

10 JANUARY 2022

JOINT EXECUTIVE ADVISORY BOARD

10 January 2022

- * Councillor Ruth Brothwell (Chairman)
- * Councillor Angela Goodwin (Vice-Chairman)

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| Councillor Paul Abbey | * Councillor Bob McShee |
| * Councillor Jon Askew | * Councillor Masuk Miah |
| * Councillor Christopher Barrass | * Councillor Ramsey Nagaty |
| Councillor Richard Billington | * Councillor George Potter |
| * Councillor Dennis Booth | * Councillor Jo Randall |
| * Councillor Colin Cross | * Councillor Tony Rooth |
| Councillor Graham Eyre | * Councillor Will Salmon |
| * Councillor Andrew Gomm | * Councillor Pauline Searle |
| * Councillor Angela Gunning | * Councillor Fiona White |
| * Councillor Steven Lee | * Councillor Catherine Young |
| * Councillor Ann McShee | |

* Present

Councillors Tim Anderson, Julia McShane, John Redpath and John Rigg were also in attendance.

44 ELECTION OF CHAIRMAN FOR THE MEETING

The Joint Executive Advisory Board (EAB)

RESOLVED

that Councillor Ruth Brothwell be elected as Chairman for this meeting.

45 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Paul Abbey and Graham Eyre. There were no substitutions.

46 LOCAL CODE OF CONDUCT AND NOTIFICATION OF DISCLOSABLE PECUNIARY INTERESTS

Having declared a pecuniary interest in agenda item 7 (Mandate Proposal to Upgrade or Replace Housing Management and Asset Software Management Systems) as his employer was a provider of software associated with the submission of bids to provide the upgrade of replacement of the Council's systems, Councillor George Potter left the meeting for the duration of the discussion of this item. There were no other declarations of disclosable pecuniary or non-pecuniary interests.

47 MINUTES

The minutes of the meeting of the Joint EAB held on 11 November 2021 were confirmed as a correct record, and would be signed by the Chairman at the earliest opportunity.

48 HOUSING REVENUE ACCOUNT BUDGET 2022-23

A report outlining the proposed Housing Revenue Account (HRA) budget for 2022-23 was before the Joint Executive Advisory Board (EAB) for consideration at its meeting held on 10 January 2022.

10 JANUARY 2022

Following introductions by the Resources Director and Head of Housing, the Joint EAB considered the report and the ensuing points arose from related questions, comments and discussion for forwarding to the Executive:

1. Some concern was expressed in relation to the comment in paragraph 5.5 of the report that the wider social housing sector was becoming increasingly commercial moving towards market rental levels. However, the Council's stock remained designated as social housing. Approximately 97% of Council tenants were charged rent at social rent levels whilst the remainder paid affordable rent levels or were in a shared ownership arrangement. Therefore the majority of Council rents were considerably lower than those charged by most housing associations, which limited the Council's cashflow opportunities. For those tenants in receipt of Housing Benefit, rent payments were covered up to the affordable level in accordance with the current Government framework. There were no indications that this framework was likely to be amended in the near future.
2. In terms of building cladding, fire risk assessments had been undertaken in respect of the Council's entire housing stock following the Grenfell tragedy and the findings indicated that there was no cause for concern in this area as none of the stock was cladded with the type of cladding utilised at Grenfell Tower. A recommendation arising from the Grenfell inquiry had been to review the manner in which fire risk assessments were undertaken resulting in the identification of new approaches and the issue of updated guidance. The Council was therefore embarking on a fresh programme of assessments in line with this guidance. This was one evolving area where the requirement for additional expenditure to remedy identified issues was anticipated and this had been factored into the budget.
3. As the Government had not changed its stance in relation to the Right to Buy scheme, this initiative was continuing. Where the Council sold residential units under this scheme, it received capital receipts and was working to ensure that the receipts were spent to enable new replacement properties to be added to its stock.
4. Fees, Charges and Miscellaneous income predominantly related to service charges and rents associated with a number of HRA investment properties in the Council's ownership. Outstanding appendices would be added to the report when it was finalised and the amount of additional income referred to in paragraph 7.4 would be rounded to £2.7 million.
5. There was currently no certainty with regard to the timescale for the full scale transition of recipients from Housing Benefit to Universal Credit. Where tenants had transferred to date, they had been in receipt of advice and support from the Council and other agencies to assist with the process, which was particularly necessary in the case of vulnerable tenants. The success of this was reflected in the low level of rent arrears, currently 1%, in the Borough compared to arrears of 5-6% experienced by most social landlords. Although the Council took all possible steps to avoid evictions, occasionally tenants made poor money management decisions resulting in the accumulation of rent arrears. Under these circumstances, it was necessary to follow the social landlord protocol before considering court action. Ultimately, the decision to end a tenancy was made by a judge.
6. The proposed investment of £24.5 million in the Council's housing stock to secure improvements in quality, energy efficiencies linked to climate change, and safety by reducing anti-social behaviour (A-SB) was welcomed.
7. Meeting the Climate Emergency target which the Council had set in respect of energy efficiency to achieve net zero carbon by 2030 was a challenge and ahead of the national target set by Government for social landlords to achieve net zero carbon by 2050. Although much of the technology required to achieve this goal remained under development and few related products had reached the market, there was an early opportunity to install some ground source heat pumps where home design and layout allowed. However, as the cost of installing a pump was £9-10,000 compared to a price

