



Please reply to:

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Date: 29 November 2024

Notice of meeting

Corporate Policy and Resources Committee

Date: Monday, 9 December 2024

Time: 7.00 pm

Place: Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames TW18 1XB

To the members of the Corporate Policy and Resources Committee

Councillors:

J.R. Sexton (Chair)

C. Bateson (Vice-Chair)

M. Beecher

M. Bing Dong

J.R. Boughtflower

J. Button

S.M. Doran

R.V. Geach

M. Gibson

K.M. Grant

K. Howkins

M.J. Lee

S.C. Mooney

L. E. Nichols

O. Rybinski

H.R.D. Williams

Substitute Members: Councillors M.M. Attewell, S.N. Beatty, D.C. Clarke, S.A. Dunn, J.T.F. Doran, A. Gale and K.E. Rutherford

Councillors are reminded that the Gifts and Hospitality Declaration book will be available outside the meeting room for you to record any gifts or hospitality offered to you since the last Committee meeting.

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

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Agenda

Page nos.

1. Apologies and Substitutes

To receive apologies for absence and notification of substitutions.

2. Minutes

7 - 14

To confirm the minutes of the meeting held on 15 October 2024 as a correct record.

3. Disclosures of Interest

To receive any disclosures of interest from councillors in accordance with the Council's Code of Conduct for members.

4. Questions from members of the Public

The Chair, or their nominee, to answer any questions raised by members of the public in accordance with Standing Order 40.

At the time of publication of this agenda no questions were received.

5. Knowle Green Estates Ltd, Annual Report 2023/24

15 - 32

Committee is asked to:

- 1) Note the Annual Report as part of the presentation to the Committee by the Board of Directors of Knowle Green Estates Limited (KGE)
- 2) Give consideration to future Council representation on the Board following the Chief Finance Officer of the Council stepping down from the Board; and
- 3) Give consideration as to how the Council wishes to see KGE move forward as set out in paragraph 1.4 of the report

6. Q2 Revenue Monitoring Report as at 30 September 2024

33 - 72

Committee is asked to note the forecast overspend of £896,000 for 2024-25 as at 30th September 2024.

7. Quarter 2 (30 September 2024) Capital Monitoring Report

73 - 80

Committee is asked to note the capital expenditure forecast overspend of £1.157m for 2024-25 as at 30 September 2024.

8. Eclipse Leisure Centre Financing

81 - 88

Committee is asked to note the revenue impacts of the Eclipse Leisure Centre for the outline budget period.

9. **Corporate Policy and Resources - Budget, Fees and Charges, Capital bids, Revenue Growth and Savings for 2025/26** 89 - 118

Committee is asked to note the Draft Initial Budget, Fees and Charges Schedule, Capital Items, Revenue Growth and Savings items for 2025-26 budget for Corporate Policy and Resources.

10. **Determination of 2025/26 Council Tax Base for Tax Setting** 119 - 124

To consider recommending to Council:

- A) The gross Council Tax Base for 2025/26 is determined at 41,875.9 (2024/25: 41,305) as Band D equivalents after taking account of the Council's agreed Council Tax Support Scheme, and
- B) The net Council Tax Base for 2025/26 calculated as Band D equivalents, is determined at 40,620 (2024/25: 39,241) after adjustment by 3% to allow for: irrecoverable amounts, appeals and property base changes.

Members are reminded that pursuant to the Local Government Finance Act 1992 a member of a local authority who has not paid an amount due in respect of council tax for at least two months after it became due and who attends a meeting at which the level of council tax is considered must disclose that s106 applies to them and refrain from voting on any question with respect to that matter. Failure to comply amounts to a criminal offence.

Please seek and advice from Monitoring Officer if in any doubt prior to the meeting taking place.

11. **Outline Budget Report 2025-26 to 2028-29** 125 - 166

Committee is asked to:

1.
 - a) Note the proposed Outline Budget parameters for 2025-28 to 2028-29 and the issues and challenges raised in the Report.
 - b) Note the current projected Budget shortfalls over the outline periods set out in Table 1 (section 6)
 - c) Subject to the recommendation of the Commercial Assets Sub Committee, agree in principle to the use of £1m per annum (pa) in 2026/2027 up to £5m pa in 2030/31 revenue income from investment assets to accelerate the building up of the investment sinking fund reserves, resulting in less income to support annual service provision.
2.
 - a) Agree the Outline Corporate Transformation Programme covering the years 2025 to 2031 which is fundamentally focused on closing the Outline Budget Gaps for the years 2025-26 to 2028-29 to ensure the ongoing financial viability of the Council. **(Appendix 2).**
 - b) Agree to set up a Members Transformation Board, with draft

terms of reference to be brought back to the next meeting of the Committee.

- c) Create a Transformation Reserve by setting aside £0.5m from Revenue to pump prime resourcing of the Outline Transformation Programme over the Outline Budget period

12. Reserves Strategy for Capital & Revenue for 2025-26 to 2028-29 167 - 180

Committee is asked to:

1. Note the forecast Council Reserves balances for the four years ending 31 March 2029
2. Note a further report will come to Committee in February once the final budget has been finalised
3. Agree to repurpose £8.71m of earmarked Revenue Reserves to offset abortive project management costs on Council housing regeneration sites, that must be re-charged from Capital to the Revenue Budget
4. Repurpose the Green Belt fighting fund reserve (£900k) to become a Local Plan Resources funding reserve to be applied in 2025-26 and 2026-27 to help fund Strategic Planning
5. To apply a further £700k of Social Housing Initiatives Reserve in 2025-26 to offset Revenue pressures arising from Homelessness

13. Replacement of Mechanical & Electrical Plant at Sunbury Leisure Centre 181 - 192

Committee is asked to consider recommending to Council to:

- 1) Approve a net budget of up to £739,000 to undertake improvement Mechanical and Electrical Plant replacement works at Sunbury Leisure Centre;
- 2) Approve a contingency budget in the amount that equals 10% of the total project cost (shown in Appendix 1)
- 3) Delegate authority to the Group Head of Assets in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee to agree requests for expenditure from the contingency budget.
- 4) Delegate authority to the Group Head of Assets in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee to appoint the preferred bidder as set out in this report to undertake the Mechanical and Electrical Plant works.
- 5) Delegate Authority to the Group Head of Corporate Governance to enter into necessary legal documentation to formalise the appointment of the contractor.

Appendix 1 contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any contract or other type of negotiation with a prospective purchaser who could then know the position of the Council.

- | | | |
|------------|---|------------------|
| 14. | Council Land and Property Disposals | To Follow |
| | <p>Committee will be asked to consider a recommendation to Council to approve progression of an assets disposals programme of Council owned land and property in order to generate capital receipts</p> <p><u>This item will be considered by the Business, Infrastructure and Growth Committee on Thursday, 5 December 2024.</u></p> <p>This report will be published after its consideration by that Committee.</p> | |
| 15. | Appointment of an Independent Member of the Commercial Assets Sub-Committee | 193 - 210 |
| | <p>Committee is asked to recommend to Council the appointment of Mark Bunney as the Independent Member of the Commercial Assets Sub-Committee.</p> | |
| 16. | Safeguarding Children and Adults at Risk Policy 2024-2028 | 211 - 246 |
| | <p>The Committee is asked to:</p> <ol style="list-style-type: none">1. Approve the Safeguarding Children and Adults at Risk Policy 2024-2028; and2. Approve to delegate authority to the Strategic Safeguarding Lead in consultation with the Chair of the Community Wellbeing and Housing Committee to approve minor amendments and updates to the Policy. | |
| 17. | Appointment of Charity Trustees - Staines Parochial Charity | 247 - 252 |
| | <p>To consider the appointment of a charity trustee to Staines Parochial Charity.</p> | |
| 18. | Appointment of Charity Trustees - Laleham Charities - Hodgson & Reeve | 253 - 258 |
| | <p>To consider appointments of representative trustees to Laleham Charities – Hodgson and Reeve.</p> | |
| 19. | Forward Plan | 259 - 266 |
| | <p>To consider the Forward Plan for committee business.</p> | |

20. Urgent Actions

To note those urgent actions which have been taken by the Chief Executive in consultation with the Leader since the last Corporate Policy and Resources meeting on 15 October 2024.

21. Exclusion of Public & Press (Exempt Business)

To move the exclusion of the Press/Public for the following items, in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

22. Solar Canopies Over 'Eclipse' Leisure Centre Car Park

267 - 324

Committee is asked to consider recommending to Council that:

1. The recommended tender option be approved
2. The Council enter into a contract (subject to the required standstill period) with the recommended bidder;
3. Authority to the Group Head of Corporate Governance be delegated to enter into the contract and any other associated documentation in connection with the solar car park project
4. To agree a supplementary capital estimate for the current year 2024/25.

This report contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any contract or other type of negotiation with the proposed contractor who could then know the position of the Council.

**Minutes of the Corporate Policy and Resources Committee
15 October 2024**

Present:

Councillor J.R. Sexton (Chair)
Councillor C. Bateson (Vice-Chair)

Councillors:

M. Beecher	R.V. Geach	M.J. Lee
M. Bing Dong	M. Gibson	S.C. Mooney
J.R. Boughtflower	K.M. Grant	O. Rybinski
J. Button	K. Howkins	H.R.D. Williams

116/24 Apologies and Substitutes

Apologies were received from Councillors Doran and Nichols.

Councillor Beatty attended as a substitute for Councillor Doran and Councillor Dunn attended as a substitute for Councillor Nichols.

117/24 Minutes

The minutes of the meeting held on 09 September were agreed as a correct record of proceedings.

118/24 Disclosures of Interest

Councillors Mooney and Sexton declared that they were also Surrey County Council Councillors.

119/24 Questions from members of the Public

In accordance with Standing Order 40 one question was received from Kath Sanders, as follows:

The Corporate Risk Management Report states under Local Plan (2.6(b) p.3):
"A draft Statement of Common Ground has been sent to the EA for their consideration which, if agreed, will mean there is agreement on all substantive

matters, and that a key stakeholder is now satisfied that their concerns have been fully addressed."

Would the Council agree that, turning that around, it is correct to say that for the last two years, since September 2022, there hasn't been agreement on all substantive matters, and that a key stakeholder did not believe the proposed Local Plan to be sound when it was submitted?"

The Chair of the Environment and Sustainability Committee responded as follows:

"The decision on whether or not a Local Plan can be found sound is ultimately solely a matter for the Inspector. The view of the EA that it does not consider our plan sound is their view only as one of our many stakeholders. As a Council we have to consider the matter 'in the round' and there will be always be stakeholders with opposing views – our role is to submit a local plan which the Council considers is capable of being found sound.

It is acknowledged that the EA are one of the Specific Consultation Bodies and as such the Inspector will pay particular attention to their representations. It is always possible as part the Examination process for the Inspector to agree whether any Modifications are required as a result of consultee comments or attendance at the Examination itself to talk through any outstanding issues.

To bring all members and residents up to date, I am very pleased to confirm that last evening (14 October) the EA signed a Statement of Common Ground with the Council. This means all the flooding issues the EA had have been satisfactorily addressed. A letter went to the Planning Inspector late this morning to advise him of this (including a copy of the Statement of Common Ground). A copy has been emailed to all councillors this afternoon, and the statement has been uploaded to the Local Plan area of the Council's website. I would like to express my thanks to the whole strategic planning team, and in particular the Local Plans Manager Jane Robinson, for getting us to this significant milestone.

A report will be going to Council next Thursday on getting the Local Plan back to Examination".

120/24 Reflections Water Feature

The Committee considered a report that sought agreement of one of the options outlined in the report in respect of the Reflections Water Feature that forms part of the Staines War Memorial.

Concerns were raised about the potential flooding of the underground pump room but they were advised that the proposed business sponsor was aware of this and had agreed to deal with any flooding issues in the future.

The Committee were advised that the Council would continue to retain the liability for the water feature and would ensure that level of safety would be maintained to the current level.

The Committee agreed that Option 2 within the report was the preferred option and would mean that the water feature would be repaired and maintained by the sponsor for a minimum period of 3 years after which a 6 months break clause would be in operation and would be at no cost to the Council.

The Committee **resolved** to agree to allow a local business sponsor to carry out repairs and maintenance at no cost to the Council for a minimum of three years; and

Delegate authority to the Group Head of Corporate Governance to agree the terms and enter necessary documentation

121/24 Sunbury Leisure Centre

The Committee were asked to consider and approve the submission of a planning application for the Sunbury Leisure Centre.

The Committee asked what the process was prior to the Committee System being adopted at the Council with regard to planning approval being needed for Council owned/leased sites. They were advised that a response would be provided in writing.

The Committee **resolved** to agree the submission of a planning application in relation to the decarbonisation of Sunbury Leisure Centre to add additional Solar PV to Sunbury Leisure Centre, install Air-to-Water Heat Pumps and remove the aging boilers from site.

122/24 Key Performance Indicators 2023/24

The Committee considered a report that outlined the Key Performance Indicators (KPIs) that were reported to the Corporate Policy and Resources Committee on an annual basis.

The Committee requested that future reports also included relevant numbers as well as percentage figures so that it would be more informative for members of the Committee.

The Group Head of Commissioning and Transformation advised the Committee that she was actively looking at ways to encourage more customers to sign up to E-billing instead of paper bills as this provided a more efficient and cost saving service.

The Committee requested more information regarding the percentage of planning applications that were approved on appeal. The Group Head of

Commissioning and Transformation advised that this information would be provided for all Committee members.

The Committee **resolved** to note the Key Performance Indicators (KPIs) to be reported on an annual basis to this Committee.

123/24 Safeguarding Children and Adults at Risk Policy 2024-2028

Committee considered the report that sought approval of the revised Safeguarding Children and Adults at Risk Policy 2024-28.

The Committee asked that training be arranged for members with regard to safeguarding. This had previously been requested at the Community Wellbeing and Housing Committee at which time they were advised that training would be provided by Surrey County Council (SCC). The Community Development Manager and Safeguarding Operational Lead advised that she had spoken to SCC and that they had agreed to expediate the training.

The Committee advised that there were some points within the report that needed reviewing so the Chair requested that the officer liaise with members to discuss any amendments required. It was **resolved** that the report would be reconsidered at the next meeting of the Committee on 09 December 2024.

124/24 2023-24 Reserves Outturn Report

Concerns were raised in respect of the content of the report and that it was not easy to understand and should be simplified. The Chief Finance Officer advised the Committee that he would be happy to answer any specific questions that individual members had with regard to clarification of information contained within the report outside of the meeting.

The Committee **resolved** to note the 2023-24 Reserves Outturn Report.

125/24 Change to Treasury Management Strategy – Proposed Draw Down of Pooled Funds

The Committee considered the report on the Change to Treasury Management Strategy – Proposed Draw down of Pooled Funds.

During the discussion on this item a number queries were raised by members:

1. There was a difference in the two financial tables in respect of a sum of £21m as it was only outlined in one of the tables, not both,
2. 'Project A' was referred to in the report but no explanation as to what this actually was,
3. A sum of £97k was attributed to the 'White House' and clarification was sought by the Committee as to what this expenditure related to; and

4. For ease of reading and understanding the financial information included within the tables, the Committee requested that headings should be included to clarify the monetary values of each column and that grid lines be used.

The Chief Finance Officer advised the Committee that all the above information requested would be provided to the Committee members and that future financial reports would be clearer and easier to read.

The Committee **resolved** to recommend to Council that it approves the amendment to the Treasury Management Strategy for 2024/25.

The meeting was adjourned at 20.55

The meeting reconvened at 21.05

126/24 Spelthorne Financial Services Partnership

The Committee considered a report on the proposed Finance Service Partnership with Mole Valley District Council.

The Committee were advised that the proposed partnership would not result in any job losses either at Spelthorne Borough Council (SBC) nor at Mole Valley District Council (MVDC). The Leader expressed that this initiative was not driven by cost savings but that it would provide resilience across both Councils.

Concerns were raised about security surrounding the financial information held by SBC. The Chief Finance Officer advised that stringent security measures would be implemented to ensure that only information need to facilitate a finance service partnership would be available to MVDC.

The Committee **resolved** to:

1. Approve the creation of a Joint Finance Partnership between Mole Valley District Council and Spelthorne Borough Council,
2. Approve the Heads of Terms for an Intra-Authority Agreement between the two Councils as set out at Appendix 2 of the report and delegate authority to the Council's Section 151 Officer and the Interim Group Head of Corporate Governance to finalise all necessary legal arrangements and agreement to implement the partnership in line with the Heads of Terms,
3. Approve the creation of a Joint Partnership Board and its terms of reference as outlined in Appendix 3 of the report to provide the scrutiny and governance function for the partnership,
4. Approve the staff structure for the partnership outlined at Appendix 5, subject to consultation and to delegate authority to the Section 151

Officer to approve any amendments to the structure following consultation; and

5. Approve the partnership budget outlined in Appendix 4 of the report.

127/24 Appointment of Charity Trustees - Ashford Sick or Needy

The Committee **resolved** to agree the appointments of

Mr G Forsbrey
Mr A Joel and
Councillor S Mooney

as Trustees of the Ashford sick and Needy Charity for a period of four years.

128/24 Corporate Risk Management

The Committee **resolved** to note the significant strategic risks and issues highlighted in the report.

129/24 Forward Plan

The Committee **resolved** to note the contents of the Forward Plan.

130/24 Urgent Actions

The Committee were advised of an urgent action that had been made by the Council's Chief Executive in consultation with the Leader and Deputy Leader of the Council. This action consisted of approval to allocate an additional sum of £114k to ensure that sufficient resources would be available to enable the Local Plan to go back to Examination in Spring 2025 and for the Design Code to continue to run parallel to this.

The Leader was asked to provide the date that she had last met with the Local Plan Inspector and advised that she would provide the date to all Committee members.

The Committee **resolved** to note the urgent action that had taken place since the last meeting of this Committee.

It was proposed by Councillor Bateson and agreed by the Committee to suspend Standing Order 38.3 to allow the meeting to continue beyond 3 hours.

131/24 Exclusion of Public & Press (Exempt Business)

The Committee **resolved** to move the exclusion of the Press/Public for the following item as the report contains exempt information within the meaning of

Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any lease, contract or other type of negotiation with the tenant or developer, who could then know the position of the Council

132/24 Housing Options Document Management System

The Committee **resolved** to recommend to Council that it approves an in-year Capital bid for an Electronic Document Management System for Housing Options

133/24 Procurement of a New Website

The Committee **resolved** to recommend to Council that it:

1. Agrees a supplementary Capital budget for a new website,
2. Agree to proceed with the procurement of a new website,
3. Authorise the Head of Communications and Customer Engagement to carry out the procurement in accordance with Contract Standing Orders; and
4. Authorise the Group Head of Corporate Governance to enter into any legal documentation necessary to implement the new contract and approve the proposed spend under the contract.

134/24 Corporate Policy and Resources Chair's Updates

There were none.

The meeting concluded at 22.14.

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Corporate Policy & Resources Committee

9th December 2024

Title	<i>Knowle Green Estates Ltd, Annual Report 2023/24</i>
Purpose of the report	To note the report
Report Author	<i>Anne Fillis and Darren Levy (Non-Executive Directors of Knowle Green Estates Limited)</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>n/a</i>
Corporate Priority	Community Addressing Housing Need Services
Recommendations	<p>Committee is asked to</p> <ul style="list-style-type: none"> • note the Annual Report as part of the presentation to the Committee by the Board of Directors of Knowle Green Estates Limited (KGE); • give consideration to future Council representation on the Board following the Chief Finance Officer of the Council stepping down from the Board; and • give consideration as to how the Council wishes to see KGE move forward set out in para 1.4 of this report.
Reason for Recommendation	<i>Under the terms of the Shareholder Agreement this Committee is the Shareholder representative body</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • Knowle Green Estates Limited (KGE) is wholly owned by Spelthorne Borough Council • KGE manages on a long term basis a portfolio of 174 units made up of affordable rental, keyworker 	<ul style="list-style-type: none"> • Important that Corporate Policy and Resources Committee as the Shareholder representative is kept informed as to KGE activity and has a chance to challenge, scrutinise and raise queries with the Directors of KGE

<p>rental, private rental and Temporary Accommodation</p> <ul style="list-style-type: none"> • The Council last operated a Housing Revenue Account in the mid-1990s, prior to it undertaking a large scale voluntary transfer of its housing stock to the entity which subsequently would become A2D • Currently the KGE Board consists of 4 individuals, the current Chief Finance Officer of Spelthorne Borough Council, Cllr Nichols; and two Non-Executive Directors Anne Fillis and Darren Levy • There is a tight Shareholder Agreement which limits the decisions the Board can make, so KGE cannot, without Shareholder's agreement, make acquisitions or disposals or seek external finance. • The new Government is changing the housing regime, including allowing Councils in the future to retain right to buy receipts and reducing the value of right to buy discounts. 	<ul style="list-style-type: none"> • Whilst KGE is very much a delivery vehicle to support one of the Council's strategic priorities, on grounds of transparency it is important to reduce perceptions of conflicts of interest • Consider options for future Council representation on the Board of KGE. • The Shareholder should give strategic consideration to the future direction of KGE, including whether to consider the option of bringing the residential units back onto the Council's balance sheet by re-opening a Housing Revenue Account (HRA)
<p>This is what we want to do about it</p>	<p>These are the next steps</p>
<ul style="list-style-type: none"> • Note the Annual Report for 2023-24 and question the Directors on the performance and approach of KGE • Note that the Council's Chief Finance Officer will be stepping down from the Board • Give consideration to future Council (as Shareholder) representation on the Board 	<p>Agree the terms of reference to set up a Task Group to consider the options for the second and third recommendations</p>

Key Issues

- 1.1 Knowle Green Estates Limited (“KGE”) is wholly owned by Spelthorne Borough Council and exists to manage on a long term basis a portfolio of 174 units covering affordable rental, key worker rental, private rental and temporary accommodation to meet the needs of residents of the Borough. KGE manages the properties and sustains the tenants in their accommodation.
- 1.2 The Directors of KGE present the 2023/24 Annual Report and will talk through the report at the Committee meeting. Anne Fillis and Darren Levy were re-appointed as NEDs in December 2023 for a further term of two years.
- 1.3 Whilst there is a tight Shareholder Agreement which limits the decisions the Board can make, so it cannot for example without the Shareholder’s agreement, make acquisitions or disposals or seek external finance, it is acknowledged that there could be perceptions of conflicts of interest in having the Chief Finance Officer on the Board of KGE. The rationale for having the Chief Finance Officer on the Board was to take a Group approach and seek to ensure that the Council had a good understanding of the financial risks generated by its subsidiary company. This approach is consistent with the paper on Conflicts of Interest the Monitoring Officer is considering bringing forward to the Standards Committee. It is therefore proposed that the Chief Finance Officer steps down from the Board of KGE from 1st January 2025. This in turn means the Council should give consideration as to its future representation on the Board. Currently Cllr Nichols is the sole councillor representative on the Board.
- 1.4 In July 2024, the Council approved a £2.5m debenture loan to KGE. This has put KGE’s financial position on a stable basis. In this context, it is now appropriate for the Council as Shareholder to consider options as to the future strategic pathway for KGE. These options include:
 - (a) KGE continuing as a subsidiary company. This generates additional costs with respect to recharges from the Council to KGE which have to be VAT rated and KGE cannot recover the VAT. It requires a set of loan financing arrangements between the Council and KGE. It requires the additional cost of KGE paying for its own separate external audit of its annual accounts. KGE does have 50 year financial projections and is about to begin the process of refreshing its business plan.
 - (b) Resuming the process of becoming a Registered Provider. The benefits of this is that it would need to demonstrate robust governance in order to meet the Social Housing Regulator’s criteria, and KGE would be able to directly access Homes England grant streams. However, there would be significant cost and resource involved in making an application to become a Registered Provider (the process takes 18 to 24 months on average) and would require some specialist consultancy support. Additionally given that whilst Spelthorne Council is not formally restricted from securing additional debt finance, and indeed had approval from the Ministry of Housing Communities and Local Government to use

borrowing to part fund acquisition of Local Authority Housing Fund properties, the Spelthorne group is no longer looking to take on additional debt finance to fund additional housing units, and there is not a need to access Homes England grant.

- (c) Consider, in the context of the Government's proposal to amend the Right to Buy regime to allow Councils retain fully Right to Buy receipts and to reduce the attractiveness of RTB by reducing the discounts, the pros and cons of re-opening a Housing Revenue Account. (HRA). Appendix 2 summarises the pros and cons for re-opening HRAs.

2. Options analysis and proposal

2.1 Option 1 (preferred) -

- (a) agree to note the Annual Report, see Appendix 1, and record any further clarifications requested.
- (b) To note and accept the stepping down from the Board with effect from 1st January 2025 of the Chief Finance Officer. Note that the Board would find it useful for the Chief Finance Officer to attend the Board as an observer and to offer advice.
- (c) To give further consideration to future Council representation on the Board.
- (d) To give further consideration to forming a view as the sole Shareholder, as to how now it wishes KGE to move forward; for example, continuing on its existing basis as a company, resuming the previous process of seeking to become a Registered Provider and therefore able to apply for Homes England grant streams, or seeking to move the housing managed by KGE back onto the Council's balance sheet by re-opening a Housing Revenue Account.

To facilitate c) and d) above it is suggested that the Committee sets up a Task Group to consider the options. The Terms of Reference will be brought back to the next CPRC meeting in January which would. It is suggested that the Group be made up of 7 members to include the Chair and Vice Chair of this Committee. It may be useful to also include representation from Community Wellbeing and Housing Committee. It is also proposed that the timetable for the task and finish group would require formulation of options and recommendations by representation on the Board. by March 2025

2.2 Option 2 – amend and refine the options set out above.

2.3 Option 3 - do not agree to the proposals set out above.

3. Financial management comments

- 3.1 The Council in July 2024 approved a £2.5m ten year debenture loan to KGE to stabilise its financial position. KGE makes loan interest and principal repayments to the Council.

4. Risk management comments

5. Operating a subsidiary company creates a range of operational, health and safety, financial and reputational risks. KGE maintains a regularly reviewed Risk Register.

6. Procurement comments

Not applicable.

7. Legal comments

7.1 KGE Annual Report provides financial accountability and affords the Council as the sole Shareholder an opportunity for scrutiny.

7.2 The Shareholder Agreement with KGE requires the prior consent of the Shareholder to any appointment of a director to KGE. The Shareholder is represented by the Corporate Policy & Resources Committee under the Constitution.

7.3 Company directors owe certain duties to the company, including a duty to avoid conflicts of interest (section 175 of the Companies Act 2006).

7.4 Portfolio management necessitates KGE to seek its own specialist housing advice from time to time which creates additional expenditure on external legal fees.

8. Other considerations

8.1 None.

9. Equality and Diversity

9.1 There are none.

10. Sustainability/Climate Change Implications

10.1 The Company seeks to maintain the accommodation to a high environmental standard.

11. Timetable for implementation

11.1 Not applicable.

12. Contact

12.1 T.Collier@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix 1 – Text of Knowle Green Estates Annual Report for 2023-24

Appendix 2 – Pros and Cons of Re-opening a Housing Revenue Account

Appendix 3 – Knowle Green Estates Annual Report for 2023-24 for publication (to follow)

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1. Front page
2. Contents page
3. Welcome
4. Our directors
Our team
5. Vision and Values
Our Homes
6. Case Study/Resident Feedback
7. KPI's
Governance
8. Section on BST
9. Financial Summary
10. Back Page

1. Front page – New pictures?
2. Contents Page – as determined.

3. Welcome

Knowle Green Estates Ltd (KGE) continues to focus on its people, tenants and communities as well as its properties. KGE has worked with Spelthorne Borough Council, its sole shareholder, to provide and manage further affordable and temporary accommodation housing in the borough.

In partnership with the Council, KGE secured funding from the Government's Local Authority Housing Fund (LAHF). The LAHF aims to support Local Authorities in England to provide accommodation to those with housing needs, specifically where there is a huge shortage of temporary accommodation. In addition, the LAHF includes provision for Afghan and Ukrainian resettlement schemes.

KGE's newly acquired properties have all been refurbished to provide quality housing for their new occupiers, which mirrors KGE's approach to the existing properties within its portfolio.

KGE's portfolio has now increased from 93 properties to 174. Its new homes are a combination of flats and houses which are situated across the borough of Spelthorne, in central accessible locations, ensuring that its residents are very much part of the community.

The KGE team continues to support its Afghan and Ukrainian relocated families, with every aspect of their tenancies. KGE works closely with other agencies; including the Council's Family Support team, the local job centre, local charities and food banks, to ensure that its residents receive all the required support they need to lead positive, prosperous and happy lives.

The team also ensures that, when needed, referrals are made to relevant agencies such as social care and mental health teams, ensuring a holistic

tenant focused approach is at the forefront of its service provision. KGE's tenants are its customers, hence a 'customer first' focus ensures KGE is always striving to improve its service provision, and it seeks to improve resident engagement through various channels, including resident feedback surveys.

