

STRATEGY AND RESOURCES EXECUTIVE ADVISORY BOARD

6 December 2021

* Councillor Ruth Brothwell (Chairman)
Councillor Will Salmon (Vice-Chairman)

Councillor Jon Askew	* Councillor Angela Gunning
* Councillor Christopher Barrass	Councillor Steven Lee
Councillor Richard Billington	* Councillor Masuk Miah
* Councillor Colin Cross	* Councillor Tony Rooth
* Councillor Graham Eyre	Councillor Catherine Young

* Present

Councillors Joss Bigmore, Diana Jones, Julia McShane, John Redpath, Deborah Seabrook and Cait Taylor were also in attendance.

SR32 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Jon Askew, Steven Lee, Will Salmon and Catherine Young. Councillor Susan Parker was present as a substitute for Councillor Catherine Young.

SR33 LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

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

SR34 MINUTES

The minutes of the meeting of the Executive Advisory Board (EAB) held on 11 October 2021 were confirmed as a correct record, and would be signed by the Chairman at the earliest opportunity.

SR35 MANDATE TO DEVELOP A CLIMATE CHANGE PROGRAMME

A mandate proposal to introduce a work programme to co-ordinate and manage the Council's approach to climate change related activities was before the Strategy and Resources Executive Advisory Board (EAB) for consideration. This programme, which consisted of various projects and workstreams, would address the Council's commitment to achieve its net zero emissions target across the authority's property estate and service operations and other aspects of actions related to addressing climate change.

The EAB received an introductory presentation from the Head of Asset Management (Climate Change Lead) regarding the mandate which addressed the following areas:

- Programme Strategy
- Options Evaluation
- Considerations
- Climate Change Programme Workstreams
- Resources
- Programme Cost Profile
- Issues, Assumptions and Risks
- Dependencies, Constraints and Opportunities
- Appendix A: Internal Stakeholders Reviewer List

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- Appendix B: Climate Change Programme Group Proposal – Terms of Reference; Who; Why; and Primary, Secondary and Tertiary Tasks
- Corporate Management Team Outcome
- Executive / Management Team Liaison Group Outcome

The presentation reminded the EAB that in July 2019 the Council declared a Climate Emergency which acknowledged that urgent action was required to combat climate change and set a commitment to working towards making the Council's own activities net zero carbon by 2030. The Energy and Carbon Reduction High-level Action Plan was subsequently adopted in July 2020 and the Council's commitment was reiterated in the Climate Change Motion passed in October 2020. The significance of this commitment was reflected in the emergence of climate change as a strategic priority for the Council.

Government statistics indicated that 20% of borough-wide emissions emanated from businesses, 28% from domestic properties with the majority of 52% from transport. The Council could undertake a stewardship role in facilitating a borough-wide transition involving both residents and businesses alike whilst engaging with key stakeholders.

In order to effectively and efficiently reduce carbon emissions, the Council would need to adopt a holistic collaborative approach across the organisation, involving all of its services, assets and operations, which aligned with other strategies such as the Council's Air Quality Strategy.

The mandate set out five potential strategic options to deliver a climate change solution consisting of (1) Do nothing, (2a) or (2b) Do minimum, (3) Do more, the recommended option, or (4) Do most. Options 3 and 4 offered opportunities to explore the possibility of closer working with Waverley Borough Council (WBC) in respect of shared knowledge and project work as part of new joint working arrangements.

In addition to considering the high level mandate, EAB members also discussed aspects of some of the programme projects and workstreams flowing from the mandate. The following points arose from related questions, comments and discussion:

The Mandate

1. Although the formalising and progressing of a climate change work programme were welcomed, there was a view that the mandate lacked ambition and could be strengthened in its aims, notwithstanding the Council's financial situation.
2. The limited references to the Climate Change Board (CCB) in the mandate together with the inclusion of only one councillor in the Stakeholders Reviewer List were causes of concern as it was felt that the engagement of councillors was necessary to promote, drive and fund the programme. Therefore, it was considered that references to the CCB should be included in all relevant sections of the mandate. Also, as the CCB had not reviewed or discussed this mandate, it should be given the opportunity to do so.
3. In addition to the stakeholder groups referred to in the Resources section of the mandate, it was suggested that other organisations be added to broaden the range of involvement and expertise within and beyond the Borough and County boundaries. These should include Friends of the Earth, who had issued guidelines to councils to assist them to influence climate change positively, together with Extinction Rebellion and Zero Carbon Guildford, which could aid the Council to achieve its targets by engaging with different demographics within local communities. From the transport perspective, the need for the involvement of Highways England, the Local Highway Authority and bus companies was also highlighted. The involvement of such

