing drain. This needs to be approved by the environmental agency. The engineers need a topographic survey to inform their proposal for the application to the EA and the application also needs to be accompanied by a tiered site assessment. The project is to solve the H and S issues this leak presents in this section of the cemetery. What are the success criteria? What is the purpose of the project? |
| Purpose is to solve the water leak issues in this section of the cemetery. |
| What is in scope and what is out of scope? |
| N/A |
| What priority, corporate objective or strategy is fulfilled by this project? |
| N/A |
| 4. List desired benefits (non-financial) |
| H and S |
| 5. IT Project Requirements (Ensure you consider links to Business World and Salesforce) |
| N/A |
| 6. What are the strategic options available to GBC to deliver a solution? |
| n/a |
| 7. Who is the Director (SRO) and Executive Head and portfolio Holder (Lead Cllr) who will lead and direct the project and use the products in live service |
| AR CW James Potter |
| 8. What impact assessments have been undertaken? What are the impacts on other Services or projects? |
| n/a |
| 9. What general approach will be taken to deliver? |
| EH have confirmed no resource to assist so consultants will manage the application to the environment agency and complete the tiered assessment. |
| 10. When and why must the work/project start? |
| 24/25 as operational issues limit where we can store waste at present. |
| 13a. What does Waverley/Guildford currently do to provide this service? |
| Waverly contract out waste disposal – guildford inhouse but this particular waste is all taken away in roro's at present. |
| 13b. What discussion has been had with Waverley/Guildford about this mandate? |
| Nil |
| 13c. What opportunities are there for savings through the collaboration? |
| Nil |
| 11. What stakeholders will need to be involved? |
| Nil |
| 12. What resources (internal and external) are needed to consider this mandate and to develop the business case or progress this request? |
| Bereaved service lead, engineering team – external consultants for tiered assessment and application and any correspondence with the environment agency. |

13. What are your best estimates for the Whole Life Costs of this request or investment proposed? Split by capital, revenue and income stream/savings for this and future years.

| Year | Capital Total (£) | Revenue Total (£) | Income Total (£) |
|---------|-------------------|-------------------|------------------|
| 2023/24 | 20k | | |
| 2024/25 | 80k | Nil | Nil |
| 2025/26 | | | |
| 2026/27 | | | |
| 2027/28 | | | |

14. For projects, what are the potential resource costs to progress to the next stage/gate?

Nil

15. What are the strategic Issues, Assumptions, Constraints, Dependencies, Opportunities, Risks

Issue – There is an issue that

Nil

Assumptions – There is an assumption that...

Environmental Agency will accept proposal from engineers

Dependencies – There is a dependency on...

Resource if engineers and bereavement service

Constraints – A constraint is...

Opportunities – There is an opportunity to...

Risks – There is a risk that...

Guildford Borough Council

Report to: Joint EAB

Date: 11 January 2024

Ward(s) affected: All

Report of Director: Community Wellbeing and Transformation & Governance

Author: Vicky Worsfold

Tel: 01483 444834

Email: Your email @guildford.gov.uk

Lead Councillor responsible: Julia McShane and Richard Lucas

Tel: Councillors phone number

Email: Councillors email @guildford.gov.uk

Report Status: Open

Housing Revenue Account (HRA) Budget 2024/25

1. Executive Summary

The Council owns and manages over 5,200 Council Houses which it rents to tenants who qualify for social housing or for which it holds the freehold. The Housing Revenue Account (HRA) is the ring-fenced account within which the Council records the income and expenditure for its operations as landlord to its residents and for the day-to-day management, repairs and maintenance of the council housing stock. This report outlines the proposed Housing Revenue Account (HRA) budget for 2024/25, which has been built on the estimates and assumptions in the updated 2023 HRA Business Plan. The Business Plan has been reviewed to reflect changes in relevant legislation and guidance, along with consideration of the Council's declaration of a Climate Emergency and the ongoing challenges of the wider operating environment.

The Direction on the Rent Standard 2019 required the Regulator of Social Housing to set a rent standard for social housing which came into effect from 2020, which would have been CPI +1% from the preceding September rate, this equates to 7.7% and is the recommended rent increase for the year. This rate is to also apply to those in Shared ownership.

A 5% increase in garage rents is proposed which is in line with the wider Council policy on fees and charges.

The report includes overall details of the proposed investment programme for the properties that are managed within the HRA, additional details of this work are set out within the Capital and Investment Strategy which is to be considered separately on this agenda.

The HRA annual budget and HRA business plan assumes that any surpluses on the HRA are used to invest in redevelopment and upgrading of the existing stock, invest in new build affordable housing to be retained and rented by the Council within the HRA and then if there is sufficient monies available, the repayment of debt taken on under HRA self-financing.

The 30-year business plan, presented to committee as part of the budget papers in January 2023 shows that there are sufficient resources within the HRA to carry out the Council's investment plans as well as repay the debt over the 30-year business plan period and still leave a healthy reserve balance at the end of the 30 years for further investment not yet identified. There are further expected investment needs that are to be fully developed in order to meet carbon targets and expected regulatory changes, and work on these continues and they are not currently fully reflected within the current plan, but they will be considered in future reviews.