KGE continues to work closely with the Council's Housing Options team, to ensure those applicants who are most in need, are prioritised for the accommodation available. The properties KGE has available allow for a blend of keyworker, affordable and private tenancies and temporary accommodation, ensuring KGE continues to address the variety of housing needs in the borough.

During 2024, KGE acquired a significant number of new homes, but lack of affordable housing, continues to be a challenge for the Council and residents of Spelthorne. KGE will continue to work with its shareholder and other partners to identify innovative ways to address the lack of affordable housing. KGE's focus remains people, its customers and the provision of good quality and safe homes, managed on a long-term sustainable basis.

4. Our team

- Remove Rachael Fry
- Add in Sara Chapman, Residential Property Manager
- Add in Coralie Holman, Group Head, Assets

5. Vision and Values – Keep this in

Our homes – 2024 – Radford Gate (33 Units)

A mixture of 1- & 2-bedroom homes in Sunbury.

2023/24 – The Old Post Office (13 Units)

A mixture of 1- & 2-Bedroom homes in Ashford

6. Case Study – Resident Feedback

Your Background

- Please tell us the ages of the people in your household: 35 years, 39 years, 7 years
- How long did you live in KGE accommodation: 3 years
- Describe the circumstances that led to you seeking accommodation (e.g., homelessness, family issues, financial difficulties):

In February 2020, I fled from domestic violence and sought safety in a women's refuge. After leaving the refuge, I found myself homeless, without work, and relying on the housing register for assistance. Eventually, I was offered accommodation through KGE, which provided me with a safe and stable environment to rebuild my life.

Experience in your KGE Accommodation

- How would you rate the quality of the accommodation and amenities available:

I would rate the quality of the accommodation and amenities as excellent. The living space is comfortable, well-maintained, and equipped with everything I need, making it feel like a secure and welcoming home. This high quality of accommodation has had a positive impact on my daily life and overall well-being.

- Please detail whether you received any support from KGE staff during your stay. If so, what did they help with, how did this help you.

I have always felt supported by KGE staff, especially when it came to my mental health and understanding the benefits I could be entitled to. Their guidance helped me access essential support systems, which brought stability and reduced financial stress. Knowing I had someone to turn to for mental health support was incredibly comforting, especially during challenging times. Their assistance provided me with peace of mind and helped me feel more empowered to manage my circumstances.

- Were you supported with applying for any benefits? If so, how did this help you and improve your life.

Yes, I was supported with applying for Universal Credit when I was not in work and a single mum. This support made a significant difference in my life by providing financial stability during a challenging time. It allowed me to focus on caring for my child without the constant stress of financial insecurity. With this support, I was able to cover essential expenses, like rent, food, and bills, which greatly improved our quality of life and helped me feel more secure.

Improvements in your Well-being

- Please detail any significant changes in your life, such as improvements in mental health, employment status, or social connections.

Since living at KGE, my life has significantly transformed. I am now married and living with my son and husband, and I have secured a full-time senior role in a corporate company. These changes have greatly improved my financial stability, personal happiness, and sense of purpose. My journey at KGE played a key role in helping me reach this new chapter in my life.

- Please share any notable achievements during your stay (e.g., securing a job, completing education, building relationships).

During my stay at KGE, I achieved several notable milestones. I secured a full-time senior role in a corporate company, which has greatly enhanced my career and financial stability. Additionally, I strengthened my personal relationships, which eventually led to getting married and building a stable home with my family. These accomplishments have been life-changing and have set a strong foundation for my future.

7. KPI's

KPI	Target	Actuals
Rent arrears as % of income	4%	0.48%
Average re-let in days	10 days	13*
Complaint response time	5 days	1
Homeless Households housed	N/A	12 (10 of these were Afghan families)
Repairs and Maintenance		
Responsive repairs responded to within targeted timescales	90%	95%

- **8 properties became void during the year. To note, 1 property needed major works following a leak (33 working days), 1 property needed extensive works (20 working days), and 1 property required clearance (15 working days). This has affected the KPI figure for our re-lets of the properties.**

Governance

Keep the same as the 2022/23 report, and please add the following addition:

- Bi-annual (minuted) Strategy meetings.

8. Building Services Team

We partner with Spelthorne Borough Council's Building Services Team to ensure all our homes are well maintained. This team plays a pivotal role in ensuring the smooth operation and quality of our properties. The team comprises of skilled professionals, including a Senior Building Manager, a Building Surveyor, two Building Maintenance Officers, and a Residential

Estates and Facilities Manager, who work with us as we support the residents in our properties.

The team ensure that all buildings meet safety standards and regulatory requirements. This is monitored by completing regular building and property inspections. By identifying potential issues early, the team maintain the structural integrity and safety of our properties, providing peace of mind to our residents and stakeholders.

The team oversees the day-to-day maintenance and repair activities. They coordinate with contractors, manage maintenance requests, and ensure that all building systems are functioning optimally. Their proactive approach to maintenance helps prevent disruptions and extends the lifespan of our facilities. The team have played a pivotal role in the acquisition and refurbishment of our new properties. From attending pre-purchase viewings, to carrying out specification of works, and overseeing the refurbishment of the properties, the Building Services Team have been involved in every step of the acquisition process. Their expertise and dedication are key to our values to provide better quality housing, which are locally managed.

9.Financial Summary

	2024	2023
	£	£
Turnover	1,265,232	1,140,166
Administrative expenses	(1,343,863)	(1,357,254)
Operating profit/(loss)	(78,631)	(217,088)
Interest receivable	1,638	20
Interest payable and similar expenses	(815,374)	(812,389)
Loss before taxation	(892,367)	(1,029,457)
Tax on loss	230,784	132,600
Profit/(loss) for financial year	(661,583)	(896,857)
Other comprehensive income		
Revaluation of tangible fixed assets	2,542,199	2,981,145
Tax on other comprehensive income	(643,241)	(851,564)
Total comprehensive income for the year	1,237,375	1,232,724

9. Looking ahead

Following the increase in properties in the portfolio, KGE have recruited a further Property Manager to support the management of the properties.

KGE will continue to support their tenants and work to improve resident engagement. This will include the residential team being available for tenancy advice drop-in sessions, to offer support and advice, making referrals to other agencies where needed.

For KGE, its remit is more than simply providing homes, its goal is to change lives by supporting families and facilitating residents' futures.

The Company is focused on ensuring that working with the Council its shareholder it remains financially sustainable and, in a position, to manage the properties and support the tenants on a long term basis. It has produced 50 years forward looking financial projections and the Council as its shareholder has provided a £2,5m debenture loan finance to put the Company's finances on a stable basis.

Appendix 2

Pros and cons of re-establishing Housing Revenue Account (HRA).

Background

The 1950's saw a rise in local authority house building which continued through the 1960's. However, the introduction of the Right-to Buy policy in the early 1980's resulted in a sell-off of council housing stock and with restrictions placed on the use of the capital receipts, local councils could not replace the homes sold with new housing stock and the number of council houses fell.

As a result of not being able to build new homes many housing authorities choose to dispose of their housing stock through Large Scale Voluntary Transfers (LSVT) to housing associations. Housing associations were able to obtain grant funding from central government and local councils, who were able to recycle the capital receipts obtained from the LSVT through social housing grants and housing associations became the main provider of social housing.

Further changes came under New Labour who introduced the Decent Homes programme which set a target to ensure that all social housing met the Decent Home standard by 2010. Local authorities were given a choice on how to do this, either by setting up an Arm's Length Management Organisation (ALMO) or to undertake LSVT where this had not already occurred.

Those that decided to retain their stock did so under the housing subsidy system, but this ended in 2012 in England and 2015 in Wales. Local councils were given self-financing powers which allowed them to keep all their income from housing rents rather than the redistributing it via the subsidy regime. Initially, this freedom came with a cap on the HRA borrowing but in 2018 the cap was scrapped which effectively gave those councils with a HRA the freedom to borrow to provide new council homes.

The powers provided by the Localism Act 2011 have been used by some local authorities to provide housing outside of the 1985 Act powers, using their General Power of Competence and therefore removing the perceived hamstring of the HRA and Right-to-Buy through wholly owned companies. However, government guidance issued in 2019 provided local councils with the freedoms to hold up to 200 units of accommodation in the General Fund before needing to consider a HRA, thereby removing some of the perceived advantages of a wholly owned company.

As a result of the abolition of the HRA borrowing cap, local authorities are no longer constrained over borrowing for housebuilding and several local authorities have reopened their HRA to build and manage more homes directly.

Most of housing stock transfers occurred more than 20 years ago. They took place for a variety of reasons, but most often were driven by the desire to achieve the decent homes standard by unlocking investment from housing associations that councils simply couldn't afford.

Over the years, in many areas the housing delivery via stock transfer Registered Providers (RP) changed substantially, with the changing shape of the RP sector where that stock transfer RPs have merged into larger, more commercial, but less local, entities.

Currently, a combination of fire safety requirements, net zero-carbon targets and underperforming repairs services mean stock investment needs are higher than ever. These and other current dynamics mean there is a trend for acquisitions and mergers among housing associations to try to achieve ever-improving economies of scale. As a result, it is becoming increasingly likely that connections between local authorities and the organisations to which they transferred their housing stock have fractured, with a sense of a loss of control over how social housing can best be used to meet local conditions and needs.

In addition, the pressures many councils experience with the use of high-cost temporary accommodation to meet homelessness needs, as well as pressures on children's services and adult social care budgets – both of which typically come with a degree of need for some form of housing solution – it is clear that a joined-up, housing-led solution is needed.

Regulatory issues

A local authority could develop/acquire and hold up to 199 new council homes within the powers set out in Part II of the Housing Act 1985 (the 1985 Act) or Section 74(1) of the Local Government and Housing Act 1989 (the 1989 Act) without actually opening an HRA. This is provided a "direction" is obtained from the Secretary of State to waive the requirement to maintain an HRA (usually a formality). The requirement to establish an HRA would come into force once the number of properties owned reaches 200 or more.

Financial issues

Financially, the HRA is a ring-fenced account within the General Fund (GF), which broadly means that rental income cannot be used to help fund non-HRA activity. Also, GF resources cannot be used to support HRA activity – the HRA should be self-financing. This includes being able to meet any financing costs of new borrowing undertaken to fund HRA acquisitions/developments. This gives rise to one of the key potential barriers to opening an HRA to own and operate new council housing: that of financial viability.

Cashflow is key to any new organisation, particularly during the early years of operation, and for a new HRA it will be critical to help ensure regulatory compliance. Under Section 76 of the 1989 Act, the council has a duty to "prevent a debit balance on the HRA", i.e. avoid the account going into deficit. An organisation with a very small amount of stock will need to be able to recover its overhead costs, in addition to its operational costs and any debt financing costs from the income arising from a small stock base.

To ensure long-term viability, it will be vital to achieve a critical mass of properties as soon as possible: i.e. a stock base of sufficient size to enable economies of scale in respect of overheads to improve viability.

Reopening Housing Revenue Account (HRA)

The mechanics of reopening an HRA are relatively simple, requiring little in the way of formal regulatory approval, a council simply needs to make arrangements to open up a separate, ringfenced account for the purposes of developing and managing homes in its ownership. It does, however, come with the burden of a regulatory framework which has been increased by the expansion of the Regulator of Social Housing's remit to cover stock-holding local authorities, initially in respect of the application of the Rent Standard to council rents, but now also covering the application of Consumer Standards. Reopening an HRA will involve a skills and capacity challenge, as the Councils would need to understand and apply Housing Revenue Accounts rules which are not straightforward. Within its current establishment in

Housing and Finance, there are is limited experience of operating HRAs. The Council would need to consider whether any land or existing residential units (for example Whitehouse Hostel), currently within the General Fund, should be transferred to the HRA. If so, consideration would need to be given to the allocation of costs and revenue on services such as grounds maintenance.

The account will be maintained and monitored through a local authority's existing accounting channels. Permission is not required from the Secretary of State to open an HRA, however the Ministry of Housing, Communities and Local Government requests a letter to the Secretary of State declaring the intention to open an HRA.

Potential benefit

There are potential benefits arising from reopening an HRA. Primarily, these benefits are around the opportunity for the council to intervene directly, and at scale, in providing more social housing in its area.

As well as the critical objective of meeting local housing need, reopening an HRA may also have other advantages, such as the benefits of more direct control over developing and delivering business plans for social housing and delivering net zero carbon in the housing stock.

HRA can also support elected members in ensuring that effective governance, finance and business planning processes are in place and are operating effectively and help provide transparency to tenants, members and officers on how the housing business is being managed. The principles can be used by tenants and members as a framework against which to hold the authority to account.

It can also assist in evaluation of where the council may need further support and assistance.

Some key policy changes as announced in the Autumn Statement may ease the pressure on HRA sustainability, such as:

- **A sustainable post-2025 rent settlement:** With a new policy for rents, it is vital that the post-2025 settlement enables the sector to deliver on the growing number of under-funded priorities. It is also vital the post-2025 rent provides certainty for the future, by setting out a long-term policy approach.
- **Support for new housing delivery:** Additional support for new build affordable housing would support the viability of development programmes and a reduction in HRA financial pressures.

Potential challenges

As well as providing great potential to address housing need, such a decision will bring significant challenges.

Reopening an HRA involves skills and capacity, as councils work to understand and apply HRA rules. At least initially, one of the key capacity challenges will be around financial and business planning expertise, as councils work to develop a viable HRA business plan. Councils will need to consider whether any land or existing homes, currently within the

General Fund, should be transferred to the HRA. If so, councils will need to consider the allocation of costs and revenue on everything from grass cutting to garages.

A multitude of policies will also need to be prepared if they do not already exist, covering areas from allocations to voids, such as:

- Abandoned Properties
- Adaptations / Disabled Adaptations Policy
- Allocations Policy (already in place)
- Anti-Social Behaviour and Nuisance Policy
- Assignment and Succession Policy
- Consent and Alterations Policy
- Direct Lettings
- Fire Safety Policy
- Gas Safety Policy
- Leasehold Management Policy
- Mobility Scooter Policy
- Mutual Exchange Policy
- Pets and Animals Policy
- Rechargeable Repairs Policy
- Rent Management / Income Collection Policy (Rent Arrears)
- Rent Setting and Service Charge Policy
- Right of first Refusal Policy
- Tenancy Policy
- Voids and Re-let Policy.

HRA self-financing was introduced by government in 2012, since then local authorities have been expected to balance HRA budgets according to rules set out by central government. The most relevant of these rules is the government defined policy on rent setting. At present official government policy sets out that social rents can rise by a maximum of inflation (measured by the Consumer Price Index, CPI) plus an additional 1% (CPI+1%).

Despite self-financing, in five of the past seven years government has intervened to set policies well below inflation. In 2023/24 the government imposed a 7% ceiling on rent increases. With CPI reaching 10-11% for much of the previous year, this cap has meant that costs have risen heavily above income. In 2024/25 CPI figure was 1.7 +1% which gave the maximum rent increase of 2.7%.

Savills' analysis project that in the scenario that LAs pursue their maximum entitlement of a CPI+1% rent increase rise, the HRA account will end up in budget surplus due to rents catching up with formula rent over the long-run as properties are re-let.

The interaction between inflationary pressures and rent setting policy is one of several financial pressures on HRAs. Social housing providers are being asked to deliver a greater number of services and investments with lower funding available for delivery. Additional pressures include:

- **Raising standards:** Repairs and maintenance budgets have suffered inflationary pressures, and many boroughs have set aside dedicated funding for tackling damp and mould. Legal disrepair cases as well as Housing Ombudsman maladministration cases are on the rise.
- **Responding to legislative and regulatory challenges:** The new proactive regulatory regime from the Regulator of Social Housing, as well as the expected improvements to the Decent Homes Standard (DHS), will increase the investment needed into existing stock. The new professionalisation requirements mean that 25,000 employees across the country need to take up further training or new qualifications without any new burdens funding so far.
- **Viability challenges for new build:** High construction cost inflation has rendered large number of new housing development unviable. New building safety requirements such as the need for a second staircase in buildings over 18m have put further pressures on these programmes. However, investment in new council-led housing improves the sustainability of local authority finances with access to social housing providing direct savings on temporary accommodation, homelessness and benefits budgets.
- **Decarbonisation:** local authorities need to plan for the delivery of decarbonisation schemes to hit Net Zero targets.
- **Estate Regeneration:** For many boroughs, outdated and obsolete stock means fighting an uphill battle against high repair and refurbishment costs. There is an increasing risk that these homes will fall into dangerously low standards. However, insufficient funding for estate regeneration has hampered the ability of local authorities to take programmes forward while entrenching high ongoing maintenance costs.

Options Appraisals

As with any approach under consideration, a detailed options appraisal is required.

Options open to councils do not just include direct delivery (through the HRA or a housing company): they also include partnerships (with RPs, or the private or third sector), acquisition and management of existing stock (potentially through the HRA), or site disposals (potentially through a development agreement which includes social housing obligations over and above planning policy).

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Corporate Policy & Resources Committee



9th December 2024

Title	Q2 Revenue Monitoring Report as at 30 September 2024
Purpose of the report	To note
Report Author	Mahmud Rogers, Joint Financial Services Manager
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: <i>Note the forecast overspend of £896,000 for 2024-25 as at 30th September 2024</i>
Reason for Recommendation	<i>Councils have a statutory duty to balance their budget each year, and a robust budget monitoring and review process helps to ensure resources are managed with economy, efficiency and effectiveness.</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> Spelthorne Borough Council is expected to overspend its Revenue budget position by £896,000 	<ul style="list-style-type: none"> Ensuring the financial stability of the Council
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Monitoring & review the forecast variances by service and area of expenditure 	<ul style="list-style-type: none"> Note the report

1.1 This report seeks to summarise the financial situation of Spelthorne Borough Council at the end of September 2024. Please see the detail in Appendix 1.

2. Key issues

A summary of the main variances at 30th September is in Table 1 below:

Table 1 – Summary of Variances to Budget

Variance to budget £000s'	Area	Reasons for the variance to budget
(948)	Corporate Policy & Resources	Lower pension contributions to Surrey Pension Fund due to vacancies across Council, underachievement of building control income (offset by vacancies), and Best Value Inspection costs. Vacant posts across a number of departments within this committee.
(621)	Community Wellbeing & Housing	Additional Grant for Homelessness Prevention and Home Office Supported Asylum Seeker accommodation, plus savings from vacancies.
712	Business Infrastructure & Growth	Largely relating to ongoing running costs of development properties, offset by lower forecasts in Asset Management for use of external consultants.
266	Environment & Sustainability	Expected planning income forecast to come in under budget, overspends forecasted in planning relating to public enquiries for Running Horse, Hazlewood, & Sheep Walk. Local Plan design code works are causing forecasted overspends in Planning Policy. Car Parking fees expected to come in under budget due to a delays in the implementation of the Parking Order amendment. Cemetery income is forecasted above budget. Underspends in Environmental Health due to staffing changes.
2,925	Investment & Regen Property Income	The rent top up income of £4m for Charter Building was received earlier than planned in FY 2023/24, whilst the budget remains in 2024/25. There was an increase in rent income following the rent reviews for 2 offices at the Charter Building - Uxbridge Charter Place Centre Ltd t/a Spaces and at Elmsleigh Centre from C&J Clark. For further breakdowns by property, see Appendix G & H.
(553)	Landlord Costs (Investment & Regeneration)	The forecast includes rent free periods amortising costs. In addition, there is an increase in service charge costs of £306k at Stockley Park which resulted from increased estate external charge that is managed by the site freeholder. Offset by £124k from reduced NNDR liability at the Summit Centre due to Stanwell Food Bank moving into the vacant unit. Underspend on Landlord's fit out costs at the Porter Building for £150k due to the 1st floor being unlikely to be let. For further breakdowns by property, please see Appendix G & H.

626	Treasury (Interest Payable/Receivable)	£470k over due to Local Authority Housing Fund (LAHF) additional borrowing that has been done through short term borrowing. The temporary accommodation acquired with the assistance of this funding will ease pressure on the Temporary Accommodation budget. Forecasting reduced interest that can be capitalised (£218k) as the Leisure Centre is completed this FY and other projects being suspended, meaning interest is unable to be capitalised. This is partially offset by stronger interest earnings.
(740)	Interest receivable from KGE	Knowle Green Estates (KGE) £1.5m - estimate for interest uplift for LAHF properties when loan agreement between KGE & SBC is complete.
(726)	National Non-Domestic Rates	Forecast updated following advice we commissioned from LG Futures, following the positive outturn for 2023/24. This is expected to have a continued positive outcome into 2025/26. Correction from previous quarter where income was overstated by £2.1m due to misinterpretation of advice.
(46)	Reserve Movements	£22k from Green Initiatives Fund for canvassing hardware (£9k) and consultants (£13k) for Spelthorne Climate change SPD, (Climate Literacy) Accreditation Bronze and to Joju Solar Hubeleon (EV charging) back-office switch. £14k Higher Level Stewardship funding for climate control, habitat & countryside works at Stanwell Moor. £10k National Non-Domestic Rates (NNDR) retention Reserve funding for Business Incubator.
896	Overspend / (Underspend)	

- 2.1 The rent top up income of £4m for Charter Building was received earlier than planned in FY 2023/24, whilst the budget remains in 2024/25, creating the budget variance shown on Investment & Regen Property Income.
- 2.2 The costs paid to date for the Best Value Inspection are £83.2k, and we estimate the full costs to the end of the inspection will come to approximately £140k.
- 2.3 The NNDR forecast has changed from Q1 by £2.1m due to a correction of a previous misinterpretation of advice from LG Futures. The Finance team has learned from the error and will work to avoid any further errors of this nature.
- 2.4 We have proposed a £1.2m transfer from the Business rates equalisation reserve. This is in respect of an brought forward NNDR deficit from 23/24 and would partially offset the above error. This proposed reserve movement is included in the 2025/26 Reserve Strategy for Revenue and Capital. If approved, the projected revenue outturn will change as per Table 1b below.

Table 1b - Total variances to Budget with adjustment to NNDR equalisation reserve

(1,200)	Proposed Reserve Movement	Proposed Usage of reserves for £1.2m Business rates equalisation reserve saved from gains in 21/22 and 22/23 to cover the brought forward loss from 23/24
(304)	Overspend / (Underspend)	

Table 2 – Commercial Assets Variance to budget

Commercial Assets	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Rental Income (as per signed lease)	(46,533)	(43,556)	2,977
<i>less:</i> Landlord costs	5,454	4,981	(473)
Net Rental Income receivable	(41,079)	(38,575)	2,505
Loan Interest Payable	22,092	22,092	0
Minimum Revenue Provision	11,118	11,118	0
Sinking Funds - contributions to	725	725	0
Sinking Funds - release from	(2,500)	(2,500)	0
Set Asides for specific revenue purposes	400	400	0
Net Income (to fund Revenue budget)	(9,244)	(6,740)	2,505

Table 3 – Regeneration Assets Variance to budget

Regeneration Assets	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Rental Income (as per signed lease)	(4,414)	(4,466)	(52)
<i>less:</i> Landlord costs	1,374	1,294	(80)
Net Rental Income receivable	(3,040)	(3,171)	(132)
Loan Interest Payable	1,036	1,036	0
Minimum Revenue Provision	898	898	0
Sinking Funds - contributions to	109	109	0
Sinking Funds - release from	(350)	(350)	0
Set Asides for specific revenue purposes	250	250	0
Net Costs	(1,096)	(1,228)	(132)

2.5 Progress to date on corporate efficiency savings are summarised in **Appendix G** with specific focus on this years (2024/25) savings targets and shows the total expected savings to be achieved in 2024/25 is £240.5k.

2.6 Estimates at this stage in relation to Planning Policy do not take into account resources needed for updating the Local Plan. Updates for this will be made later in the year.

3. Committee commentary and variance analysis

The net underspend at Committees Service Level of (£486,000) as at 30th September 2024 by Committee is shown in Table 4 below:

Table 4 – Service Level Variance to Budget

	2024/25 Budget Revised £	2024/25 Forecast Outturn £	2024/25 Variance of forecast from revised budget £
Corporate Policy & Resources	11,024,900	10,076,900	(948,000)
Community Wellbeing & Housing	5,799,700	5,179,000	(620,700)
Business Infrastructure & Growth	2,531,800	3,243,600	711,800
Environment & Sustainability	6,902,700	7,169,000	266,300
NET EXPENDITURE AT SERVICE LEVEL	26,259,100	25,668,500	(590,600)
Interest, grants & reserve movements	(17,631,500)	(17,344,900)	286,600
Net Position - Over/ (Under) budget	8,627,600	8,323,600	(304,000)

4. Legal comments

4.1 Comments please

5. Other considerations

5.1 There are no further considerations.

6. Equality and Diversity

6.1 There are no specific areas to highlight. However, equality, diversity and inclusion (EDI) are central to everything that Council does and are woven throughout Council's Corporate Plans.

7. Sustainability/Climate Change Implications

There are no significant implications arising from the report.

