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Contact: Andrea Carr
Committee Services
01483 444058

16 June 2021

Dear Councillor

Your attendance is requested at a remote meeting of the **JOINT EXECUTIVE ADVISORY BOARD** to be held on **THURSDAY 24 JUNE 2021 at 7:00 pm**. The meeting can be accessed remotely via Microsoft Teams.

If for any reason Councillors lose their wi-fi connectivity to the meeting and are unable to re-join using the link in the Outlook or Teams calendars invitation, please re-join using the telephone number 020 3855 4748. You will be prompted to input a conference ID: 130 324 720#

Yours faithfully

James Whiteman
Managing Director

MEMBERS OF THE EXECUTIVE ADVISORY BOARD

Councillor Paul Abbey
Councillor Jon Askew
Councillor Christopher Barrass
Councillor Richard Billington
Councillor Dennis Booth
Councillor Ruth Brothwell
Councillor Graham Eyre
Councillor Andrew Gomm
Councillor Angela Goodwin
Councillor Angela Gunning
Councillor Diana Jones
Councillor Steven Lee

Councillor Ann McShee
Councillor Bob McShee
Councillor Masuk Miah
Councillor Ramsey Nagaty
Councillor George Potter
Councillor Jo Randall
Councillor Maddy Redpath
Councillor Tony Rooth
Councillor Will Salmon
Councillor Pauline Searle
Councillor Fiona White
Councillor Catherine Young

Authorised Substitute Members:

Councillor David Bilbé
Councillor Chris Blow
Councillor Colin Cross
Councillor Guida Esteves
Councillor Gillian Harwood
Councillor Liz Hogger
Councillor Nigel Manning

Councillor Ted Mayne
Councillor Marsha Moseley
Councillor Susan Parker
Councillor Paul Spooner
Councillor Cait Taylor
Councillor James Walsh
Councillor Keith Witham

QUORUM: 5



WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

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THE COUNCIL'S STRATEGIC FRAMEWORK

Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

Three fundamental themes and nine strategic priorities that support our vision:

- | | |
|---------------------|--|
| Place-making | Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes |
| | Making travel in Guildford and across the borough easier |
| | Regenerating and improving Guildford town centre and other urban areas |
| Community | Supporting older, more vulnerable and less advantaged people in our community |
| | Protecting our environment |
| | Enhancing sporting, cultural, community, and recreational facilities |
| Innovation | Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need |
| | Creating smart places infrastructure across Guildford |
| | Using innovation, technology and new ways of working to improve value for money and efficiency in Council services |

Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

The information contained in the items on this agenda has been allowed into the public arena in a spirit of openness and transparency to gain broad input at an early stage. Some of the ideas and proposals placed before this Executive Advisory Board may be at the very earliest stage of consideration by the democratic decision-making processes of the Council and should not be considered, or commented on, as if they already represent either Council policy or its firm intentions on the issue under discussion.

The Executive Advisory Boards do not have any substantive decision-making powers and, as the name suggests, their purpose is to advise the Executive. The subject matter of the items on this agenda, therefore, is for discussion only at this stage and any recommendations are subject to further consideration or approval by the Executive, and are not necessarily in final form.

AGENDA

ITEM NO.

1 ELECTION OF CHAIRMAN FOR THE MEETING

2 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

3 LOCAL CODE OF CONDUCT AND NOTIFICATION OF DISCLOSABLE PECUNIARY INTERESTS

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any Disclosable Pecuniary Interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

4 MINUTES (Pages 5 - 8)

To confirm the minutes of the meeting of the Joint Executive Advisory Board held on 15 March 2021.

5 GUILDFORD AND WAVERLEY COLLABORATION MANDATE (Pages 9 - 18)

6 MANDATE TO REVIEW THE COUNCIL'S OPERATIONAL PROPERTY PORTFOLIO (Pages 19 - 32)

7 SAVINGS STRATEGY PROGRAMME MANDATE (Pages 33 - 48)

15 MARCH 2021

JOINT EXECUTIVE ADVISORY BOARD

15 March 2021

- * Councillor Angela Gunning (Chairman)
- * Councillor Angela Goodwin (Vice-Chairman)

- | | |
|----------------------------------|------------------------------|
| * Councillor Paul Abbey | * Councillor Bob McShee |
| * Councillor Jon Askew | * Councillor Masuk Miah |
| * Councillor Christopher Barrass | * Councillor Ramsey Nagaty |
| Councillor Dennis Booth | * Councillor George Potter |
| * Councillor Ruth Brothwell | * Councillor Jo Randall |
| Councillor Graham Eyre | * Councillor Maddy Redpath |
| * Councillor Andrew Gomm | * Councillor Will Salmon |
| * Councillor Diana Jones | * Councillor Pauline Searle |
| * Councillor Steven Lee | Councillor Fiona White |
| * Councillor Ann McShee | * Councillor Catherine Young |

* Present

Councillors Joss Bigmore, Jan Harwood, Julia McShane, John Rigg, Tony Rooth and Paul Spooner were also in attendance.

23 ELECTION OF CHAIRMAN FOR THE MEETING

The Joint Executive Advisory Board (EAB)

RESOLVED

that Councillor Angela Gunning be elected as Chairman for this meeting.

24 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

An apology for absence was received from Councillor Graham Eyre. There was not a substitution.

25 LOCAL CODE OF CONDUCT AND NOTIFICATION OF DISCLOSABLE PECUNIARY INTERESTS

There were no declarations of disclosable pecuniary or non-pecuniary interests.

26 MINUTES

The minutes of the meetings of the Joint EAB held on 7 January and 15 February, 2021, were confirmed as correct records, and would be signed by the Chairman at the earliest opportunity.

27 CORPORATE PLAN 2021-2025

The Joint EAB was invited to consider a skeleton of the draft Corporate Plan 2021-2025 which set out the Council's vision, mission, values and priorities. The Corporate Plan also outlined some suggested activities to implement the priorities, which would reflect the values, and measures to gauge the success of implementation. The key findings of a supporting consultation survey were also before the Joint EAB to assist with its deliberations.

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By way of elaboration, the Strategy and Communications Manager gave a presentation which provided the background to the preparation of the Corporate Plan and explained the draft priorities developed in January 2020, the public consultations undertaken in February / March 2020 and December 2020 / January 2021, the new draft priorities and the next steps.

The background to the preparation of the Corporate Plan consisted of a Councillor Workshop in respect of corporate priorities in November 2019, approval of draft priorities by the Executive in January 2020 and a public consultation (including a sample survey) in February / March 2020. Following the outbreak of the Coronavirus pandemic, the preparation of the Corporate Plan was delayed for 12 - 18 months, after which a public consultation regarding future spending priorities took place in December 2020 / January 2021 and new draft priorities were subsequently agreed by the Executive Liaison Group in March 2021.

