

# EXECUTIVE

17 July 2018

- \* Councillor Paul Spooner (Chairman)
- \* Councillor Matt Furniss (Vice-Chairman)

- |                             |                                 |
|-----------------------------|---------------------------------|
| * Councillor David Bilbé    | * Councillor Gordon Jackson     |
| Councillor Philip Brooker   | * Councillor Nigel Manning      |
| * Councillor Geoff Davis    | * Councillor Nikki Nelson-Smith |
| * Councillor Graham Ellwood | Councillor Iseult Roche         |

\*Present

Councillors Angela Gunning, Mike Hurdle, Jo Randall, David Reeve, Caroline Reeves, Tony Rooth were also in attendance.

## **EX18 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Philip Brooker and Iseult Roche.

## **EX19 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST**

No disclosable pecuniary interests were declared.

Councillor Caroline Reeves declared an interest in relation to Agenda Item 6 – The Homelessness Strategy 2018-2020, on the basis that she was a trustee of Guildford Action.

## **EX20 MINUTES**

The Executive approved the minutes of the meeting held on 19 June 2018. The Chairman signed the minutes.

## **EX21 LEADER'S ANNOUNCEMENTS**

There were no announcements from the Leader.

## **EX22 BUDGET ASSUMPTIONS AND BUSINESS PLANNING 2018-19 TO 2020-21**

The Executive considered a report which set out the suggested parameters that officers would use to prepare the 2019-20 General Fund and Housing Revenue Account (HRA) outline budgets and projections for the following three years. These parameters were the level of:

- (a) general inflation to be assumed in expenditure budgets (excluding any increases of a contractual nature)
- (b) pay award to be assumed in the preparation of the salary budgets
- (c) increase in income to be achieved from fees and charges
- (d) council tax and council tax base increase
- (e) housing rent increase
- (f) business rates increase
- (g) government grant predictions
- (h) the Council's Medium Term Financial Strategy

Setting parameters for the whole of the plan period was beneficial in the calculation of projections over the medium term. Officers therefore proposed working assumptions to use in the preparation of the outline budget for 2019-20 and projections for the following three years.

The Executive acknowledged that, within the period covered by the business planning horizon, there would be significant change to the system of local government finance. By 2020, government would re-assess the baseline need to spend of each local authority through the 'fair funding review' and establish a financing system based on 75% business rates retention. As part of the fair funding review, further powers and responsibilities would be passed to local government and the cost drivers and demand for local government services would be re-assessed. The Government had launched a series of technical consultations on the design of the new local government funding system from 2020, which Officers had responded to and would continue to respond to as further consultations came forward.

The Executive noted that the assumptions would result in a deficit between projected income and expenditure of £8.5 million over the period 2019-20 to 2022-23, although sensitivity analysis had shown that the range of the deficit could vary between £7.7 million and £11.5 million. To address this shortfall, the Council had recently launched a revised transformation programme, "Future Guildford". Further information regarding the programme and potential savings would be presented to the Executive in due course.

Having considered the report, the Executive

RESOLVED:

- (1) That the budget assumptions to be used in the preparation of the 2019-20 outline budget and for medium term financial planning purposes, as detailed in the report submitted to the Executive and in the table below, be approved.

	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Benchmark</b>
<b>General Inflation</b>	2.0%	2.0%	2.0%	2.0%	CPI
<b>Payroll</b>	2.0%	2.0%	2.0%	2.0%	AWE (PS)
<b>Income</b>	3.0%	3.0%	3.0%	3.0%	RPI
<b>Council Tax increase</b>	£5 (approx 3.3%)	1.9%	1.9%	1.9%	CPI
<b>Business Rates Inflation</b>	3%	2%	2%	2%	RPI until 2020, CPI after 2020
<b>Revenue Support Grant (RSG) decrease</b>	'Negative RSG' of £674,000	'Negative RSG' of £1.2 million	'Negative RSG' of £1.7 million	'Negative RSG' of £2.1 million	n/a
<b>Council Tax Base Increase</b>	0.73%	1.2%	1.18%	1.06%	Planning applications and local plan forecast
<b>New Homes Bonus</b>	£1.2 million	£1.9 million	£2.6 million	£3.4 million	Planning applications and local plan forecast
<b>Housing Rents</b>	1% reduction	2% increase	2% increase	2% increase	Government Guidance until 2020 then CPI

	2019-20	2020-21	2021-22	2022-23	Benchmark
<b>Average Weighted Investment Returns</b>	1.48	1.49	1.63	1.64	Target % above BoE Base rate as per TMSS

- (2) That the revised medium term financial strategy, as set out in Appendix 1 to the report, be approved.