8. Timetable for implementation

8.1 Not applicable

9. Contact

9.1 Mahmud Rogers m.rogers@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A – Net Revenue Budget Monitoring 2024-25 30 September 2024

Appendix B – Net Revenue Budget Monitoring by Committee 2024-25 30 September 2024

Appendix C – Net Revenue Budget Monitoring Corporate Policy & Resources Committee 2024-25 30 September 2024

Appendix D – Net Revenue Budget Monitoring Community Wellbeing & Housing Committee 2024-25 30 September 2024

Appendix E – Net Revenue Budget Monitoring Business Infrastructure & Growth Committee 2024-25 30 September 2024

Appendix F – Net Revenue Budget Monitoring Environment & Sustainability Committee 2024-25 30 September 2024

Appendix G – Corporate Savings 2425

Appendix H – Net Revenue Budget Monitoring Investment Properties

Appendix I – Net Revenue Budget Monitoring Regeneration Properties

Net Revenue Budget Monitoring - 2024/25 As at end of 30 SEPTEMBER 2024				
	2024/25 Budget Revised	2024/25 Actuals Outturn	2024/25 Forecast Outturn	2024/25 Variance of Forecast from Revised Bgt
	£	£	£	£
Gross Expenditure	63,118,100	32,421,989	63,572,000	453,900
Less Housing Benefit grant	(21,821,000)	(9,494,936)	(20,611,000)	1,210,000
Less Specific fees and charges income	(15,038,000)	(10,263,435)	(17,292,500)	(2,254,500)
Net Expenditure - broken down as below	26,259,100	12,663,619	25,668,500	(590,600)
Corporate Policy & Resources	11,024,900	4,598,473	10,076,900	(948,000)
Community Wellbeing & Housing	5,799,700	3,368,823	5,179,000	(620,700)
Business Infrastructure & Growth	2,531,800	1,661,215	3,243,600	711,800
Environment & Sustainability	6,902,700	3,035,108	7,169,000	266,300
NET EXPENDITURE AT SERVICE LEVEL	26,259,100	12,663,619	25,668,500	(590,600)
Interest Earnings	(1,490,000)	(859,139)	(1,552,000)	(62,000)
Investment Property Income	(46,533,000)	(32,067,310)	(43,555,600)	2,977,400
Regeneration Property Income	(4,413,700)	(3,302,942)	(4,465,700)	(52,000)
Landlord Costs	6,827,600	1,291,122	6,275,100	(552,500)
Sale of investment Loss	-	211,652	-	-
Debt Interest Payable	24,933,100	9,315,677	25,403,100	470,000
Minimum Revenue Provision	12,918,600	-	12,918,600	-
Set Aside	650,000	-	650,000	-
Capitalisation of Interest on Development Properties	(1,217,700)	-	(1,000,000)	217,700
Interest KGE	(761,900)	(761,867)	(1,501,900)	(740,000)
NET EXPENDITURE AFTER INTEREST EARNINGS	17,172,100	(13,509,188)	18,840,100	1,668,000
Appropriation from Reserves				
Sinking fund contributions	833,900	-	833,900	-
Release of funding from sinking funds	(2,850,000)	-	(2,850,000)	-
BUDGET REQUIREMENT	15,156,000	(13,509,188)	16,824,000	1,668,000
Grants				
Revenue Support Grant (RSG)	(96,800)	-	(96,800)	-
New Homes Bonus	(101,500)	(50,765)	(101,500)	-
Core Spending Power Guarantee	(1,884,000)	(941,542)	(1,883,000)	1,000
Lower Tier Services Grant	(12,300)	(6,733)	(13,400)	(1,100)
National Non-Domestic Rates				
NNDR Sec 31 Grant	-	(1,564,770)	(3,129,000)	(3,129,000)
Other Grants	(874,900)	(1)	-	874,900
Retained Business Rates	(1,929,000)	-	(20,841,700)	(18,912,700)
Levy	-	-	1,512,000	1,512,000
Share from Surrey business rates pool	(500,000)	-	(756,000)	(256,000)
NNDR Tariff Payment	-	12,374,794	19,185,000	19,185,000
Subtotal NNDR	(3,303,900)	10,810,023	(4,029,700)	(725,800)
Contributions from Reserves				
Housing Initiatives	(703,800)	-	(703,800)	-
Carry Forward Reserve	(31,000)	-	(31,000)	-
Earmarked Reserves	(71,700)	(14,150)	(85,800)	(14,100)
Building Control Reserve	(5,700)	-	(5,700)	-
Business Rates Equalisation	-	-	-	-
Planning Performance Agreement	(96,700)	-	(96,700)	-
Green Initiative Fund	(46,300)	-	(68,300)	(22,000)
BRR Retention (Economic Development)	(84,700)	-	(94,700)	(10,000)
Cont. from IFRS16 Reserve	-	-	-	-
Green Belt Fighting Fund	(90,000)	-	(90,000)	-
NET BUDGET REQUIREMENT	8,627,600	(3,712,356)	9,523,600	896,000
General Fund Reserves- Supplementary Estimate	-	-	-	-
Collection Fund Surplus/(deficit)	100,000	-	100,000	-
Income from Council Tax	(8,727,600)	-	(8,727,600)	-
Net Position - Over/ (Under) budget	-	(3,712,356)	896,000	896,000

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Net Revenue Budget Monitoring by Committee - 2024/25
Expenditure and Income Summary 30 SEPTEMBER 2024

Results to 30-Sep-24	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Staffing Budget	Staffing Actual
	£	£	£	FTE	FTE
Corporate Policy & Resources					
Employees	9,588,400	8,368,300	(1,220,100)	124	104
Other Expenditure	2,382,500	2,615,500	233,000		
Income	(946,000)	(906,900)	39,100		
	11,024,900	10,076,900	(948,000)	124	104
Community Wellbeing & Housing					
Employees	6,064,700	5,930,800	(133,900)	130	122
Other Expenditure	29,816,100	29,652,400	(163,700)		
Housing Benefit grant income	(21,821,000)	(20,611,000)	0		
Income	(8,260,100)	(9,793,200)	(323,100)		
	5,799,700	5,179,000	(620,700)	130	122
Business Infrastructure & Growth					
Employees	1,792,100	1,685,600	(106,500)	33	29
Other Expenditure	2,097,900	3,632,500	1,534,600		
Income	(1,358,200)	(2,074,500)	(716,300)		
	2,531,800	3,243,600	711,800	33	29
Environment & Sustainability					
Employees	8,220,600	8,034,000	(186,600)	187	164
Other Expenditure	3,155,800	3,652,900	497,100		
Income	(4,473,700)	(4,517,900)	(44,200)		
	6,902,700	7,169,000	266,300	187	164
NET EXPENDITURE AT SERVICE LEVEL	26,259,100	25,668,500	(590,600)	474	418
Total Employees	25,665,800	24,018,700	(1,647,100)		
Total Other Expenditure	37,452,300	39,553,300	2,101,000		
Housing Benefit grant income	(21,821,000)	(20,611,000)	0		
Total Income	(15,038,000)	(17,292,500)	(1,044,500)		
NET EXPENDITURE	26,259,100	25,668,500	(590,600)		

Total Expenditure	63,118,100	63,572,000	453,900
Total Income	(36,859,000)	(37,903,500)	(1,044,500)
Net	26,259,100	25,668,500	(590,600)

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Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	823,200	372,491	724,500	(98,700)	Savings expected mainly due to vacant posts Higher expenditure expected of £94k due to Partnership working with Mole Valley BC and remainder relating to higher charges for software & general subscription. Expected recharged Partnership income from Mole Valley BC.
Other Expenditure	(12,900)	177,017	93,700	106,600	
Income	0	0	(24,900)	(24,900)	
Accountancy	810,300	549,508	793,300	(17,000)	
Employees	112,600	56	100	(112,500)	Internal Audit Services are provided by Southern Internal Audit Partnership (SIAP) hosted by Hampshire County Council Please see above
Other Expenditure	109,400	93,655	237,300	127,900	
Income	0	0	0	0	
Audit	222,000	93,711	237,400	15,400	
Employees	448,300	174,891	337,100	(111,200)	Savings expected due to vacant posts BC Manager has confirmed income budgets not achievable. Based on current levels, income could be down by circa £75K.
Other Expenditure	15,900	8,185	14,000	(1,900)	
Income	(458,500)	(193,685)	(372,300)	86,200	
Building Control	5,700	(10,608)	(21,200)	(26,900)	
Employees	233,800	120,253	234,300	500	
Other Expenditure	3,200	835	2,100	(1,100)	
Income	0	0	0	0	
Chief Executive	237,000	121,087	236,400	(600)	
Employees	306,900	152,200	307,200	300	
Other Expenditure	1,000	140	400	(600)	
Income	0	0	0	0	
Deputy Chief Executives	307,900	152,340	307,600	(300)	

Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	372,800	203,004	390,400	17,600	Additional payments of £60k is expected relating to Best Vaue Inspection, partially off-set by lower costs expected for Retention Allowances. £22k to be funded through GIF(Green Initiative Fund) and higher expenditure of £20k against Subscription payments, partially off-set by lower expenditure expected against Bank charges.
Other Expenditure	314,700	(29,285)	351,800	37,100	
Income	0	0	0	0	
Corporate Management	687,500	173,719	742,200	54,700	

Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	329,200	139,076	290,200	(39,000)	Savings expected due to a vacant post. Ongoing team issues has meant the staffing budget is not being fully utilised.
Other Expenditure	130,800	56,163	95,500	(35,300)	
Income	0	0	0	0	Savings expected mainly against software budget. Undertaking a procurement exercise to hire a web consultant to assist with writing a new web specification and expect using the consultant budget line.
Corporate Publicity	460,000	195,240	385,700	(74,300)	
Employees	309,000	197,665	324,400	15,400	Vacant post is covered by agency staff with higher costs
Other Expenditure	6,000	6,506	6,500	500	
Income	0	0	0	0	
Corporate Governance	315,000	204,171	330,900	15,900	
Employees	773,400	399,358	774,800	1,400	Vacant posts are being covered by agency staff paid in arrears.
Other Expenditure	(25,800)	35,732	(22,300)	3,500	
Income	(34,300)	(17,225)	(34,300)	0	
Legal	713,300	417,865	718,200	4,900	
Employees	291,900	127,275	267,100	(24,800)	Savings expected due to a vacant post
Other Expenditure	26,000	17,817	26,000	0	
Income	0	0	0	0	
Committee Services	317,900	145,092	293,100	(24,800)	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	0	0	0	0	
Corporate Savings	0	0	0	0	

Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	1,144,400	430,834	994,400	(150,000)	Restructure of the service is in progress. Underspend expected due to vacant posts, partially being covered by agency staff.
Other Expenditure	491,600	306,797	491,600	0	
Income	(311,500)	0	(311,500)	0	
CServ Management & Support	1,324,500	737,631	1,174,500	(150,000)	
Employees	12,200	8,355	14,100	1,900	
Other Expenditure	402,000	176,750	399,300	(2,700)	
Income	0	0	0	0	
Democratic Rep & Management	414,200	185,106	413,400	(800)	
Employees	2,300	700	2,300	0	
Other Expenditure	8,600	7,249	7,300	(1,300)	
Income	0	0	0	0	
Elections	10,900	7,948	9,600	(1,300)	
Employees	188,700	101,634	200,400	11,700	Electoral Integrity Programme new Burden Grant funding from Govt.
Other Expenditure	92,900	51,338	101,300	8,400	
Income	(1,000)	(20,601)	(21,100)	(20,100)	
Electoral Registration	280,600	132,370	280,600	0	
Employees	0	0	0	0	
Other Expenditure	337,800	0	337,800	0	
Income	0	(897)	(900)	(900)	
Insurance	337,800	(897)	336,900	(900)	
Employees	101,200	51,778	102,800	1,600	
Other Expenditure	2,500	1,551	2,400	(100)	
Income	0	0	0	0	
MaT Secretariat & Support	103,700	53,328	105,200	1,500	

Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	373,600	170,952	359,600	(14,000)	Savings achieved due to a vacant post in the earlier part of the year.
Other Expenditure	55,400	50,786	55,400	0	
Income	0	0	0	0	
HR	429,000	221,738	415,000	(14,000)	
Employees	76,100	43,191	86,100	10,000	
Other Expenditure	200	128	200	0	
Income	0	0	0	0	
Payroll	76,300	43,319	86,300	10,000	
Employees	856,400	390,123	786,400	(70,000)	Savings expected mainly due to vacant posts in the earlier part of the year.
Other Expenditure	443,900	582,140	443,900	0	
Income	0	(1,167)	(1,200)	(1,200)	
Information & Comms Technology	1,300,300	971,096	1,229,100	(71,200)	
Employees	77,700	39,012	78,000	300	
Other Expenditure	31,600	15,522	31,700	100	
Income	(140,700)	(74,022)	(140,700)	0	
Land Charges	(31,400)	(19,489)	(31,000)	400	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	0	0	0	0	
Misc Expenses	0	0	0	0	
Employees	673,700	328,549	643,700	(30,000)	Savings expected due to vacant posts
Other Expenditure	5,300	1,338	5,300	0	
Income	0	0	0	0	
Project Management	679,000	329,888	649,000	(30,000)	

Corporate Policy & Resources

Appendix C

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	2,081,000	546,196	1,450,400	(630,600)	On the basis of actual payments so far, superannuation payments & Compensation added years payments to Surrey County Council are expected to be lower based on number of staff in the posts
Other Expenditure	(57,600)	58,001	(65,700)	(8,100)	
Income	0	0	0	0	
Unapportionable CentralO/Heads	2,023,400	604,197	1,384,700	(638,700)	
Total Employees	9,588,400	3,997,591	8,368,300	(1,220,100)	
Total Other Expenditure	2,382,500	1,618,365	2,615,500	233,000	
Total Income	(946,000)	(307,596)	(906,900)	39,100	
Net Total	11,024,900	5,308,360	10,076,900	(948,000)	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	1,091,200	619,661	1,035,000	(56,200)	One vacant post
Other Expenditure	19,800	77,697	18,800	(1,000)	
Income	(715,800)	(421,749)	(715,800)	0	
Community Care Administration	395,200	275,609	338,000	(57,200)	
Employees	745,700	367,357	722,300	(23,400)	All the posts are filled, but the hours are under establishment
Other Expenditure	284,300	208,268	297,300	13,000	
Income	(467,800)	(282,625)	(486,600)	(18,800)	
Community Centres	562,200	293,000	533,000	(29,200)	
Employees	173,200	92,593	172,600	(600)	
Other Expenditure	135,700	92,688	135,700	0	
Income	(192,400)	(103,147)	(192,400)	0	
Meals on Wheels	116,500	82,134	115,900	(600)	
Employees	568,500	267,081	540,500	(28,000)	Savings expected due to vacant post, partially covered by temporary staff.
Other Expenditure	8,500	11,556	18,300	9,800	
Income	(525,000)	(261,318)	(525,000)	0	
Spelthorne Family Support	52,000	17,319	33,800	(18,200)	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	0	0	0	0	
Other Expenditure	42,900	2,478	42,900	0	
Income	0	0	0	0	
Community Development	42,900	2,478	42,900	0	
Employees	0	0	0	0	
Other Expenditure	253,800	252,215	253,800	0	
Income	0	0	0	0	
General Grants	253,800	252,215	253,800	0	
Employees	1,557,100	775,900	1,559,900	2,800	
Other Expenditure	49,100	30,271	49,000	(100)	
Income	(1,000)	0	(300)	700	
Housing Needs	1,605,200	806,171	1,608,600	3,400	
Employees	119,200	103,801	137,100	17,900	Housing officer on secondment for specialised intensive case work. This wasn't in the budget, will be covered by grant funding.
Other Expenditure	5,219,700	3,419,762	5,517,800	298,100	High demand for emergency accommodation and high cost of privately rented TA accommodation. The cost will reduce in future quarters once more LAHF properties are ready to use.
Income	(3,915,400)	(2,499,677)	(4,313,500)	(398,100)	Additional Grant received for Homelessness Prevention
Homelessness	1,423,500	1,023,886	1,341,400	(82,100)	
Employees	260,600	127,970	299,400	38,800	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Other Expenditure	1,302,900	657,528	2,030,100	727,200	The Council obtained further funding in LAHF extension to Round 1 and 2 and also Round 3. The additional funding was allocated after the budget was set, hence was not included in the original budget plan Additional Grant received for Home Office Supported Asylum Seeker accommodation and LAHF grant to offset LAHF expenditure above.
Income	(1,563,700)	(1,225,953)	(2,667,800)	(1,104,100)	
Refugee Schemes	(200)	(440,455)	(338,300)	(338,100)	
Employees	688,300	292,671	582,000	(106,300)	Vacancies exist ; we are waiting to consider our options before recruiting.
Other Expenditure	36,200	27,629	35,600	(600)	
Income	(300,000)	(156,378)	(300,000)	0	
Housing Benefits Admin	424,500	163,923	317,600	(106,900)	
Employees	0	0	0	0	The reason for the reduction of the amount of housing benefit being paid is due to the continuing migration of working age claims to universal credit. This will continue for the foreseeable future until the migration is complete by 2026. Less grant to be received due to the above.
Other Expenditure	21,872,000	10,613,762	20,662,000	(1,210,000)	
Income	(21,821,000)	(9,494,936)	(20,611,000)	1,210,000	
Housing Benefits Payments	51,000	1,118,826	51,000	0	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	340,800	168,610	340,100	(700)	
Other Expenditure	25,100	5,264	24,500	(600)	
Income	0	0	0	0	
Leisure Administration	365,900	173,875	364,600	(1,300)	
Employees	0	0	0	0	
Other Expenditure	201,600	(123,538)	201,600	0	
Income	(179,400)	(176,206)	(179,400)	0	
Spelthorne Leisure Centre	22,200	(299,744)	22,200	0	
Employees	12,600	8,248	12,500	(100)	
Other Expenditure	5,400	2,261	5,100	(300)	
Income	(3,800)	(2,887)	(3,500)	300	
Resource Centre	14,200	7,622	14,100	(100)	
Employees	1,600	2,333	1,400	(200)	
Other Expenditure	25,000	12,380	24,900	(100)	
Income	(7,400)	(6,711)	(7,400)	0	
Sports and Active Lifestyle	19,200	8,002	18,900	(300)	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	(47,600)	(10,533)	(47,600)	0	
Sunbury Golf Club	(47,600)	(10,533)	(47,600)	0	
Employees	0	0	0	0	
Other Expenditure	2,900	669	2,900	0	
Income	(7,900)	0	(7,900)	0	
Museum	(5,000)	669	(5,000)	0	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	0	0	0	0	
Other Expenditure	28,500	6,754	28,500	0	
Income	0	0	0	0	
Youth	28,500	6,754	28,500	0	
Employees	1,500	113	1,500	0	
Other Expenditure	33,600	15,248	33,600	0	
Income	(3,000)	0	(3,000)	0	
Arts Development	32,100	15,361	32,100	0	
Employees	0	0	0	0	
Other Expenditure	2,600	1,986	2,300	(300)	
Income	(1,700)	(1,878)	(2,000)	(300)	
Food Safety	900	108	300	(600)	
Employees	0	0	0	0	
Other Expenditure	8,500	4,749	8,500	0	
Income	(3,900)	(4,148)	(5,700)	(1,800)	
Public Health	4,600	601	2,800	(1,800)	
Employees	0	0	0	0	
Other Expenditure	16,900	11,200	20,100	3,200	
Income	(5,600)	(380)	(500)	5,100	
Rodent & Pest Control	11,300	10,820	19,600	8,300	
Employees	135,100	60,860	129,100	(6,000)	
Other Expenditure	174,600	155,223	170,600	(4,000)	
Income	0	0	0	0	
Community Safety	309,700	216,083	299,700	(10,000)	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	177,500	106,848	210,600	33,100	1 x Vacant LEO position. Business Support Officer Hours increased from .69 to 1.00FTE; report submitted to MAT 8/10 to make this permanent . Post Number 2130 SEH Regulatory Officer moved over from Environmental Health Admin, so 1 additional FTE.
Other Expenditure	3,000	1,697	3,000	0	
Income	(146,500)	(94,567)	(157,600)	(11,100)	
Licensing	34,000	13,978	56,000	22,000	
Employees	0	0	0	0	
Other Expenditure	3,500	5,845	3,500	0	
Income	(68,300)	(22,101)	(68,300)	0	
Taxi Licensing	(64,800)	(16,257)	(64,800)	0	
Employees	0	0	0	0	
Other Expenditure	9,600	6,614	11,600	2,000	
Income	(28,800)	(13,762)	(28,800)	0	
Public Halls	(19,200)	(7,147)	(17,200)	2,000	
Note: SAT = Spelride					
Employees	191,800	90,823	186,800	(5,000)	Vacant posts are being covered by temporary staff
Other Expenditure	50,400	40,307	50,400	0	
Income	(75,100)	(31,491)	(80,100)	(5,000)	
SAT	167,100	99,639	157,100	(10,000)	
Total Employees	6,064,700	3,084,870	5,930,800	(133,900)	
Total Other Expenditure	29,816,100	15,540,513	29,652,400	(163,700)	
Total Income	(30,081,100)	(14,810,446)	(30,404,200)	(323,100)	
Net Total	5,799,700	3,814,937	5,179,000	(620,700)	

Business Infrastructure & Growth

Appendix E

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	954,600	639,303	971,100	16,500	Recruitment fees for two new members of team. We have Development Delivery Prioritisation strategy put in place hence there is a reduced need for external consultancy advice within the current financial year.
Other Expenditure	(170,700)	61,010	(317,800)	(147,100)	
Income	(335,900)	(174,926)	(337,300)	(1,400)	
Asset Mgn Administration	448,000	525,387	316,000	(132,000)	
Employees	0	0	0	0	This is due to unbudgeted costs for Thameside House . At the time the 24-25 Budget was set there was a plan for to progress quickly to demolishing Thameside building which would have addressed security and NNDR issues. So there was no provision in the Revenue Budget but Capital Programme had a provision of £300k for demolition. However, the Council was then approached by a budget hotel counterparty with a potential offer involving converting the existing structure. This change of approach was put to Councillors and approved at Development Sub-Committee. The options are still being explored as to whether a deal could be done involving the conversion of the structure so hence that is why the building has not yet been demolished and why the Council is incurring revenue costs that were not anticipated. There is also increased cost of NNDR for Hanover House but mitigation strategy is put in place to reduce this by 50%. The majority of overspend on Oast House is due to the extra cost for vacant Council Tax on No.34 Kingston Road (looking into progressing for demolition as part of next year's budget proposal to offset these costs), one off graffiti and pigeon guano removal and making the site safe for Councillors' inspection. All security costs have now been charged to revenue from Capital Programme as the projects are suspended as per Councillors' decision which resulted in further overspend.
Other Expenditure	141,000	849,060	1,027,500	886,500	
Income	(12,000)	0	(4,300)	7,700	
Development Properties	129,000	849,060	1,023,200	894,200	
Employees	242,600	119,851	241,600	(1,000)	
Other Expenditure	491,200	377,494	504,400	13,200	
Income	(23,000)	(6,750)	(29,700)	(6,700)	

Business Infrastructure & Growth

Appendix E

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Facilities Management	710,800	490,594	716,300	5,500	
Employees	0	0	0	0	Flytipping incident at Laleham Camp site which was cleared in September 2024.
Other Expenditure	35,300	35,088	66,500	31,200	
Income	(65,600)	(57,100)	(70,400)	(4,800)	
General Property Expenses	(30,300)	(22,012)	(3,900)	26,400	

Business Infrastructure & Growth

Appendix E

<i>Results to 30-Sep-24</i>	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	224,900	105,500	218,900	(6,000)	
Other Expenditure	1,155,900	975,668	1,159,900	4,000	
Income	0	0	(10,400)	(10,400)	
Planned Maintenance Programme	1,380,800	1,081,168	1,368,400	(12,400)	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	0	0	0	0	
Sea Cadets	0	0	0	0	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	(364,100)	0	(364,100)	0	
Staines Town Centre Management	(364,100)	0	(364,100)	0	
Employees	0	0	0	0	
Other Expenditure	25,900	23,090	24,400	(1,500)	
Income	0	0	0	0	
Bus Station	25,900	23,090	24,400	(1,500)	

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Business Infrastructure & Growth

Appendix E

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	211,300	97,934	132,900	(78,400)	2x vacant positions. This will be offset by ongoing requirement for Agency Staff. Economic Dev Manager contract extended until Nov 2024
Other Expenditure	91,500	12,267	97,200	5,700	
Income	0	0	0	0	
Economic Development	302,800	110,201	230,100	(72,700)	
Employees	0	0	0	0	£39K move costs for 1st floor, to be funded by Shared Prosperity Fund grant below. Unrealistic budget set for income; desk hire & office rental now forecast to be £55k under budget.
Other Expenditure	167,100	43,096	203,700	36,600	
Income	(175,700)	(34,302)	(120,000)	55,700	
Incubator	(8,600)	8,794	83,700	92,300	
Employees	0	0	0	0	Expected usage of grant on projects. This funding will contribute towards funding the shortfall at the Youth Hub (£231.6k) and the expansion of the Incubator to the 1st floor (£39k) at the Summit Centre. £46k of this funding will also reimburse the NNDR retention reserve, which funded the shortfall in grant in 23/24.
Other Expenditure	0	193,373	563,000	563,000	
Income	0	(880,043)	(880,000)	(880,000)	
Shared Prosperity Fund	0	(686,670)	(317,000)	(317,000)	
Employees	0	0	0	0	
Other Expenditure	137,200	69,638	137,200	0	
Income	(200,000)	(102,164)	(200,000)	0	
Staines Market	(62,800)	(32,526)	(62,800)	0	
Employees	158,700	60,299	121,100	(37,600)	1x vacant post Consultants overspend forecast of £26k to fill the above. Unbudgeted costs forecasted at £80k for building works/utilities to new unit at the Elmsleigh Centre. DWP Grant income to be received £56k. Remainder of funding will come from the Shared Prosperity Fund grant shown above.
Other Expenditure	23,500	80,316	166,500	143,000	
Income	(181,900)	(27,188)	(58,300)	123,600	
Youth Hub	300	113,426	229,300	229,000	

Business Infrastructure & Growth

Appendix E

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Total Employees	1,792,100	1,022,886	1,685,600	(106,500)	
Total Other Expenditure	2,097,900	2,720,099	3,632,500	1,534,600	
Total Income	(1,358,200)	(1,282,474)	(2,074,500)	(716,300)	
Net Total	2,531,800	2,460,512	3,243,600	711,800	

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Environment & Sustainability

Appendix F

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments	Head of Service Feedback
	£	£	£	£		
Employees	0	0	0	0		
Other Expenditure	95,500	42,507	95,400	(100)		
Income	0	0	0	0		
Emergency Planning	95,500	42,507	95,400	(100)		
Employees	0	0	0	0		
Other Expenditure	10,100	13,780	10,100	0		
Income	0	(1,659)	0	0		
Energy Initiatives	10,100	12,121	10,100	0		
Employees	0	0	0	0		
Other Expenditure	6,000	10,880	15,000	9,000	Increase in clearing costs expected as a result of flooding due to excessive rain fall.	
Income	0	0	0	0		
Water Courses & Land Drainage	6,000	10,880	15,000	9,000		
Employees	1,243,600	610,143	1,215,900	(27,700)	One vacant post.	
Other Expenditure	246,400	150,279	383,500	137,100	Forecast overspend down to forecast Consultant Fees & Legal going overbudget; public enquiries relate to Running Horse, Hazlewood, & Sheep Walk	
Income	(765,700)	(299,641)	(634,600)	131,100	Forecast for year downgraded to reflect current income. There has been a reduction in planning applications but the planning team are optimistic around the planning appeal for Debenhams which could have a positive impact on planning application fees. Confirmation received for £60K Planning Skills Delivery Grant award.	
Planning Development Control	724,300	460,780	964,800	240,500		
Employees	497,900	252,342	512,200	14,300	The head of department post is vacant. Senior Planning Officer acting up to PPO to cover this extended to 17/11/24.	
Other Expenditure	164,200	124,862	260,000	95,800	£90K overspend forecast on Design Code expenditure, as members require extra work in this area. Unbudgeted software costs relating to CIL & BNG.	
Income	(87,600)	(5,980)	(87,600)	0		
Planning Policy	574,500	371,225	684,600	110,100		

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Environment & Sustainability

Appendix F

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments	Head of Service Feedback
	£	£	£	£		
Employees	0	0	0	0	Staines Park property is still awaiting refurbishment and it is not occupied. Therefore, no income generated in the immediate future as the date of refurbishment is not yet known.	
Other Expenditure	3,500	2,049	2,000	(1,500)		
Income	(14,300)	(250)	(500)	13,800		
Parks Properties Project	(10,800)	1,799	1,500	12,300		
Employees	0	0	0	0		
Other Expenditure	24,600	10,471	23,200	(1,400)		
Income	(43,200)	(1,304)	(43,200)	0		
Allotments	(18,600)	9,167	(20,000)	(1,400)		
Employees	0	0	0	0	£14k funded through Higher Level Stewardship (HLS) Reserves	
Other Expenditure	13,300	48,656	27,300	14,000		
Income	0	0	0	0		
Environmental Enhancements	13,300	48,656	27,300	14,000		
Employees	1,280,400	679,109	1,172,200	(108,200)	There have been a number of staffing changes:- Budget underspends are as a result of a reduction in FTEs. This is being covered by an increase in the use of agency staff. Senior EHO Regulatory Officer position moved to licencing, so reduction by 1 FTE. Variance primarily due to increased potential legal costs, upcoming solicitor/court costs associated with enforcement cases. There is also increased computer software expenditure, particularly for UNIFORM DEFRA Air Quality New Burden Grant	
Other Expenditure	54,600	65,277	78,800	24,200		
Income	0	(11,655)	(11,600)	(11,600)		
Environmental Health Admin	1,335,000	732,731	1,239,400	(95,600)		
Employees	0	0	0	0		
Other Expenditure	95,300	83,358	109,000	13,700		
Income	(5,400)	(2,931)	(2,900)	2,500		
Environmental Protection Act	89,900	80,427	106,100	16,200		
Employees	0	0	0	0	Additional expenditure mainly due to work carried out at Woodthorpe Recreation Ground funded through £85k received from Esso Please see above	
Other Expenditure	74,200	130,641	155,300	81,100		
Income	(75,300)	(136,822)	(157,000)	(81,700)		
Parks Strategy	(1,100)	(6,182)	(1,700)	(600)		
Q2 Revenue Report 30-09-24 UPDATED COMMITTEE STRUCTURE V2						
Employees	0	0	0	0		
Other Expenditure	37,500	17,841	32,400	(5,100)		

Environment & Sustainability

Appendix F

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments	Head of Service Feedback
	£	£	£	£		
Income	(430,300)	(236,260)	(480,300)	(50,000)	Income is expected to be higher due to more burials	
Cemeteries	(392,800)	(218,419)	(447,900)	(55,100)		
Employees	0	0	0	0	Utility costs are expected to be higher	
Other Expenditure	128,200	90,725	157,000	28,800		
Income	0	0	0	0		
Depot	128,200	90,725	157,000	28,800		
Employees	1,263,600	612,557	1,233,600	(30,000)	Savings expected due to vacant posts	
Other Expenditure	143,700	51,771	143,700	0	Additional one off income of £30k from Heathrow for managing PSPO taxis & remainder higher penalty notices income	
Income	(3,200)	(50,616)	(60,000)	(56,800)		
Neighbourhood Serv Mgt Support	1,404,100	613,713	1,317,300	(86,800)		
Employees	680,300	353,775	680,300	0	Vacant post are being covered by Agency staff paid in arrears & additional overtime payments	
Other Expenditure	161,300	61,674	165,600	4,300		
Income	(46,600)	(46,600)	(46,600)	0		
Street Cleaning	795,000	368,849	799,300	4,300		
Employees	0	0	0	0		
Other Expenditure	3,600	1,260	3,600	0		
Income	0	0	0	0		
Abandoned Vehicles	3,600	1,260	3,600	0		
Employees	1,263,000	598,681	1,263,000	0	Vacant post are being covered by Agency staff paid in arrears	
Other Expenditure	693,200	369,834	693,200	0		
Income	(67,500)	(69,970)	(100,000)	(32,500)	Additional grounds maintenance income expected of £20k and remainder higher Spelthorne in Bloom sponsorship income	
Grounds Maintenance	1,888,700	898,546	1,856,200	(32,500)		
Employees	1,643,600	780,817	1,613,600	(30,000)	Savings expected due to vacant posts, partially being covered by agency staff and efficient use of resources to run the service. Maintenance costs for lease vehicles are expected to be higher Higher Green waste bins income due to more activity	
Other Expenditure	375,400	184,734	445,400	70,000		
Income	(1,110,300)	(1,031,377)	(1,130,300)	(20,000)		
Refuse Collection	908,700	(65,826)	928,700	20,000		
Employees	0	0	0	0	Payment to Surrey Heath due to change of Recycling financial mechanism, expected to be recovered through additional income Please see above	
Other Expenditure	0	41,466	26,000	26,000		
Income	(266,500)	59,211	(292,500)	(26,000)		
Waste Recycling	(266,500)	59,211	(266,500)	0		
Employees	348,200	171,471	343,200	(5,000)		