Following the consultations, the following three new draft priorities were developed:

- Empowering Communities and Supporting People Who Need Help
- Residents Having Access to the Homes and Jobs They Need
- Protecting Our Environment

In terms of next steps, the comments of the Joint EAB would be considered by the Executive Liaison Group before further drafting of the Corporate Plan took place for recommendation to the Executive followed by adoption by the Council in May / June 2021. Subsequently, draft Themed Strategies, identifying actions to deliver against priorities and measure success, relating to Community, Regeneration and Economy, and Environment would be submitted to EABs for consideration prior to approval by the Executive.

The Leader of the Council confirmed that the Corporate Plan was at an early draft stage and welcomed all comments from the Joint EAB to assist with its development by identifying key corporate priorities.

The following points and views arose from related questions, comments and discussion:

1. Currently the corporate priorities were not ranked in any particular order and consideration may need to be given to their presentation in the Corporate Plan.
2. As the Council was involved in numerous projects and had limited funding available to pursue them, there needed to be a clear focus on priorities.
3. Improving the mental health of residents across the Borough was considered important, particularly following the impact of the Coronavirus pandemic. The Community Wellbeing Team was continuing its work to engage with residents and support them with mental health and wellbeing issues. Although the Overview and Scrutiny Committee had been considering the establishment of a Mental Health Task Group, there was uncertainty as to whether this would be progressing owing to a lack of membership and enquiries could be made of the Chairman or relevant officer to clarify.
4. A robust Corporate Plan review process was sought to monitor and evaluate implementation and to identify areas where additional work was required. To achieve this, the Corporate Plan should include a section relating to the delivery of priorities and the identification of success measures. In terms of outstanding actions from the previous Corporate Plan, relevant projects and programmes could be included in the new Corporate Plan or themed strategies. The Performance Management Framework was one element where reporting against implementation of priorities would occur.

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The Programme Governance arrangements were designed to offer a visible means of reporting on progress with delivery of projects and programmes.

5. The Corporate Plan Consultation 2020 (Appendix 1 to the report) had been undertaken in February / March 2020 by a reputable company (SMSR Research) with the necessary expertise utilising a standard methodology which was widely used. The process consisted of a telephone survey and an on-line consultation. The telephone survey featured a representative sample of 750 people across the Borough which offered a 95% confidence that the survey results represented the views of residents across all demographics to a tolerance of minus or plus 3%. The on-line part of the consultation, which had received 363 responses, offered the opportunity for additional residents to take part and express their views if they chose to and had attracted the involvement of more older people than younger people.
6. There was confidence that the consultation responses were up to date and relevant following the most recent public consultation, which took place in December 2020 / January 2021, in respect of future spending priorities as part of the 2021/22 budget consultation (Appendix 2 to the report).
7. One of the priorities to which consultation respondents attached the highest importance was the new priority of Protecting our Environment. It was felt that its sub-priority of encouraging residents and businesses to act in more environmentally sustainable ways should be expanded to include the word 'engage' in reflection of the need to actively encourage and engage with residents and businesses. It was also felt that the wording of this priority should be strengthened and extended in respect of protecting the environment, sustainability and climate change to increase robustness and any suggested changes to the wording from individual councillors or the Climate Change Board were welcomed. A further point was that protecting the environment should stretch to focus future building on brown field sites in order to protect green field sites and the Green Belt from development and the associated negative impacts on biodiversity, transport and air quality. Whilst improving air quality was recognised as a key area, it did not feature significantly in the Corporate Plan as there was a limited amount that the Council could deliver and achieve alone.
8. Although survey respondents indicated that whilst the Council's services were generally highly rated, trusting the Council and being listened to and understood by it were not as high. It was therefore considered that the Corporate Plan should reflect the importance of building public trust and understanding with a view to improving listening and responsiveness to residents' views and concerns in an honest and transparent manner.
9. References to Arts, Culture, Heritage and Tourism should be added to the Corporate Plan in reflection of the contribution they made to Guildford's attractiveness to residents and visitors.
10. In terms of the priority to provide and facilitate affordable housing, it was felt that the housing required by the people most in need in the Borough was social housing and other rented accommodation that was genuinely affordable and which should be distinguished from the Government's definition of 'affordable housing' and the wider interpretation of the expression. Therefore caution should be applied to the use of the word 'affordable' in relation to housing priorities in the Corporate Plan to avoid confusion.
11. Although the Council sought to deliver the most affordable housing possible, this was a costly aspiration which it may not be able to subsidise. There was also a question around the type of affordable housing provision to be pursued as the Housing Strategy was still to be developed.
12. With regard to timing, further drafting of the Corporate Plan was expected to take place following reporting of the Joint EAB's comments to the Executive Liaison Group,

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after which a draft version would be available in May / June 2021 and details would be fed into the Themed Strategies. A discussion between EAB Chairmen and relevant Lead Councillors / officers could be held to discuss the most appropriate manner to progress the Plan with further EAB input within the timescale.

The Joint EAB agreed that the above points should be submitted to the Executive Liaison Group for consideration.

The meeting finished at 8.16 pm

Signed

Date

Chairman

Guildford and Waverley Collaboration

10 May 2021 (Version 6)

Introduction

In 2020, Surrey County Council (SCC) announced that it intended to submit a case to central government for local government reorganisation in the county with the preferred approach being a single unitary council.

The leaders of the 11 district and borough councils each expressed views, with the consensus being that a single unitary model was not supported. It was agreed that the districts and boroughs would collectively explore additional models and options for local government in Surrey and KPMG was commissioned to support this work.

Arising from KPMG's report, the leaderships of both Guildford and Waverley Borough Councils recognised that there is a strong case for councils to work together more intensively than before. Continued reduced funding from central government has been compounded by the Covid pandemic to present both councils with a critical medium-term financial challenge. Closer partnership working could bring substantial financial benefits, whilst protecting public services and keeping them local.

The potential opportunities have been explored by the two councils in joint workshops for executive councillors supported by the Local Government Association (LGA). This mandate now sets out the options for future collaboration between Guildford and Waverley Borough Councils ranging from a merger, fully integrated staffing structure, shared services and/or joint officer posts.

Strategy

1. Why should a programme/project be started now?

Whilst Future Guildford is on course to deliver savings of around £8 million, our estimated budget gap over the period 2022-23 to 2025-26 is around £5.9 million. Therefore, we need to identify a range of savings opportunities to achieve a balanced budget in the medium term. Collaboration between Guildford and Waverley borough councils is one of three key strands of our savings strategy, together with reviews of discretionary services and our operational property.

2. What is the good idea, opportunity or problem to be solved?

To explore how much closer partnership working between the two councils can bring financial benefits at scale to ensure a sustainable future and protect valued local services.