10 JANUARY 2022

of £2,500-£3,000 to install a more traditional boiler, more of the latter were currently being provided in the housing stock over the next 12 months. These boilers were amongst the most energy efficient models available and were able to operate using alternative fuels such as hydrogen. There were also moves to increase insulation and overall energy efficiency in the housing stock including low energy lighting installations and roofing work. In instances of condensation, residents would be advised as how to tackle this.

8. Fire safety work was also being undertaken and the fire doors being installed were fully compliant with current standards and with developments expected to come forward with new legislation later in the year. The doors featured closers and intumescent strips which expanded when hot to seal them. Fire alarm systems were also being upgraded and included enhanced corresponding magnetic door controls. Improvements in the information available to the Fire and Rescue Service were being pursued to inform it of alarm systems and CCTV coverage in the event of fires occurring. The Service was also made aware of tenants' disabilities / mobility issues.
9. With regard to A-SB, the Council was looking to work with colleagues across a number of agencies in order to identify where such behaviour could be addressed through measures including building design, improved lighting, parking arrangements and landscaping. Proposals would be funded from the Capital Programme and were informed by direct interface with tenants and feedback from the Residents' Group. Such consultation would continue.
10. The nature of the Council's role as a supplier of social housing included providing homes to vulnerable tenants and supporting them in their tenancies to assist them to lead successful and fruitful lives, with the benefit of a wide ranging support package involving other agencies to address needs.
11. The importance of communications to tenants was highlighted to make them aware of the proposed rent increases, with reassurance that these would be covered by benefits in many cases, and of the Council's proposed investment in its housing stock to increase safety, and energy efficiency in the interests of climate change.

49 CAPITAL AND INVESTMENT STRATEGY 2022-23 TO 2025-26

The Joint Executive Advisory Board (EAB) was invited to consider this report regarding the Capital and Investment Strategy 2022-23 to 2025-26 at its meeting held on 10 January 2022.

The Lead Specialist - Finance introduced the report and sought comments from the Joint EAB in respect of the capital bids outlined within the appendices to the report. The following points arose from related questions, comments and discussion relating to the bids for forwarding to the Executive:

Guildford Economic Regeneration (GER) Programme

This programme, which consisted of the delivery of a proactive strategy incorporating a master plan for the comprehensive economic and physical regeneration of Guildford town centre, involved expenditure in the region of £3 million over a two year period. In response to some expressed concern, the Joint EAB was assured that full consultation would be undertaken in respect of each element of this long term scheme, such as flooding, transportation, and delivery of homes. Early work was likely to involve flood remediation measures. Once the current work in this regard had been progressed to a sufficient stage with evidence of the intention to pursue the programme, available grants would be applied for to provide the necessary funding.

Stoke Park Paddling Pool

10 JANUARY 2022

This bid sought capital funding to replace the Stoke Park paddling pool rubber crumb surface during April 2022 to enable the paddling pool to be operated for the next season and beyond. Full support was expressed for the safe and hygienic continuation of this service which was highly valued by many families. A query as to whether the service would be open from the commencement of the season for use of the pool would be referred back to relevant officers for a response.

Albury Closed Burial Grounds

There was a statutory obligation and health and safety reasons to maintain the heritage boundary wall of the closed burial ground at the old parish church of St Peter and St Paul, Albury. Whilst these were recognised, some concern regarding the related level of expenditure, involving the engagement of specialist architects, was expressed in the light of the Council's Savings Strategy. It was confirmed that the burial ground was closed to new burials and not to visitors of the existing burials. Queries around the timing of the bid to undertake the maintenance work and the estimated cost of the wall repairs could be referred to relevant officers for a response and explanation of the amount of the budget bid.