Environment & Sustainability

Appendix F

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments	Head of Service Feedback
	£	£	£	£		
Other Expenditure	825,200	635,848	826,400	1,200	Car Park fees income is expected to be lower mainly due to a delays in the implementation of the Parking Order amendment.	
Income	(1,557,800)	(702,103)	(1,470,800)	87,000		
Car Parks	(384,400)	105,216	(301,200)	83,200		
Employees	0	0	0	0		
Other Expenditure	0	90	0	0		
Income	0	0	0	0		
Public Conveniences	0	90	0	0		
Employees	0	0	0	0		
Other Expenditure	0	684,908	0	0		
Income	0	(797,645)	0	0		
Community Infrastructure Levy	0	(112,738)	0	0		
Employees	0	0	0	0		
Other Expenditure	0	131,569	0	0		
Income	0	(20,273)	0	0		
Section 106	0	111,296	0	0		
Total Employees	8,220,600	4,058,896	8,034,000	(186,600)		
Total Other Expenditure	3,155,800	2,954,479	3,652,900	497,100		
Total Income	(4,473,700)	(3,355,875)	(4,517,900)	(44,200)		
Net Total	6,902,700	3,657,500	7,169,000	266,300		

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Appendix G - Corporate Savings 24/25

Saving Identified	Saving Allocation achieved	£
Mobile phone contract	Cashable Savings	15,000
x2 Post from automation and already taken from budget 24/25. A manual reduction of £34k was put through the CS budget at the start of the year. The restructure savings for the year total £97k, less the already recognised saving of £34k means we have £63k extra saving from the restructure.	Business Improvements	63,000
Insurance Contract	Procurement Savings	60,000
FOI Module	Cashable Savings	7,000
Switching to Boxfish	Cashable Savings	500
Royal Mail	Cashable Savings	25,000
Green waste increased income	Green Initiatives	70,000

240,500.00

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Investment Properties

Appendix H

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	0	0	0	0	
Other Expenditure	5,000	115,218	0	(5,000)	
Income	(17,332,300)	(12,781,777)	(17,332,300)	0	
BP Main Site - Sunbury	(17,327,300)	(12,666,558)	(17,332,300)	(5,000)	
Employees	0	0	0	0	
Other Expenditure	15,000	6,500	22,500	7,500	
Income	(2,115,300)	(1,545,812)	(2,115,300)	0	
BP South West Corner - Sunbury	(2,100,300)	(1,539,312)	(2,092,800)	7,500	
Employees	0	0	0	0	
Other Expenditure	218,700	19,610	108,300	(110,400)	The part ground floor remains vacant so additional service charge and marketing expenses for this suite have been incurred. However, this is offset by accounting treatment of rent free periods for AME Holdings letting.
Income	(473,600)	(286,306)	(444,600)	29,000	Letting to AME Holdings was delayed resulting in receiving less rent than anticipated.
Elmbrook House	(254,900)	(266,696)	(336,300)	(81,400)	
Employees	0	0	0	0	
Other Expenditure	802,200	564,696	1,108,500	306,300	There is an overspend on Stockley Park as a result of increased service charge costs which resulted from increased estate external charge which is managed by the site freeholder. Hard and soft Facilities Management costs including utilities also increased which we are exploring with our managing agent Cushman & Wakefield to minimise moving forward. Due to the building being vacant, the Council are having to absorb full cost of this expenditure.
Income	(75,000)	(40,582)	(75,000)	0	
3 Roundwood Ave, Stockley Park	727,200	524,114	1,033,500	306,300	
Employees	0	0	0	0	
Other Expenditure	0	17,385	800	800	
Income	(2,457,600)	(1,814,590)	(2,457,600)	0	
WBC 4	(2,457,600)	(1,797,205)	(2,456,800)	800	

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Investment Properties

Appendix H

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	0	0	0	0	
Other Expenditure	45,000	(196,893)	187,300	142,300	It is due to accounting treatment for internal purposes on rent free period for new IWG lease
Income	(7,874,400)	(5,467,605)	(8,250,800)	(376,400)	It is due to accounting treatment for internal purposes on rent free period for new IWG lease
12 Hammersmith Grove	(7,829,400)	(5,664,498)	(8,063,500)	(234,100)	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	(16,000)	(11,692)	(16,000)	0	
17 Station Road, Sunbury	(16,000)	(11,692)	(16,000)	0	
Employees	0	0	0	0	
Other Expenditure	1,135,800	(60,265)	1,124,200	(11,600)	
Income	(5,759,500)	(5,316,416)	(6,310,000)	(550,500)	It is due to accounting treatment for internal purposes on rent free period for three tenants: Make a Wish, Clarks Legal & BMI
Thames Tower	(4,623,700)	(5,376,681)	(5,185,800)	(562,100)	
Employees	0	0	0	0	
Other Expenditure	1,734,500	381,473	1,694,400	(40,100)	There is an underspend relating to landlord's fit out works as the letting to Tempur Sealy is not proceeding as they have withdrawn. It is very unlikely that we will secure a new tenant in the current financial year, so landlord's contribution will not be needed. This is offset by unbudgeted expenditure on electricity for vacant units due to the late reconciliation carried out by Cushman & Wakefield going back to 2021. In addition, there are external fees for dealing with rent reviews and dilapidations and legal costs that are not recoverable from the tenants.
Income	(8,498,600)	(3,546,560)	(4,884,300)	3,614,300	This is an expected fluctuation linked to the rent top up budget of £4m for Charter Building, which has been utilised in FY 2023/24, but is offset by adjustment on rent free periods. There was an increase in rent income following the rent reviews for 2 offices at the Charter Building - Uxbridge Charter Place Centre Ltd t/a Spaces.

Investment Properties

Appendix H

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Charter Building	(6,764,100)	(3,165,087)	(3,189,900)	3,574,200	
Employees	0	0	0	0	There is an underspend on landlord's fit out works as unlikely that the first floor will be let in this financial year and therefore there is no requirement to spend £150k on separation works and pay a landlord's contribution towards floor boxes and carpets. Furthermore, it is due to accounting treatment for internal purposes on rent free periods.
Other Expenditure	1,497,400	186,290	754,300	(743,100)	
Income	(1,913,200)	(1,245,761)	(1,652,200)	261,000	It is due to accounting treatment for internal purposes on rent free periods for Orange & Mattel.
Porter Building	(415,800)	(1,059,471)	(897,900)	(482,100)	
Employees	0	0	0	0	
Other Expenditure	0	0	0	0	
Income	(17,500)	(10,208)	(17,500)	0	
119-121a High Street	(17,500)	(10,208)	(17,500)	0	
Employees	0	0	0	0	Credit due from insurance premium
Other Expenditure	0	13,563	(19,500)	(19,500)	
Income	0	0	0	0	
Investment Props Misc	0	13,563	(19,500)	(19,500)	

Investment Properties

Appendix H

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Total Employees	0	0	0	0	
Total Other Expenditure	5,453,600	1,047,579	4,980,800	(472,800)	
Total Income	(46,533,000)	(32,067,310)	(43,555,600)	2,977,400	
Net Total	(41,079,400)	(31,019,731)	(38,574,800)	2,504,600	

Regeneration Properties

Appendix I

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Employees	0	0	0	0	
Other Expenditure	230,700	81,690	232,700	2,000	
Income	(1,006,700)	(741,946)	(1,006,700)	0	
Communications House	(776,000)	(660,256)	(774,000)	2,000	
Employees	0	0	0	0	
Other Expenditure	305,200	46,735	181,600	(123,600)	Savings in NNDR liability as Stanwell Food Bank in occupation to March 2025 to mitigate this
Income	(609,000)	(425,341)	(609,000)	0	
Summit Centre	(303,800)	(378,605)	(427,400)	(123,600)	
Employees	0	0	0	0	
Other Expenditure	838,100	115,119	880,000	41,900	£150k budget for landlord's contribution is no longer required and has been moved to 25/26 Service Plan. However, this underspend is offset by unbudgeted costs for medium term RAAC solution and stonework repairs to Talking Tree (dangerous, loose coping stones). There is also an increase in letting fees due to early lease regear of Muffin Break and H Samuel. In addition, works are required to Sports Direct to remove and replace internal ceiling to inspect RAAC.
Income	(2,798,000)	(2,135,656)	(2,850,000)	(52,000)	It is due to accounting treatment for internal purposes on rent frees period of £42k and additional rent of £10k per annum from C&J Clark following lease renewal
Elmsleigh	(1,959,900)	(2,020,537)	(1,970,000)	(10,100)	

Regeneration Properties

Appendix I

Results to 30-Sep-24	Budget Revised	Total Actuals	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	£	
Total Employees	0	0	0	0	
Total Other Expenditure	1,374,000	243,544	1,294,300	(79,700)	
Total Income	(4,413,700)	(3,302,942)	(4,465,700)	(52,000)	
Net Total	(3,039,700)	(3,059,399)	(3,171,400)	(131,700)	

Corporate Policy & Resources Committee



9th December 2024

Title	Quarter 2 (30 September 2024) Capital Monitoring report
Purpose of the report	To note
Report Author	Mahmud Rogers, Joint Financial Services Manager
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: Note the Capital expenditure forecast overspend of £1.157m for 2024-25 as at 30 th September 2024.
Reason for Recommendation	<i>Not applicable</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> Spelthorne Borough Council is expected to overspend its Capital budget position by £1.157m 	<ul style="list-style-type: none"> Ensuring the financial stability of the Council
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Monitoring & review the forecast variances by service and area of expenditure 	<ul style="list-style-type: none"> Note the report

1.1 This report seeks to summarise the financial situation of Spelthorne Borough Council at the end of September 2024. Please see the detail in Appendix A.

2. Key issues

2.1 The Capital Monitoring report covers the cumulative forecast expenditure to complete the project as at 30th September 2024, against the cumulative Council approved Capital Programme budget.

2.2 The Eclipse Leisure Centre was opened in October 2024. It has been a major multi-year capital project. As well as being a beautiful design with all the latest facilities, the new Leisure Centre is also extremely energy efficient. The financing of its costs is of major significance to the resilience of the Council's financial situation, and further details are laid out for members in the separate *Eclipse Leisure Centre Financing* report.

2.3 Although the projects may have a budget allocation in the Capital Programme, any changes to the approved project or increases in forecast to complete the project, over and above the approved budget will require prior approval by Corporate Policy and Resources Committee before drawing down against that budget.

2.4 A summary of the main variances at 30th September is in Table 1 below:

Table 1 – Summary of Capital Variances to Budget

Committee	Cumulative Spend to date £'000s	Revised Budget £'000s	Managers Projected Outturn £'000s	Projected Variance £'000s	COMMENTS
Community, Welbeing and Housing (Disabled Facilities Grant Annual Programme)	14,322	14,667	14,822	155	The DFG Overspend to be funded by the earmarked reserve - 'DFG management fees' and is caused by increased demand and more complex cases. The Budget and Spent includes Property Acquisition for families (LAHF).
Corporate Policy and Resources	47,125	51,509	52,753	1,244	CP&RC capital program includes Assets and ICT. Assets £2.6m Overspend on Spelthorne Leisure Centre Development: c. £1m interest, c. £0.5m project management, c. £0.7k Sunbury LC mechanical & Electrical plant replacement costs c. £0.5k increased demo costs for the old Spelthorne LC. Partially offset by reconsideration of 31 Hanworth Road -£1m and other projects £0.4m.
Environment and Sustainability	804	2,568	2,326	(242)	Underspend on carried forward Replacement of Refuse Vehicle and Wheelie Bin budget, County Transit Site project not expected to incur spending this year.
Total	62,251	68,744	69,901	1,157	

3. Financial Implications

3.1 Once a project is completed, any underspend on the approved Capital Programme enables the Council to invest the monies to gain additional treasury management investment income or to fund additional schemes. Overspends as currently forecast result in greater exposure to higher interest rate costs.

4. Risk Considerations

- 4.1 Since the Council is no longer undertaking direct development of construction schemes, the main risk is now that of further movement in project costs on the Eclipse Leisure Centre project, which is the largest item in the Capital Programme.

5. Procurement considerations

- 5.1 Where necessary, actions will be implemented to effectively manage any procurements that are in progress.

6. Other considerations

- 6.1 There are no further considerations.

7. Equality and Diversity

- 7.1 There are no specific areas to highlight. However, equality, diversity and inclusion (EDI) are central to everything that Council does and are woven throughout Council's Corporate Plans.

8. Sustainability/Climate Change Implications

With the Eclipse Leisure Centre we now have an operational leisure centre which meets the Passivhaus energy standards and is approximately 60 to 70% more energy efficient than conventional leisure centres. This will make a significant reduction in our carbon footprint.

9. Timetable for implementation

- 9.1 The timetable for the Capital Programme budget is as per the Programme approved by Council 22nd February 2024

10. Contact

- 10.1 Mahmud Rogers m.rogers@spelthorne.gov.uk

Background papers: The Capital Programme approved by Council 22nd February 2025

Appendices:

Appendix A – Detailed Capital Monitoring Report by Committee as at 30 September 2024.

Background Papers

Council 6 February 2024, Agenda item 11 – Transformation Business Cases

Cabinet 26 May 2021, Agenda item 3 – Principles of Collaboration with Other Local Authorities

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Appendix A - Detailed report										29/11/2024
CAPITAL MONITORING REPORT FOR THE YEAR 2024/25										
Office Head	Cost Centre	Description	Actuals YTD 2024/25	Budget 2024/25	Current Budget VS Actual Variance	Current Cumulative Budget	Cumulative Actuals to date for the project	Managers Projected Outturn at 31 March 2025	Cumulative Budget vs Forecast Variance	Comments
			£	£	£	£	£	£	£	
Housing Investment Programme										
Community Wellbeing & Housing- DFG Annual Programme										
Karen Sir	40203	Disabled Facilities Mandatory	861,304	1,025,548	164,244	1,025,548	861,304	1,358,339	332,791	Overspend to be funded by earmarked reserve - DFG mangement fees Key Factors Contributing to Overspend: Increased Demand: There has been an increase in applications compared to the previous years due to demographic changes, aging population, the County strength based approach, a drive towards single handed care calls, a fully staffed locality Occupational Therapy team and increased awareness of the grant. Complex Cases: A rise in the number of complex cases requiring extensive adaptations (e.g., structural changes, specialised equipment) has significantly increased the average cost per grant. Supplier and Contractor Costs: Inflation and market pressures have driven up the costs of materials and contractor fees.
Karen Sir	40204	Disabled Facilities Discretion	60,025	60,000	(25)	60,000	60,025	60,000	-	
		Grants received from Central Government		(1,025,548)	(1,025,548)	(1,025,548)	(1,028,840)	(1,025,548)	-	
		Net Cost of Disabled Facilities	921,328	60,000	(861,328)	60,000	(107,512)	392,791	332,791	
Total For HIP			921,328	60,000	(861,328)	60,000	(107,512)	392,791	332,791	
Community Wellbeing & Housing										
Karen Sir	42074	Local Authority Housing Fund Grant	21,438,688		(21,438,688)	28,000,000	27,822,478	27,822,478	(177,522)	Purchases complete
	42074	Local Authority Housing Fund Grant			-	(13,393,073)	(13,393,073)	(13,393,073)	-	Central government funding
Total Committee			22,360,016	60,000	(22,300,016)	14,666,927	14,321,893	14,822,196	155,269	
Environment & Sustainability										
Sandy Mu	41617	River Thames Scheme	0		-	1,300,000	-	1,300,000	-	The Budget will be spend when the scheme starts in 2026/27

CAPITAL MONITORING REPORT FOR THE YEAR 2024/25

Office Head	Cost Centre	Description	Actuals YTD 2024/25	Budget 2024/25	Current Budget VS Actual Variance	Current Cumulative Budget	Cumulative Actuals to date for the project	Managers Projected Outturn at 31 March 2025	Cumulative Budget vs Forecast Variance	Comments
				£	£	£	£	£	£	
Jackie Ta	41302	Car Park Mgmt. System Update	0	250,000	250,000	250,000	-	250,000	-	Procurement for new car park management system is underway and tender was issued late October 24 Due for completion Jan/Feb 25
Jackie Ta	41501	New Food Waste Vehicles	0	400,000	400,000	400,000	400,052	400,052	52	Vehicles have been delivered/ payment made in 2023/24
Jackie Ta	41308	Car Park Mgmt. & Issue System	0	50,000	50,000	50,000	-	50,000	-	Procurement for new car park management system is underway and tender is due to go out in Jan 2025 with implementation before end of March 2025
Jackie Ta	41503	Replacement of Refuse Vehicle	0	80,000	80,000	80,000	-	25,723	(54,277)	This form a part of New food Waste vehicle budget was approved for £80k but the actual cost was only £25723. The Purchase complete
Jackie Ta	41606	County Transit Site	0	127,000	127,000	127,000	-	-	(127,000)	Budget was agreed by the committee for Spelthorne contribution to surrey .Jackie Spoke to Daniel the project is not going ahead therefore Budget can be removed
Jackie Ta	41608	River Ash Broadwalk	101,147	150,000	48,854	150,000	156,239	156,239	6,239	
		Bronzefield reserve Funding		(150,000)	(150,000)	(150,000)		(150,000)	-	Funding for River Ash Broadwalk
Jackie Ta	41609	Replacement Spelride Bus	0	100,000	100,000	100,000	81,820	81,820	(18,180)	New electric minibus has been delivered and is in service
Jackie Ta	41615	Laleham Nursery Portacabins	5,500	93,000	87,500	116,000	122,524	122,524	6,524	Building work is complete and staff are now working from the new accommodation. The old portacabins have been demolished and removed from site
Jackie Ta	41616	Replacement CCTV Cameras	0	35,000	35,000	35,000	-	35,000	-	Quotes have been received and will be evaluated to ensure best value when purchasing new CCTV cameras
Jackie Ta	41620	Wheelie Bins - annual programme	43,699	55,000	11,301	110,000	43,699	55,000	(55,000)	Wheelie bins purchased as and when supply demands, as per the budget
		Total	150,346	1,190,000	1,039,654	2,568,000	804,335	2,326,358	(241,642)	
									-	

CAPITAL MONITORING REPORT FOR THE YEAR 2024/25

Office Head	Cost Centre	Description	Actuals YTD 2024/25	Budget 2024/25	Current Budget VS Actual Variance	Current Cumulative Budget	Cumulative Actuals to date for the project	Managers Projected Outturn at 31 March 2025	Cumulative Budget vs Forecast Variance	Comments
				£	£	£	£	£	£	
Corporate Policy & Resources										
Coralie H	41024	Spelthorne Leisure Centre Development	6,014,238	18,845,000	12,830,762	48,370,000	46,281,907	51,009,692	2,639,692	Overspend on Spelthorne Leisure Centre Development: c. £1m interest, c. £0.5m project management, c. £0.7m Sunbury LC mechanical & Electrical plant replacement costs c. £0.5m increased demo costs for the old Spelthorne LC.
Coralie H	42001	31 Hanworth Road – secure approval to enter into a land swap with owner occupier to acquire 31 HR in return for a disposal of	0	1,000,000	1,000,000	1,000,000			(1,000,000)	The future proposals for this site are being incorporated into the development delivery programme, which is being taken to BIG committee in September for approval. Once approval is obtained for the programme of site delivery, fresh proposals and budget approvals will be sought, hence the project is not progressing on the originally anticipated basis'.
Coralie H	42002	Production of strategy to inform about disposal or redevelopment options	0	50,000	50,000	50,000			(50,000)	Due to current workload, this project will not go ahead but the budget should be requested for next financial year.
Coralie H	42004	Demolishing of Kingston Road	0	40,000	40,000	40,000			(40,000)	This project will not be undertaken this year but it should be requested again in the next financial year
	42056	Whitehouse Hostel - Phase A	22,463	-	(22,463)	-	22,463		-	- Project completed Waiting for Refund to comethrough to offset £22k
Coralie H	42067	Decathlon Unit, Elmsleigh	0	150,000	150,000	150,000			(150,000)	No spend estimated as space taken over by SCC library and this budget can be removed as part of capital savings for next financial year
Coralie H		Elmsleigh Centre WCs		55,000	55,000	55,000		55,000		- Project Completed and cost centre can be deactivated this project was completed last year
Coralie H	42068	Elmsleigh Centre WCs	0	(40,000)	(40,000)	(40,000)		(40,000)		- Project Completed and cost centre can be deactivated this project was completed last year
Coralie H	42076	Sandhill Meadow Bridge	20,000	200,000	180,000	200,000	20,000	200,000		- Legal obligation with residents to contribute to bridge replacement (additional costs for monitoring officer went through revenue).
Coralie H	42077	Ashford Cemetry Lodge - Renovation	158,923	158,000	(923)	200,000	158,923	158,000	(42,000)	Project completion delayed to September due to delay in planning approval to create a vehicular access to the property.
		Assets	6,215,624	20,458,000	14,242,376	50,025,000	46,483,293	51,382,692	1,357,692	
Alistair C	43609	Centros Upgrade	52,191	320,000	267,809	380,000	192,868	380,000		- Target date for go live delayed to 1st April 2026. An increase in costs is not anticipated.

CAPITAL MONITORING REPORT FOR THE YEAR 2024/25

Office Head	Cost Centre	Description	Actuals YTD 2024/25	Budget 2024/25	Current Budget VS Actual Variance	Current Cumulative Budget	Cumulative Actuals to date for the project	Managers Projected Outturn at 31 March 2025	Cumulative Budget vs Forecast Variance	Comments
				£	£	£	£	£	£	
Alistair C	43610	General Hard/Software - annual	5,928	135,000	129,072	694,000	89,627	546,000	(148,000)	£135k to be spent in on laptops in 24/25 for the VPN, £435k in 25/26 but will depend on the date of release of the new Intel chipsets and also on whether we have sufficient resource to advance the project because of the Mole Valley Centros project. The 25/26 Service plan shows the lower total.
Alistair C	43614	Network Infrastructure	0	-	-	-	-	-	-	
		ICT	58,119	455,000	396,881	1,074,000	282,495	926,000	(148,000)	
Sandy Mu	43636	Acquisition of GovTech	0	20,000	20,000	85,000	-	85,000	-	Gov tech procured and being implemented – some technical issues have slightly delayed implementation and therefore payments
Sandy Mu	43638	Capita API Webcapture integration	0	70,000	70,000	70,000	-	-	(70,000)	Capita API £70000 forecast to offset the over spent on 43515 Corporate EDMS
Sandy Mu	43502	Software Packages	-5,216		5,216				-	£5216 refund will be moved to 43515 to offset the overspend in Q3
Sandy Mu	43512	SharePoint redesign & Relaunch	123,430	155,000	31,570	155,000	179,757	179,757	24,757	Ongoing Development to implement Sharepoint
Sandy Mu	43515	Corporate EDMS Project	0		-	100,000	179,218	179,218	79,218	Due to systems changes and requirements there is an overspend and therefore request to vire from API integration as this links to the EDMS side
		ICT	118,214	245,000	126,786	410,000	358,975	443,975	33,975	
Corporate Policy & Resources Committee Total			6,391,956	21,158,000	14,766,044	51,509,000	47,124,762	52,752,667	1,243,667	
GRAND TOTAL			28,902,318	22,408,000	(6,494,318)	68,743,927	62,250,991	69,901,221	1,157,294	

Corporate Policy & Resources Committee

9th December 2024



Title	<i>Eclipse Leisure Centre Financing</i>
Purpose of the report	To note
Report Author	<i>Prithiva Janaka</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	n/a
Corporate Priority	Community Resilience Services
Recommendations	Note the revenue impacts of the Eclipse Leisure Centre for the Outline Budget period
Reason for Recommendation	The Eclipse Leisure Centre has been a major multi-year capital project. The financing of its costs is of major significance to the resilience of the Council's financial situation, and is laid out for members in this report

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> The Eclipse Leisure Centre (main phase 1) opened in October 2024 As well as being a beautiful design with all the latest facilities, the new Leisure Centre is also extremely energy efficient and anticipated to make savings of 60% to 70%. The Leisure Centre is the most significant item in the current Capital Programme to be financed 	<ul style="list-style-type: none"> The total anticipated cost for phase 1 is £46.507m (the final account is yet to be agreed, so this may change) The total capital costs expected for the demolition of the former Spelthorne Leisure Centre is £2.23m Investment into Sunbury Leisure Centre to upgrade Mechanical and Electrical plant (allowing for the dilapidations payment) is £0.739m Internal project management for the whole Leisure Centre programme over a number of projects totals £0.471m Financing costs are anticipated to be £1.062m

	<ul style="list-style-type: none"> The revenue costs associated with the project and the associated income will have a significant impact on the Council's future finances
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> This report shows a detailed breakdown of expected revenue income, costs and impacts 	<ul style="list-style-type: none"> The income and costs are factored into the 2025/26 Outline budget and the Outline Budget years

- 1.1 In October 2020 the Council, like many Councils, declared a Climate Change Emergency. In this context Council agreed to invest in a Passivhaus design standard when constructing its new Leisure Centre. The Passivhaus design standard will deliver energy savings and reduced carbon emissions in the region of 60% to 70% compared to a normal leisure centre of equivalent size.
- 1.2 This report seeks to summarise the capital costs and financing of the project, and the ensuing revenue income and expenditure impacts expected from its operation.
- 1.3 The total capital costs for phase 1 are expected to be in the region of £46.507m. The final figure cannot be confirmed until the agreement of final construction account with the main contractor is settled. The total capital costs expected for the demolition of the old leisure centre, planned completion June 2025, are expected to be £2,230,000, and costs the Council will incur for the replacement of Mechanical and Electrical plant at Sunbury Leisure centre are forecast to be £739,000. When internal project management fees and financing are included, this brings the estimated total costs of the scheme to £51,009,692.
- 1.4 The project was financed through prudential borrowing. For the purposes of financing the project, PWLB loans were obtained for £9,300,000 at fixed rate of 3.3% in September 2022, the remainder of the cost of £41,709,692, initially financed from cashflow. Following on from the decision by full Council in October 2024 to draw down its pooled funds, moving forwards the remainder of the costs will be internal borrowing, upon which there is approximately 4% interest foregone per annum from not having the pooled investments in place to earn interest.
- 1.5 Minimum Revenue Provision (MRP) will follow the annuity method, in line with the Capital Strategy. The draft MRP schedule can be found in **Appendix A**. This may change subject to project costs and further advice from our Treasury Management advisors.

2. Key issues

- 2.1 In October 2024 the Council opened its new groundbreaking Eclipse Leisure Centre. Whilst this will generate significantly higher management fee contribution from the operator than the old leisure

centre, and provide an enhanced range of facilities for residents, the capital financing costs of the centre are not fully covered by this additional income, so in the first two years there is a net revenue Budget pressure as set out in **Table 1** below:

Table 1 - Leisure Centre net Revenue Budget pressure

	2025-26	2026-27	2027-28	2028-29
	£	£	£	£
Management fee income	(405,618)	(936,590)	(1,201,062)	(1,276,378)
Capital financing (MRP)	395,502	426,634	440,713	455,256
Capital financing (PWLB interest paid)	297,244	292,399	287,391	282,217
Estimated Insurance costs*	345,000	345,000	345,000	345,000
Estimated net Revenue Cost or (Surplus) from Eclipse	632,128	127,443	(127,958)	(193,905)
Income forgone (at long term average of 4%) on pooled investments and other internal borrowing drawn down**	1,600,000	1,600,000	1,600,000	1,600,000
Net underlying impact	2,232,128	1,727,443	1,472,042	1,406,095

*Note the figures for insurance for the Eclipse Leisure Centre are worst case figures and reflect the initial figures provided by our current insurers. London Borough of Sutton who manage our insurances have just undertaken a tendering exercise for insurers and currently are confident that this figure will significantly reduce which will improve the above net position. However, the evaluation exercise will not complete until mid-December, so on grounds of prudence, we have assumed the worst-case figures. The insurance figures are initially very high because of the insurer's caution with respect to the high proportion of timber in the Eclipse Leisure Centre building structure.

** Note this reflects the draw down of pooled investment funds. The Council potentially may be able to invest receipts from disposals of assets to partially offset some of this impact.