3. What is the purpose of the programme/project and what outcomes or outputs will it deliver? List Success Criteria.

Success criteria include the scale of financial savings that can be achieved, more cost-effective delivery of services and new ways of working to maintain or enhance priority services. Reduced duplication, better economies of scale, more efficient ways of working and greater buying power.

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

Our Corporate Plan includes a strategic priority to use innovation, technology and new ways of working to improve value for money and efficiency in Council services. This specifically refers to developing options for alternative methods of delivery for relevant services, including joint working, shared services, trusts, mutuals and joint venture companies. In this case, joint procurement, property consolidation and integration of ICT systems would also provide opportunities. Given current financial pressures, collaboration with Waverley Borough Council is a vital part of delivering required efficiencies and maintaining quality of services.

Options Evaluation

5. What are the potential strategic options to deliver a solution?

1. **Do Nothing** – Continue as at present, with opportunities for joint working with Waverley being pursued on a limited, ad hoc basis. This will not deliver the financial savings required from this workstream and would require more substantial spending reductions elsewhere.
2. **Do Minimum** – Pursue opportunities for joint officer posts when vacancies arise. This alone will not deliver financial savings at the scale or pace required, but could form part of a wider strategic approach to closer collaboration.
3. **Do More (1)** – Review services, back-office functions and procurement opportunities on a case-by case basis and prepare business cases for selected projects to be implemented as shared services. This could deliver financial savings and more cost-effective delivery in selected service areas, but would not deliver savings at the scale or pace of more extensive collaboration.
4. **Do More (2)** – Establish a single corporate management team with one chief executive as a first step early in the process to progress the full integration of the officer teams in both councils into one. The objective would be to have one shared officer resource working for two separate democratic councils. After initial one-off costs, this could deliver significant financial savings at a faster pace.
5. **Do Most** – Full merger of Guildford and Waverley borough councils. This would deliver the greatest financial savings, but the need for approval by the Secretary of State could affect the pace. There would be some loss of democratic representation and accountability and this is not likely to be acceptable to councillors.

At its meeting on 4 May 2021, Corporate Management Team approved this mandate for submission to the Executive Liaison Group.

The Executive Liaison Group approved the mandate at its meeting on 5 May 2021 for submission to the EAB(s).

Considerations

6. Who is the lead Director, Service Manager and Portfolio Lead who will lead and direct the project and who will be managing/using the projects products once they are handed over?

James Whiteman (Managing Director) = Programme Director (SRO)

Claire Morris (Director of Resources)

Dawn Hudd (Director of Strategic Services) and Steve Benbough (Strategy and Communications Manager)

Joss Bigmore (Leader of the Council)

7. What impact assessments have been undertaken and what are the impacts on other Service Leaders and/or other programmes/projects?

We would need to screen any specific proposal to determine whether a full equality impact assessment is required.

8. What general approach will the project take to deliver?

The project would be delivered by the Strategy and Communications Manager as business as usual in consultation with the Corporate Management Team until such time as considerable change work was necessary.

9. When and why must the project start and finish?

The project has commenced with LGA facilitated joint workshops for executive members of both councils and briefing papers to all Councillors. A high level financial feasibility study is currently being scoped with completion expected in May/June and a final report at the end of June/early July.

The mandate is seeking views on options at this stage to inform the 2022/23 budget-setting process and to deliver savings as part of our savings strategy.

Resources

10. Which stakeholders are or need to be, involved in the project

Corporate Management Team
Leader of the Council
Executive and full Council
Waverley Borough Council
Staff

11. What specialist resources (internal and external) are needed to consider this mandate and develop a strategic outline business case?

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Internal Staffing – Legal, financial, procurement and human resources advice will be required to develop the business case. An inter-authority agreement would be required to underpin any partnership. This would include the objectives, cost/benefit apportionment, governance structures (including joint committee), dispute resolution, liability, insurance, employment of staff, data protection and sharing and termination and penalty provisions.

External Consultants – The LGA has been commissioned to support the early stages of this work, including peer support, mentoring and an initial high level scoping study. .

12. What Rough Order of Magnitude (ROM) are the likely Whole Life Costs (WLC) of the project and live service?

After initial one-off costs, we estimate that the preferred option (full integration of officer teams) could deliver annual savings in the region of £1 - £1.5 million. Further details will emerge as part of the financial feasibility study.

Issues, Assumptions & Risks

13. What are the strategic Risks, Assumptions, Issues,

Issues

Both councils need to provide political direction on the preferred option

Post Future Guildford, the operating models of the councils are not currently aligned

Waverley has not undertaken a transformation programme to deliver efficiencies in the way that Future Guildford has

Different contractual terms, pay and benefits for staff in each council.

Technology audits are required to understand current ways of working across processes, systems and technology

Consultation will be required with staff

Assumptions

That significant financial savings can be delivered through much closer collaboration with Waverley Borough Council

Councillors understand that fuller integration models will need different expectations about the capacity/availability of senior staff

Risks

Wider local government reorganisation in Surrey is revisited in the short-term causing a shift in focus

Much time and work being undertaken without delivering the required objectives (particularly in the case of individual shared services)

Closer collaboration and new delivery models may cause short-term disruption to services

Concerns from councillors about sovereignty, take-over and equity between the councils

Fuller integration would be more difficult to reverse without significant costs

If required savings are not delivered, spending cuts and service reductions will be needed in other areas

Full merger of the councils could lead to loss of democratic representation and accountability

Dependencies, Constraints & Opportunities

14. What are the strategic Risks, Assumptions, Issues,

Dependencies

Clear shared vision for future collaboration by both councils

Support and buy-in by councillors and senior officers

Trust between the leaderships of the two councils

Page 10 Clear governance and transparent provisions for sharing resources and benefits

Constraints

The challenging financial position faced by both councils requires the delivery of substantial savings through joint working

Councillors are unlikely to wish to pursue a full merger at this stage due to the loss of democratic accountability and representation

The councils would remain separate legal entities with their own (different) constitutions.