Chilworth Gunpowder Mills

Recent renovation and repair work at the Gunpowder Mills had led to the discovery of a significant defect with a stone culvert and spillway beneath the main access path into the site. The possibility of temporarily or permanently closing this site was suggested in reflection of the Council's financial constraints which limited its ability to address the related health and safety liability which would render the Council culpable in the event of any injuries. Councillors were reminded of the outcome of the recent public consultation which had indicated that investment in respect of the Borough's heritage was the lowest priority for residents. However, owing to the numerous points of access to the site, it was not possible to close it to the public and therefore the investment in securing health and safety measures was considered unavoidable. The historic artefacts at the site were felt to be incidental to visitors to the site who were mainly walkers.

Fleet Replacement Programme

Whilst acknowledging the environmental benefits of replacing fleet vehicles with new electric models that contributed to climate change targets, the possibility of delaying the replacement of refuse vehicles was raised in view of the significant purchase cost of £2.5 million.

The Joint EAB was advised that the Fleet Team historically operated on the basis of a rolling programme of vehicle replacement and it was unfortunate that vehicles due for replacing in the next financial were costly refuse lorries. It was suggested that the Council did not need to continue the rolling programme and should consider alternatives such as retaining vehicles for longer and adopting a maintenance plan to extend their life. Although new vehicles would be less costly to maintain, their value depreciated rapidly. There was also the question of what style and power source of refuse vehicles would be required in the future as refuse and recycling circumstances changed and it was suggested that further research should be undertaken prior to expending funds in respect of vehicle purchases.

One councillor was of an opposing view and advised that this process aimed to earmark a capital provision which did not necessitate the expenditure of funds if the exacting tests were not met. As environmental circumstances and technologies were constantly changing, it was difficult to identify a correct time to purchase new vehicles. Although the Council's financial pressures lay in its Revenue Account and new vehicle purchases would be funded from the Capital Programme, the expenditure of capital would have revenue implications. Any borrowing would not be sought until the Council had fully established its borrowing

10 JANUARY 2022

needs. It was recognised that there was a market in respect of second hand reconditioned refuse vehicles which was possibly an economic alternative to purchasing new vehicles.

Another factor was whether this Council continued an in-house waste and recycling collection service or formed a closer collaboration in this area with Waverley Borough Council which operated an outsourced approach. However, it was advised that it would be approximately six years before Waverley's contract expired and there was doubt that this Council's current refuse vehicles could be operated for that length of time without replacement.

The Lead Councillor assured the Joint EAB that, in order for expenditure of this amount to be approved, challenges and rigorous justification tests would be undertaken. The Joint EAB thanked the Lead Councillor for his assurances and confirmed the need for more research, understanding and rigorous testing prior to any expenditure commitment being made.

YMCA Lighting

The present lighting at the YMCA steps was poor and the Joint EAB indicated its support for this proposal to improve the lighting on health and safety and public access grounds.

Millmead House Lifts

The present lifts at New Millmead House, which with some past upgrading were in the region of 40 years old, were failing and in need of further upgrade. Under the Equalities Act, the Council was required to provide safe and reliable lifts. The Board questioned whether it would be possible to continue without upgrading the existing lifts for a further period of time to delay incurring the significant associated costs, particularly in view of the number of staff currently working from home and the resulting diminished use of the lifts.

The Board was advised that the Council was obliged to ensure that disabled people were not disadvantaged by inoperable lifts. Also, as the Council was actively seeking to lease office floorspace to new tenants as a form of income, malfunctioning lifts were not a feasible option. These factors were acknowledged by the Joint EAB and it was suggested that communications with the public should stress that, whilst the Council was seeking to avoid unnecessary expenditure, investment in some projects such as this was required.

Yorkies Bridge Lighting

Yorkies Bridge and the approaches to it were currently lit by poor and constantly failing lighting. Therefore this bid to improve the lighting at Yorkies Bridge, which was heavily used by students and local residents, was supported and would be appreciated by users.

Memorial Wall

This mandate sought a capital bid to complete a Memorial wall and garden, landscaping, and associated ground works at Guildford Crematorium. Whilst the Joint EAB was reluctant to endorse this level of spending in respect of memorial facilities, it supported the bid to avoid the distress that may be caused to bereaved people in the absence of such facilities.