2. Recommendation to Executive/ Committee/ Council

The Executive is asked to recommend:

That the Council approves:

- 2.1. the proposed HRA revenue budget for 2024/25, as set out in **Appendix 1** to this report.
- 2.2. That a rent increase of 7.7%, be implemented.
- 2.3. That the fees and charges for HRA services for 2024/25, as set out in **Appendix 2** to this report, be approved.
- 2.4. That a 5% increase be applied to garage rents which is in line with the wider Council policy on fees and charges.

3. Reason(s) for Recommendation:

- 3.1. To enable the Council to set the rent charges for HRA property and associated fees and charges, along with authorising the necessary expenditure to implement a budget, this is consistent with the objectives outlined in the HRA Business Plan

4. Exemption from publication

- 4.1. No

5. Purpose of Report

- 5.1. This report provides a position statement on the 2024/25 draft budget and makes recommendations to the Council on the Housing Revenue Account (HRA) revenue budget. Details of the HRA capital programme are set out within the Capital and Investment Strategy, which is to be considered separately on this agenda.

6. Strategic Priorities

- 6.1. The HRA Budget reflects the Council's vision, as set out within the 2021-2025 Corporate Plan, to support residents to have access to the homes and jobs they need by providing and facilitating housing that people can afford, helping to protect our environment and empowering communities and supporting people who need help.

7. Background

- 7.1. The ongoing regime of self-financing arrangements introduced in 2012, empowers the Council to optimise its resources in management of its social housing services. The Housing Revenue Account Business Plan sets the framework upon which the revenue budget and proposed Housing Investment Programme are prepared.

Budget and Business Plan Priorities

- 7.2. The budget and Business Plan have been prepared having consideration to 4 main themes:
 - A safe place to live – Investment in our housing stock to meet and exceed fire and building safety standards including new fire

detection and protection works, upgrading and replacing electrical installations, new fire doors, replacing lifts,

- Environmental and Energy Efficiency – Improving energy efficiency with new doors, windows, insulation, heating and hot water systems. Rolling out a programme of environmental improvements to our estates and communities including landscaping, parking with increased inspection and investment,
- Availability and suitability – Proving a range of housing that helps meet the needs of the community, including supported and sheltered housing, additional homes through regeneration, purchase and development,
- Customer Service and Accessibility – Improving choices, information and communication with residents, with enhanced contact handling, monitoring and feedback. Targeted support for vulnerable tenants, specifically those struggling with maintaining their tenancies, hoarding, debt and benefits. Expanding opportunities for residents to influence and be involved in services through widening opportunities for feedback and engagement for more tenants.

7.3. These priorities have been developed having consideration to the Governments White paper, changes in the regulatory and legal framework within which the service operates, and the Council's overall objectives.

The HRA Business Plan

7.4. The objective of the Business Plan is to optimise HRA resources to ensure quality, suitable accommodation for residents, stock growth and to transfer surpluses to the various reserves for future investment in pursuance of its business. It is not limited to management of the housing stock, but also wider issues such as community development and improving the environment.

7.5. The Business Plan not only concentrates on the financial related strategy and objectives, but also the service priorities of the Council's

Landlord function to its tenants and leaseholders. The longer-term perspective is crucial to ensure that the service and its primary assets, the housing stock, are fit for purpose for the whole period of the plan and beyond.

- 7.6. The Plan is based on stock condition data and the regulatory framework in which the council operates as a social landlord. It also considers the Governments white paper “The Charter for Social Housing Residents” which sets out key areas of service and involvement that every social housing tenant should expect.
- 7.7. The proposed changes will strengthen existing services and will support the Council in improving the safety and quality of our homes, improve local communities and to create increased opportunities for residents to become involved. It also looks to enhance the communal areas, open and green spaces within the estate.
- 7.8. The Council has declared a Climate Emergency and it is essential that we continue to develop and improve our housing and services to meet the targets that the Council has set, and this budget builds on existing work by increasing investment to increase energy efficiency whilst also looking to reduce carbon emissions.

Potential pressures

- 7.9. Nationally since the self-financing arrangements were established the economic and fiscal environment has been generally favourable to the HRA. This has however changed dramatically with the combined impact of the Pandemic, the war in Ukraine, increases in energy costs, increasing safety requirements, the current cost of living crisis, the increased levels of inflation, coupled with increased inflation rates. Together these and other factors have created unprecedented pressures, risks and uncertainty that impact upon the Councils ability to undertake medium term financial planning, particularly when the planning horizon for the HRA Business Plan is 30 years.
- 7.10. These factors combined with the Councils continued aspirations for its housing stock and its management have been taken into consideration when setting the HRA Budget 2024/25 and the HRA Business Plan.