Opportunities

Reduced costs could sustain service delivery in areas that would otherwise be under threat

Potential to provide new or enhanced services in some areas

Potential to expand arrangements to include other neighbouring councils in future

Demonstrate and strengthen the case for multiple unitary councils in response to future local government reorganisation in Surrey

Reviewer List

Involved or Sighted so far and to be updated on changes

Stephen Benbough, Strategy and Communications Manager
Samantha Adam, PMO Officer
James Beach, Lead Specialist (ICT)
Ian Doyle, Service Delivery Director
Faye Gould, Procurement Manager
Dawn Hudd, Strategic Services Director
Claire Morris, Director of Resources
Louise Odell, Interim Project Officer
Diane Owens, Lead Specialist (Legal)
Francesca Smith, Lead Specialist (HR)
James Whiteman, Managing Director
Vicky Worsfold, Lead Specialist (Finance)
Corporate Management Team
Councillor Joss Bigmore, Leader of the Council
Executive Liaison Group

Next to be consulted

Executive Advisory Board

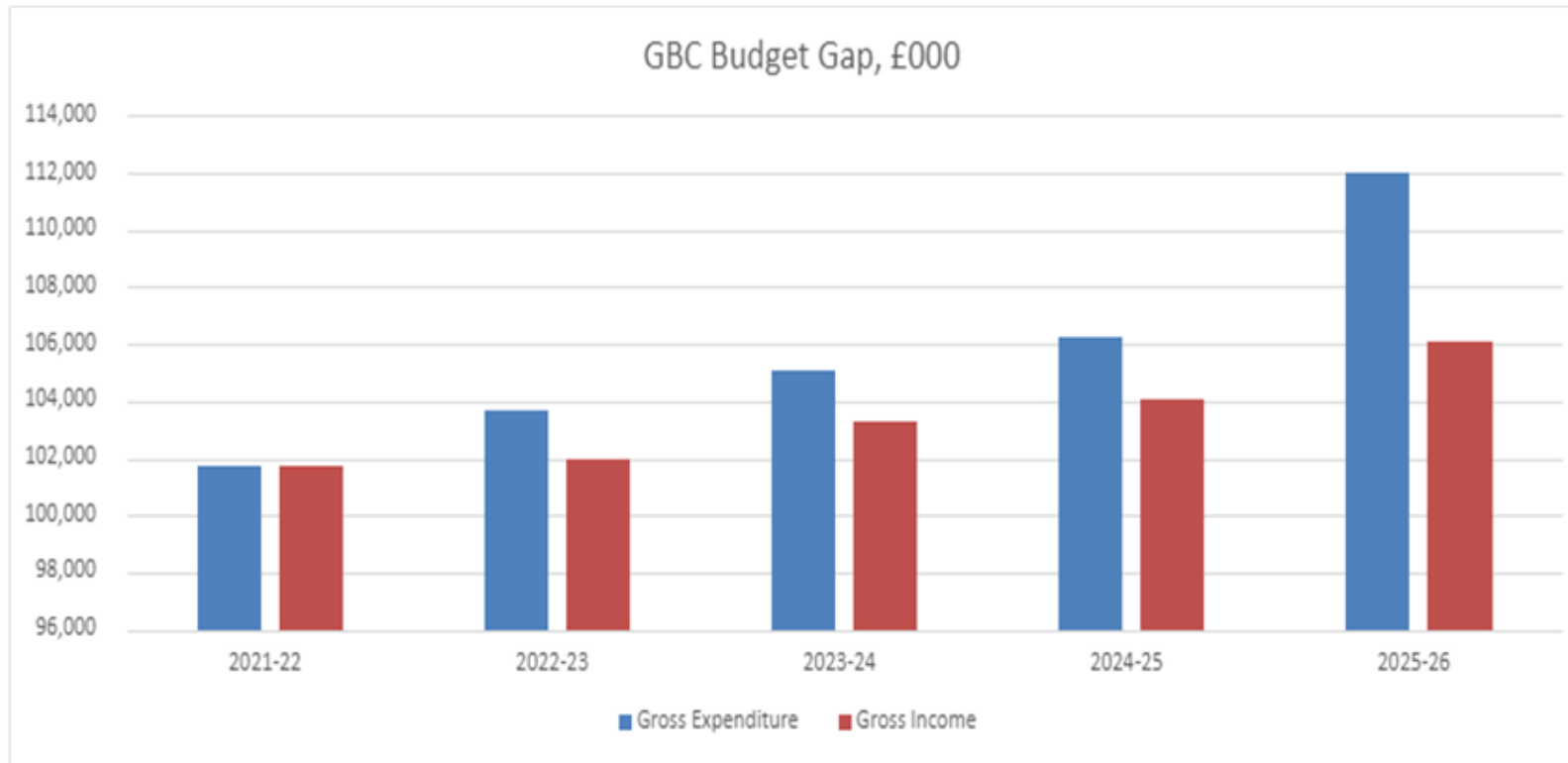
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Proposed mandate to review the Council's operational property portfolio

27 April 2021 v2

Introduction

According to projections, there will be a cumulative budget deficit of £5.9 million by 2025-26. The budget gap is illustrated below, with expenditure shown in blue against income in red.



1. Why should a programme/project be started now?

The Council set out a savings strategy approved by the Executive in November 2020 to reduce the projected deficit between income and expenditure. Appendix 3 item (c) of the Strategy identified that a review of the Council's operational portfolio needs to be undertaken to help reduce the deficit. Covid-19 has accelerated a review of Millmead House due to the new and accepted home-working culture which has subsequently led to the Council's reduction in its office space requirement and created an opportunity to save significant revenue costs and potentially generate capital receipts.

2. What is the good idea, opportunity or problem to be solved?

To undertake a full review of the Council's 250 operational assets and office accommodation in order to identify any revenue savings opportunities, in conjunction with other savings initiatives being carried out across the Council.

3. What is the purpose of the programme/project and what outcomes, or outputs will it deliver?

To contribute significant savings in order to reduce the Council's substantial budget deficit. The financial, social and environmental benefits are to own, occupy and manage accommodation that is; affordable; creates better place-making through more efficient use of operational space; meets future operational business requirements; and meets environmental property legislation.

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

This review has been identified as one initiative in the Savings Strategy which seeks to deliver savings that are necessary to reduce the Council's budget deficit over the next 5 years.

Options Evaluation

5. What are the potential strategic options to deliver a solution? The 250 operational assets will be assessed against the following options at project level.

Do Nothing

- Keep asset as is with no further action required

Do Minimum

- Lease redundant/underutilised accommodation
- Sell asset in line with Asset Disposal policy
- Relinquish maintenance responsibilities and associated costs:
 - > regear leases and transfer all maintenance costs onto the tenant, although this is not always achievable e.g., charity/community tenants
 - > transfer assets on long leaseholds to community users (e.g., by way of a Community Asset Transfer policy)

Do More

- Explore redevelopment opportunities e.g., housing/employment
- Explore alternative uses for either commercial gain or service benefit
- Spend capital funds refurbishing accommodation ---> to reduce costs of inefficient buildings or to generate income by putting accommodation in a lettable condition
- Work collaboratively with Discretionary Services workstream to understand the cost/benefit trade-offs between asset savings versus service disbenefits
- Conduct a full review of operational accommodation requirements and consolidate services into more efficient use of space, for example:
 - > downsize the footprint at Millmead and lease surplus space or relocate the head office by buying / renting smaller premises
 - > merge and consolidate with other boroughs (Options 4 and 5 in Savings Strategy)

Considerations

6. Who is the lead Director & Service Manager who will lead and direct the project and who will be managing/using the projects products once they are handed over?