Reasons:

- (1) To set the budget assumptions that officers will use to prepare the 2019-20 outline budget and medium term financial plan.
- (2) To inform the Council's business planning and budget process for 2019-20.

**EX23 THE HOMELESSNESS STRATEGY 2018-2020**

The Executive considered a report on the Council's revised Homelessness Strategy for the next two years in the light of the Homelessness Reduction Act 2017 (HRA17), which extended the duties on local housing authorities with effect from 3 April 2018.

Councillors noted that the new strategy and action plans had focused on three areas:

- Prevention – Effective and creative use of resources to prevent homelessness
- Support – Provision of a range of support services to help people access and sustain accommodation
- Supply – Ensuring an adequate supply of accommodation for people who are homeless or at risk of homelessness.

The prevention of homelessness was the central objective of the Homelessness Strategy. The HRA17 presented significant challenges as it placed greater emphasis on preventing homelessness in an area where access to suitable and affordable housing was so difficult for lower income households.

The Council commissioned a range of services and partner agencies and joint working arrangements played a key role in preventing homelessness. With affordable housing in short supply, effective communication and the development of new initiatives to engage with customers at the earliest opportunity would become increasingly important.

To strengthen the Council's homelessness prevention work, the Strategy and action plans highlighted the importance of:

- developing service delivery around the requirements of the HRA17 in line with evolving good practice
- working internally and with partners to identify early intervention opportunities
- reviewing procurement and commissioning arrangements.

In October 2018, Universal Credit would be rolled out in Guildford and this would affect all those receiving benefits as well as others on low incomes, tenants in social and private rented housing and those in socially excluded groups.

Rough sleeping and single homelessness remain the Council's most challenging areas of work. Single people were not normally a priority for housing but were increasingly at risk of homelessness and had limited options. There had been an increase in the number of rough

sleepers with multiple needs, particularly mental health issues, who experienced difficulties engaging with services and accessing appropriate support and accommodation.

The Council currently commissioned a range of services to prevent homelessness and enable access to housing and support. These services needed to adapt and transform to remain effective and to reflect the changing environment. The strategy acknowledged these challenges and proposed that the Council:

- Continued to prepare for the introduction of Universal Credit and support customers and partners
- Reviewed rough sleeping services and the approach to commissioning to ensure resources were targeted to reflect the needs of customers in a changing environment
- Worked with partners to develop joint working arrangements, maximise resources and explore joint commissioning opportunities.

The future was uncertain in respect of the housing market and the availability of affordable housing. Without an adequate supply of housing affordable for people on benefits or on low incomes, the demand for social rented housing, which is limited in supply, would increase.

The Council's use of the private rented sector had been essential to its success in preventing homelessness to date. Landlords were facing a number of changes in relation to legislation, regulation and taxation which made the buy to let market less financially attractive and increased the administrative burden. This could affect the sector and reduce supply as new investors were discouraged from entering the market or existing landlords prompted to leave.

The HRA17 had extended the Council's obligations and it now had a duty to relieve homelessness where the person is likely to become homeless within 56 days. The Council leased a number of properties to housing associations and other providers to help meet local housing need. Existing arrangements had been effective but the new legislation had required the Council to review its use of resources to ensure they were targeted effectively. In particular, it needed to increase the supply of short-term accommodation for single people and families.

To ensure the supply of housing, the strategy had set out the Council's intention to:

- Maximise the use of social housing including addressing under-occupation and tackling social housing fraud
- Review the use of the Private Rented Sector, improve the offer and incentives to ensure that the number of landlords and agents willing to work with the Council is maintained and increased.
- Review the use of existing properties leased to housing associations, explore opportunities for alternative use and identify additional properties suitable to be leased
- Work with housing providers and commissioning partners to monitor and review supported housing to ensure it meets local need.

The Executive noted that the draft Strategy had also been considered by the Overview and Scrutiny Committee at its meeting on 5 June 2018. In response to comments made by the Committee, a number of minor amendments had been made to the draft Strategy. Having noted that the Committee had expressed support for the strategy and action plans, the Executive

**RESOLVED:**

- (1) That the new draft Homelessness Strategy 2018-20, as set out in Appendix 1 to the report submitted to the Executive, be adopted.