- 7.11. The council does not operate as a commercial landlord with clear obligations and duties as a social landlord, this means that many of our residents are supported by other agencies and organisations. As a result of this wider pressures on social and healthcare services mean that residents are experiencing challenges in accessing services, and some provision has become difficult to access. As a result, the complexity and cost of managing tenancies and providing services is seeing continued pressure as we are forced to deal with situations we are less well equipped to manage.
- 7.12. The economic situation continues to have an impact and despite government support, there is an increased demand for social housing, which puts pressure on our limited resources and time in responding to this new demand.
- 7.13. Following the tragic events at Grenfell, the Government has rightly continued to focus on the health and safety of residents and has introduced new legislation and guidance in a range of areas. To ensure compliance with new legislation and guidance the Council is undertaking its widest ranging programme of works to improve the health and safety of residents that will exceed current statutory requirements. To achieve this will require a continued investment in the capital programme for major works to the existing stock, with work covering fire safety and precautions delivered in partnership with Surrey Fire and Rescue.
- 7.14. The funding framework available to meet the cost of supported housing remains fragile. In 2023/24 we received just £207,761 in Supporting People Grant funding.
- 7.15. The Council's duties to provide support and assistance with housing to residents is resulting in an ongoing rise in the number of households at risk. Many of those at greatest risk, not only have housing issues but also have a range of complex needs. Together they are placing greater demands on the Housing Service that in turn flows through to the teams managing our properties and their residents.
- 7.16. The wider social housing sector continues to become increasingly commercial. Some housing associations are focusing on minimising

risk by being selective as to who they house, and they are also moving to rents that are higher than those charged by the Council despite their large portfolio of properties. The Council is fortunate to have retained its stock, which gives us greater flexibility in helping those in housing need. It does, however, create a cost pressure.

- 7.17. Shared ownership properties enable residents to join the home ownership ladder, but for some the reality is that they are unable to staircase (acquire further equity shares) or move to a larger property as their household grows. Expanding this stock is not currently a priority for the Business Plan; however, this will be revisited when the opportunity arises to develop larger sites. In such cases, shared ownership in most cases will contribute to the overall viability of large developments and does assist many households in meeting their housing need.
- 7.18. The estimates, consistent with the Business Plan, continue to attach a lower priority to the repayment of debt principal inherited as part of the self-financing HRA settlement, reflecting the Council's determination to provide new additional affordable homes and increase the investment in housing stock.
- 7.19. The last few years have presented unique challenges for managing our housing stock and as a result we have been unable to undertake all of the work that we would have expected to the homes we manage. This budget continues with the work started last year to help redress that issue.

8. 2024/25 revenue and capital programme budget

- 8.1. The 2024/25 budgets have been prepared having regard to the recent policy announcements and the impact they might have. At the same time, we are conscious of various cost pressures along with the implications of our debt financing profile.
- 8.2. The Capital and Investment Strategy (separate item on the agenda) sets out the approved and provisional HRA capital programme along with a financing strategy (HRA Resources). The programme reflects

the latest information we have on the condition of the stock and the developing asset management framework for our housing stock.

8.3. In preparing the HRA revenue budget, officers continue strategies undertaken in previous years to ensure we provide value for money for our residents. In particular:

- We will continue to evaluate all staff posts that fall vacant to determine whether it is appropriate to recruit to the role or whether an alternative approach could be considered,
- Increasing use of IT, remote working, and virtual meetings continues where appropriate, and are delivering benefits for the service,
- The Allpay system and mobile payment App has being useful, particularly with remote working, in our drive for rent collection,
- Rent collection analytics technology has helped colleagues focus and manage rent collection,
- Introduction of new technologies such as Salesforce and the Choice Based lettings system as part of our Future Guildford Programme continues to deliver service efficiencies and benefits to tenants,
- As part of the ICT and Digital change programme for the Council, officers will look to upgrade or replace systems that deal with housing and asset management over the medium-term period.

Budget assumptions

8.4. The total HRA debt stands at £167 million. It is projected that the interest charge for 2024/25 will be £5.35 million. No provision is included in the budget for the repayment of debt during 2024/25 in line with the overall HRA business plan strategy that building homes rather than debt repayment is the priority.

8.5. The revenue budget for 2024/25 is predicated around a number of key assumptions. The most important of which are set out in the table below.

| Item | Assumption |
|---|--|
| Opening stock - Units of Accommodation | 5,243 |
| HRA external borrowing | £157 million |
| September CPI % | 6.7% |
| Recommended Rent increase CPI + 1% | 7.7% |
| Actual Rent Increase + 1% | 7.7% |
| Garage income increase | 5.0% |
| Bad debt provision 2024-25 2% | £693,077 |
| Void / empty homes rate | 4.7% |
| Service charge increases | Linked to contractual arrangement with suppliers |
| Housing units lost through Right to Buy (RTB) | 25 per annum |
| Retained receipts | Held in reserves |
| HRA ring fence | Policy of strong ring fence continues |
| Debt repayment | No provision made for the repayment of debt |
| Operating balance | £2.5 million |

8.6. The proposed budget set out in Appendix 1 is based on a 52-week rent year.

8.7. Rents will increase by 7.7%, which is in line with the government guidance in 2024/25.

Summary of Revenue Account Budget 2024/25

8.8. The table below summarises the proposed 2024/25 revenue budget, which reflects our current Treasury Management Strategy – in effect an interest only mortgage rather than a repayment mortgage. The timing of debt repayment will largely be a treasury management decision aligned to the overarching objectives of the HRA Business Plan.

| | | |
|---|---------------|-----|
| Gross Expenditure alternatively analysed as: | £'000 | |
| Direct cost of managing and maintaining the stock | 15,729 | 51% |
| Depreciation | 6,500 | 21% |
| Other | 3,375 | 11% |
| Interest payable | 5,359 | 17% |
| Transfer to reserves (surplus) | 7,816 | |
| Total expenditure | 38,779 | |
| Received from: | £'000 | |
| Council house rents | 34,840 | 90% |
| Interest receivable | 606 | 2% |
| Other rent income | 1,352 | 3% |
| Fees, charges and miscellaneous income | 1,981 | 5% |
| Total income | 38,779 | |

8.9. Based on the assumptions as contained in paragraph 8.5 and as summarised in the table above it is estimated that the HRA will have an operating surplus of £7.816 million for 2024/25 which is reflected in the tables above by the proposed transfer to reserves. The reserves will be used to fund the capital programme for major repairs and investment in existing stock as well as the development of new build housing.