Lead Director Dawn Hudd and Service Manager Marieke van der Reijden

7. What impact assessments have been undertaken and what are the impacts on other Service Leaders and/or other programmes/projects?

Relevant regeneration projects, the Asset Investment Programme and other saving strategy reviews that involve assumed savings from property that are being delivered through workstream 1 Discretionary Services. Savings from these are not included in this programme although we will have regard to the outcome of them including 1) Culture & Heritage review (including Museum, TIC, and any other related assets); 2) Community & Day Centres review; 3) Public Conveniences review. Equality Impact Assessments will be required if moving staff and customers to alternative sites. Environmental Impact Assessments will be required for any development sites.

8. What general approach will the projects take to deliver?

A holistic review of the operational portfolio undertaken in-house by Asset Management will provide a strategic options appraisal which will then determine the most appropriate course of action to deliver maximum revenue savings. The programme will lead to the production of mandates for individual projects e.g., for Millmead House Complex, to identify development and better utilisation opportunities.

9. When and why must the project start and finish?

The Council has determined that c.£5.9m savings must be achieved over the period to 2026 in order to reduce the budget deficit that has been identified between income and expenditure within that period. The financial position is significant, and any savings recovery will take time to take effect so the review must start as soon as possible in order to deliver the necessary savings by 2026.

10. Which stakeholders are or, need to be, involved in the project?

Councillors, CMT, Service Leaders and existing tenants

11. What specialist resources (internal and external) are needed to consider this mandate and develop a strategic outline business case?

Internal Staffing – Asset Management, Technical Services (M&E), Finance, Procurement, Legal, IT, HR

External Consultants – Specialist surveys and valuations; cost consultants; space consultants; local property agents (mainly at project level so will have separate mandates identifying these)

12. What Rough Order of Magnitude (ROM) are the likely Whole Life Costs (WLC) of the project and live service?

This programme is expected to generate a £1.5m contribution to net revenue savings – any spend-to-save proposals will be evaluated at project level in a project business case, including likely Whole Life Costs.

Potential costs to proceed to the next stage to develop the Strategic Outline Case

Resource costs to progress to the next stage/gate and develop the Strategic Outline Business Case (SOC)

	Q4 (20/21)	Q1 (21/22)	Q2 (21/22)	Q3 (21/22)	Total	
Internal staffing costs <small>Page 25</small>	Existing internal staffing not costed but not to be under-estimated. Additional Internal Costs must be identified here					Property & Asset Manager
Specialist external consultants' costs		£5k			£5k	IT development work to Property Asset Database
Total						

Issues & Assumptions

13. What are the strategic issues and assumptions?

Issues

- The scale of savings has just been quantified in the Savings Strategy and is expected to provide £1.5m savings contribution but this will need to be refined through the programme.
- Whether this review is to be progressed independently or whether it is to be progressed in conjunction with a Council merger and/or the creation of a Unitary Authority.

Assumptions

- This review covers the core and non-core operational assets within the property portfolio; it does not include the Council's investment properties or HRA. The savings identified from the operational assets will not include savings from day centres, culture & heritage assets or public conveniences.
- Proceeds from property sales will accrue capital savings and are not accounted for in revenue savings although capital receipts will help reduce the Council's underlying need to borrow and help fund transformation costs.
- That rationalising and consolidating the estate will increase efficiency and cost-effectiveness and in turn contribute towards reducing the budget deficit.
- The largest saving may be achieved by disposing of all or part of Millmead House Complex, which will have its own project mandate.

14. What are the strategic risks and dependencies?

Risks

- The suggested £1.5m net revenue savings contribution is unachievable within the remit of this review.
- Any savings recovery may not be realised for at least a year or two.
- Revenue savings are double counted or not clear between assets and discretionary service reviews.
- The Council receives bad press and public backlash against disposals.

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Dependencies

- Service Leaders specifying the future direction of their services and accommodation needs.
- Guildford Economic Regeneration Programme e.g., connection with developing Millmead site.
- Asset disposal policies.
- Decision to dispose of any assets will be dependent on the availability of suitable, alternative accommodation to relocate to e.g., for our services or tenants.
- Potential merger with other boroughs/unitary council running in parallel with this under the Budget Saving Programme will affect business accommodation requirements and the associated revenue costs.
- Property Asset Database system upgrade to SaaS (Software as a Service) requires a financial commitment of £5,000 from the IT Renewals budget, which both Finance and ICT are happy to support.

Agenda item number: 6

15. What are the strategic constraints and opportunities?

Constraints

- Projects being led by other service teams running in parallel may constrain the scope of this project
- Determining long-term operational business accommodation requirements
- The availability of capital funds to refurbish accommodation
- Current leases in place and the ability to break these early as well as security of tenure and staff secure tenancies
- Legal title and constraints of Council's ownership of sites
- Planning and use class restrictions including listed status and heritage value
- The social value and all legal obligations and environmental conditions that the Council must comply with as an owner of the Discretionary Services assets
- Council duties and obligations as an employer of staff, contractors and third parties

Opportunities

- Explore and maximise commercial revenue generating opportunities e.g., leasing of redundant space
- Explore redevelopment or change of use opportunities
- Current remote working provides optimum opportunity to determine how much head office space is required and what it should consist of including a potential merger and consolidation with Waverley Borough Council
- To futureproof and provide staff accommodation that is fit for purpose and service requirements. An action plan on all vacated accommodation will need to be agreed beforehand
- Ensure optimum provision of staff services and facilities in any future relocation requirements e.g., Civic Suite

Likely Projects

PROJECTS	ASSETS	PROJECTS	ASSETS
Office accommodation	Millmead House Complex	Staff accommodation	Burchatts Farm Cottages 4
	Millmead Hse - Riverview Lodge		Castle Grounds - Cottage
	Bedford Rd MSCP and Office		Chantry Cottage, Pilgrims Way
Community Centres	Park Barn Boxing Club		Crem - Broadwater Cottage
	Park Barn Community Centre		Crem - Broadwater Cottages 2
	Beverley Hall Community Centre		Crem - Broadwater Cottages 3
	Bellfields Community Centre		Millmead Hse - Riverview Lodge
	Stoughton Community Centre		Park Cottages 1, Shalford Rd
	Bushy Hill Community Centre (HRA)		Stoke Cemetery - Lodge
Stoke Park Nursery	Stoke Park Nursery Offices		Stoke Park - Gardeners Cottage
	Stoke Park - Home Farm Bldgs		Stoke Park - Home Farm Cottage
	Stoke Park - Home Farm Cottage		Woking Rd 30
	Girl Guides, Nightingale Rd		Woking Rd 33
	Scout Hall, Nightingale Rd		