- (2) That the Director of Community Services be authorised to implement the strategy and review and update the action plans in consultation with the Lead Councillor for Housing and Development Management.

Reason:

To meet the Council's duty under the Homelessness Act 2002 to review homelessness in the borough at least every five years and produce a strategy setting out the Council's approach to the prevention of homelessness, provision of accommodation and support for those facing homelessness.

**EX24 GUILDFORD SUSTAINABLE MOVEMENT CORRIDOR 1: WEST (SMC1) - PHASE 1**

The Executive considered a report which sought approval to transfer the budget required to complete the first phase of Guildford Sustainable Movement Corridor 1 – West (SMC1) from the provisional capital programme to the approved capital programme. This would enable the continuation and completion of the detailed design and implementation of the first phase of Guildford Sustainable Movement Corridor 1 – West (SMC1) from 2018-19 to 2020-21.

This package of improvements would provide a vital transport corridor between the Surrey Research Park/Royal Surrey County Hospital and Guildford mainline train station.

The report also outlined the current spend and the works completed to date as well as the remaining scope of works to be delivered from 2018-19 to 2020-21.

Having considered the report, the Executive

RESOLVED: That £3.85 million required for the first phase of Guildford Sustainable Movement Corridor, that is currently part of the overall budget of £9.895 million on the Provisional Capital Programme, be moved to the Approved Capital Programme.

Reason:

To complete the detailed design and delivery of the first phase of Guildford Sustainable Movement Corridor 1 – West (Phase 1 SMC1). £2.725m of the funds have been awarded to the project by the Enterprise M3 Local Enterprise Partnership (EM3 LEP). These funds must be spent by end of March 2021 and so work on detailed design is already underway.

**EX25 PUBLIC BIKE SHARE SCHEME FOR GUILDFORD**

The Executive considered a report which identified the potential for a public bike share scheme in Guildford, specifically in areas close to the town centre. This would be a highly visible project stating the borough's commitment to sustainable transport, encouraging modal shift away from the private motor car and providing a new service to many who did not currently cycle.

The total scheme costs of £1.13 million included the infrastructure improvements which will be completed alongside the implementation of the docking stations. Funding of £600,000 had recently been made available by the Enterprise M3 Local Enterprise Partnership (EM3 LEP) which would enable a new bike share scheme in the town to be completed in this financial year and it would also make it possible to make the fleet of bikes electric. The remaining £530,000 was on the provisional capital programme.

A supplementary estimate of £600,000 would be required to be fully funded by the EM3 LEP grant.

An interim feasibility report proposing a phased approach to the project had been completed, a copy of which was appended to the report to the Executive. Using this information an expression of interest was submitted to the EM3 LEP after the LEP called for bids for work which could be

implemented in 2018-19. The outcome of the bid to the EM3 LEP would not be known until July 2018 and there was a need to continue to progress the project in advance of the decision in order to be able to deliver within the LEP timescales. Once the full feasibility report was made available and the EM3 LEP grant confirmed, the Executive was asked to authorise Officers, in consultation with the Lead Councillor, to transfer the sum of £530,000 that was currently on the provisional capital programme to the approved capital programme.

The Executive

RESOLVED:

- (1) That the bike share scheme for the town, as outlined in the report submitted to the Executive, be approved.
- (2) That, once the full feasibility report is made available and the EM3 LEP grant is confirmed, the Managing Director and S151 Officer be authorised, in consultation with the Lead Councillor for Infrastructure and Governance, to transfer the sum of £530,000 that is currently on the provisional capital programme, as agreed by the Executive in January 2018, to the approved capital programme.
- (3) That the supplementary estimate of £600,000 be fully funded by the EM3 LEP grant.

Reason:

The scheme would improve the sustainable transport options available for residents and visitors to Guildford helping to maintain air quality and improve public health and well-being whilst assisting with, amongst others, the following strategic priorities as set out in the Council's Corporate Plan 2018-2023:

- Making travel in Guildford and across the borough easier: Introduce a public bike share scheme (including electric bikes) in Guildford.