8.10. Spend on managing and maintaining the stock equates to 51% of the expenditure incurred in the HRA, 21% depreciation which is put aside for future works to properties and 17% for interest costs.

Expenditure

8.11. Expenditure details are set out within Appendix 1, but additional information and background is set out below.

8.12. **General Management:** Budgeted expenditure on delivering continuing HRA services has increased on the previous year's budget, reflecting growth in services in response to the Government's Housing White paper and changes in the regulatory and legal framework. A number of key areas and initiatives have been identified such as:

- Increased support for vulnerable tenants to help maintain their tenancies and to co-ordinate the service's safeguarding role for those households at risk,
- Increased support to work with tenants and partners in dealing with and preventing increasingly complex anti-social and criminal behaviour,
- Increased support for the number of households who continue to move to Universal Credit and to support tenants to avoid rent arrears whilst increasing rent collection, including Discretionary Housing Benefit top up,
- Broaden opportunities for resident engagement and involvement,

- Increase in capacity to ensure compliance with evolving regulatory and compliance framework,
- Improving choices, information, and communication with residents, with enhanced contact handling, monitoring and feedback,
- Expanded building safety and compliance roles to meet current and planned legislative and regulatory changes,
- Improve estate management with improvements to landscaping, paved and communal areas,
- Increase in capacity to deliver both additional housing and also the redevelopment of existing properties.

8.13. **Repairs and maintenance:** This budget covers a wide range of work including minor adaptations, day to day repairs across all housing types along with cyclical works.

8.14. **Interest payable:** The whole portfolio is at a fixed rate from PWLB, with varying maturity dates. The table below sets out our current loan portfolio with a bullet payment option or renegotiate at the end of their various terms. The total differs by the assumption as there is £10 million maturing in March where it hasn't been decided if it will be rolled over or not as yet.

| Maturity timeframe | Principal amount | Proportion |
|--------------------|------------------|------------|
| Less than 10 years | £110,000,000 | 66% |
| 10-15 years | £25,000,000 | 15% |
| 15-20 years | £32,435,000 | 19% |
| Total | £167,435,000 | 100% |

8.15. **Depreciation:** To safeguard future rental streams, we need to ensure our properties and assets are adequately maintained. This will involve the replacement of ageing components at the appropriate time. In order to do so, it is important that we set aside adequate funds each year to meet future liabilities.

8.16. The depreciation charge is one of the key mechanisms we use to do this. The proposed 2024/25 charge represents, in officers' view, a realistic amount having regard to the outcome of the stock condition survey. A charge of £6.5 million is considered both appropriate and affordable.

Income

8.17. The Secretary of State made a Direction on 25 February 2019 under powers set out within section 197 of the Housing and Regeneration Act 2008 which required the regulator of Social Housing to set a new Rent Standard for social housing including that owned and managed by local authorities with effect from 1 April 2020.

8.18. This framework meant that as a landlord the Council would be able to increase rents by CPI +1 and the Business Plan was developed having reference to this. The increase for 2024/25 is therefore 7.7%.

8.19. For those in shared the is the Council is proposing to increase by 7.7% in line with the general needs rent.

8.20. Currently just over 60% of Council tenants are in receipt of either Housing Benefit or Universal Credit the majority will have their rent covered in full by these benefits, whilst just under 40% may have had their income assessed and will not be eligible for any assistance as their income will have been considered sufficient to be able to meet their housing costs. For those eligible the proposed increase will have the additional cost covered by their benefits.

8.21. c92% of tenants are on social rents and the average expected change to their weekly rent on average will be £9.57. Based on the proposed 7.7% rent increase this will give an estimated income of £34.4 million for the coming year.

8.22. Arrears levels for Council housing are generally low with about 1% in arrears which is well below levels in most social housing. This would indicate that for most households their rents remain affordable. The majority of arrears cases are associated with households who have moved to Universal Credit, and they make up more than 65% of arrears although again in most instances these arrears are at relatively low levels of arrears with just 15 accounts with arrears in excess of £2,000.

8.23. A provision for bad debt charge of £693,077 is included in the estimates. This charge will remain under review, but it is considered appropriate - it represents 2% of the annual tenanted income.

Right to Buy

8.24. RTB activity remained steady during 2023/24, and the Council has in place a formal agreement with the Government regarding the use of the capital receipts arising from the sale of Right to Buy properties.