Reviewer List

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

- Dawn Hudd – Strategic Services Director
- Claire Morris – Resources Director
- Marieke van der Reijden – Head of Asset Management
- Francesca Kosh – Property & Asset Manager
- Cllr Tim Anderson
- CMT
- The enablers and service leaders: Chris Burchell, Chris Wheeler, Diane Owens, Elizabeth Fleming, Faye Gould, Francesca Smith, Helen Buck, James Beach, John Armstrong, Jonathan Sewell, Kevin Handley, Matt Gough, Nicola Haymes, Samantha Hutchinson, Siobhan Rumble, Stephen Benbough, Stuart Harrison, Stuart Wingate, Tim Dawes, Victoria Worsfold

Next to be consulted:

- Executive Liaison

CMT Outcome

- This mandate was presented to CMT on 27 April 2021
- CMT supported this mandate and confirmed that this programme can be taken forward to Executive Liaison for sign-off on 5 May 2021.
- This mandate will be considered in context of the whole Savings Strategy Programme

Executive Liaison – 5 May 2021

- Next Steps: The Executive Liaison Group approved the mandate at its meeting on 5 May 2021 for submission to the EAB(s).

Proposed Savings Strategy Programme Mandate

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**A proposal to secure necessary savings to mitigate GBC
funding shortfall over the next 5 years**

11 June 2021

Introduction

Between 2018-2021, Guildford Borough Council implemented the Future Guildford Transformation Programme which implemented new IT arrangements and a new operating model with a more customer centric focus. £6.4m of savings were secured and an additional £1.7m is due to be realised from delivery of longer term projects that continue after closure of the Programme, these are explained in the Savings Strategy.

In addition to this, the Covid Pandemic put unprecedented pressure on Council finances there is an urgent need to identify any, and all, potential savings whilst also ensuring the Council continues to deliver adequate services and delivery of new Corporate Plan objectives.

Future Guildford Programme benefits already delivered are set out below:

Date	New products and processes	Benefit
Dec 2019	FG Phase A staff structure	£1.3million cashable revenue saving on staff costs, future proof the organisation.
Dec 2019	Net Help Desk system implementation	Process efficiencies – better work/case management and management information on cases, better (internal) customer service, easier prioritisation of workloads. Modernisation of systems.
Jul 2020	BusinessWorld implementation – HR /Payroll	Improved HR processes & control, employee & manager self service. Better integration with finance system. Modernisation of systems.
Aug 2020	BusinessWorld Implementation – Core Finance	Improved finance processes & control, enforcement of procurement/payment processes, budget manager self service, integrated system. Modernisation of systems.
Dec 2020	New Intranet & website	Simpler more efficient gateway to our services and improved customer service. Supports manager, employee and customer self service.
Apr 2021	Phase B staff structure	Approx £3million cashable revenue saving on staff costs, future proof the organisation
May 2021	Salesforce Customer relationship management system	Simpler more efficient gateway to our services and improved customer service. Supports customer self service.
2020	Procurement strategy	Better control over our non-staff expenditure and compliance with procurement legislation. Aim to achieve £1.2million cashable revenue savings by 2023-24.
2020	Service challenge savings	£195k cashable saving on base budget for 2021-22 further £540k to be achieved – up to 2023-24

Reminder why there is a £6.0m budget gap

Budget Council 10th Feb 2021 Appendix 1 - CFO report contained detail, the updated analysis is:-

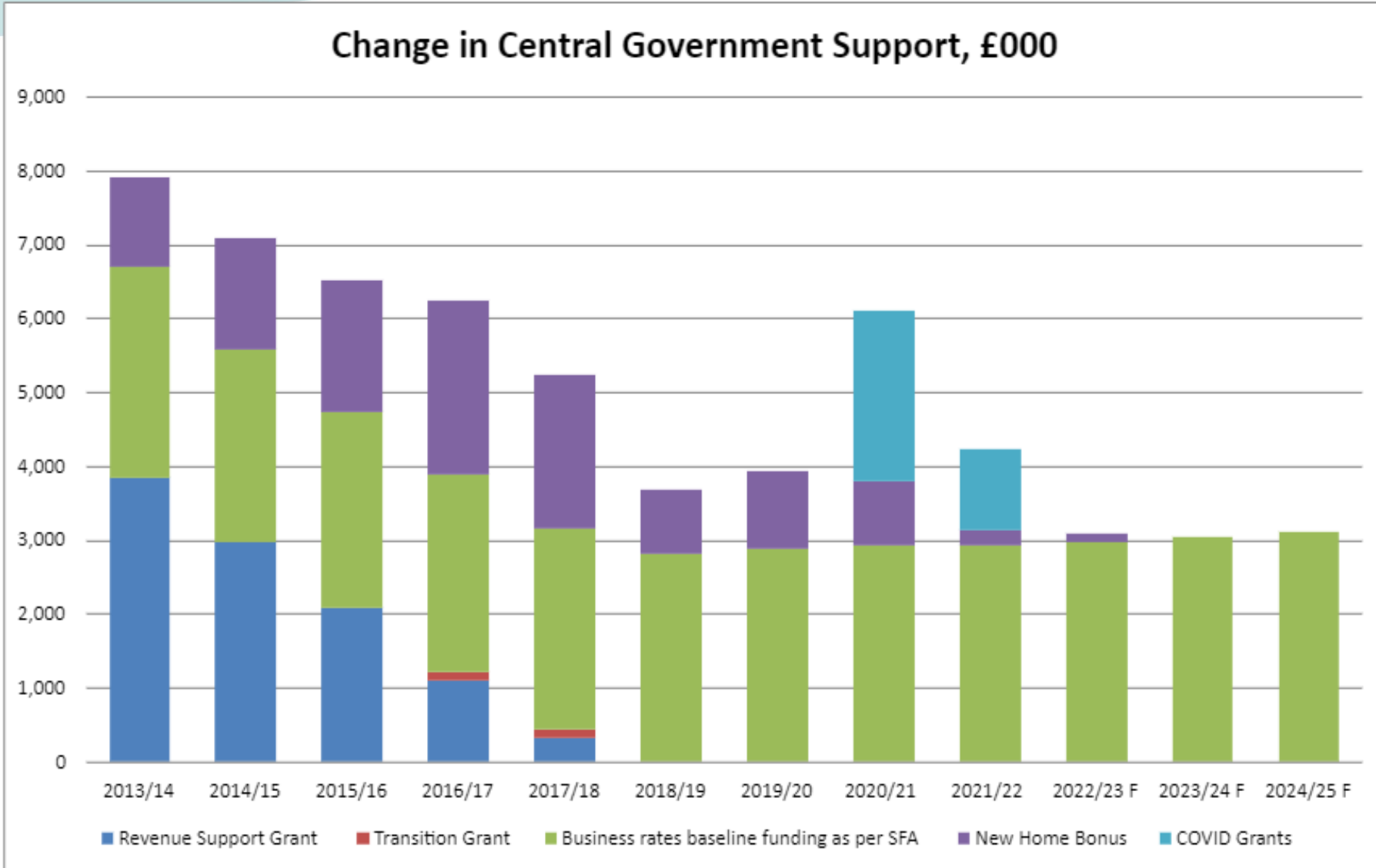
- Reduction in 'central government funding' – mainly retained business rates (approx. £3.4million by 2024-25)
- Increasing Debt (MRP) and Interest costs due to significant capital programme and low level of capital receipts (approx. £4million by 2024-25)

The above is offset by approx. £1.4million additional CTAX income and some other income.