Cemetery Tarmacing

Funding to undertake tarmacing and curbing in two cemeteries, namely, The Mount and Stoke Cemetery, was sought. This bid was supported in the interests of health and safety, meeting statutory obligations and improving the journey for loved ones travelling to the cemeteries.

Castle Multi-Storey Car Park / Car Park Lighting

It was hoped that maintenance repairs to the architectural 'turrets' on each corner of the above Car Park structure and car parking lighting schemes relating to Castle, York Road, Leapale Road and Farnham Road Car Parks could be funded from the Car Park Maintenance Reserve, and possibly from Salix Government funding in the case of the latter.

The same officer would pursue all the lighting schemes to achieve a co-ordinated approach in the interests of efficiency in the event that the related bids were approved. It was not anticipated that Surrey County Council would be in a position to contribute funding towards the lighting projects and would only provide and maintain street lighting for new residential developments.

HRA Maintenance Programme

Councillors noted the details of the HRA Maintenance Programme, which totalled £24.5 million to be funded from HRA resources, and that the Table in Appendix 15 to the report would be updated to reflect additional funds for development projects to be added.

The Joint EAB's comments in respect of the bids would be added to the report and the Board indicated its support for the recommendations to the Executive and Council contained in the report, including the deletion of some named schemes from the Capital Programme.

50 MANDATE PROPOSAL TO UPGRADE OR REPLACE HOUSING MANAGEMENT AND ASSET SOFTWARE MANAGEMENT SYSTEMS

Having declared a Disclosable Pecuniary Interest in respect of this item under agenda item number 3 (Local Code of Conduct and Notification of Disclosable Pecuniary Interests) earlier in the meeting, Councillor George Potter left the meeting at this point and did not return.

The Head of Housing introduced the proposal advising that the mandate had been developed around the replacement of the ICT system currently utilised for managing the Council's housing stock of approximately 5,200 properties. The existing system consisted of two elements, namely, Orchard, the current and main Housing Management System which had been operated by the Council for more than 20 years, and Keystone, which was utilised in tandem with Orchard as the Housing Property Asset Management System. This mandate covered both systems which worked independently of each other.

Both systems were internally hosted and currently resided on the old Guildford network and prior to any upgrade or replacement, a lift and shift to the new network was planned by the ICT Team as part of the ICT Refresh Programme within the next 3 to 4 months.

Orchard and Keystone were approaching the end of their useful life and the providers would no longer support or update them which posed a problem for the internal hosting. Although a short-term solution would be to transfer the systems to the new Council network, a support issue relating to the retirement of the products remained as the provider of Keystone had retired the product and introduced Cx Asset management to replace it.

This situation presented a need to move to a new modern system that fitted with the corporate direction of cloud first and could provide all functionality in one system, including interfaces with existing systems such as Business World and Salesforce. Having been considered by the Corporate Management Team, the ICT Digital Board and the Executive / Management Team Liaison Group for comment, this proposal was now before the Joint EAB for support in progressing work to upgrade or replace the systems as part of the ICT forward

10 JANUARY 2022

plan for the next financial year and inclusion in the ICT Capital programme. The proposal would be funded by the Housing Revenue Account.

The strategic options available to the Council to deliver a solution were:

Option 1 – Pursue a new combined Solution Procurement exercise to progress with successful change of systems and either replace with a new combined housing and asset system or undertake a full upgrade of both existing systems with innovative solutions.

Option 2 - Upgrade the Orchard system in the short term, the Keystone system to Cx Asset management and both onto the new network. Although this was an upgrade only, it would require data clean-up data and information, and further updates / upgrades which would make ready the system in preparation for any future procurement exercise to update the system later.

Option 3 – Do nothing leading to unsupported and obsolete systems and processes without compliance with GDPR regulation or procurement guidance.

Therefore, based on consideration of the information available, Option 1 was recommended as the Option to be progressed.

In response to a councillor's query regarding the alignment of the proposed ICT systems with others within the Council, the Joint EAB was advised that it was the intention to introduce a system which interfaced with a range of other systems, including those of the Council and its contractors, in areas including gas, electricity and property repair and maintenance. This would enable the transfer of data and information between systems to provide a single integrated approach.

Whilst the Joint EAB did not express any particular view regarding the options contained in the mandate, it was generally supportive of the proposal to move towards a new modern integrated system.

The meeting finished at 9:09 pm

Signed Date
Chairman