8.25. The table below outlines activity as at December 2023:

| Activity | Number |
|------------------------------------|--------|
| Properties sold since 1 April 2023 | 16 |
| Applications being processed | 30 |

8.26. Under the agreement receipts will be accounted for annually rather than quarterly and the Council is able to fund up to 40% of additional social housing from the receipts. The time limit for using the funds is now 5 years. However, going forward a limit has been introduced for buying existing properties on the open market and this is being phased in over a 3-year period. Whilst up to 40% of the cost of a development can be financed from this source - we must finance the balance from capital receipts or other sources including reserves accruing from the appropriation of revenue account surpluses. Our current development plan fully commits the one-for-one retained receipts we

have accumulated to date. The ambition remains to utilise the receipts we are anticipating in future years.

8.27. On current levels of activity, we project a loss of units to be in the region of 15-25 units per year. Our new build and property acquisition programme is helping mitigate the impact of the ongoing right-to-buy programme, but it is unfortunate there are, to date no proposals to amend the scheme in order to prevent the ongoing loss of much needed social housing in the area.

8.28. Sales has three negative impacts. It:

- reduces the number of affordable homes,
- removes the long-term positive contribution each property makes to our operating costs,
- increases the unit costs of managing and maintaining properties. Invariably tenants buy the better properties.

HRA capital programme and reserves

8.29. Full details of the Capital Programme are set out within the Council's Capital and Investment Strategy which is to be considered separately on this agenda. This strategy and the Business Plan are based around four strands which are:

- replacing ageing components such as roofs and kitchens,
- improving and enhancing existing properties – for example, installing double glazing,
- stock rationalisation – Replace or redeveloping properties,
- expansion – the provision of new additional affordable homes.

8.30. Key issues that have been considered as part of the overall development of the budget have included changing wider economic position, continuing to work through the impact of Covid and the suspension of capital programmes etc. In order to continue to meet targets for these planned programmes we continue with the catch-up

work which was started in the last financial year in order to ensure we remain on track with maintaining existing homes.

- 8.31. In addition to these areas and with additional background and detail being provided within the Capital and Investment Strategy we continue to invest in properties to ensuring the safety of residents and this approach is now being influenced by the new and developing fire and building safety legislation, guidance, and good practice.
- 8.32. The Council has developed its approach to ensure ongoing compliance with the changing requirements and relevant standards and all Fire Risk Assessments have been reviewed and the new work plan that has resulted from this will continue to be delivered through this programme. The risk assessments reflect both changing legislation and good practice that has developed and continues to develop over the last few years.
- 8.33. This investment represents the Councils continued commitment to ensure that the homes that the Council manages meet not only the legislative requirements but also reflect good practice in ensuring the health and safety of residents.
- 8.34. The Council continues with its programme of delivering additional affordable homes with full details of the proposed programme again set out within the Capital and Investment Strategy.
- 8.35. Our investment in improving the energy efficiency of properties continues with new heating systems, low energy lighting, insulation and new door and windows. Whilst provision has been included to improve the energy efficiency new technology continues to be developed, in many instances the cost of this technology remains high although it is reducing.
- 8.36. In order to reduce carbon emissions and improve energy efficiency work is underway to develop a programme of work that will allow the Council to move towards to meeting its targets in coming years but also having consideration to expected predicted cost and the availability of suitable technology. Once completed this work will then be integrated into the future HRA Business Plan. This is however a

complex and challenging area, and there is no one size fits all, national research by the Building Research Establishment estimates that it will cost between £3,000 and £70,000 to make a property zero carbon, with an average of more than £20,000 needed for each property. Whilst some provision has been made within the plan the way in which targets will be met and the cost of this work has yet to be established. In addition to which there is a need to consider the impact of such a wide-ranging plan on residents.

8.37. The funding sources that will enable us to deliver the expanded capital programme are as follows:

- HRA rental stream,
- Capital receipts generated from the disposal of HRA assets including land and right to buy sales,
- HRA reserves,
- HRA borrowing.

8.38. The HRA has built up significant revenue reserves and, at 31 March 2024, are estimated to be in the region of £71 million. These can be used for specific HRA related purposes. It is proposed that these reserves are set aside to support the major repairs and improvements and new build programme as set out within the Capital and Investment Strategy and also in anticipation of future requirements. The HRA also has usable capital receipts, generated from the sale of HRA land and housing assets.

8.39. The table below shows the available reserves that can support the HRA Business Plan. The contribution into the reserve for future capital programmes is maintained.

| Year ended | Future capital | Major repairs | New build | Total reserves | Capital receipts | 141 | Debt | Total capital receipts | Total resources |
|------------|----------------|---------------|-----------|----------------|------------------|-------|-------|------------------------|-----------------|
| 2022/23 | 32,609 | 6,426 | 66,068 | 105,103 | 0 | 6,182 | 5,859 | 12,041 | 117,144 |
| 2023/24 | 18,775 | 0 | 69,632 | 88,407 | 300 | 7,638 | 6,004 | 13,942 | 102,349 |
| 2024/25 | 20,325 | 0 | 66,690 | 87,015 | 156 | 2,870 | 6,856 | 9,882 | 96,897 |

8.40. The business plan is most sensitive to the following assumptions:

- income trends
- legislative changes
- inflation rates
- cost of debt
- capital investment
- right-to-buy sales
- Covid-19

8.41. The current development programme can be financed, and debt repaid over the course of the 30-year Business Plan. At the end of the 30-year period the plan shows there will still be substantial reserves available for further investment and also to support the Councils net zero target and new build on plans which have yet to be developed. The ability to identify further plans will be reliant on the availability of land to be released for such purposes under the provisions of the Local Plan.