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- organisations would be sought in the areas of external mitigation and communications as workstreams developed, and references to them could be added to the mandate.
4. Establishing a working group with key stakeholders such as Surrey Wildlife Trust, the Woodland Trust and Guildford Environmental Forum, either facilitated by the Council or one of the member groups, was suggested as a means to ensure joint working to deliver projects to protect the environment in an economical manner.
 5. As many other councils had progressed work to tackle climate change and developed related policies, it was suggested that this Council should have regard to these in the interests of shared learning and adopt any best practices that would be beneficial for this Borough in order to spare its limited resources and avoid duplication of work in this area.
 6. With regard to transport, there was support for this to be treated as a planning matter. Although the involvement of Surrey County Council as the Local Highway Authority would be key, this Council would act as a facilitator in certain areas, particularly in relation to the town centre and work within Corporate Programmes.
 7. Option 3 (Do more), which would include engaging with WBC, was recommended as the means to deliver the 2030 carbon emission reduction target within the available resources. Although Option 4 (Do Most), which would consist of embracing wider carbon reduction projects, was not currently a realist prospect for the Council owing to its funding constraints, some councillors expressed support for this Option. However, a councillor suggested that an alternative option, focusing on attaining genuinely achievable targets to benefit the Council and local communities, could be adopted and prioritised over broader ranging and less defined matters.
 8. There was no mention of private homes in the Domestic Energy Efficiency Framework section of the mandate as the Council's major target and influence in this area was in relation to addressing carbon emissions from its housing stock. However, the Council could promote any emerging initiatives and funding opportunities relating to decarbonisation of private homes where possible.
 9. The mandate gave no indication of the percentage of Borough wide carbon dioxide emissions that stemmed from the building process and, in addition to the need for mitigation measures, it was felt that building should be environmentally reliable to reduce the Borough's overall carbon footprint. The Council had power as the Local Planning Authority and through the Building Regulations to impose building standards which were stricter than the national requirements in order to influence development by seeking reductions in carbon emissions in relation to all future housing development. Developers could be encouraged to adhere to such a vision.
 10. It was felt that the Terms of Reference of the proposed Climate Change Programme Group (CCPG) should reflect the previously agreed formal reporting back to each Council meeting in respect of progress achieved towards delivery of the climate change declaration, including measurements against success targets and key performance indicators. The CCB should also receive the progress reports.
 11. With the change in Lead Councillor for Climate Change, who would chair the CCB, it was envisaged that the Terms of Reference of the CCB would be reviewed as matters to be considered were the chairman's prerogative. In this connection, the need for having two climate change groups in the Council was questioned and the EAB was advised that the CCB was an Executive working group of councillors led by the Lead Councillor for Climate Change to pursue its ambitions whereas the CCPG was an officer group tasked with implementing climate change and carbon reduction initiatives. In addition, Surrey County Council was leading a collaborative district / borough council officer group and channelling areas of work to each local authority to pursue and report back on progress.
 12. The reference in the Tertiary Tasks section to the incorporation of climate change factors into decision-making was felt to be a key point which should be strengthened and applied across the Council.

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13. Regarding the financing of the Programme, which was profiled to rise to over £6.5 million by 2030, the intention was to place the Council in a position of preparedness to apply for Government grants when details were known and funding became available.
14. In terms of direct officer resources to oversee the Climate Change Programme, the EAB noted that this consisted of part of the Head of Asset Management's time and one dedicated Climate Change Officer post. However, the intention was to establish an internal organisational structure to spread the climate change implementation workload across the Council with all playing a part and taking responsibility for climate change and carbon reduction work. A councillor advised that Zero Carbon Guildford and the Guildford Environmental Forum, which were jointly operating from the Zero Centre retail space at The Friary, Guildford, could offer a significant resource of volunteers to assist the Council with its climate change initiatives.