2.2 The above impacts are reflected in the Outline Budget figures, in the report elsewhere on this agenda.

2.3 In March 2022 Development Sub-Committee, received a projection based on expectations at the time regarding interest rates. This indicated that at a total cost of approximately £48m capital cost the Revenue Budget shortfall (amount by which cost of financing exceeded income generated) at £1.5m. In comparison over the four financial years set out in the analysis the underlying average shortfall will be £1.709m, albeit a larger shortfall in 2025-26, fall back to just over £1.7m in 2026-27 and then reducing in subsequent two financial years.

3. Options analysis and proposal

3.1 This report is for information only.

4. Financial management comments

4.1 The Eclipse Leisure Centre will present a net revenue cost, in terms of the difference between the total income share from the operator coming to the Council and the loan financing costs associated with the scheme, to the Council of approximately £632k in 2025/26 and £127k in 2026/27 but will become a net revenue contributor from 2027/26 as management fee income gradually increases. The underlying impact, set out in the bottom row of the table, will remain negative in view of the high level of internal borrowing, dedicated to the project and the consequent loss of investment interest this entails.

5. Risk management comments

5.1 Phase 2 of the scheme is not yet complete so there is a risk that final completed capital cost may move slightly. The costs are being regularly monitored and reported.

6. Procurement comments

6. The construction of the Eclipse Leisure Centre went through a thorough procurement process.

7. Legal comments

7.1 Section 1 of the Local Government Act 2003 permits a local authority to borrow for any purpose relevant to its functions or for “the prudent management of its financial affairs”.

7.2 Section 3(1) and (8) of the Local Government Act 2003 oblige a local authority to determine and keep under review how much money it can afford to borrow.

7.3 It is essential therefore that the financing of the Eclipse Leisure Centre is closely monitored.

8. Other considerations

8.1 Detail any other considerations to be taken into account.

9. Equality and Diversity

9.1 The Eclipse Leisure Centre has been designed to be accessible and inclusive.

10. Sustainability/Climate Change Implications

10.1 As stated in the report the Leisure Centre has met Passivhaus energy standards which means it is approximately 60 to 70% more energy efficient.

11. Timetable for implementation

Not applicable

12. Contact

P.Janaka@spelthorne.gov.uk.

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Background papers: *(These are unpublished papers upon which you have relied in preparing this report). If none state, There are none.*

Appendices:

Appendix A – Minimum Revenue Provision for Eclipse Leisure Centre

Appendix A MRP Calculation

	Phase 1	Phase 2	Phase 1 & other	Phase 2	Total		
Purchase date	15/10/2024	01/06/2025					
Operational date/yr	2024/25	2025/26	£	£	£		
Unfunded Expenditure (per original MRP Cal tables)	£48,779,692	£2,230,000	2026	395,502	0	395,502	
Total Actual Unfunded Expenditure (per SoA)	£48,779,692	£2,230,000	2027	408,553	18,081	426,634	
First MRP y/e 31.03		2026	2027	422,036	18,677	440,713	
Total MRP years		50	50	2029	435,963	19,294	455,256
Final MRP y/e 31.03		2075	2076	2030	450,350	19,930	470,280
Annuity rate (0% for EIP)		3.3%	3.3%	2031	465,211	20,588	485,799
				2032	480,563	21,267	501,831
				2033	496,422	21,969	518,391
				2034	512,804	22,694	535,498
				2035	529,726	23,443	553,169
				2036	547,207	24,217	571,424
				2037	565,265	25,016	590,281
				2038	583,919	25,842	609,760
				2039	603,188	26,694	629,882
				2040	623,093	27,575	650,668
				2041	643,655	28,485	672,140
				2042	664,896	29,425	694,321
				2043	686,837	30,396	717,234
				2044	709,503	31,399	740,902
				2045	732,917	32,435	765,352
				2046	757,103	33,506	790,609
				2047	782,087	34,612	816,699
				2048	807,896	35,754	843,650
				2049	834,557	36,934	871,490
				2050	862,097	38,152	900,249
				2051	890,546	39,411	929,958
				2052	919,934	40,712	960,646
				2053	950,292	42,055	992,348
				2054	981,652	43,443	1,025,095
				2055	1,014,046	44,877	1,058,923
				2056	1,047,510	46,358	1,093,868
				2057	1,082,078	47,888	1,129,965
				2058	1,117,786	49,468	1,167,254
				2059	1,154,673	51,100	1,205,774
				2060	1,192,777	52,787	1,245,564
				2061	1,232,139	54,529	1,286,668
				2062	1,272,800	56,328	1,329,128
				2063	1,314,802	58,187	1,372,989
				2064	1,358,191	60,107	1,418,298
				2065	1,403,011	62,091	1,465,101
				2066	1,449,310	64,140	1,513,450
				2067	1,497,137	66,256	1,563,394
				2068	1,546,543	68,443	1,614,986
				2069	1,597,579	70,701	1,668,280
				2070	1,650,299	73,035	1,723,333
				2071	1,704,759	75,445	1,780,203
				2072	1,761,016	77,934	1,838,950
				2073	1,819,129	80,506	1,899,636
				2074	1,879,161	83,163	1,962,323
				2075	1,941,173	85,907	2,027,080
				2076	0	88,742	88,742
Total	48,779,692	2,230,000		48,779,692	2,230,000	51,009,692	

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Corporate Policy & Resources Committee

9th December 2024



Title	<i>Corporate Policy and Resources - Budget, Fees and Charges, Capital bids, Revenue Growth and Savings for 2025/26</i>
Purpose of the report	To note
Report Author	<i>Mahmud Rogers Joint Financial Services Manager</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>n/a</i>
Corporate Priority	Resilience
Recommendations	<i>Committee is asked to note the draft initial Budget, Fees and Charges schedule, Capital items, Revenue Growth and Savings items for 2025 -26 Budget for Corporate Policy and Resources</i>
Reason for Recommendation	<i>Councils have a statutory duty to balance their budgets. It is important that we take a medium-term approach in ensuring that we can take action sufficiently early to ensure the Council's Revenue Budget remains financially sustainable.</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> A robust budget planning process helps organisations to manage their resources with economy, efficiency and effectiveness Once the Outline Budget has been considered by this Committee it is anticipated that further savings across the Committee will need to be identified and that Committees will be asked to address this in the January/February cycle 	<ul style="list-style-type: none"> To have a robust and sustainable 2025/26 budget that meets the needs of the service and provides a resilient financial position to the Council as a whole. The 2025/26 Budget planning process commenced in May 2024 and must be completed and approved by Council in February 2025.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Committee reviews and agrees revenue and capital growth & savings bids, fees & charges 	<ul style="list-style-type: none"> Approval of the Outline Budget and preparation of the whole budget for Committee

- 1.1 This report seeks to present the *Budget, Fees and charges, Capital, and Savings items for Corporate Policy and Resources*. The purpose is to give the Committee an early opportunity to comment and shape the Budget before it is further refined after Christmas.

2. Key issues

- 2.1 The attached appendixes give full detail of the Budget, Fees and Charges, Capital bids, Revenue Growth and Savings proposed.

Fees and charges

- 2.2 A general uplift in discretionary fees and charges of 4% has been applied as the default, except where managers have undertaken benchmarking and provided a rationale for a different uplift, with figures rounded as per the direction from February 2023 Corporate Policy and Resources.

Revenue Growth and Savings Bids

- 2.3 The two larger revenue growth bids relate to a discretionary counter fraud service and provision of the statutory internal audit service. On the savings side, a £567k expected reduction in pension payments, £97k expected reduction in electricity and gas costs, £63k savings from the restructure of Customer Services, and £60k from the lease renewal for Knowle Green Nursery (£80k in 2026/27).

Capital Bids

- 2.4 There is a £1.32m capital growth bid for the Eclipse leisure centre car park solar canopy installation, £375k required for replacement of work laptops and related equipment, £252k for new Elmsleigh Centre lifts, and £200k for renewal of existing water filtration equipment for Lammas Recreation Ground Splashpad.
- 2.5 The splashpad opens at the start of May (first bank holiday) and closes 2nd weekend in September. During a warm, sunny weekend or during the summer opening times we can see 250+ children using it throughout the day

3. Options analysis and proposal

- 3.1 The Committee has the opportunity to comment on any of the fees and charges, savings or growth items

4. Financial management comments

- 4.1 The higher the proportion of growth items accepted at this stage and the lower the proportion of savings items accepted at this initial stage of the Budget the more savings are likely to be asked of the Committee in the January cycle. Equally if the proposed fees and charges are trimmed back more income or savings will need to be found elsewhere.

5. Risk management comments

- 5.1 When considering savings proposals, we need to consider the risk of any adverse impact on service delivery capacity.

6. Procurement comments

- 6.1 n/a

7. Legal comments

- 7.1 n/a

8. Other considerations

8.1 n/a

9. Equality and Diversity

9.1 When savings involve reductions to service appropriate Equality Impact Assessments need to be undertaken.

10. Sustainability/Climate Change Implications

10.1 n/a

11. Timetable for implementation

11.1 Any steer received from the Committee will be fed into the next stage of refining the Budget.

12. Contact

12.1 Mahmud Rogers, Joint Financial Services Manager
m.rogers@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix 1 - CPRC - Capital Growths Bids 15.11.24

Appendix 2 - Corporate Policy & Resources - Fees and Charges 8.11.24

Appendix 3 - CPRC - Revenue Growth Bids 15.11.24

Appendix 4 - CPRC - Savings 15.11.24

Appendix 5 – CPRC Fees and charges budget summary

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Fees and Charges

2025/26



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A full schedule of the fees and charges for all Council services for the coming year

Corporate Policy and Resources

Building Control

Building Control

Building Control

Sale Of Approval Notices

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
357	£28.00	£30.00	S	Discretionary

Building Control Research

Additional Copies of Documents/Notices

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
360	£34.00	£40.00	S	Discretionary

Historical Research Per Hr (Inc 4 Copies)

359	£84.00	£90.00	S	Discretionary
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Charges For Certain Small Buildings And Extensions - Additional Charge (Non Part P Electrician)

01 Extensions Under 10m2 (single storey)

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,074	£340.00	£355.00	S	Discretionary

02 Extensions 10m2 - 40m2 (single storey)

1,075	£340.00	£355.00	S	Discretionary
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03 Extensions 40m2 - 100m2 (single storey)

1,076	£340.00	£355.00	S	Discretionary
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04 Two storey extension not exceeding 40m2

1,077	£340.00	£355.00	S	Discretionary
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05 Two storey extension 40m2 - 100m2

1,078	£340.00	£355.00	S	Discretionary
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06 Two storey extension 100m2 to 200m2

1,080	£340.00	£355.00	S	Discretionary
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07 Loft conversion without dormers (max 60m2)

1,081	£340.00	£355.00	S	Discretionary
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08 Loft conversion that includes a dormer or changes to roof line (max 60m2)

1,082	£340.00	£355.00	S	Discretionary
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09 Erection or extension of a non exempt domestic detached garage or carport up to 100m2

1,083	£340.00	£355.00	S	Discretionary
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10 Erection of a single storey domestic garage extension or carport up to 100m2

1,084	£340.00	£355.00	S	Discretionary
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				VAT	Statute
11 Conversion of a domestic garage to habitable rooms (max 40m2)	1,085	£340.00	£355.00	S	Discretionary
12 Alterations to extend or create a basement up to 100m2	1,086	£340.00	£355.00	S	Discretionary

Charges For Certain Small Buildings And Extensions - Building Notice Charge (Note 1)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
00 No Fee Required i.e. Cavity Wall	227	£0.00	£0.00	S	Discretionary
01 Extensions Under 10m2 (single storey)	228	£795.00	£830.00	S	Discretionary
02 Extensions 10m2 - 40m2 (single storey)	229	£1,150.00	£1,200.00	S	Discretionary
03 Extensions 40m2 - 100m2 (single storey)	230	£1,351.00	£1,410.00	S	Discretionary
04 Two storey extension not exceeding 40m2	231	£1,351.00	£1,410.00	S	Discretionary
05 Two storey extension 40m2 - 100m2	232	£1,710.00	£1,780.00	S	Discretionary
06 Two storey extension 100m2 to 200m2	1,046	£2,028.00	£2,110.00	S	Discretionary
07 Loft conversion without dormers (max 60m2)	1,047	£949.00	£990.00	S	Discretionary
08 Loft conversion that includes a dormer or changes to roof line (max 60m2)	1,048	£1,126.00	£1,175.00	S	Discretionary
09 Erection or extension of a non exempt domestic detached garage or carport up to 100m2	1,049	£630.00	£660.00	S	Discretionary
10 Erection of a single storey domestic garage extension or carport up to 100m2	1,050	£748.00	£780.00	S	Discretionary
11 Conversion of a domestic garage to habitable rooms (max 40m2)	1,051	£885.00	£925.00	S	Discretionary
12 Alterations to extend or create a basement up to 100m2	1,052	£1,733.00	£1,805.00	S	Discretionary

Charges For Certain Small Buildings And Extensions - Inspection Charge

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
00 No Fee Required i.e. Cavity Wall	220	£0.00	£0.00	S	Discretionary
01 Extensions Under 10m2 (single storey)	221	£595.00	£620.00	S	Discretionary
02 Extensions 10m2 - 40m2 (single storey)	222	£850.00	£885.00	S	Discretionary
03 Extensions 40m2 - 100m2 (single storey)	223	£1,051.00	£1,095.00	S	Discretionary
04 Two storey extension not exceeding 40m2	224	£1,051.00	£1,095.00	S	Discretionary
05 Two storey extension 40m2 - 100m2	225	£1,410.00	£1,470.00	S	Discretionary
06 Two storey extension 100m2 to 200m2	1,053	£1,728.00	£1,800.00	S	Discretionary
07 Loft conversion without dormers (max 60m2)	1,054	£649.00	£675.00	S	Discretionary
08 Loft conversion that includes a dormer or changes to roof line (max 60m2)	1,055	£826.00	£860.00	S	Discretionary
09 Erection or extension of a non exempt domestic detached garage or carport up to 100m2	1,056	£430.00	£450.00	S	Discretionary

Fees and Charges

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				VATII	
10 Erection of a single storey domestic garage extension or carport up to 100m2	1,057	£548.00	£570.00	S	Discretionary
11 Conversion of a domestic garage to habitable rooms (max 40m2)	1,058	£585.00	£610.00	S	Discretionary
12 Alterations to extend or create a basement up to 100m2	1,059	£1,433.00	£1,495.00	S	Discretionary

Charges For Certain Small Buildings And Extensions - Plan Charge

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
00 No Fee Required i.e. Cavity Wall	213	£0.00	£0.00	S	Discretionary
01 Extensions Under 10m2 (single storey)	214	£200.00	£210.00	S	Discretionary
02 Extensions 10m2 - 40m2 (single storey)	215	£300.00	£315.00	S	Discretionary
03 Extensions 40m2 - 100m2 (single storey)	216	£300.00	£315.00	S	Discretionary
04 Two storey extension not exceeding 40m2	217	£300.00	£315.00	S	Discretionary
05 Two storey extension 40m2 - 100m2	218	£300.00	£315.00	S	Discretionary
06 Two storey extension 100m2 to 200m2	1,060	£300.00	£315.00	S	Discretionary
07 Loft conversion without dormers (max 60m2)	1,061	£300.00	£315.00	S	Discretionary
08 Loft conversion that includes a dormer or changes to roof line (max 60m2)	1,062	£300.00	£315.00	S	Discretionary
09 Erection or extension of a non exempt domestic detached garage or carport up to 100m2	1,063	£200.00	£210.00	S	Discretionary
10 Erection of a single storey domestic garage extension or carport up to 100m2	1,064	£200.00	£210.00	S	Discretionary
11 Conversion of a domestic garage to habitable rooms (max 40m2)	1,065	£300.00	£315.00	S	Discretionary
12 Alterations to extend or create a basement up to 100m2	1,066	£300.00	£315.00	S	Discretionary

Charges For Certain Small Buildings And Extensions - Regularisations (Note 2)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
00 No Fee Required i.e. Cavity Wall	234	£0.00	£0.00	O	Discretionary
01 Extensions Under 10m2 (single Storey)	235	£994.00	£1,035.00	O	Discretionary
02 Extensions 10m2 - 40m2 (single Storey)	236	£1,437.00	£1,495.00	O	Discretionary
03 Extensions 40m2 - 100m2 (single storey)	237	£1,689.00	£1,760.00	O	Discretionary
04 Two storey extension not exceeding 40m2	238	£1,689.00	£1,760.00	O	Discretionary
05 Two storey extension 40m2 - 100m2	239	£2,138.00	£2,225.00	O	Discretionary
06 Two storey extension 100m2 to 200m2	1,067	£2,535.00	£2,640.00	O	Discretionary
07 Loft conversion without dormers (max 60m2)	1,068	£1,186.00	£1,235.00	O	Discretionary
08 Loft conversion that includes a dormer or changes to roof line (max 60m2)	1,069	£1,407.00	£1,465.00	O	Discretionary
09 Erection or extension of a non exempt domestic detached garage or carport up to 100m2	1,070	£788.00	£820.00	O	Discretionary

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				VAT	Statute
10 Erection of a single storey domestic garage extension or carport up to 100m2	1,071	£935.00	£975.00	○	Discretionary
11 Conversion of a domestic garage to habitable rooms (max 40m2)	1,072	£1,106.00	£1,155.00	○	Discretionary
12 Alterations to extend or create a basement up to 100m2	1,073	£2,166.00	£2,255.00	○	Discretionary

Street Numbering & Re-Numbering

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) Renaming Property Per Property	367	£72.00	£75.00	○	Discretionary
b) Single Property	363	£116.00	£125.00	○	Discretionary
c) 2-5 Properties	364	£163.00	£170.00	○	Discretionary
d) 6-10 Properties	365	£229.00	£240.00	○	Discretionary
e) 11 Plus Properties (£100 plus an additional £2 per property up to a max of £300)	366	£229.00	£240.00	○	Discretionary

Domestic Alterations to a Single Building - Building Notice Charge

Electrical work (non competent persons scheme)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Any electrical work	1,115	£478.00	£500.00	S	Discretionary

Internal alterations, installation of fittings (not electrical) and/or structural alterations

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost less than £5,000	1,109	£515.00	£540.00	S	Discretionary
02 Estimated cost exceeding £5,000 and up to £25,000	1,110	£810.00	£845.00	S	Discretionary
03 Estimated cost exceeding £25,001 and up to £50,000	1,111	£1,059.00	£1,105.00	S	Discretionary
04 Estimated cost exceeding £50,001 and up to £75,000	1,112	£1,646.00	£1,715.00	S	Discretionary

Renovation of thermal element

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Renovation of thermal element to a single dwelling	1,108	£515.00	£540.00	S	Discretionary

Underpinning

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Underpinning (POA)	1,107	£0.00	£0.00	S	Discretionary

Window replacement (non competent persons scheme)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Per installation over 20 windows	1,114	£427.00	£445.00	S	Discretionary
Per installation up to 20 windows	1,113	£292.00	£305.00	S	Discretionary

Fees and Charges

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Domestic Alterations to a Single Building - Inspection Charge

Electrical work (non competent persons scheme)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Any electrical work (Inc in Plan Charge)	1,105	£0.00	£0.00	S	Discretionary

Internal alterations, installation of fittings (not electrical) and/or structural alterations

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost less than £5,000 (Inc in Plan Charge)	1,099	£0.00	£0.00	S	Discretionary
02 Estimated cost exceeding £5,000 and up to £25,000 (Inc in Plan Charge)	1,100	£510.00	£535.00	S	Discretionary
03 Estimated cost exceeding £25,001 and up to £50,000	1,101	£759.00	£790.00	S	Discretionary
04 Estimated cost exceeding £50,001 and up to £75,000	1,102	£1,346.00	£1,400.00	S	Discretionary

Renovation of thermal element

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Renovation of thermal element to a single dwelling (Inc in Plan Charge)	1,098	£0.00	£0.00	S	Discretionary

Underpinning

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Underpinning (Price on Application)	1,097	£0.00	£0.00	S	Discretionary

Window replacement (non competent persons scheme)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Per installation over 20 windows (Inc in Plan Charge)	1,104	£0.00	£0.00	S	Discretionary
Per installation up to 20 windows (Inc in Plan Charge)	1,103	£0.00	£0.00	S	Discretionary

Domestic Alterations to a Single Building - Plan Charge

Electrical work (non competent persons scheme)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Any electrical work	1,095	£478.00	£500.00	S	Discretionary

Internal alterations, installation of fittings (not electrical) and/or structural alterations

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost less than £5,000	1,089	£515.00	£540.00	S	Discretionary
02 Estimated cost exceeding £5,000 and up to £25,000	1,090	£300.00	£315.00	S	Discretionary
03 Estimated cost exceeding £25,001 and up to £50,000	1,091	£300.00	£315.00	S	Discretionary
04 Estimated cost exceeding £50,001 and up to £75,000	1,092	£300.00	£315.00	S	Discretionary

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VATII

Renovation of thermal element

Renovation of thermal element to a single dwelling

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,088	£515.00	£540.00	S	Discretionary

Underpinning

Underpinning (POA)

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,087	£0.00	£0.00	S	Discretionary

Window replacement (non competent persons scheme)

Per installation over 20 windows

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,094	£427.00	£445.00	S	Discretionary

Per installation up to 20 windows

1,093	£292.00	£305.00	S	Discretionary
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Domestic Alterations to a Single Building - Regularisation Charge

Electrical work (non competent persons scheme)

Any electrical work

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,125	£597.00	£625.00	O	Discretionary

Internal alterations, installation of fittings (not electrical) and/or structural alterations

01 Estimated cost less than £5,000

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,119	£644.00	£670.00	O	Discretionary

02 Estimated cost exceeding £5,000 and up to £25,000

1,120	£1,013.00	£1,055.00	O	Discretionary
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03 Estimated cost exceeding £25,001 and up to £50,000

1,121	£1,324.00	£1,380.00	O	Discretionary
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04 Estimated cost exceeding £50,001 and up to £75,000

1,122	£2,058.00	£2,145.00	O	Discretionary
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Renovation of thermal element

Renovation of thermal element to a single dwelling

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,118	£644.00	£670.00	O	Discretionary

Underpinning

Underpinning (POA)

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,117	£0.00	£0.00	O	Discretionary

Window replacement (non competent persons scheme)

Per installation over 20 windows

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,124	£534.00	£560.00	O	Discretionary

Per installation up to 20 windows

1,123	£365.00	£380.00	O	Discretionary
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Fees and Charges

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Non Domestic Alterations - Inspection Charge

Alterations not described elsewhere including structural alterations and installation of controlled fittings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £5,000 (Included in Plan Charge)	1,194	£0.00	£0.00	S	Discretionary
02 Estimated cost exceeding 567.00£5,000 and up to £25,000	1,195	£567.00	£590.00	S	Discretionary
03 Estimated cost exceeding £25,000 and up to £50,000	1,196	£1,003.00	£1,045.00	S	Discretionary
04 Estimated cost exceeding £50,000 and up to £100,000	1,197	£1,310.00	£1,365.00	S	Discretionary
05 Estimated cost exceeding £100,000 and up to £150,000	1,198	£1,546.00	£1,610.00	S	Discretionary
06 Installation of a Mezzanine floor up to 500m2	1,199	£1,041.00	£1,085.00	S	Discretionary

Office / Shop fit out

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor area up to 500m2	1,200	£645.00	£675.00	S	Discretionary
02 Floor area 500m2 to1000m2	1,201	£1,041.00	£1,085.00	S	Discretionary
03 Change of use of a Building (charged in addition to the above works)(Included in Plan Charge)	1,202	£0.00	£0.00	S	Discretionary

Renovation of thermal element

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £50,000 (Included in Plan Charge)	1,191	£0.00	£0.00	S	Discretionary
02 Estimated cost exceeding £50,001 and up to £100,000	1,192	£413.00	£430.00	S	Discretionary
03 Estimated cost exceeding £100,001 and up to £250,000	1,193	£567.00	£590.00	S	Discretionary

Window replacement (non competent persons scheme).

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Per installation over 20 windows (Included in Plan Charge)	1,190	£0.00	£0.00	S	Discretionary
Per installation up to 20 windows (Included in Plan Charge)	1,189	£0.00	£0.00	S	Discretionary

Non Domestic Alterations - Plan Charge

Alterations not described elsewhere including structural alterations and installation of controlled fittings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £5,000	1,180	£578.00	£605.00	S	Discretionary
02 Estimated cost exceeding £5,000 and up to £25,000	1,181	£300.00	£315.00	S	Discretionary

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				VAT	Statute
03 Estimated cost exceeding £25,000 and up to £50,000	1,182	£300.00	£315.00	S	Discretionary
04 Estimated cost exceeding £50,000 and up to £100,000	1,183	£350.00	£365.00	S	Discretionary
05 Estimated cost exceeding £100,000 and up to £150,000	1,184	£350.00	£365.00	S	Discretionary
06 Installation of a Mezzanine floor up to 500m2	1,185	£300.00	£315.00	S	Discretionary

Office / Shop fit out

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor area up to 500m2	1,186	£300.00	£315.00	S	Discretionary
02 Floor area 500m2 to 1000m2	1,187	£300.00	£315.00	S	Discretionary
03 Change of use of a Building (charged in addition to the above works)	1,188	£300.00	£315.00	S	Discretionary

Renovation of thermal element

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £50,000	1,177	£557.00	£580.00	S	Discretionary
02 Estimated cost exceeding £50,001 and up to £100,000	1,178	£300.00	£315.00	S	Discretionary
03 Estimated cost exceeding £100,001 and up to £250,000	1,179	£300.00	£315.00	S	Discretionary

Window replacement (non competent persons scheme).

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Per installation over 20 windows	1,176	£427.00	£445.00	S	Discretionary
Per installation up to 20 windows	1,175	£292.00	£305.00	S	Discretionary

Non Domestic Alterations - Regularisation Charge

Alterations not described elsewhere including structural alterations and installation of controlled fittings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £5,000	1,208	£723.00	£755.00	O	Discretionary
02 Estimated cost exceeding £5,000 and up to £25,000	1,209	£1,084.00	£1,130.00	O	Discretionary
03 Estimated cost exceeding £25,000 and up to £50,000	1,210	£1,629.00	£1,695.00	O	Discretionary
04 Estimated cost exceeding £50,000 and up to £100,000	1,211	£2,075.00	£2,160.00	O	Discretionary
05 Estimated cost exceeding £100,000 and up to £150,000	1,212	£2,370.00	£2,465.00	O	Discretionary
06 Installation of a Mezzanine floor up to 500m2	1,213	£1,676.00	£1,745.00	O	Discretionary

Office / Shop fit out

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
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				VAT	Statute
01 Floor area up to 500m2	1,214	£1,181.00	£1,230.00	0	Discretionary
02 Floor area 500m2 to1000m2	1,215	£1,676.00	£1,745.00	0	Discretionary
03 Change of use of a Building (charged in addition to the above works)	1,216	£325.00	£340.00	0	Discretionary

Renovation of thermal element

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Estimated cost up to £50,000	1,205	£696.00	£725.00	0	Discretionary
02 Estimated cost exceeding £50,001 and up to £100,000	1,206	£936.00	£975.00	0	Discretionary
03 Estimated cost exceeding £100,001 and up to £250,000	1,207	£1,084.00	£1,130.00	0	Discretionary

Window replacement (non competent persons scheme).