In addition there is:

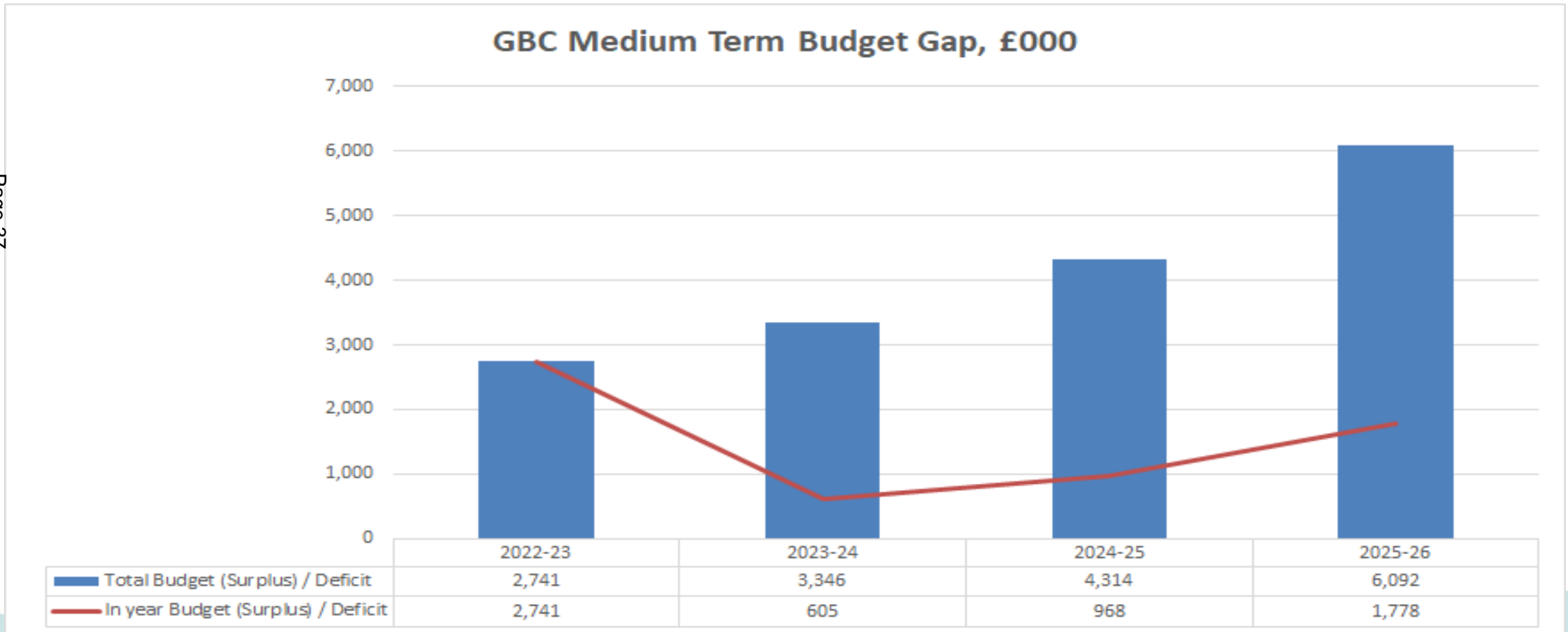
- Increasing demand & expectations from customers
- On-going economic impact of COVID on income

Change in Central Government Support, £000



General Fund Revenue Budget

- Medium term budget gap of £2.7million in 2022-23 rising to £6.0million by 2025-26



Savings Strategy

1. Why should a project be started now?

- We need to deliver the Savings Strategy to secure the remaining £1.7million FG savings identified but not yet delivered and to achieve an additional £5.9m savings over the next 5 years
- We need to make £1.2m savings this financial year

2. What is the good idea, opportunity or problem to be solved?

- A range of savings or additional income need to be sought from across the business
- Following Future Guildford, it is felt there is limited opportunity for further process and staffing efficiencies without impacting on front line services
- The council cannot continue to provide the same level of service to the public that it does currently with the resources predicted for the future
- A programme is needed to manage the complex issues and interdependencies

3. What is the purpose of the project and what outcomes, or outputs will it deliver? List Success Criteria.

Measurable Success Criteria –

- A review and reduction in discretionary services provided by the council to secure a target of £1.7million savings and opportunities for additional income to achieve a target of £0.5million
- A reduction in operational assets costs to target £1.5million savings
- A reduction in £560m Capital Programme spend to secure reduced revenue interest and MRP costs from those currently projected in the MTFP - target £0.5m savings
- Agree a merger or collaboration to secure a target of £1.5million in efficiency savings and economies of scale benefits

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

This is a high priority piece of work that needs to deliver to assure the financial viability of GBC going forward

Definitions of Saving Types

- Financial – the saving can be identified and measured in £
- Non-Financial – the saving cannot be measured in £, normally measured in processing time or time to achieve an outcome
- Cashable – a financial saving which can be realised and will reduce a line in the Council's expenditure budget or increase and income budget
- Non-Cashable – a financial saving which cannot be realised by reducing a budget line but will prevent future cost increases
- Revenue – saving impacts a line in the Council's GF or HRA revenue budget
- Capital – saving reduces a line in the Council's capital budget (may also have revenue implications eg, debt / interest cost)

Options/Workstreams

5a. What are the potential strategic options/workstreams to deliver the outcome required - Decisions and trade offs will need to be made at the highest level to ensure equity and optimum value for money. Project business cases will be written for each service, asset or issue and these will be considered in their own right first. Then groups of projects will need to be considered together.

1. Review of Discretionary Services – Ian Doyle

Are there any services we can stop providing or provide in a different way to reduce costs and future financial liabilities? E.g., public conveniences, mayoralty, leisure and community centres & services.