Mandate Projects / Workstreams

15. The reference in the mandate to the suitability of individual renewable energy projects was an example of a workstream. One of the main ways for the Council to achieve its net zero target was to invest in a significant decarbonisation project, details of which were unknown at this stage.
16. In terms of Secondary Tasks to deliver the Climate Change Programme, it was suggested that all new housing, including social housing, should be built in accordance with the Passive House Standards, as was the case with a number of other councils in respect of certain house categories, numbers and building zones.
17. With regard to the Climate Change Programme workstreams, it was emphasised that planning and development were key to external mitigations and that fitting of new build properties with carbon emission reduction equipment e.g. ground source heat pumps, was preferable to retro fitting of such items to minimise associated costs and avoid the need for mitigations such as removing gas boilers when legislation disallowed their replacement. All new building should also include electric vehicle charging points.
18. With regard to the Tree Code, it was suggested that a Borough wide Tree Preservation Order with a default presumption against felling be introduced to ensure the optimisation of the management of trees. Such a code should recognise that mature trees absorbed more carbon than saplings and seedlings and that this carbon was released when mature trees were felled. A focus regarding working with parish councils, residents' associations and community groups etc was required to seek their engagement with such an approach.
19. As workstreams and projects were developed, the broad programme success criteria would be more clearly defined to develop specific and smarter targets to monitor and demonstrate progress in achieving project targets.

The Leader of the Council thanked the EAB for its questions and comments and confirmed that this exercise was to capture the Board's thoughts around the Options in the mandate with a view to informing the forward direction for tackling climate change.

SR36 YVONNE ARNAUD THEATRE MANDATE

The Executive Advisory Board (EAB) received an introductory presentation from the Strategy and Communications Manager regarding the mandate in respect of the Yvonne Arnaud Theatre (YAT) grant. The mandate addressed the following areas:

- Introduction
- Strategy
- Strategic Options to Deliver a Solution
- Considerations
- Resources

- Risks, Assumptions and Issues
- Dependencies, Constraints and Opportunities
- Internal Stakeholders
- Next steps
- Appendix 1 – Key Financial Data and Ratios

The presentation explained that the YAT provided a mixture of professional theatre both directly produced and received in its main house, an annual programme of small-scale touring companies and a term-time education programme for young people. In addition, the Mill Studio hosted theatre by local amateur and semi-professional companies.

The YAT had been supported financially by the Council for many years. Following a report to the Executive in February 2015, the annual grant to the Theatre had been set at £310,220 each year for the three year period from 2015/16 to 2018/19 with no provision for inflation. At that time, it was highlighted that the Council would face financial pressure to reduce the amount of the grant over following years and the YAT was expected to manage cost reduction and additional income generation programmes over time to compensate for the reduction.

Despite substantial reductions to the Council's central government funding over the last decade, YAT funding had remained at the same level since 2018/19. The Council was now facing a projected budget deficit of £6 million over the next four years and needed to make substantial savings across its discretionary services. Although grant funding to the YAT had been protected to date, this was not a sustainable position in the future owing to the amount of the grant and the Council's financial challenges.

The mandate set out five options for future funding of the YAT in the context of the Council's challenging financial position and corporate priorities. The Options consisted of (a) Do nothing, (b) Do something [1], (c) Do something [2], (d) Do more [1] or (e) Do most. Having considered the mandate at its meeting held on 3 November 2021, the Executive / Management Team Liaison Group recommended that Options (b) and (c) should be pursued and requested that further information regarding the grant as a percentage of the Theatre's turnover be provided. In response, the Group was advised that in a typical year, the Council's full grant represented 7-8% of the Theatre's turnover. This percentage increased substantially in 2020/21 to 22% due to reduced turnover caused by the Coronavirus pandemic. A credit check had been undertaken and indicated that the Theatre was in a sound financial position.

Officers met representatives of the YAT on 18 November 2021 to discuss the mandate and set out the opportunities to submit representations. The Theatre subsequently submitted a recent response and this was circulated to the EAB as a late sheet to its agenda.

The Leader of the Council advised that the mandate contained the necessary facts regarding the YAT's financial situation and the past financial support provided by the Council in order to inform a decision in respect of future grants to the Theatre, given the financial constraints currently being experienced by the Council. The EAB's views were sought in this regard to test whether it supported the Options endorsed by the Executive / Management Team Liaison Group. A consistent approach to funding reductions was welcomed.

The Resources Director declared an interest in this item as the Council's representative on the YAT Board and explained that, for this reason, she had distanced herself from this particular mandate process. The Director acknowledged that the Council's Savings Strategy posed some challenging decisions around funding reductions in relation to discretionary

services in the light of the Council's projected budget deficit, which had been reported to the EAB on previous occasions.