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Per installation over 20 windows	1,204	£534.00	£560.00	0	Discretionary
Per installation up to 20 windows	1,203	£365.00	£380.00	0	Discretionary

Non Domestic Extensions and New Build - Inspection Charge

All Other Use Classes

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,167	£774.00	£805.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,168	£946.00	£985.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,169	£1,241.00	£1,295.00	S	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,170	£1,637.00	£1,705.00	S	Discretionary

Assembly and Recreational Use & Other Residential (Institution and Other)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,143	£811.00	£845.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,144	£1,241.00	£1,295.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,145	£1,796.00	£1,870.00	S	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,146	£2,353.00	£2,450.00	S	Discretionary

Industrial and Storage Use

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2 (Inc in Plan Charge)	1,155	£411.00	£430.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,156	£525.00	£550.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,157	£840.00	£880.00	S	Discretionary

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04 Floor area exceeding 100m2 but not exceeding 200m2	1,158	£1,001.00	£1,045.00	VATII S	Discretionary
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Non Domestic Extensions and New Build - Plan Charge

All Other Use Classes

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,163	£300.00	£315.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,164	£350.00	£365.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,165	£350.00	£365.00	S	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,166	£350.00	£365.00	S	Discretionary

Assembly and Recreational Use & Other Residential (Institution and Other)

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,139	£300.00	£315.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,140	£350.00	£365.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,141	£350.00	£365.00	S	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,142	£350.00	£365.00	S	Discretionary

Industrial and Storage Use

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,151	£300.00	£315.00	S	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,152	£350.00	£365.00	S	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,153	£350.00	£365.00	S	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,154	£350.00	£365.00	S	Discretionary

Non Domestic Extensions and New Build - Regularisation Charge

All Other Use Classes

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,171	£1,343.00	£1,400.00	O	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,172	£1,620.00	£1,685.00	O	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,173	£1,989.00	£2,070.00	O	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,174	£2,484.00	£2,585.00	O	Discretionary

Assembly and Recreational Use & Other Residential (Institution and Other)

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
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				VAT	Statute
01 Floor Area not exceeding 10m2	1,147	£1,389.00	£1,445.00	○	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,148	£1,989.00	£2,070.00	○	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,149	£2,682.00	£2,790.00	○	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,150	£3,379.00	£3,515.00	○	Discretionary

Industrial and Storage Use

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
01 Floor Area not exceeding 10m2	1,159	£889.00	£925.00	○	Discretionary
02 Floor area exceeding 10m2 but not exceeding 40m2	1,160	£1,094.00	£1,140.00	○	Discretionary
03 Floor area exceeding 40m2 but not exceeding 100m2	1,161	£1,487.00	£1,550.00	○	Discretionary
04 Floor area exceeding 100m2 but not exceeding 200m2	1,162	£1,689.00	£1,760.00	○	Discretionary

Small Domestic Buildings - Building Notices (New Dwellings Up To 300M2 Each)

Number Of Dwellings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) 1	191	£1,712.00	£1,785.00	S	Discretionary
b) 2	192	£2,304.00	£2,400.00	S	Discretionary
c) 3	193	£2,703.00	£2,815.00	S	Discretionary
d) 4	194	£3,101.00	£3,225.00	S	Discretionary
e) 5	195	£3,616.00	£3,765.00	S	Discretionary
f) 6	196	£4,133.00	£4,300.00	S	Discretionary
g) 7	197	£4,570.00	£4,755.00	S	Discretionary
h) 8	198	£5,009.00	£5,210.00	S	Discretionary
i) 9	199	£5,444.00	£5,665.00	S	Discretionary
j) 10	200	£5,880.00	£6,120.00	S	Discretionary
k) exceeding 10 - Price on Application	201	£0.00	£0.00	S	Discretionary

Small Domestic Buildings - Inspection Charge (New Dwellings Up To 300M2 Each)

Number Of Dwellings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) 1	169	£1,412.00	£1,470.00	S	Discretionary
b) 2	170	£2,004.00	£2,085.00	S	Discretionary

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				VAT	Statute
c) 3	171	£2,403.00	£2,500.00	S	Discretionary
d) 4	172	£2,601.00	£2,705.00	S	Discretionary
e) 5	173	£3,116.00	£3,245.00	S	Discretionary
f) 6	174	£3,133.00	£3,260.00	S	Discretionary
g) 7	175	£3,570.00	£3,715.00	S	Discretionary
h) 8	176	£4,009.00	£4,170.00	S	Discretionary
i) 9	177	£4,444.00	£4,625.00	S	Discretionary
j) 10	178	£4,880.00	£5,080.00	S	Discretionary
k) exceeding 10 - Price on Application	179	£0.00	£0.00	S	Discretionary

Small Domestic Buildings - Plan Charge (New Dwellings Up To 300M2 Each)

Number Of Dwellings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) 1	147	£300.00	£315.00	S	Discretionary
b) 2	148	£300.00	£315.00	S	Discretionary
c) 3	149	£300.00	£315.00	S	Discretionary
d) 4	150	£500.00	£520.00	S	Discretionary
e) 5	151	£500.00	£520.00	S	Discretionary
f) 6	152	£1,000.00	£1,040.00	S	Discretionary
g) 7	153	£1,000.00	£1,040.00	S	Discretionary
h) 8	154	£1,000.00	£1,040.00	S	Discretionary
i) 9	155	£1,000.00	£1,040.00	S	Discretionary
j) 10	156	£1,000.00	£1,040.00	S	Discretionary
k) exceeding 10 - Price on Application	157	£0.00	£0.00	S	Discretionary

Small Domestic Buildings - Regularisation Charge (New Dwellings Up To 300M2 Each)

Number Of Dwellings

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) 1	1,035	£2,140.00	£2,230.00	O	Discretionary
b) 2	1,036	£2,880.00	£3,000.00	O	Discretionary

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				VATII	
c) 3	1,037	£3,379.00	£3,515.00	<input type="radio"/>	Discretionary
d) 4	1,038	£3,876.00	£4,035.00	<input type="radio"/>	Discretionary
e) 5	1,039	£4,520.00	£4,705.00	<input type="radio"/>	Discretionary
f) 6	1,040	£5,166.00	£5,375.00	<input type="radio"/>	Discretionary
g) 7	1,041	£5,712.00	£5,945.00	<input type="radio"/>	Discretionary
h) 8	1,042	£6,261.00	£6,515.00	<input type="radio"/>	Discretionary
i) 9	1,043	£6,805.00	£7,080.00	<input type="radio"/>	Discretionary
j) 10	1,044	£7,350.00	£7,645.00	<input type="radio"/>	Discretionary
k) exceeding 10 (POA)	1,045	£0.00	£0.00	<input type="radio"/>	Discretionary

Electoral Registration

Electoral Registration

Statutory Fees

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Certificate Of Residence	34	£25.00	£25.00	<input type="radio"/>	Statutory
Register Of Electors And Marked Copies Of Polling Station Registers Per Sale (Statutory Fixed Charge) - Data Copy	33	£20.00	£20.00	<input type="radio"/>	Statutory
Register Of Electors And Marked Copies Of Polling Station Registers Per Sale (Statutory Fixed Charge) - Hard Copy	32	£10.00	£10.00	<input type="radio"/>	Statutory
Register Of Electors And Marked Copies Of Polling Station Registers Per Thousand Names (Statutory Fixed Charge) - Data Copy	31	£1.50	£1.50	<input type="radio"/>	Statutory
Register Of Electors And Marked Copies Of Polling Station Registers Per Thousand Names (Statutory Fixed Charge) - Hard Copy	30	£5.00	£5.00	<input type="radio"/>	Statutory
Return Of Election Expenses - Per Copy	35	£0.20	£0.20	<input type="radio"/>	Statutory

Land Charges

A) Service Fees

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
a) Full Search Fees (b+c)	1,248	£270.60	£275.40	S	statutory

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				VAT	
b) Con29R Enhanced	1,682	£210.00	£210.00	S	statutory
c) Con29R Surrey County Council Search Fee (payable in addition to the fees above on all full searches completed)	611	£60.60	£65.40	S	statutory
d) Additional Parcel (Con29)	613	£23.40	£23.40	S	statutory
e) Each Con 29 'O' Optional Enquiry	614	£25.50	£27.50	S	statutory
f) Each Additional Enquiry/Solicitors Question	615	£24.60	£24.60	S	statutory
g) Personal Search Con29 Component data per question	1,247	£2.15	£2.15	S	statutory

B) Copying Charges

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Copy Of Duplicate Search	620	£9.10	£9.10	S	statutory
Copy of Tree Preservation Order	1,447	£35.40	£35.40	S	statutory
Each Agreement - Each Following Sheet	619	£1.20	£1.20	S	statutory
Each Agreement - First Sheet	618	£3.96	£3.96	S	statutory

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Legal Fees

Legal Fees (where £nil charge shown, no equivalent in that year). VAT is applied dependent on whether or not the Council has opted to tax the land or property

Commercial Organisations

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
G. Licence to Assign	1,551	£1,750.00	£1,820.00	S	Discretionary

Legal Fees (where £nil charge shown, no equivalent in that year). VAT is applied dependent on whether or not the Council has opted to tax the land or property

Commercial Organisations

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
A. Lettings and renewals (£0-£50,000 yearly rental income)	1,545	£2,050.00	£2,500.00	S	Discretionary
B. Lettings and renewals (£50,000 - £300,000 yearly rental income)	1,546	£2,900.00	£3,500.00	S	Discretionary
C. Lettings and renewals (£300,000 - £750,000 yearly rental income)	1,547	£4,650.00	£5,500.00	S	Discretionary

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				VAT	Statute
D. Lettings and renewals (> £750,000 yearly rental income)	1,548	£7,000.00	£8,500.00	S	Discretionary
E. Rent Deposit Agreement	1,549	£1,450.00	£1,500.00	S	Discretionary
F. Deed of Variation	1,550	£1,750.00	£1,820.00	S	Discretionary
H. Licence to Alter	1,552	£2,050.00	£2,500.00	S	Discretionary
I. Licence to Sublet	1,553	£2,300.00	£2,500.00	S	Discretionary
J. Tenancy at Will	1,554	£500.00	£600.00	S	Discretionary
K. Easement or Wayleave	1,555	£2,050.00	£2,500.00	S	Discretionary
L. Licences	1,556	£900.00	£1,250.00	S	Discretionary
M. Surrender	1,557	£2,050.00	£2,500.00	S	Discretionary

Commercial Organisations - Hourly rates

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
A. Solicitor/ Legal Executive with over 8 years experience	1,291	£390.00	£500.00	S	Discretionary
B. Solicitor/ Legal Executive with between 4 to 8 years experience	1,290	£300.00	£400.00	S	Discretionary
C. Solicitor/ Legal Executive with less than 4 years experience	1,289	£270.00	£300.00	S	Discretionary

Community Groups

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
A. Lettings and renewals	1,558	£615.00	£650.00	S	Discretionary
B. Rent Deposit Agreement	1,559	£300.00	£350.00	S	Discretionary
C. Deed of Variation	1,560	£410.00	£450.00	S	Discretionary
E. Licence to Alter	1,562	£410.00	£450.00	S	Discretionary
K. Surrender	1,568	£410.00	£450.00	S	Discretionary

Community Groups - Hourly rates

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
B. Solicitor/ Legal Executive with between 4 to 8 years experience	1,299	£145.00	£170.00	S	Discretionary
C. Solicitor/ Legal Executive with less than 4 years experience	1,298	£120.00	£150.00	S	Discretionary

Legal Fees (where £nil charge shown, no equivalent in that year). VAT is applied dependent on whether or not the Council has opted to tax the land or property.

Community Groups

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
J. Grazing Licences (grants and renewals)	1,567	£175.00	£180.00	S	Discretionary

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VATII

Legal Fees (where £nil charge shown, no equivalent in that year).VAT is applied dependent on whether or not the Council has opted to tax the land or property

Commercial Organisations - Hourly rates

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
D. Trainee/ Paralegal	1,287	£210.00	£280.00	S	Discretionary

Community Groups

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
D. Licence to Assign	1,561	£410.00	£450.00	S	Discretionary
G. Tenancy at Will	1,564	£200.00	£250.00	S	Discretionary
H. Easement or Wayleave	1,565	£600.00	£650.00	S	Discretionary
I. Licences	1,566	£265.00	£280.00	S	Discretionary

Community Groups - Hourly rates

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
A. Solicitor/ Legal Executive with over 8 years experience	1,300	£170.00	£200.00	S	Discretionary
D. Trainee/ Paralegal	1,296	£100.00	£120.00	S	Discretionary

Legal Fees (where £nil charge shown, no equivalent in that year)VAT is applied dependent on whether or not the Council has opted to tax the land or property.

Community Groups

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
F. Licence to Sublet	1,563	£410.00	£450.00	S	Discretionary

Licensing

Animals

Variation to any Animal Licence

	Record	2024/25 Charge	2025/26 Charge	VAT	Statute
Variation to Licence with no visit required	1,024	£101.00	£105.00	O	Discretionary
Variation to Licence with visit	1,025	£272.00	£285.00	O	Discretionary

Zoo and Dangerous Wild Animal Licences

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
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				VAT	
Dangerous Wild Animals (Plus all associated vet fees and Charges)	1,611	£548.00	£570.00	○	Discretionary
Initial zoo applications (plus all associated vet fees and charges)	1,023	£548.00	£570.00	○	Discretionary

HMO Licensing Scheme

HMO Licence

e) Penalty for late or incomplete applications

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,012	£166.00	£175.00	○	Discretionary

HMO Licence:- 5% discount of licence fee given for membership of professional landlord association;10% discount of licence fee given for landlord accreditation with recognised scheme

a) Application for a new licence (of which processing fee £567; maintenance fee £801)

Application for a licence renewal (of which processing fee £567; maintenance fee £801)

Record	2024/25 Charge	2025/26 Charge	VAT	Statute
1,724	£1,315.00	£1,368.00	○	Discretionary
1,725	£1,315.00	£1,368.00	○	Discretionary

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Details of Growth Bid	FTE	FTE / Statutory / Discretionary / Funding	Reason for Growth Bid	Service Area	Committee	Amount £	Funding £	Full / Part Year	Ongoing or one off	General Fund Net Cost 2025/26 £	General Fund Net Cost 2026/27 £	General Fund Net Cost 2027/28 £	General Fund Net Cost 2028/29 £
Audit Counter Fraud Service		Discretionary	Budget was reduced by £30k in 24-25 whereas the costs are still expected to be around £92k for the year. The growth is to reinstate the budget	Audit Services	Corporate Policy & Resources	30,000		Full	Ongoing	30,000	30,000	30,000	30,000
Internal Audit service through SIAP- with TUPE		Statutory	A one- off growth bid was agreed for 24/25. A further growth bid is required for continuous internal service from SIAP hosted through Hampshire County Council	Audit Services	Corporate Policy & Resources	26,300		Full	Ongoing	26,300	26,300	26,300	26,300
Loss of Staines Park Pavilion flat income		Discretionary	No income - Staines Park Pavilion flat is vacant and not being used for residential purposes. Therefore we need to remove this income budget.	Asset Management	Corporate Policy & Resources	13,800		Full	Ongoing	13,800	13,800	13,800	13,800
Increase in valuation costs for Municipal Properties		Discretionary	Due to re-tender exercise we anticipate the valuation costs for the Municipal Assets will increase by £15k for the next four years, thus one off bid from last year is still required	Asset Management	Corporate Policy & Resources	15,000		Full	Ongoing	15,000	15,000	15,000	15,000
CFO insights 3 year licence term		Discretionary	CFO insights 3 year licence term, 5 users licence pack	Corporate Management	Corporate Policy & Resources	7,500		Full	Ongoing	7,500	7,500	7,500	7,500
		0.00				92,600	0			92,600	92,600	92,600	92,600

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Details of Savings Offered	Explanation of proposed saving	Service Area	Committee	Full / Part Year	Ongoing / one off	General fund 2025/26 £	General fund 2026/27 £	General fund 2027/28 £	General fund 2028/29 £
Spelthorne BC Pension Contributions	Expected Reduction in Pension Payments based on 2024/25 payments/ outturn	Unapportionable overheads	Corp Policy & Resources	Full Year	Ongoing	567,000	567,000	567,000	567,000
Mobile phone contract	Reduction in monthly bill charge to £250 across the Council. Service budgets in 24/25 totalled £21.2k and the new budget required is £3.6k which will be kept centrally with no recharge to individual services.	Various	Corp Policy & Resources	Full Year	Ongoing	17,600	17,600	17,600	17,600
Security Services	Expected reduction in staff security expenditure (people safe devices)	Unapportionable Overheads	Corp Policy & Resources	Full Year	Ongoing	13,100	13,100	13,100	13,100
Bluebox contract	Re-negotiate Bluebox contract and reduce one licence	Asset Management	Corp Policy & Resources	Full Year	Ongoing	5,000	5,000	5,000	5,000
Council Tax	Demolish Kingston Road residential (unit 34) to reduce Council Tax liability to £0. If the property is not demolished the council tax liability will increase to approx. £12k per annum.	Asset Management	Corp Policy & Resources	Full Year	Ongoing	1,000	1,000	1,000	1,000
Office Equipment Purchase	Underspent the previous 2 financial years	Asset Management	Corp Policy & Resources	Full Year	Ongoing	5,000	5,000	5,000	5,000
Lease renewal - Knowle Green Nursery	Additional income as a result of lease renewal. Existing lease is for £13.4k. NB saving assumes that building is not demolished in next 5 years and the increase in rental takes effect from June.	Asset Management	Corp Policy & Resources	Full Year	Ongoing	60,000	80,000	80,000	80,000
Utility costs	Electricity and Gas costs to decrease by around 30%-40% from November 2024. These are not guaranteed contract savings, but are anticipated to result in cost savings.	Various	Corp Policy & Resources	Full Year	Ongoing	97,000	97,000	97,000	97,000
Additional income	Kingston Road garage & the rear of 36b (The old Tyre Garage) NB saving assumes that buildings are not demolished in next 5 years – the current budget is £12k (rent will be for £28k Yr1, £30k Yr2, £32k Yr3 & 4)	Asset Management	Corp Policy & Resources	Full Year	Ongoing	28,000	30,000	32,000	32,000
General Properties Business Rates	Business Rates budget was intended to be moved to Council Tax provision but it is no longer required for Cemetery Ashford Lodge. From Q1 25/26 the property will be KGE responsibility.	Asset Management	Corp Policy & Resources	Full Year	Ongoing	2,700	2,700	2,700	2,700
Partnership Savings	Mole Valley BC & SBC Finance Team Partnership Savings	Accountancy	Corp Policy & Resources	Full Year	Ongoing	41,400	41,400	41,400	41,400
Inflationary increases not applied	Agreed with Department Head to not to apply inflationary increases to 'Supplies & Services' & 'third part contracts' budget as this can be met by existing budget	ICT	Corp Policy & Resources	Full Year	One-off	8,900			
Salary savings due to revised structure	Salary (including on costs) savings achieved due to restructure of Customer Services	Customer Services	Corp Policy & Resources	Full Year	Ongoing	63,000	63,000	63,000	63,000
Valuation costs for Investment Properties Portfolio	Reduction in valuation costs for Investment Properties as one valuation is now required	Asset Management	Corp Policy & Resources	Full Year	Ongoing	35,000	35,000	35,000	35,000

Details of Savings Offered	Explanation of proposed saving	Service Area	Committee	Full / Part Year	Ongoing / one off	General fund 2025/26 £	General fund 2026/27 £	General fund 2027/28 £	General fund 2028/29 £
						944,700	957,800	959,800	959,800

Appendix 5

27/11/2024

	<u>Income</u> <u>23/24</u>	<u>Budget</u> <u>24/25</u>	<u>Income</u> <u>24/25 YTD</u>	<u>Budget</u> <u>25/26</u>	<u>F&C</u> <u>Increase %</u>	<u>Budget</u> <u>Increase %</u>
CORPORATE POLICY & RESOURCES						
Building Control	302,562	458,500	227,373	427,500	4%	-7%
Electoral Registration	2,211	1,000	866	1,000	0%	0%
Land Charges	126,465	140,700	93,685	140,700	2%	0%
Legal Fees	4,886	10,000	18	10,400	16%	4%
CORPORATE POLICY & RESOURCES TOTALS	436,125	610,200	321,942	579,600		

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Corporate Policy & Resources Committee



09/11/2024

Title	<i>Determination of the 2025/26 Council Tax base for tax setting.</i>
Purpose of the report	To make a decision and a recommendation to Council
Report Author	<i>Mahmud Rogers Joint Financial Services Manager</i>
Ward(s) Affected	All Wards
Corporate Priority	Service delivery
Recommendations	<p>That in accordance with its delegated powers the Corporate Policy & Resources Committee resolves that the following recommendation in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, is made to Council for approval:</p> <p>A. the gross Council Tax Base for 2025/26 is determined at 41,875.9(2024/25: 41,305) as Band D equivalents after taking account of the Council's agreed Council Tax Support Scheme, and</p> <p>B. the net Council Tax Base for 2025/26 calculated as Band D equivalents, is determined at 40,620 (2024/25: 39,241) after adjustment by 3% to allow for; irrecoverable amounts, appeals and property base changes.</p>
Reason for Recommendation	<i>To meet the legal requirements to set the Council tax base and publish it to between 1 December 2024 and 31 January 2025 to Surrey County Council and the Surrey Police Commissioner.</i>

1. Summary of the report

- 1.1 Section 67 of the Local Government Finance Act 1992 requires the Council to determine and approve its Council Tax Base for the following financial year before 31st January each year.
- 1.2 The Council is required to calculate the Council Tax Base for its area and has a statutory obligation to notify the figure to the major precepting authorities (Surrey County Council and the Surrey Police Authority) with the Council tax base no later than 31st January 2025.

2. Key issues

- 2.1 The Council Tax Base is one of the key elements of the calculation concerned with setting the Council Tax under the Local Authorities (Calculation of Council Tax Base) (England) Regulation 2012.
- 2.2 All domestic properties within the Borough are banded by the Valuation Officer in one of eight bands. The tax base calculation includes the estimated number of chargeable dwellings, which after allowing for discounts and exemptions, appeals and voids for each ward for the period to 31st March 2025 results in the number of chargeable properties. Chargeable properties are converted to a Band D equivalent by applying the prescribed formula and an allowance for losses on collection.
- 2.3 This report sets out the various factors which have to be taken into account and provides the calculations to arrive at the tax base for 2025/26
- 2.4 The 2025/26 Council Tax base is set out in Appendix A. The gross Council Tax Base for 2025/26 is determined at 41,875.9 (prior year 2024/25: 41,305) as Band D equivalents after taking account of the Council's agreed Council Tax Support Scheme, and the net Council Tax Base for 2025/26 calculated as Band D equivalents, is determined at 40,620 (2024/25: 39,241) after adjustment by 3% to allow for; irrecoverable amounts, appeals and property base changes. Year on year, the net council tax base has therefore increased by 1,379 Band equivalents or 3.5% (in large part due to the reduced provision for non-collection).
- 2.5 For Budget modelling purposes the Outline Budget assumes an increase in council tax in the years 2026-27 to 2028-29 of 1.5% this compares to figures provided by strategic planning which suggested approximately 1.7% per annum increases on average.
- 2.6 The allowance for non-collection for 2024-25 was 5% have been increased on a precautionary basis the allowance from previous provision of 3%. Collection performance this year has been better than anticipated, so it is proposed that we revert to a 3% collection rate. The Council will continue to seek to maximise the amount of council tax collected.

3. Financial implications

- 3.1 The Local Government Finance Act 2012 (LGFA 2012) includes a number of amendments to the LGFA 1992 which affects the calculation of the Council of the council tax base. These amendments gave powers to determine discounts and set premiums in certain circumstances.
- 3.2 Section 10 of the Local Government Finance Act 2012 imposes an obligation on Billing Authorities to set up a Council Tax Reduction Scheme to replace Council Tax Benefit from 1 April 2013. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 specify that the tax base must be adjusted to take account of the amount to be paid in accordance with the reduction scheme.
- 3.3 In arriving at a net base, allowance must be made for irrecoverable amounts, movements as a result of appeals and property base changes (new properties). For this purpose, an allowance of 5% is proposed.
- 3.4 The Council Tax Base for 2025/26 has been calculated in accordance with the prescribed guidelines.

4. Risk considerations

- 4.1 The Council will not be able to calculate its share of Council Tax for 2025/26 until the Corporate Policy & Resources Committee have exercised its delegated power and agreed the figures contained in appendix A.
- 4.2 Should a recommendation not be forthcoming until after 31 January 2025, then the Council will suffer severe reputational damage with its stakeholders, Surrey County Council and the Surrey Police Commissioner, as they will not be able to complete their 2025/26 Budgets and Council Tax setting protocols.

5. Procurement considerations

- 5.1 None

6. Legal considerations

- 6.1 On the basis that this decision is made by 31 January 2025, there are no legal implications.

7. Other considerations

- 7.1 None.

8. Equality and Diversity

- 8.1 None.

9. Sustainability/Climate Change Implications

- 9.1 None.

10. Timetable for implementation

- 10.1 9 December– Corporate Policy & Resources agree the 2025/26 Council Tax Base
- 10.2 By 31 January 2025, Spelthorne Borough Council advise Surrey County Council and the Surrey Police Commissioner of the Council Tax Base for 2025/26.

11. Contact

- 11.1 Paul Taylor p.taylor@speltorne.gov.uk

Background papers: There are none.

Appendices: Appendix A – Council Tax Base for 2025/26

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Appendix A - Council Tax Base for 2025/26

28/11/24

Band	A(DR*)	A	B	C	D	E	F	G	H	O	Total
Number of dwellings equivalents after applying discounts and premiums to calculate tax base.	1.0	367.0	1,506.5	8,750.3	13,854.5	9,324.3	4,385.8	2,060.5	109.0		40,358.75
Reduction in taxbase as a result of local council tax support	0.0	52.3	268.2	1,138.6	933.7	246.8	51.6	9.4	0.0		2,700.48
Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	1.00	314.74	1,238.32	7,611.66	12,920.81	9,077.43	4,334.18	2,051.13	109.00		37,658.27
Ratio to band D	0.56	0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00	-	
Total number of band D equivalents after allowance for council tax support (to 1 decimal place)	0.56	209.83	963.14	6,765.92	12,920.81	11,094.64	6,260.48	3,418.55	218.00	-	41,851.92
Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2022-23										24.00	24.00
Tax base after allowance for council tax support (to 1 decimal place) 2025-26	0.56	209.83	963.14	6,765.92	12,920.81	11,094.64	6,260.48	3,418.55	218.00	24.00	41,875.92
Tax base after allowance for council tax support (to 1 decimal place)2024-25	0.60	212.50	927.50	6,503.10	12,752.23	11,048.20	6,225.60	3,392.80	219.00	24.00	41,305.53
Change in number dwellings in each Band	-	2.67	35.64	262.82	168.58	46.44	34.88	25.75	- 1.00	-	570.39
Change as a %	0.00%	-1.26%	3.84%	4.04%	1.32%	0.42%	0.56%	0.76%	-0.46%	0.00%	1.38%

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Corporate Policy & Resources Committee

9th December 2024

Title	Outline Budget Report 2025-26 to 2028-29
Purpose of the report	To make a decision
Report Author	Management Team (MAT) and Mahmud Rogers, Joint Financial Services Manager
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Addressing housing need Resilience Environment Services
Recommendations	<p>Committee is asked to:</p> <p>1</p> <p>a) Note the proposed Outline Budget parameters for 2025-28 to 2028-29 and the issues and challenges raised in the Report.</p> <p>b) Note the current projected Budget shortfalls over the outline periods set out in Table 1 (section 6)</p> <p>c) Subject to the recommendation of the Commercial Assets Sub Committee, agree in principle to the use of £1m per annum (pa) in 2026/2027 up to £5m pa in 2030/31 revenue income from investment assets to accelerate the building up of the investment sinking fund reserves, resulting in less income to support annual service provision.</p> <p>2.</p> <p>a) Agree the Outline Corporate Transformation Programme covering the years 2025 to 2031 which is fundamentally focused on closing the Outline Budget Gaps for the years 2025-26 to 2028-29 to ensure the ongoing financial viability of the Council. (Appendix 2).</p> <p>b) Agree to set up a Members Transformation Board, with draft terms of reference to be brought back to the next meeting of the Committee.</p> <p>c) Create a Transformation Reserve by setting aside £0.5m from Revenue to pump prime resourcing of the Outline Transformation Programme over the Outline Budget period</p>
Reason for Recommendation	Councils have a statutory duty to balance their budgets. It is imperative that the Council takes immediate steps to facilitate a medium-term transformational approach to ensure it remains

financially sustainable. This Report sets out the beginning of the process to address the issues and steps required which will culminate in the Budget presentation to Full Council in February 2025.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • A robust budget planning process helps organisations to manage their resources with economy, efficiency and effectiveness. • The Council has until now, held all costs in relation to its housing development sites in capital budgets, rather than impacting the annual revenue budget. • The Council can no longer avoid absorbing revenue impacts on its housing sites and will need to cut its losses within the next financial year where it is demonstrated previous development proposals will not materialise and/or sites are disposed of. • The Council moving forwards will need to retain more of its sinking funds for investment assets which will mean a reducing contribution of £1m pa in 2025/2026 up to £5m pa in 2030/31 from Investment Assets to support discretionary services. • The 2025/26 Budget planning process commenced in May 2024 and must be completed and approved by Council in February 2025. 	<ul style="list-style-type: none"> • The Council has a statutory duty to balance their budget each year. • It is essential for the Committee to ensure the Council is taking a proactive and managed approach to understand the Budget shortfalls and the impact this will have on service provision. • The Council needs to be able to make fully informed decisions about the changes needed to allow the Council to deliver a balanced budget for 2025/26 and across the Outline Budget years. • This is a draft position for the 2025/26 budget, along with indicative figures for financial years 2026-27 to 2028-29 showing the levels of growth and savings required and plans as they stand. • The provision of this indicative information is to provide the opportunity for councillors to give early consideration, as part of the 2025-25 Budget process, as to options for responding to the challenges set out.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> • Subject to the decision of the Commercial Assets Sub Committee, the Council needs to allocate £1m pa in 2026/2027 up to £5m pa in 2030/31 from the annual income from our Investment Assets and place this 	<ul style="list-style-type: none"> • The Committee needs to note the current budget shortfalls for the period 2025-26 to 2028 -2029. • Committee needs to note the budget assumptions set out in the report, and understand that any changes to

<p>in the investment asset sinking fund to ensure these assets continue to provide a sustainable income stream to deliver services. A holistic approach needs to be taken to address head on the financial challenges that the Council faces to ensure we remain financially sustainable.</p> <ul style="list-style-type: none"> • The Council has developed a comprehensive Corporate Transformation Programme which sets out how the Council aim to deliver changes through a programme focusing on reducing costs and income generation, with a series of work strands to be delivered over the short-, medium- and longer-term (Appendix 2) • Key elements of this transformation programme include collaboration with other Councils, remodelling services including and discretionary/statutory service review and organisational adjustments, lowering overheads including reducing our footprint and reviewing grants, increasing income through the sale, lease or redevelopment of all assets, maintaining the investment income and looking at commercialisation of services • The Committee needs to agree to set up a Transformation Board ensuring Member oversight and political steer of the proposed Transformation Programme and if the shortfall cannot be reduced, consider which discretionary services are withdrawn. 	<p>these will impact on the budget gaps (positively or negatively).</p> <ul style="list-style-type: none"> • Agree that subject to the decision of the Commercial Assets Sub-Committee, more income from investment assets (£1m pa in 2026/2027 up to £5m pa in 2030/31) is allocated to the investment sinking fund, resulting in less income to support annual service provision • Agree the Outline Corporate Transformation Programme covering years 2025 to 2031 which is fundamentally focused on closing the Outline Budget Gaps for the years 2025-26 to 2028-29 to ensure the ongoing financial viability of the Council. • Agree to set up a Members Transformation Board, with draft terms of reference to be brought back to the next meeting of the Committee. • Set up a £0.5m Transformation Reserve to help fund work on an invest to save basis • Officers to work up individual work streams within the Outline Corporate Transformation Programme.
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- 1.1 In comparison with many councils, Spelthorne has been relatively insulated over the last decade, from the need to make significant Budget savings and implement transformational changes, this period is now at an end. The report, highlights the impact of the following factors:
- Need to draw down less income over time from investment assets in order to build up Sinking Funds reserves to ensure sufficient balances to meet future risks

- Impact of addressing outcomes on housing sites and addressing redundant capital costs.
 - Ongoing impact of cost of living and housing crisis
 - Cost of resourcing Strategic Planning activity in relation to the Local Plan.
- 1.2 With respect to the first of the above, it is proposed that over a five-year period from 2026-27 the net contribution from investment assets is halved from £10m per annum to £5m. This will require some significant changes to the way the Council operates and the range of services it provides. The Council need to start proactively undertaking a Transformation Programme to address this challenge.
- 1.3 The provision of this indicative information is to provide the opportunity for councillors to give early consideration, as part of the 2025-25 Budget process, with decisions to be made in February 2025, as to options for responding to the challenges set out in the report. There will be work with Councillors in the intervening period to agree the remit of the suggested Transformation Board and the approach to finding the savings.