2. Review of Operational Assets – Dawn Hudd

Rationalise GBC footprint at Millmead and other Council property and assets

3. Review of Programmes and Projects – Dawn Hudd

Navigate a shift from delivery of transport and infrastructure towards improved delivery of affordable and social housing, improved use of HRA funding. Identify the portfolio of priority projects that we can demonstrate we can afford and have the capacity to deliver over the next 5 years. Review and seek to reduce the Council's provisional capital programme – both service level projects and infrastructure / development projects through bringing the programme in line with the programme and project governance framework.

4. Unitary, Mergers & Shared Services – James Whiteman

Navigate Unitary, Merger and shared services options. All areas above should progress but be aware of this workstream. This workstream might pull projects into it as agreements are reached.

Considerations

6. Who is the lead Director & Service Manager who will lead and direct the project and who will be managing/using the projects products once they are handed over?

- Lead Director for Resources and Savings is Claire Morris and Victoria Worsfold is the Service Leader and Owner of Saving Programme Business case
- Portfolio Leads include Cllr. Joss Bigmore for Governance, Cllr. Tim Anderson for Resources

7. What impact assessments have been undertaken and what are the impacts on other Service Leaders and/or other programmes/projects?

This work will determine the scope and shape of many existing and future, programmes and projects.

8. What general approach will the projects take to deliver?

- The Savings Programme business case will be led by Claire Morris, with input from Victoria Worsfold and Robert Stubbs

9. When and why must the project start and finish?

- ASAP as savings are needed this financial year to offset potential overspends
- Much of the work is already underway but needs clear direction and good governance

Resources

10. Which stakeholders are or, will need to be, involved in the project – Service leaders, Enablers, CMT, Exec, EABs, SCC, all staff

11. What specialist resources (internal and external) are needed to consider this mandate and develop a strategic outline business case?

Internal Staffing – Finance, Governance, Strategy Team, Corporate Programmes, ICT, Asset Management, Legal, Procurement, all service leaders, all staff

External Consultants – KPMG, LGA and Local Partnerships are assisting with the unitary / merger options

12. What Rough Order of Magnitude (ROM) are the likely Whole Life Costs (WLC) of the project and live service? –

Target to achieve £5.9million of savings

Potential costs and benefits

Resource costs to progress to the next stage/gate and develop the Strategic Outline Business Case (SOC) –

	F/Y (21/22)	F/Y (22/23)	F/Y (23/24)	F/Y (24/25)	F/Y (25/26)	Total	
Internal staffing costs	Existing internal staffing not costed but not to be under-estimated.					- -	This is at Programme Level
Work Stream 1	£60k	0	0	0	0	0	Discretionary services review being done in house with some assistance from Ignite as part of Future Guildford. £60k consultancy cost for public conveniences being funded through virement from corporate inflation budget.
Work Stream 2	£40k	?	?	?	?	?	Strategic Asset surveyor employed on fixed term contract to lead the review. This has been funded from the invest to save reserve.
Work Stream 3	0	0	0	0	0	0	Review of Capital Programme being done in house by officers
Work Stream 4	£15k	£80k	?	?	?	?	Unitary / Merger options require external consultancy support. LGA have quoted £15k for initial scoping strategy which is being funded from existing feasibility studies budget and £80k for detailed business case. Costs will be shared 50/50 with WBC. Figures quoted DO NOT include potential redundancy or ICT costs as these will not start to emerge until initial scoping study and business case development
Total	£115k	£80k	?	?	?	?	

Issues, Assumptions & Risks

13. What are the strategic Issues, Assumptions & Risks

Issues

- There is an issue that the need to make savings is not fully understood at both Councillor and Officer level
- There is an issue that the savings target is not clear for programmes and projects because most of the money spent on Capital projects is Capital not Revenue – the saving we need is to reduce the interest and MRP cost on the revenue budget
- There is an issue that savings from merging councils are not fully within our control
- The costs of implementing the individual savings projects are currently unknown and need to be quantified to assess VFM

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Assumptions

There are many assumptions in the calculation of the budget gap (as set out in the budget report to Councillors in Feb 2021) – sensitivity analysis is undertaken but it is not possible to accurately calculate the future! Therefore the 'gap' and corresponding savings target will inevitably change over time – we are chasing a moving target!

Risks

- There is a risk that the Local Government Finance Settlement in December 2021 may make material changes to the predicted retained business rates income over the next 4 years which in turn will mean the level of savings required could be more or less than expected
- There is a risk that savings are evaluated and picked off individually due to lack of awareness of how they fit with the programme
- There is a risk that the economic recovery from COVID is currently unknown but may have a significant impact
- Lack of acceptance and understanding by councillors, residents and the general public

Dependencies, Constraints & Opportunities

Dependencies

- Many of the individual projects are dependent on each other across sub-programmes (particularly the projects in the operational assets sub-programme) - will require joint working
- The overall programme has a dependency on a successful completion and embedding of the remaining FG workstreams
- Willingness of Waverley Borough Council to continue to explore possible merger opportunities

Constraints

- We are constrained by existing staff and financial resources to implement the programme; it is going to be difficult to identify significant additional resources to fund consultancy, ICT, property and redundancy costs if needed.
- The identification of additional resource may be reliant on the operational assets sub-programme to generate capital receipts which can then be used to fund transformation costs under the 'flexible use of capital receipts' policy
- There will be a need to undertake Equalities Impact Assessments on most of the projects if impacting on front line services or access to council services
- Some projects may require public consultation which will impact delivery timelines and certainty

Opportunities

- Sub programme 2 (assets) and 4 (merging Councils) offer significant opportunity for change and future efficiencies
- Opportunity to drive benefit for other council priorities – eg, climate change & regeneration

Reviewer List

Involved or Sighted so far and to be updated on changes

- Claire Morris – Resources Director 13/04
- Victoria Worsfold – Finance Service Leader
- Stephen Benbough – PPM Governance Service Leader
- Louise Odell – Corp PPM Governance Interim

To be consulted later

- All Service Leaders
- Joss Bigmore
- Tim Anderson
- Executive
- EABs?

Next to be consulted

- Dawn Hudd – Strategy Director
- Ian Doyle - Operational Services Director
- Elizabeth Fleming – Corporate Programmes Service Leader
- Marieke vd Reijden – Asset Management
- Faye Gould – Procurement Lead
- Diane Owens – Legal Lead
- James Whiteman – Managing Director
- Robert Stubbs
- Strategy, Performance and PPM Governance Team

CMT & Executive Liaison Feedback

- CMT and executive Liaison supportive of strategy
- Need to review financial projections for 2025-26 to firm up 'gap'
- Savings need to be seen as an overall package
- Review of capital programme requested
- Would like a communications strategy
- Would like to review service fees and charges

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