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

1. The Council's Tourism Service had previously provided a box office service for local events and organisers that involved the provision of a ticketing facility through the Tourist Information Centre, which would receive a commission from the ticket sales. However, the YAT, which already operated its own box office function, sought to take over that service which would provide it with an additional modest income stream. When the Council was operating the box office service it was receiving income of approximately £16,000 per annum, although staffing costs would be deducted from that amount.
2. Reference was made to a presentation to councillors made by the chief executive officer of the YAT some months previously and how that might compare to the presentation given earlier in the day of this meeting.
3. Having recently attended a production at the Theatre, a councillor expressed the view that the building appeared dated and the clientele largely fell into the older age group which may require the YAT to consider offering productions which attracted an audience in a wider age range.
4. Another councillor felt that the YAT was widely valued as an artistic and cultural entertainment offering in Guildford and the rarity of touring and original theatre productions was highlighted.
5. The poor state of repair of the Mill Studio had been raised by the YAT and it was questioned whether the premises were suitable to be let at a full market rental from renewal of the lease, which was a possibility indicated in the mandate, without prior investment to improve the Studio's condition. It was envisaged that the upkeep of the main Theatre building and the Mill Studio would represent a considerable cost to the Council should it become responsible for its maintenance in the event that the YAT ceased to operate and there was a need to identify an alternative use.
6. It was highlighted that Culture and Heritage services had been identified as a low priority in recent public consultations whereas the services provided by local Citizens' Advice Bureaux had been rated as a priority. The recently approved new Corporate Plan had confirmed that the Council's priorities were homes and employment, climate change and supporting vulnerable people.
7. Although the café at the YAT had previously been let to an external provider, it had not been financially viable and therefore the offering had been re-established in-house and was achieving a modest income stream to support the Theatre.
8. The projection of films in the Theatre had occurred in the past and was suggested as an additional future use of the premises to attract income.
9. The addition of £239,177 shown in the YAT's statutory accounts for 2017/18 was a one-off amount resulting from closure of one of the Theatre's subsidiary companies in that financial year as part of a management restructure.
10. Notwithstanding Covid-19, the YAT's finances appeared to be reasonably buoyant in 2020/21 owing to its receipt of pandemic related grants, Business Rate reduction, qualification for the furlough scheme and reduced expenditure owing to fewer theatre productions being offered.
11. There was an impression that other local authorities were not in a position to offer financial support to sustain their local theatres to the same level as that provided by this Council.
12. In response to the YAT's comment that it had understood that there were certain guarantees of ongoing funding from the Council, councillors noted that the mandate stated that this was not the case. The EAB was advised that the prior three year rolling funding agreement had lapsed and the amount of and duration of future grants

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were at the Council's discretion. However, the YAT had requested a multi-year funding agreement in future to aid its financial planning.

13. A view was expressed that the amount of savings to be achieved by the Council in relation to the implementation of Option (b) in the mandate was a relatively small sum. Accordingly, Option (a) was favoured by the same councillor who suggested that, in the event that Options (b) or (c) were widely supported, the YAT should be consulted in respect of its preference in this regard.
14. Another councillor expressed on balance support for pursuing Option (a).
15. A further councillor favoured a staged reduction in the grant to the YAT, similar to that suggested in Option (b), whilst giving the Theatre an opportunity to make further representations to the Council in the event that its financial circumstances changed significantly due to the impact of the pandemic or other factors.
16. A further view preferred Option (b) implemented in a phased manner to achieve the desired saving over a three year period with the funding reduction weighted towards the latter part of the period to minimise any immediate impact on the YAT.

In summary, although there was no overall consensus amongst the EAB in respect of the Option(s) to be recommended to the Executive, two councillors favoured Option (a) and two further councillors expressed support for Option (b). The preferences for the latter Option were on the basis that the YAT should be given an opportunity to make further representations to the Council in the event of changes to its financial circumstances and that the reductions be implemented in a phased manner weighted towards the latter part of the period to minimise any immediate impact on the YAT. As the Executive / Management Team Liaison Group had recommended that Options (b) and (c) should be pursued, under these circumstances it was felt that the YAT should be consulted in respect of its preference between these Options and that the condition of repair of the Mill Studio be borne in mind.

SR37 EXECUTIVE FORWARD PLAN

The Executive Forward Plan was noted.

SR38 EAB WORK PROGRAMME

The EAB Work Programme was noted without comment.

The meeting finished at 9.04 pm

Signed

Date

Chairman