2. Context and background

- 2.1 This report is highlighting a significant proposed change of direction in the Council's Financial Strategy. Up to now, throughout the challenges of the COVID-19 period and the Cost-of-Living Crisis, the Council and its Assets Team has continued to maximise rental returns on Investment Assets and generating a net Revenue Budget surplus of approximately £10m per annum which has been subsidising the Council's ability to fund and deliver discretionary services.
- 2.2 Like all councils, Spelthorne is facing a challenging set of pressures and externalities. As an example of the pressures councils are under, it is worth noting the recent report the Local Government Association has published based on a survey of Chief Executives which suggests that one in four local authorities may need to consider making formal requests for exceptional financial support in the next two years, and that by 2026-27 Local Government as a sector is facing a £3.9 billion funding gap. The report highlights a "perfect storm" of pressures for local government including for upper tier authorities' children's and adult social care and temporary accommodation (TA) for lower tier and unitary authorities.

3. Immediate Challenges

- 3.1 Cease capitalisation of housing schemes The Council holds £16.0m of capitalised project expenditure relating to suspended capital projects in the accounts. It is expected that £8.7m relating to redundant costs for Thameside House and Ashford Victory Place, will crystallise in the coming months, and therefore be written off to Revenue (i.e. an accounting charge needs to be made to remove the accumulated capitalised costs from the Balance Sheet and to charge to the Revenue Budget). A summary of total accumulated capitalised costs is set out in **Appendix 4**.

3.2 To mitigate the impact on the General Fund and ensure the Council still has a balanced budget outcome, £8.71m of reserves have been identified which could be written down to absorb the cost (see Reserves Strategy Report on this agenda). This may also put pressure on the Revenue Budget.

3.3 Use of reserves and additional disposals offsetting cessation of capitalisation

The details are set out in the Reserves Strategy report which is also on this agenda. The Reserves strategy highlights:

- Drawing down £8.7m of reserves to offset impact of housing capital schemes brought to a cessation in 2025-26
- Impact of putting more funds into Sinking Funds reserves
- Impact of some targeted use of reserves to offset specific pressures such as homelessness and Strategic Planning resourcing
- A focus on maximising capital receipts from housing and regeneration sites

4. Other budget pressures

4.1 Housing

As a housing authority the Council has seen in the last few years a significant increase in requests for homelessness and housing assistance. This resulted in a £900k growth in 2024-25 budget for Temporary Accommodation (TA) of which £700k was offset in 2024-25 Budget by application of part of the balance in the Social Housing Initiatives earmarked reserve. Whilst the Council's acquisition of 80 TA units in 2024-25, with assistance of Local Authority Housing Fund, has eased these pressures and the need for more budget for TA has not increased further, the existing underlying £900k additional budget extra pressure is still present for 2025-26.

4.2 Local Plan

The Council is seeking to take forward its Local Plan process in the coming months and this has resulted in £1.1m growth bids for Planning related resources for the Environment and Sustainability Committee. Over the next three years, it is estimated that the early review of the Local Plan could add £2.75m to Revenue Budget expenditure for the Council.

4.3 Inflationary pressures

Over the last few years, the Council has experienced significant inflationary pressures on its expenditure linked to the cost-of-living crisis. Our budget, food, fuel, supplies and services have also seen significant inflationary pressures. The largest element of the Revenue Budget is expenditure on staffing.

In the 2024-25 Budget process, councillors agreed a two-year pay deal for staff consisting of a 2.8% increase in 2024-25 and a further 2.8% increase for 2025-26, to keep pace with inflationary pressures and retain staff, adding approximately £719k to the 2025-26.

4.4 Climate change

Addressing climate change mitigation measures can mitigate some costs especially around electricity and gas usage where reductions in usage and using local supply e.g. via solar can reduce costs. Shifting away from fossil fuel usage for the Council's fleet in the short term does add to Revenue Budget pressures but can reduce costs if payback on electric vehicles is properly assessed. It must also be noted that the fleet is the biggest contributor to the Council's carbon emissions.

4.5 Eclipse Leisure Centre

The Council is committed to Net Zero and the Passivhaus Leisure Centre is a demonstration of this. However, as was recognised at the time Council agreed to fund the scheme, whilst the Eclipse Centre generates significantly more income than the previous centre, there will be a net additional revenue pressure arising from the Centre going operational. This pressure reduces over time as the income contribution rises. For details on the expected financial impact of the new Eclipse Leisure Centre, and its contribution to the Council's budget over the Outline Budget period, please see the separate report on this agenda on the Leisure Centre financing impact.

5. Medium to long term challenges

5.1 Reduction in investment income contribution to revenue

There are medium and long-term issues which the Council needs to start addressing immediately, so they can be proactively managed when setting the parameters for the 2025-26 Budget and the Outline Budget years. On the Investments Assets portfolio, the latest sinking funds fifty-years modelling (see the report going to Commercial Assets Sub-Committee on 16th December), is suggesting that the Council is, on a phased basis, going to need to increase the amount we put into the Investment Assets net of Sinking Funds each year, so that by 2030/31 a further £5m pa will be put in each year. This is to ensure that we have sufficient money in the earmarked sinking funds to meet future potential pressures on the funds. In order to address this to protect the longer-term stability of the Council, it is essential that we take pre-emptive steps now to ensure that we are able to make the tough decisions ahead.

5.2 As a direct consequence, there will be less income being put into the Revenue Budget each year, increasing by £1m each year over the next five years so that

by 2030/31 there will be £5m less per year being received to deliver both statutory and discretionary services. This means difficult decisions will have to be made about prioritisation of services. **Appendix 1** sets out a summary of the split between Mandatory and Discretionary services.

6. Current budgetary position

6.1 Management Team, Group Heads, Budget Managers, Finance and Committees have undertaken a robust first stage review of detailed budgets, fees and charges and growth and savings bids for Revenue (and for Capital). This has informed initial modelling for both 2025-26 Budget and the subsequent 3 years in the Revenue Budget. This is resulting in the Budget gaps (the figures shown are cumulative) as set out below in **Table 1**:

Table 1: Estimated Budget Gaps for years 2025-26 to 2028-29

	2025-26 £	2026-27 £	2027-28 £	2028-29 £
Reduction in investment income contribution to Revenue	nil	1,000,000	2,000,000	3,000,000
Impact of ceasing capitalisation of housing schemes*	8,712,800	0	0	0
Use of reserves and additional disposals offsetting cessation of capitalisation*	-8,710,000	0	0	0
Other Budget pressures arising from growth and savings items, see Appendix 3 Summary Outline Budget	-809,200	2,517,200	3,416,300	5,562,300
Estimated Budget Gap	-806,400	3,517,200	5,416,300	8,562,300
Estimated Gap as a Percentage of 2024-	-3%	13%	21%	33%

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*The cessation of capitalisation relates to the planned sale of Thameside House and Ashford Victory Place

*Note the Other Budget pressures (**Appendix 3**) builds in an assumption that from 2025-26 there is no interest on any schemes being capitalised.

6.2 The Report sets out in section 4 the key assumptions feeding into the above Revenue Budget gaps. The latter part of the report will address what steps can be taken to close the gaps highlighted above.

6.3 The above gaps mean that concerted action needs to be taken, as discussed with councillors at the recent Budget Briefing on 25th November, to close those gaps. The actions will fall into short term measures to address closing 2025-26 Budget gap; medium term addressing 2026-27 and 2027-28; and longer term to address 2028-29. An Outline Corporate Transformation Programme for the period 2025-26 to 2030-31 is being proposed. (**Appendix 2**).

7. Immediate measures

7.1 There are several immediate measures being suggested which include:

- Vacancies freezing for 2024-25 and allowance of £500k per annum for years 2025-26 to 2028-29 of a vacancy turnover rate. In the past the Council had a similar vacancy savings allowance.
- Service Committees reviewing in the January cycle what additional savings can be made and where growth bids can be trimmed back.
- Additional income generation opportunities including maximisation of fees and charges.
- Short-term targeted use of reserves, for example offsetting in 2025-26 Temporary Accommodation pressures (see Reserves Strategy report for detail).
- Use of part of repurposed Green Belt Fighting Fund in 2026-27 to offset some of the Local Plan related pressures (see Reserves Strategy report for detail).

8. Medium Term Financial Strategy

8.1 Continuing to refresh the medium-term financial strategy (MTFS) will help bring together all known factors affecting the Council's financial position and its financial sustainability into one place. This should be as wide ranging as possible and include all the assets and liabilities on an organisation's balance sheet. This is particularly important, given that the Council now has to tackle the impact of realising the best commercial outcomes on its residential sites and ensure that it is sufficiently building up its sinking funds to withstand future pressures. It also allows the Finance team to balance the financial implications of objectives and policies against constraints in resources. This should in turn form the basis for Council's decision making.

- 8.2 A good MTFFS should provide a clear and concise view of future sustainability and the decisions that need to be made to address any gaps in long-term financing. It forms the pivotal link to translate the organisation's ambitions and constraints into deliverable options for the future.

9. Corporate Transformation Programme

- 9.1 The Council has developed an Outline Corporate Transformation Programme which will, if agreed, act as a bedrock for all future key decision making for the Council. It sets out how the organisation will progress a comprehensive set of transformational workstreams to reduce costs and/or increase income to help ensure we close the budget gap over the short, medium and long term (Appendix 2). The Committee will note that the level of ambition is high.
- 9.2 One key element of the outline transformation programme is the need to reduce costs which will be delivered through:
- Collaboration with other Councils, with a particular focus on partnerships that could deliver financial savings.
 - Remodelling services through:
 - an efficiency programme, including digital transformation and zero-based budgeting,
 - a review of discretionary/statutory services, and
 - adjusting team structures to deliver efficiencies and reduce reliance on consultants.
 - Lowering overheads, including:
 - Reducing the Council's organisational footprint and costs,
 - Reviewing the level of discretionary grants.
- 9.3 The other key element of the transformation programme will focus on income generation:
- Continuing to make best use of our commercial and municipal assets
 - Considering the sale, lease or redevelopment of assets, where appropriate (including the Knowle Green Council Offices), and
 - Maintaining the investment income.
 - Exploring options for Knowle Green Estates, including merger with registered providers or bringing back on the Council's Balance Sheet by setting up a Housing Revenue Account.
 - Seeking to maximise cost recovery from fees and charges and looking at commercialisation of some services.
- 9.4 It will be important that the Council prioritises clearly where it wishes to maintain service levels above statutory requirements and where it is willing to explore alternative delivery approaches. This may require a need for the Council to revisit the priorities and associated actions set out in the current approved Corporate Plan.

- 9.5 The Council are already actively pursuing a number these strands – details are set out below.
- 9.6 Partnering** – Over the last few years, SBC have been partnering with other councils to ensure that the emphasis is on service delivery, rather than additional administration or supervision, and to provide service resilience. These include:
- (a) Counter Fraud – with Reigate & Banstead Council.
 - (b) Spelthorne Personal Alarm Network – with Mole Valley District Council.
- 9.7 Both Mole Valley District Council and this Council are currently progressing the joint venture to combine the Finance Teams of the two Councils, this is to improve resilience, aid recruitment and deliver efficiencies and savings, particularly around the use of Centros, the Council’s Enterprise Resource Planning financial system. The partnership with Mole Valley highlights the intensity of resource required to make partnerships successful. With respect to going live, the target date for the single financial platform to be up and running for Mole Valley and Spelthorne has been pushed back a year to 1 April 2026. This is to ensure that it can be effectively implemented.
- 9.8 The Council will explore the potential for collaborative approaches with other Councils, with a key focus on reducing costs. In the context of the financial challenges all councils are facing and uncertainties around the future of local government in Surrey, it is particularly timely to look at these opportunities, including procurement.
- 9.9 Invest-to-save & cashable savings – Officers are exploring a number of options. However, given the financial challenges facing the Council, there preference is to generate cashable savings and from those savings launch the invest-to-save strategies, as this would protect the Council’s operating cashflow. One example will be to pursue potential opportunities for income generation from electric vehicle ultra-rapid charging hubs in a number of Council-owned car parks, which once the initial capital costs are covered could deliver significant ongoing income to the Council.
- 9.10 Digital Transformation - The Council’s digital transformation programme, which will be one element within the broader Transformation Programme, will deliver cashable savings each year as outlined in **Appendix 2**.
- 9.11 See **Appendix 6** which sets out the assumptions behind the Digital Transformation Programme, and **Appendix 7** which sets out the Digital Transformation Strategy.
- 9.12 One example of where such transformation can lead to savings is the move towards hybrid printing. This will reduce the average price of outbound communication and should be seen as a start in the process whereby over time more is done by e-mail or direct access to our customer portal which would reduce costs to 10p or less per communication. It is noted that not everyone will have access to emails, so traditional methods of communication will still be available, but savings of over four years savings £150k are achievable, which will facilitate the release of one Full Time Equivalent post in 2025-26.

9.12 Knowle Green Offices – As the hybrid era of working continues, officers are continuing to explore how the Council can maximise the opportunities and reduce the overall running costs for the current office. A piece of work will be commenced in 2025/26 to look at the future use and need for the Council to remain in some or all of Knowle Green and also whether there are alternative options that could achieve much greater savings if the Council were to relocate its office base to an alternative location within the Borough.

9.13 Centros – the project is ongoing and has achieved improvements in the budget setting process, enabling officers to produce the first draft of the **Mapping** – introducing ‘maps’ for our standard reports. Once established, this will reduce the time taken to collate the report by over 95% in respect of Officer time.

10. Options

10.1 The above report sets out a proposed way forward to ensuring the Council can deliver financial sustainability. There will be an opportunity to agree terms of reference for the Transformation Board and the associated work programme to be shaped by councillors when the Terms of Reference come back to the next Committee. Preferred Option to accept proposal to set up a Transformation Board with terms of reference to be agreed and a £0.5m transformation reserve set up on an invest to save basis.

10.2 **Option 2:** Do not accept the need for transformation and identify alternative strategy. Not recommended.

10.3 The proposal to reduce the net contribution by £5m over a five year period is informed by the Sinking Fund modelling which been recently completed. There may be options which could be explored with councillors to vary the timing and the pace of this approach which still achieves the vital medium term outcome of protecting the robustness of the level of balances in the Sinking Funds reserves.

11. Financial implications

11.1 Council Tax

On 28th November the Government issued a Local Government Financial Policy Statement (see supplementary **Appendix 9** summarising the main elements) in which it confirmed that the Council Tax referendum rules for 2025-26 would be unchanged for districts and borough councils with the limit being the higher of £5 on a Band D council tax rate or 3%. Upper tier authorities will have an additional 2% for Adult Social Care precept and Police and Crime Commissioners a £14 increase on Band D. Given the financial pressures the Council is facing it is strongly recommended that the Council protects its council tax base by setting the maximum council tax increase allowed under the regulations of the higher of a £5 increase on a Band D or 3%. In our case the 3% equates to a £6.67 increase in Band D for 2025-26. This would yield an additional aggregate council tax revenue of £271k in 2025-26. Given the

challenges the Council is facing, the Chief Finance Officer's recommendation is that the Council seeks to protect its council taxbase by increasing council tax by the maximum amount allowed. The final decision to be made by councillors will be made at the budget setting Council meeting in February.

Local Government Provisional Funding Settlement

This is expected to be announced on 19th December, 4 working days before Christmas. Officers are expecting a "roll over" settlement i.e. do not expect any significant funding methodology changes. The Local Government Financial Policy Statement has confirmed that the Fair Funding Review and Business Rates will slip and will begin in 2026/27, in the outline Budget projections we have assumed a reduction of a third in the amount of business rates we retain from 2026-27 and the disappearance of New Homes Bonus at the same time. This is a factor in the last two years in the outline budget period which will be particularly challenging.

11.2 Inflation

The latest report from the Bank of England Monetary Policy Committee (7 November) is predicting that inflation will move up slightly from the most recent CPI figure of 1.7%. The impacts of a Trump presidency, if it results in higher trade tariffs globally, and the Chancellor's Budget, are being assessed for their inflationary impacts. The Council is modelling the following assumptions:

2% uplift per annum for third party contracts;

2.8% uplift 2025-26 for salaries as per the Pay Agreement and 2.5% per annum thereafter;

4% uplift on Fees & Charges (except statutory fees determined nationally) per annum.

11.3 Business Rates

The business multiplier has been frozen for another year. Business Rates Retention scheme is going to remain unchanged at 50% (this does not mean councils retain 50% of business rates but above a baseline they gain 50%) and that the associated baseline levels will not be reset for councils.

The Government has announced its intention to amend the system to provide a permanent 40% business rates relief discount to leisure, retail and hospitality businesses. This is a reduction compared to the current 75% relief but does provide longer term certainty. This lower rate of relief may add to the challenges of maintaining collection rate.

11.4 New Homes Bonus Grant (NHB)

The Local Government Financial Policy Statement confirmed that New Homes Bonus will continue for a further year in 2025-26 and the Provisional Local Government Financial Settlement will announce the allocation. At most the scheme is expected to be only extended one year. It has been assumed for budgeting purposes that there is no NHB beyond 2026/27 grant.

11.5 Pay award

Year two of the pay deal a 2.8% increase for all staff has already been agreed for 2025-26. For years 2026-27 to 2028-29 we are currently modelling as our central assumption a 2.5% increase per annum.

11.6 Pensions

Local Government pensions are subject to a triennial valuation every three years. The next one is due to reflect the position as of 31 March 2025 and will impact on the employer pensions contributions for the period 2026-27 to 2028-29.

12. Additional Statutory Duties

- 12.1 The Council also needs to be mindful of the potential for additional statutory duties and requirements being imposed on councils during the Outline Budget period. One example is the Extended Producer Responsibility regime taking effect in 2025, which will create additional workload but for which councils will receive additional funding. Equally there is a risk that some additional responsibilities passed on to the Council will not come with sufficient matched funding.

13. Government Announcements

- 13.1 **Appendix 8** provides some additional commentary on the anticipated Local Government Financial Support. Appendix 9 is a summary of the elements within the Local Government Financial Policy Statement announced on 28th November.
- 13.2 On 28th November the Department for Environment Food and Rural Affairs (DEFRA) announced its grant allocations for 2025-26 for Extended Producer Responsibility arrangement. Our allocation which is a guaranteed minimum sum for 2025-26 is £907k. This has significantly improved the overall budget position for 2025-26. At this stage, as it is not clear yet how the data collection mechanism relating to the Council's performance will impact on net funding in future years, an income figure for future years has not been put in. There is therefore the potential for the future year's gaps to improve once this becomes clearer.

14. Economy

- 14.1 In line with the Arlingclose forecast, the Bank Rate was cut to 4.75% in November. The Bank of England's Monetary Policy Committee (MPC) is expected to continue to reduce Bank Rate further over the next twelve

months, but more slowly and by less. Arlingclose expect another rate cut in February 2025, followed by a cut alongside every Monetary Policy Report publication, to a low of 3.75%.

- 14.2 Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility will remain elevated as the market digests incoming data for clues around the impact of policy changes. Arlingclose consider that uncertainty may also necessitate more frequent changes to their forecast than has been the case recently.
- 14.3 The risks around the forecasts lie to the upside over the next 12 months but are broadly balanced in the medium term.
- 14.4 See **Appendix 5** for the detailed Economic and Interest Forecast from Arlingclose.

15. Other considerations

- 15.1 The Outline Corporate Transformation Programme (CTP) 2025-26 to 2030-31 will be underpinned by appropriate Governance and Project Management support. As a work stream this will have the highest priority for the Council. It is suggested that a Councillors Transformation Board is set up (reporting to Corporate Policy and Resources Committee (CPRC), to oversee and drive this transformation programme. Quarterly reports will be provided to CPRC.
- 15.2 This is a fundamental and broad ranging transformation programme which will require a significant dedicated supporting resource. The Council will need to look at how resources or reserves can be freed up to support delivery of Outline CTP
- 15.3 In order to ensure that the Outline CTP is effectively delivering, there will be a need to pump prime, on an invest to save basis, to facilitate commissioning additional expertise, resource and backfilling staff who may be dedicated to the Programme. It is proposed that £0.5m is transferred into a Transformation Reserve which can then be used over the Outline Budget period to support the Programme
- 15.4 Councillors and officers will need to recognise that delivery of the CTP will require prioritisation over other workstreams, alongside the delivery of statutory services. If agreed, it will result in the need to review the actions set out in the current Corporate Plan to see if they need to be amended or not progressed. There will be no organisational capacity to deal with any work outside of these workstreams.

16. Financial implications

- 16.1 Councils have a statutory duty to set a balanced budget. The statutory Chief Finance Officer (S151) wishes to highlight to the Committee the key importance of ensuring that the Council takes appropriate and timely actions to enable the Council to remain financially sustainable. This includes reducing the Council's net Budget expenditure on a phased basis across the Outline Budget period, halving the £10m income contribution from investment assets,

and critically assessing the outstanding issue of housing/regeneration sites which have not delivered outcomes.

17. Procurement

- 17.1 Smarter procurement and collaboration with other authorities will have a role in delivering cashable savings over the Outline Budget period. The Council will look for opportunities to align contract end dates with other Surrey councils in order to explore opportunities for leveraging better rates. As set out in the report, focusing on opportunities to procure goods and services smarter should generate some opportunities to deliver financial savings.

18. Risk considerations

- 18.1 This is a report very much focused on risks, including the risks arising from challenging externalities, including the risk of Government funding reducing in the future, the risks of the housing crisis nationally continuing, the risks around future income levels and the level of expenditure required to sustain income streams. These key corporate risks are regularly reviewed in the Corporate Risk Register. The report above highlights risks around Investment Assets, and of not following the planned approach and the potential impact of leases not being renewed in future and the need to ensure that the Council maintains the Sinking Funds reserves at a sufficient level to be able to absorb such impacts.

19. Legal considerations

- 19.1 Councils have a statutory duty to set a balanced Budget. It is essential that the Council has deliverable plans in place to ensure the Council remains financially viable over the next few years.
- 19.2 Any financial plans must be based on sound assumptions and must not reduce reserves to unacceptably low levels. The Council is obliged to have regard to any report of the Chief Finance Officer under section 25 of the Local Government Act 2003 when making decisions on its budget requirement and level of financial reserves.

20. Equality and Diversity

- 20.1 Any savings proposals impacting on service users will require an Equality Impact Assessment to be undertaken.

21. Sustainability

- 21.1 There is the potential to align climate change objectives with budget sustainability reductions as reductions in energy consumption assist in easing pressures on the Revenue Budget. Energy saving measures or use of renewable technologies may require initial investment but depending on the measure paybacks are short and have the dual benefit of reducing costs and meeting our climate change targets set out in the climate change strategy and corporate plan.

22. Timetable for implementation

- 22.1 December 2024 - Committees review and finalise the Service Plans and associated budgets and agree the 2025-26 Fees & Charges proposals for their Cost Centres.
- 22.2 December 2024 - draft 2025-26 budget made available to Committees with an indication of the further savings required to be found for each Committee
- 22.3 January 2025 – all Committees review and consider their growth and savings bids and submit list of bids to the Corporate Policy & Resources Committee for final short listing to feed into the final Detailed Budget for 2024-25.
- 22.4 January 2025 – Corporate Policy & Resources Committee meet to finalise the Net Service Budgets for each Committee, along with the budgets for investment and regeneration properties, movement on reserves.
- 22.5 21 February 2025 – Council approves growth and savings bids as part of the 2025/26 annual budget debate.
- 22.6 Spring 2025- the aim will be work up a detailed programme of Transformation streams, and have the Transformation Board up and running. The aim will be to agree indicative targets for the various workstreams and prioritisation of transformation projects, taking into account potential deliverable savings relative to resource required.