## **EX26 WANBOROUGH ARTICLE 4 DIRECTION**

The Executive was reminded that, in February 2018, the Leader of the Council agreed to the making of an Article 4 Direction, with immediate effect, on land at Wanborough Hill, Wanborough.

The Direction applied to the following development:

- The erection, construction, maintenance, improvement or alteration of a gate, fence, wall or other means of enclosure being development comprised within Class A of Part 2 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 and not being development comprised within any other class; and
- The use of the land for any purpose for not more than 28 days in total, in any one calendar year, of which not more than 14 days in total may be used for holding of a market or motor car and motorcycle racing, including trials of speed, and practising for these activities, and the provision on the land of any moveable structure for the purpose of the permitted use, within Class B of Part 4 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 and not being development/use comprised within any other class.

The Executive now considered a report on the proposed confirmation of the Direction and gave consideration to the representations received from local residents (twenty of whom had supported the confirmation of the Direction) and the land owner (who had objected).

In considering the matter, the Executive took into account the representations received, together with national and local planning policy, full details of which were set out in the report.

The Executive noted that this parcel of land was located within the Green Belt, AGLV and partly within the Surrey Hills AONB. It was bordered by the A31 trunk road, to the south, with Wanborough Hill and the village of Wanborough to the east, of which seven properties were Listed Buildings. To the north and west, the land was bordered by woodland and open agricultural fields. The land was highly visible, sensitive in landscape terms and relatively free from all forms of development. Potential development in the form of fencing and other permitted uses would result in irrevocable harm to the openness and visual amenity of the Green Belt, AGLV and AONB and lead to the subdivision of agricultural land other than for purposes reasonably necessary for agriculture.

The Town and Country Planning (General Permitted Development) Order 2015 granted planning permission for certain types of development. Part 2 of Schedule 2, Class A, of the Order, allowed fences up to 2 metres high to be erected on the land and this was a serious cause for concern in respect of this open and visual landscape. Part 4 of Schedule 2, Class B would allow the plots to be used on a temporary basis for any purpose for not more than 28 days in any one calendar year, restricted to 14 days in the case of a market, fair or motor sport. This was also cause for strong concern as it was considered that such use would be a threat to the amenity of the area. Article 4 of the 2015 Order permitted the Local Planning Authority to remove by direction some of the development rights otherwise granted by the Order.

Following careful consideration of the representations, the Executive considered that there was strong justification and merit for the Direction to remain in place and to proceed with confirmation of the Direction as it was necessary to protect local amenity.

The Executive therefore

**RESOLVED:** That the Director of Planning and Regeneration be authorised to take all necessary steps to confirm the Article 4 Direction on land to the west of Manor Farm Cottages, Wanborough Hill, Wanborough, currently in effect to remove permission granted by the General Permitted Development Order 2015, relating to Schedule 2 Part 2, Minor Operations, Class A, relating to fences, gates, walls and any other means of enclosure and Schedule 2, Part 4, Temporary Buildings and Uses, Class B, relating to temporary uses of the land.

Reason:

Due to an objection having been received and following the serving of the Article 4 Direction, the matter no longer remains delegated to officers and it is considered necessary to confirm the Direction in order to protect local amenity.

## **EX27      MIDLETON INDUSTRIAL ESTATE REDEVELOPMENT**

The Executive was reminded that the Council owned the freehold of Midleton Industrial Estate, which had significant potential for redevelopment over the medium term. The Council had decided to develop the site in phases as and when leases expired or were determined.

The Executive had approved a business case for the redevelopment of the Midleton Industrial Estate on 24 January 2017, as part of the consideration of the 2017-18 capital programme.

The Executive, having considered a report which outlined progress with the delivery of the project, including the current spend and the works completed to date as well as the remaining scope of works to be delivered during 2018-19 and 2019-20,

**RESOLVED:**

- (1) That the sum of £3.65 million be transferred from the provisional capital programme to the approved capital programme to enable the continuation and completion of the design and construction of phase one of the Midleton Industrial Estate redevelopment, as detailed in the report submitted to the Executive.
- (2) That the Director of Community Services, in consultation with the Lead Councillor for Finance and Asset Management, be authorised to progress the design and construction of phase one.

Reason:

To progress the redevelopment of Midleton Industrial Estate site in phases to enhance both the capital value and rental income of the Council's property assets.

The meeting finished at 8.07 pm

Signed .....

Chairman

Date .....