8.42. Right to buy receipts are being applied to current and proposed new build schemes to minimise the risk of repayment of such receipts. This will enable the retention of future one-for-one receipts, with a reduced risk of repayment, pending the identification of new sites¹.

8.43. A combination of usable one-for-one receipts, and the new build reserve will be used to fund a number of schemes on the approved

¹ The Council has entered into an agreement with the Secretary of State whereby it is allowed to retain an element of the capital receipts that it receives from Right to Buy sales. Under the terms of the agreement these receipts must be used to finance up to 40% of the cost of replacement social housing within five years, otherwise the retained receipts must be repaid to the Department for Levelling Up, Housing and Communities with interest.

capital programme. Where appropriate, investment will be supplemented by appropriate borrowing.

- 8.44. **Development Projects:** An update of our current development projects shall be provided during the year.
- 8.45. **Existing housing stock:** Based on an analysis of our stock condition data, as outlined above and within the Capital and Investment Strategy the budget reflects the proposed investment programme.

Robustness of the Budget and Adequacy of Reserves

- 8.46. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of the budget and adequacy of the proposed financial reserves.
- 8.47. Paragraph 7.2 above details the assumptions used in the preparation of the 2024/25 budget.
- 8.48. Staffing costs have been included based on the Full Time Equivalent (FTEs) included in the approved establishment of 77.5.
- 8.49. Throughout the budget process, the Corporate Management Board, the Leader and relevant lead councillors have been involved in what is considered to be a deliverable budget.
- 8.50. A prudent assessment of income has been made and only income that has a high level of certainty of being received is included within the budget. The 2024/25 budget includes a bad debt provision of £693,077. This provision reflects the economic climate and continuing welfare reform changes. The level of operating balance remains unchanged at £2.5 million.
- 8.51. Service level risk assessments have been undertaken for both existing major areas of the budget and mitigating actions have been taken and monitored in the course of the year.
- 8.52. The overarching HRA business plan reflects the changing financial environment in which it needs to operate and to ensure the business plan remains fit for purpose. The HRA will continue to need to balance

tenants' needs and expectations in the context of its financial situation.

8.53. The housing related reserves are adequately funded and are projected to be around £76 million as at April 2024. The HRA reserves shall be engaged on value adding expenditure to maintain earnings growth and business stability.

9. Consultations

9.1. The Council remains committed to working cooperatively with Council tenants and leaseholders to shape, strengthen and improve council housing services and sets out a range of options to enable housing customers to be involved.

9.2. All tenants will be notified of changes to their rent and service charges in February/March 2024.

10. Key Risks

10.1. These have been detailed above throughout the report.

11. Financial Implications

11.1. These have been detailed above throughout the report.

12. Legal Implications

12.1. The HRA is a separate account that all local authorities with housing stock are required to maintain. This account contains all transactions relating to local authority owned housing. The Local Government and Housing Act 1989 prohibits the Council operating its HRA at a deficit. The proposed balanced budget meets this obligation.

12.2. Notices of any increase in rent have to be sent to tenants 28 days in advance of the new charges coming into effect.

13. Human Resource Implications

13.1. The decision to review and where necessary to freeze or delete vacant posts is outlined within the report and where appropriate additional roles are set out within the report and all relevant decisions and

actions will be undertaken in line with the appropriate Council HR policies and procedures.

14. Equality and Diversity Implications

14.1. None

15. Climate Change/Sustainability Implications

15.1. Whilst there are no direct implications as a result of this report, the expenditure on both the revenue and capital programmes could have implications

16. Executive Advisory Board comments

16.1. To follow after meeting

17. Summary of Options

17.1. Government guidance is to increase rents by CPI+1% which equates to 7.7% for 2024/25. Officers are proposing to increase rents by this maximum allowed amount. Any reaction would impact the amount that can be invested in the stock in future.

17.2. Garage rents are assumed to increase in line with the rest of the Council's fees and charges at 5%.

18. Conclusion

18.1. The HRA is expected to make a smaller surplus than in previous years, but still healthy, at £7.8 million to continue to invest in the existing and new stock in future years, taking into account a rent increase of 7.7% (CPI+1%) and 5% on garages.

19. Background Papers

19.1. 2023/24 HRA budget report

20. Appendices

20.1. Appendix 1: HRA budget summary

20.2. Appendix 2: Fees and Charges for 2024/25

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| k) Lead Councillor | l) |
| m) CMB | n) |
| o) Executive Liaison/briefing | p) |
| q) Committee Services | r) |

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HOUSING REVENUE ACCOUNT 2024-25 - BUDGET SUMMARY

| 2021-22 Actual | 2022-23 Actual | Analysis | 2023-24 Budget | 2023-24 Outturn | 2024-25 Budget |
|---------------------|---------------------|--|---------------------|---------------------|---------------------|
| £ | £ | Borough Housing Services | £ | £ | £ |
| 431,546 | 407,429 | Income Collection | 677,841 | 556,425 | 564,609 |
| 1,244,466 | 1,736,797 | Tenants Services | 2,390,850 | 2,414,135 | 2,530,190 |
| 67,476 | 56,430 | Tenant Participation | 171,820 | 46,515 | 103,727 |
| 79,189 | 84,393 | Garage Management | 104,797 | 43,241 | 43,262 |
| 18,966 | 65,572 | Elderly Persons Dwellings | 48,921 | 56,634 | 56,620 |
| 199,554 | 727,770 | Flats Communal Services | 502,274 | 435,464 | 452,755 |
| 393,447 | 441,066 | Environmental Works to Estates | 457,768 | 210,658 | 235,660 |
| 5,530,155 | 8,268,621 | Responsive & Planned Maintenance | 6,684,239 | 8,084,486 | 8,145,844 |
| 55,203 | 56,217 | SOCH & Equity Share Administration | 170,376 | 137,348 | 174,564 |
| 8,020,003 | 11,844,295 | | 11,208,886 | 11,984,906 | 12,307,231 |
| | | Strategic Housing Services | | | |
| 577,389 | 553,300 | Advice, Registers & Tenant Selection | 765,223 | 745,569 | 659,850 |
| 129,916 | 129,314 | Void Property Management & Lettings | 250,661 | 225,230 | 165,997 |
| 0 | 0 | Homelessness Hostels | 5,383 | 0 | 0 |
| 159,055 | 491,451 | Supported Housing Management | 172,513 | 652,800 | 700,201 |
| 342,194 | 389,122 | Strategic Support to the HRA | 625,443 | 803,730 | 637,967 |
| 1,208,553 | 1,563,188 | | 1,819,223 | 2,427,329 | 2,164,016 |
| | | Community Services | | | |
| 777,493 | 1,346,084 | Sheltered Housing | 852,211 | 1,171,528 | 1,256,844 |
| 5,864,693 | 6,426,918 | Depreciation | 5,864,700 | 6,500,000 | 6,500,000 |
| 227,460 | 164,562 | Debt Management | 158,711 | 5,000 | 5,000 |
| 1,012,234 | 1,012,970 | Other Items | 1,857,527 | 1,431,831 | 1,857,550 |
| 17,110,437 | 22,358,017 | Total Expenditure | 21,761,258 | 23,520,594 | 24,090,641 |
| (33,770,256) | (34,331,118) | Income | (36,654,316) | (37,161,033) | (38,173,474) |
| (16,659,819) | (11,973,101) | Net Cost of Services(per inc & exp a/c) | (14,893,058) | (13,640,438) | (14,082,832) |
| 297,990 | 110,510 | HRA Share of CDC | 1,437,930 | 1,437,930 | 1,437,930 |
| (16,361,829) | (11,862,591) | Net Cost of HRA Services | (13,455,128) | (12,202,508) | (12,644,902) |
| (105,900) | (1,106,929) | Investment Income | (1,593,180) | (1,936,479) | (605,570) |
| 4,879,544 | 4,799,307 | Interest Payable | 4,751,225 | 5,035,839 | 5,359,000 |
| (11,588,186) | (8,170,212) | Deficit for Year on HRA Services | (10,297,083) | (9,103,148) | (7,891,472) |
| (136,260) | (118,077) | Tfr (from)/to CAA re: REFCUS | 75,000 | 75,000 | 75,000 |
| 2,500,000 | 2,500,000 | Contrib to (Use of) RFFC | 2,500,000 | 2,500,000 | 2,500,000 |
| 8,610,880 | 5,548,936 | Contrib to/(Use of) New Build Reserve | 7,722,083 | 6,528,148 | 5,316,472 |
| (510,826) | (397,814) | Tfr (from)/to Pension Reserve | 0 | 0 | 0 |
| (26,824) | (14,722) | Tfr (from)/to Intangible Assets | 0 | 0 | 0 |
| 1,154,479 | 648,720 | Tfr (from)/to CAA re: Revaluation | 0 | 0 | 0 |
| (3,263) | 3,169 | Tfr (from)/to CAA re: Rev. Inc from Sale of Asset | 0 | 0 | 0 |
| (0) | 0 | HRA Balance | 0 | (0) | (0) |
| (2,500,000) | (2,500,000) | Balance Brought Forward | (2,500,000) | (2,500,000) | (2,500,000) |
| (2,500,000) | (2,500,000) | Balance Carried Forward | (2,500,000) | (2,500,000) | (2,500,000) |
| 2021-22 Actual | 2022-23 Actual | Analysis | 2023-24 Budget | 2023-24 Outturn | 2024-25 Budget |
| £ | £ | Borough Housing Services | £ | £ | £ |
| (31,250,805) | (31,778,074) | Rent Income - Dwellings | (33,057,124) | (33,861,600) | (34,840,420) |
| (270,185) | 177,433 | Rent Income - Rosebery Hsg Assoc. | (73,324) | (53,000) | (53,000) |
| (462,651) | (331,083) | Rents - Shops, Buildings etc | (505,138) | (400,000) | (400,000) |
| (711,642) | (698,550) | Rents - Garages | (793,388) | (675,000) | (899,174) |
| (32,695,283) | (32,630,274) | Total Rent Income | (34,428,974) | (34,989,600) | (36,192,594) |
| (104,859) | (177,111) | Supporting People Grant | (224,237) | (207,761) | (300,000) |
| (1,051,985) | (1,086,043) | Service Charges | (1,224,421) | (1,215,000) | (1,215,000) |
| (2,596) | (12,446) | Legal Fees Recovered | 50 | (3,000) | (3,000) |
| 665,173 | (875) | Service Charges Recovered | (277,256) | (434,480) | (431,710) |
| (580,706) | (424,370) | Miscellaneous Income | (499,478) | (311,192) | (31,170) |
| (33,770,256) | (34,331,118) | Total Income | (36,654,316) | (37,161,033) | (38,173,474) |

Housing Revenue Account - Fees and Charges 2024-2025

| | | 2023-24 £ From 1 April 2023 | Change % | 2024-25 £ From 1 April 2024 | Change % |
|--|-------------------------|--------------------------------------|-------------|--------------------------------------|-------------|
| To be approved by Council | | | | | |
| Sheltered Units | | | | | |
| <u>Function Room Hire</u> | | | | | |
| Voluntary /Charity Organisations (per hour) | | 16.11 | 3.0% | 17.00 | 5.5% |
| Voluntary /Charity Organisations (per day) | | 79.94 | 3.0% | 84.00 | 5.1% |
| Education/Social Services (per hour) | | 19.12 | 3.0% | 21.00 | 9.9% |
| Education/Social Services (per day) | | 119.33 | 3.0% | 126.00 | 5.6% |
| Social/Private Hire (per hour) | | 24.04 | 3.0% | 26.00 | 8.2% |
| Social/Private Hire (per day) | | 128.31 | 3.0% | 135.00 | 5.2% |
| <u>Service charge (per week):</u> | | | | | |
| Dray Court | <i>Based on Actuals</i> | 70.27 | 3.0% | 78.05 | 11.1% |
| Japonica Court | <i>Based on Actuals</i> | 80.49 | 3.0% | 88.26 | 9.7% |
| St Martha's Court | <i>Based on Actuals</i> | 73.86 | 3.0% | 80.31 | 8.7% |
| Millmead Court | <i>Based on Actuals</i> | 66.81 | 3.0% | 73.50 | 10.0% |
| St Martin's Court | <i>Based on Actuals</i> | 77.68 | 3.0% | 102.18 | 31.5% |
| Tarragon Court | <i>Based on Actuals</i> | 69.03 | 3.0% | 76.91 | 11.4% |
| Friary House (61 flats) | | | | | |
| <i>Heating, Electricity, Cleaning, Caretaking and Security Services (per week)</i> | <i>Based on Actuals</i> | 17.00 | | 26.89 | 58.2% |
| Garages (on Housing Estates) (VAT is applied at the standard rate on private lets only) | | | | | |
| High demand area (non residents) (per week) | | 22.13 | 3.0% | 23.24 | 5.0% |
| High demand area (per week) | | 13.46 | 3.0% | 14.13 | 5.0% |
| Elsewhere (per week) | | 11.06 | 3.0% | 11.61 | 5.0% |
| Castle Cliffe | | | | | |
| Gas and Electricity Charges (per week) | <i>Based on Actuals</i> | 26.06 | | 39.47 | 51.5% |
| Malthouse Court | | | | | |
| Gas and Electricity Charges (per week) | <i>Based on Actuals</i> | 14.71 | | 28.44 | 93.3% |
| Pound Court | | | | | |
| Electricity; Grounds Maintenance (per week) | <i>Based on Actuals</i> | 4.45 | | 4.83 | 8.5% |
| Flats | | | | | |
| <u>Where cleaning provided to communal areas:</u> | | | | | |
| Sandmore (Laundry and Communal Facilities, per week) | | 5.02 | 3.0% | 8.65 | 72.4% |
| Decorating charge (<i>Note: charge is per room</i>) (per week) | | 1.84 | 3.0% | 1.90 | 3.1% |
| Supported Housing | | | | | |
| <u>Service charge per week:</u> | | | | | |
| William Swayne House: | <i>Based on Actuals</i> | | | | |
| - Self Contained bedsits | <i>Based on Actuals</i> | 130.76 | 3.0% | 142.46 | 8.9% |
| - Self Contained flat | <i>Based on Actuals</i> | 133.49 | 3.0% | 144.54 | 8.3% |
| William Swayne Place | <i>Based on Actuals</i> | 49.66 | 3.0% | 51.15 | 3.0% |
| Dene Road | <i>Based on Actuals</i> | 82.26 | 3.0% | 85.54 | 4.0% |
| 79 York Road | <i>Based on Actuals</i> | 49.49 | 3.0% | 51.05 | 3.2% |
| Caxtons | <i>Based on Actuals</i> | 65.88 | 3.0% | 72.95 | 10.7% |
| Dene Court | <i>Based on Actuals</i> | 91.39 | 3.0% | 94.13 | 3.0% |
| Sold Flats Service Charges - Solicitors' Enquiry | | | | | |
| Sales/purchases | | 160.41 | 3.0% | 169.00 | 5.4% |
| Remortgages | | 82.49 | 3.0% | 87.00 | 5.5% |
| Sold Flats Service Charge Management Fee | | 209.77 | 3.0% | 221.00 | 5.4% |
| Consent Fees | | | | | |
| Consent - Application in Advance | | 124.57 | 3.0% | 130.80 | 5.0% |
| Consent - Retrospective Application | | 212.71 | 3.0% | 223.34 | 5.0% |