23. Contact

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Background papers: *Budget Briefing Presentation 25 November 2024*

Appendices:

- Appendix 1 – Draft Discretionary & Mandatory Revenue Budget Split
- Appendix 2 - Draft Summary of the proposed MFTP Savings Programme MTFS 2025-26 to 2028-29
- Appendix 3 – Summary of Outline Budget figures for 2025-26 to 2028-29
- Appendix 4 – Costs relating to suspended projects
- Appendix 5 - Arlingclose Economy & Interest rate forecast 2024-11-11
- Appendix 6 – Digital Transformation assumptions
- Appendix 7 – Digital Transformation Strategy
- Appendix 8 – Additional Commentary on the anticipated Local Government Settlement for 2025-26
- Appendix 9 – Summary of Local Government Financial Policy Statement produced by MHCLG on 28th November

Mandatory/Discretionary Split of 2025-26 Budget by Committees

20/11/24

Key:

D= Discretionary

M= Mandatory

D/M= Contains a mixture of discretionary and mandatory

Appendix 1

	£ Budget 2025-26	D %	M%	£ D Discretionary	£ M Statutory	£ 2025-26 Total
Accountancy	760,700	0%	100%	-	760,700	760,700
Audit	253,400	40%	60%	101,360	152,040	253,400
Building Control	15,500	5%	95%	775	14,725	15,500
Chief Executive	242,500	0%	100%	-	242,500	242,500
Committee Services	333,800	20%	80%	66,760	267,040	333,800
Corporate Governance	329,900	60%	40%	197,940	131,960	329,900
Corporate Management	701,700		100%	-	701,700	701,700
Corporate Publicity	465,800	85%	15%	395,930	69,870	465,800
CServ Management & Support	1,289,100	30%	70%	386,730	902,370	1,289,100
Democratic Rep & Management	423,600	100%	0%	423,600	-	423,600
Deputy Chief Executives	315,700	0%	100%	-	315,700	315,700
Elections	11,000	0%	100%	-	11,000	11,000
Electoral Registration	290,500	0%	100%	-	290,500	290,500
HR	445,700	50%	50%	222,850	222,850	445,700
Information & Comms Technology	1,278,800	60%	40%	767,280	511,520	1,278,800
Insurance	336,700	0%	100%	-	336,700	336,700
Land Charges	- 29,200	0%	100%	-	- 29,200	- 29,200
Legal	726,500	100%	0%	726,500	-	726,500
Project Management	709,000	80%	20%	567,200	141,800	709,000
MAT Secretariat & Support	106,500	0%	100%	-	106,500	106,500
Payroll	78,300	0%	100%	-	78,300	78,300
Unapportionable CentralO/heades	1,738,500	80%	20%	1,390,800	347,700	1,738,500
Corporate Policy & Resources Committee	10,824,000			5,247,725	5,576,275	10,824,000
Asset Mgn Administration	546,500	100%	0%	546,500	-	546,500
Bus Station	25,900	100%	0%	25,900	-	25,900
Development Properties	68,400	100%	0%	68,400	-	68,400
Economic Development	320,200	100%	0%	320,200	-	320,200
Facilities Management	693,800	100%	0%	693,800	-	693,800
General Property Expenses	- 92,400	100%	0%	- 92,400	-	- 92,400
Incubator	18,500	100%	0%	18,500	-	18,500
Planned Maintenance Programme	1,409,200	50%	50%	704,600	704,600	1,409,200
Shared Prosperity Fund	-			-	-	-
Staines Market	- 61,400	100%	0%	- 61,400	-	- 61,400
Staines Town Centre Management	- 371,300	100%	0%	- 371,300	-	- 371,300
Youth Hub	118,000	100%	0%	118,000	-	118,000
Business Infrastructure Committee	2,675,400			1,970,800	704,600	2,675,400

Mandatory/Discretionary Split of 2025-26 Budget by Committees

20/11/24

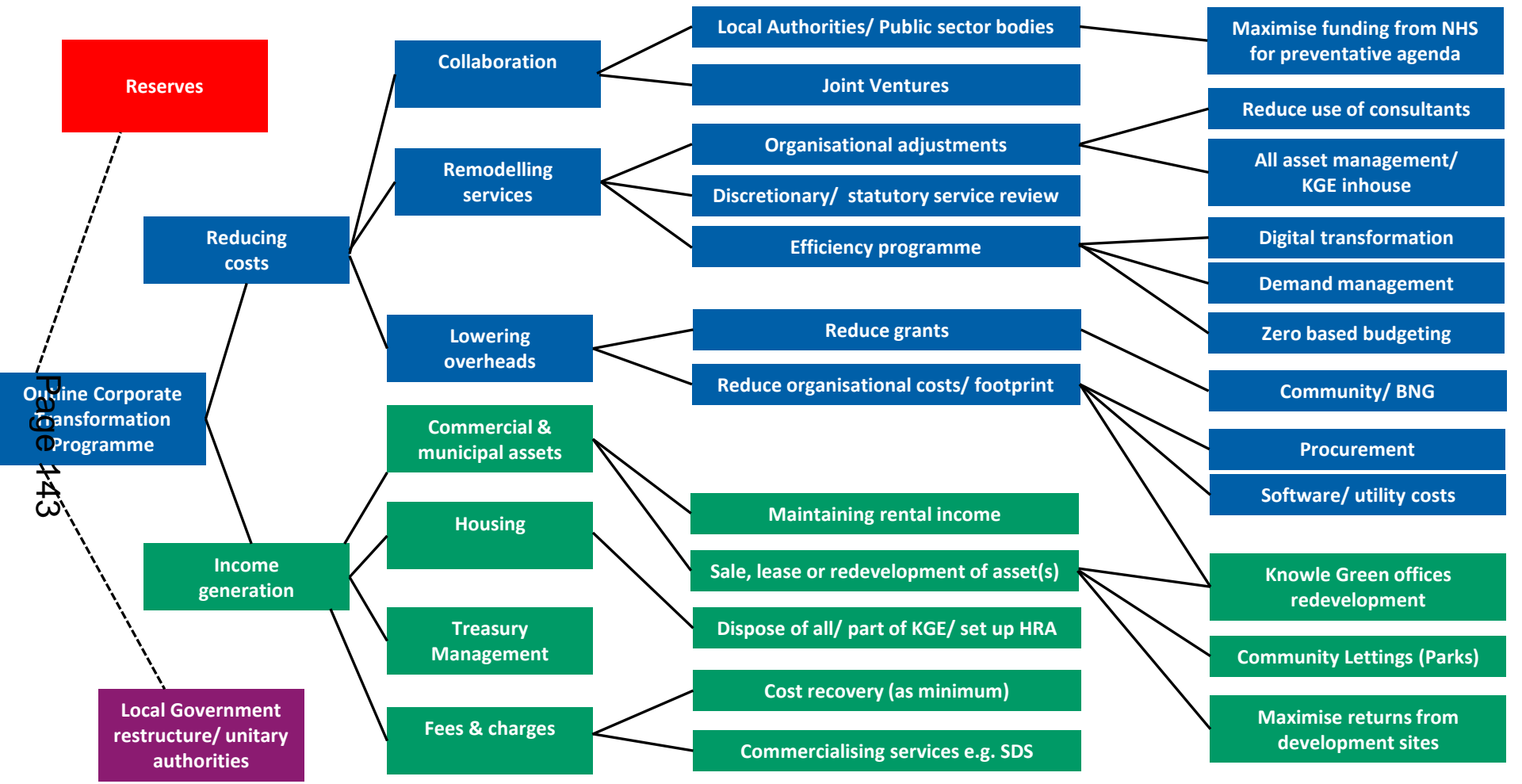
Key:

D= Discretionary

M= Mandatory

Appendix 1

	£			£	£	£
Arts Development	32,800	100%	0%	32,800	-	32,800
Community Care Administration	479,000	100%	0%	479,000	-	479,000
Community Centres	590,200	100%	0%	590,200	-	590,200
Community Development	39,000	100%	0%	39,000	-	39,000
Community Safety	332,100	0%	100%	-	332,100	332,100
Food Safety	900	0%	100%	-	900	900
General Grants	231,200	100%	0%	231,200	-	231,200
Homelessness	1,423,500	0%	100%	-	1,423,500	1,423,500
Housing Benefits Admin	451,600	0%	100%	-	451,600	451,600
Housing Benefits Payments	51,000	0%	100%	-	51,000	51,000
Housing Needs	1,708,600	0%	100%	-	1,708,600	1,708,600
Leisure Administration	377,800	100%	0%	377,800	-	377,800
Licensing	34,900	0%	100%	-	34,900	34,900
Meals on Wheels	114,800	100%	0%	114,800	-	114,800
Museum	- 5,000	100%	0%	- 5,000	-	- 5,000
Public Halls	- 22,100	100%	0%	- 22,100	-	- 22,100
Public Health	4,800	20%	80%	960	3,840	4,800
Refugee Schemes	- 200	100%	0%	- 200	-	- 200
Resource Centre	13,700	100%	0%	13,700	-	13,700
Rodent & Pest Control	16,700	0%	100%	-	16,700	16,700
SAT	173,000	100%	0%	173,000	-	173,000
Spelthorne Family Support	-	100%		-	-	-
Spelthorne Leisure Centre	105,600	100%	0%	105,600	-	105,600
Sports and Active Lifestyle	16,500	100%	0%	16,500	-	16,500
Sunbury Golf Club	- 49,900	100%	0%	- 49,900	-	- 49,900
Taxi Licensing	- 67,400	0%	100%	-	- 67,400	- 67,400
Youth	29,400	100%	0%	29,400	-	29,400
Community Wellbeing & Housing Committee	6,082,500			2,126,760	3,955,740	6,082,500
Abandoned Vehicles	3,600	50%	50%	1,800	1,800	3,600
Allotments	- 20,100	0%	100%	-	- 20,100	- 20,100
Car Parks	- 478,000	100%	0%	- 478,000	-	- 478,000
Cemeteries	- 411,100	0%	100%	-	- 411,100	- 411,100
Depot	122,600	100%	0%	122,600	-	122,600
Emergency Planning	95,500	0%	100%	-	95,500	95,500
Energy Initiatives	10,300	0%	100%	-	10,300	10,300
Environmental Enhancements	13,600	40%	60%	5,440	8,160	13,600
Environmental Health Admin	1,352,000	5%	95%	67,600	1,284,400	1,352,000
Environmental Protection Act	94,100	0%	100%	-	94,100	94,100
Grounds Maintenance	1,918,400	100%	0%	1,918,400	-	1,918,400
Neighbourhood Serv Mgt Support	1,393,900	100%	0%	1,393,900	-	1,393,900
Parks Properties project	3,100	100%	0%	3,100	-	3,100
Parks Strategy	- 11,800	100%	0%	- 11,800	-	- 11,800
Planning Development Control	841,700	10%	90%	84,170	757,530	841,700
Planning Policy	981,400	0%	100%	-	981,400	981,400
Public Conveniences	-			-	-	-
Refuse Collection	1,044,500	0%	100%	-	1,044,500	1,044,500
Street Cleaning	857,800	0%	100%	-	857,800	857,800
Waste Recycling	- 266,500	0%	100%	-	- 266,500	- 266,500
Water Courses & Land Drainage	26,100	0%	100%	-	26,100	26,100
Environment & Sustainability Committee	7,571,100			3,107,210	4,463,890	7,571,100
Total	27,153,000			12,452,495	14,700,505	27,153,000



Online Corporate Transformation Programme

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Outline Budget 2025-26 Base Case							Appendix 3	
							29 November 2024	
	2024-25 original	2024-25 Revised		2025-26	2026-27	2027-28	2028-29	
	£	£	note	£	£	£	£	
Gross Expenditure	62,573,900	63,118,100		63,991,500				
Less: Fees and Charges and Specific Grants (excl Hou	(14,789,800)	(15,303,000)		(15,381,900)				
Less: Housing Benefits Grant	(21,556,000)	(21,556,000)		(21,556,000)				
Net Service Expenditure:	26,228,100	26,259,100		27,053,600	25,490,600	26,368,500	27,133,800	
Broken down by Committee								
Corporate Policy & Resources Committee	11,024,900	11,024,900		10,896,300	6,000	258,000		
Business Infrastructure Committee	2,531,800	2,531,800		2,463,500				
Community Wellbeing & Housing Committee	5,768,700	5,799,700		6,031,200				
Environment & Sustainability Committee	6,902,700	6,902,700		6,755,600	817,000	(90,000)		
	26,228,100	26,259,100	1	26,146,600	26,313,600	26,536,500	26,368,500	
Third party inflation	0	0		0	418,700	429,100	439,800	
Fees & charges inflation	0	0		0	(211,200)	(216,500)	(221,900)	
Fees & charges additional inflation	0	0		0	0	0	0	
NI Increase to fund NHS	0	0		0	0	0	0	
Pensions	0	0	2	0	0	50,000	0	
Pay award	0	0	3	0	634,300	650,200	666,400	
Vacancy Freeze	0	0		(500,000)	0	0	0	
Cashable Savings Identified	0	0	4	(156,000)				
Business Improvements	0	0	4	0				
Green Initiatives	0	0	4	0				
Uplift in Leisure Centre Income	0	0	5	0	(603,400)	(300,500)	(85,600)	
Diesel Fuel to HVO Fuel	0	0	4	0	10,000	10,000	0	
Local Plan Costs Yr 2	0	0	4	0	210,000			
New CCTV Contract 2627	0	0	4	0	100,000			
Increases in procurement savings	0	0	4	0	(25,000)	(25,000)	0	
One off Growth bids 25.26 (removal in 26.27)	0	0		0	(435,000)		0	
Lapsed Growth bids base budgets	0	0		0	(43,500)	0	0	
Service Expenditure	0	0		(656,000)	54,900	597,300	798,700	
NET EXPENDITURE	26,228,100	26,259,100		25,490,600	26,368,500	27,133,800	27,167,200	
Investment Property Income per lease incl regen	(50,946,700)	(50,946,700)	5	(49,064,800)	(53,464,800)	(51,591,900)	(51,110,500)	
Landlord Costs	6,827,600	6,827,600	5	7,865,400	7,889,900	3,707,500	6,942,900	
Debt Interest payable	24,933,100	24,933,100	5	25,424,600	25,136,900	24,830,000	24,508,900	
Minimum Revenue Provision	12,918,600	12,918,600	5	13,242,100	14,144,900	14,496,400	14,856,800	
Set Aside	650,000	650,000	5	670,000	690,000	710,000	730,000	
Capitalised Interest	(1,217,700)	(1,217,700)	6	0	0	0	0	
Interest Cash Equiv.	(250,000)	(250,000)	7	(670,000)	(310,000)	(225,000)	(200,000)	
LA & Other Loans Interest Rec	0	0	7	0	0	0	0	
Interest Rec - Pooled Funds	(1,224,000)	(1,224,000)	7	0	0	0	0	
Interest received on loans to KGE	(761,900)	(761,900)	8	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	
Interest received on loans to SDS	(16,000)	(16,000)	8	(10,000)	(7,000)	(4,000)	0	
Cashflow Loan Interest to KGE	0	0		(42,000)	(38,000)	(30,000)	(20,000)	
NET EXPENDITURE AFTER INTEREST EARNINGS	17,141,100	17,172,100		21,405,900	18,910,400	17,526,800	21,375,300	
Appropriation to/(from) Reserves:								
Revenue Contributions to Capital Outlay	0	0		0	0	0	0	
Housing Initiatives	(703,800)	(703,800)		(703,800)	0	0	0	
Funding From Earmarked Reserves	(71,700)	(71,700)	1	(110,000)	0	0	0	
Building Control Reserve	(5,700)	(5,700)	1	0	0	0	0	
Planning Performance Agreement	(96,700)	(96,700)	1	(96,700)	(53,200)	(53,200)	(53,200)	
Green Initiative Fund	(46,300)	(46,300)	1	(49,900)	(49,900)	(49,900)	(49,900)	
BRR Retention - EcDev	(84,700)	(84,700)	1	0	0	0	0	
Green Belt Fighting Fund	(90,000)	(90,000)		0	(210,000)	0	0	
PDG Reserve	0	0		(50,000)	0	0	0	
Transformation Reserve	0	0		500,000	0	0	0	
Sinking Fund Contributions	833,900	833,900	9	1,002,500	830,000	1,456,900	850,600	
Sinking Fund (Funding)	(2,850,000)	(2,850,000)	9	(6,750,000)	(1,600,000)	0	(3,200,000)	
BUDGET REQUIREMENT	14,026,100	14,026,100		15,148,000	17,827,300	18,880,600	18,922,800	
Allocation from National Non-Domestic Rate pool	(500,000)	(500,000)	10	(750,000)	(500,000)	(500,000)	(500,000)	
Retained Business Rates	(1,929,000)	(1,929,000)	10	(1,929,000)	(1,200,000)	(1,000,000)	0	
Other Grants (Section 31 Grants formally used)	(874,900)	(874,900)	10	0	0	0	0	
Section 31 Grants	0	0	10	(2,228,000)	(2,228,000)	(2,228,000)	(2,228,000)	
Lower Tier Services Grant re Core Spending Power	(12,300)	(12,300)	10	(13,000)	(13,000)	(13,000)	0	
Core Spending Power Guarantee Grant	(1,884,000)	(1,884,000)	10	(1,722,000)	(1,720,000)	(1,630,000)	0	
Revenue Support Grant	(96,800)	(96,800)	10	(100,000)	(101,000)	(103,000)	0	
New Homes Bonus Grant	(101,500)	(101,500)	10	(10,000)	0	0	0	
NET BUDGET REQUIREMENT	8,627,600	8,627,600		8,396,000	12,065,300	13,406,600	16,194,800	
Collection Fund (Surplus)/Deficit	100,000	100,000		100,000	180,000	180,000	0	
CHARGE TO COLLECTION FUND	8,727,600	8,727,600		8,496,000	12,245,300	13,586,600	16,194,800	
Tax base (net)	39,241	39,241	11	40,620	41,229	41,848	42,475	
Council Tax rate	222.41	222.41	11	229.08	235.95	243.03	250.32	
Council Tax yield	8,727,600	8,727,600		9,305,200	9,728,100	10,170,300	10,632,500	
DEFICIT/(SURPLUS)	0	0		(809,200)	2,517,200	3,416,300	5,562,300	

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Appendix 4 – Costs relating to suspended projects

Scheme (all suspended) as at 31 March 2024	Total Acquisition costs	Total Capitalised Revenue Costs	Total Capital Acquisition & Revenue Costs
	£	£	£
Thameside House	9,064,584	4,725,872	13,790,456
Oast House	20,182,041	5,329,135	25,511,176
Ashford Multi Story Carpark Site	0	407,602	407,602
Victory Place	5,241,879	3,986,933	9,228,812
White House Resi	100,000	654,421	754,421
91-93 High Street	0	117,372	117,372
Tothill MSCP	0	352,182	352,182
Benwell II	100,000	310,797	410,797
	£34,688,504	£15,884,314	£50,572,818

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Arlingclose Ltd:
Independent treasury management services

Economic and Interest Rate Forecast

11th November 2024

Economic and Interest Rate Forecast

11th November 2024

- As expected, the Monetary Policy Committee (MPC) cut Bank Rate to 4.75% in November in an 8-1 vote. However, the outlook for monetary policy has changed following the new government's fiscal plans, as delivered in the recent Budget.
- The Budget measures will boost demand in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects of the Budget require a change to our Interest Rate Forecast.
- UK GDP recovered well in H1 2024 from technical recession, but underlying growth appears relatively subdued. The Budget will significantly boost government spending over the short-term, with few offsetting measures to subdue household demand, so GDP growth is likely to rise relatively steeply.
- Private sector wage growth and services inflation remain elevated. The increase in employers' NICs, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.

CPI inflation rates will rise a little by year-end due to higher energy prices and less favourable base effects. The Bank of England (BoE) estimates the Budget impact will see the CPI rate at 2.7% by year end 2025 and remain over target in 2026, as opposed to the prior projection of inflation easing back to and then below target.

- The MPC re-emphasised that monetary policy will be eased gradually, and we now believe the Budget measures have both reduced the pace of Bank Rate cuts and raised the low point for this loosening cycle (although downside risks develop later).
- The Office for Budget Responsibility's (OBR) projections for increased borrowing, higher inflation and a shallower path for Bank Rate raised gilt yields. The material change in expectations means that yields will be generally higher in the post-Budget world.
- US government bond yields have risen following Donald Trump's and Republican victories in the US elections. Trump ran on a platform of policies that appear inflationary, calling into question the extent of policy loosening required from the Federal Reserve (which was already uncertain given continued solid US growth data). Higher US yields could also support higher UK yields.

	Current	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.75	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.95	4.80	4.60	4.35	4.10	3.90	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
5yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.30	4.20	4.10	4.05	3.95	3.90	3.90	3.90	3.95	4.00	4.05	4.05	4.05
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
10yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.41	4.40	4.30	4.30	4.25	4.20	4.20	4.20	4.20	4.25	4.25	4.25	4.25
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
20yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.84	4.80	4.75	4.70	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80
50yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.35	4.50	4.45	4.40	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%; PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
 PWLB HRA Rate (Maturity Loans) = Gilt yield + 0.40%; National Wealth Fund Rate (Maturity Loans) = Gilt yield + 0.40%

- In line with our forecast, Bank Rate was cut to 4.75% in November.
- The MPC will continue to reduce Bank Rate, but more slowly and by less. We see another rate cut in February 2025, followed by a cut alongside every Monetary Policy Report publication, to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility will remain elevated as the market digests incoming data for clues around the impact of policy changes.
- This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.
- The risks around the forecasts lie to the upside over the next 12 months, but are broadly balanced in the medium term.

Arlingclose and Market Projections

11th November 2024

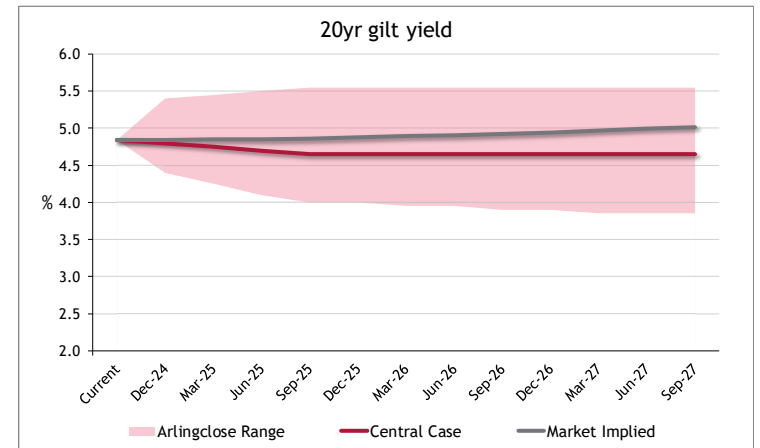
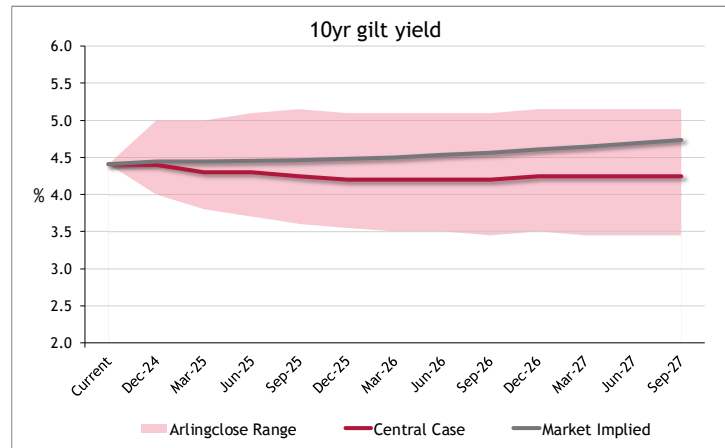
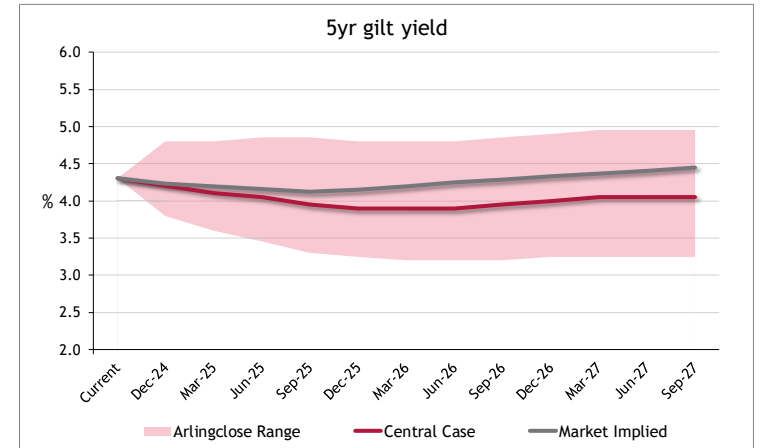
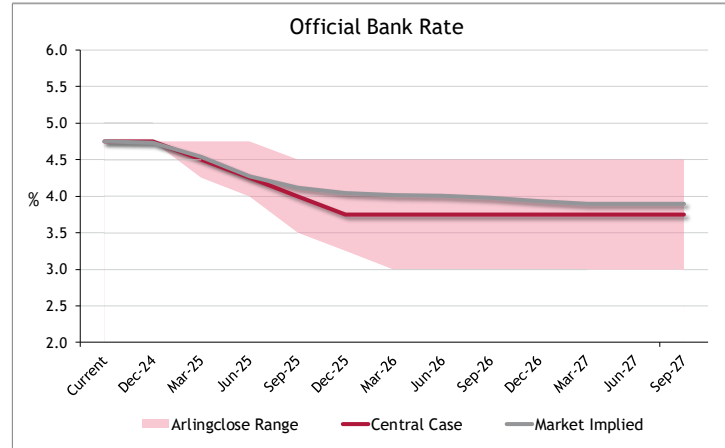
Charts show the Arlingclose central case along with upside and downside risks:
 Arlingclose judges that the risks around its Bank Rate and gilt yield forecasts are to the upside in the short term, but broadly balanced over the medium term.

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%
 PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
 PWLB HRA Rate (Maturity Loans) = Gilt yield + 0.40%
 NWF Rate (Maturity Loans) = Gilt yield + 0.40%

Arlingclose forecast:
 11th November 2024

Market forward curves:
 11th November 2024

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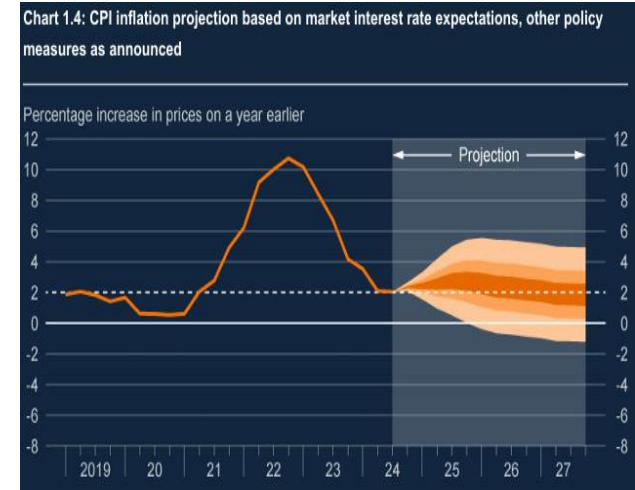
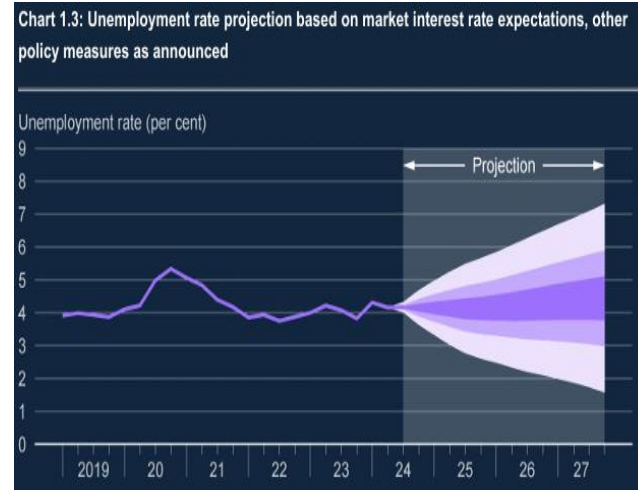
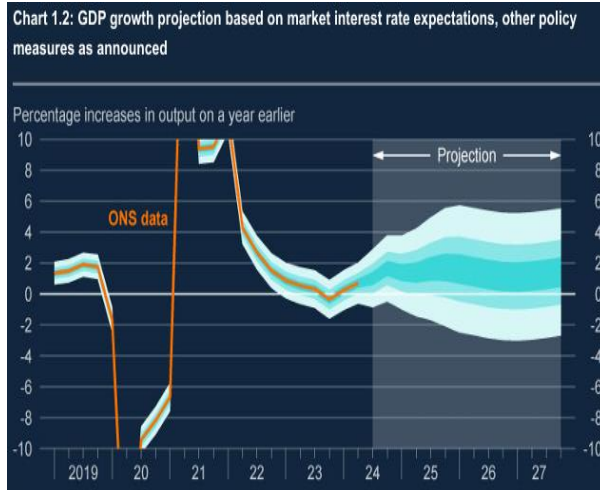


BoE Monetary Policy Report - November 2024

Outlook for UK GDP growth

Outlook for UK Unemployment

Outlook for UK CPI inflation



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- While UK GDP growth picked up sharply in 2024, underlying economic momentum appears subdued. Growth is expected to ease slightly in 2025 before gradually recovering, reflecting both the delayed impact of prior Bank Rate increases and the fading of restrictive monetary policy effects over time. Aggregate demand and supply currently remain balanced; however, a margin of economic slack is projected to emerge through 2024 and 2025, partly due to the sustained restrictive policy stance.
- Labour market data from the ONS remains variable, though broader indicators suggest the market is beginning to loosen as labour demand cools. Unemployment is expected to edge up, a sign of moderating labour tightness.
- Notably, inflation remains a key concern; CPI is projected to rise to approximately 2.75% by the end of 2024, as the previous year's energy price reductions fall out of annual comparisons, revealing the underlying persistence of domestic inflationary pressures. Inflation is then expected to fall to the Bank of England's target by the end of 2027.

Digital Savings Plan - reasoning and routes for achieving proposed savings figures

Introduction

The work being undertaken across the organisation aims to introduce technologies and efficient methodologies to produce savings for the Council. This document provides a summary of the proposed savings relating to technological improvements between 25/26 and 28/29. It should be noted that given the time horizons savings estimates based on service uptake can't be guaranteed by specific dates because real-world conditions are unpredictable. Expecting precise savings by a certain date is unrealistic. However, these estimates can be calculated using educated assumptions supported by data.

These costs are derived for reductions in supplies or services each year:

Item	2025/26	2026/27	2027/28	2028/29
Email	41,000	93,000	135,000	166,000
Hybrid mail printing & postage	16,000	36,000	53,000	65,000
E-bills	2,000	12,000	18,000	20,000
Paris Licence	3,000			
Advantage Digital (Connect)	22,000			
Garden Waste Automation	2,000	2,000	2,000	2,000
	156,000	289,000	367,000	414,000

1. Email: The target is for 93% of residents to receive their correspondence via email as 'Default'. 7% of the Borough is digitally excluded as per ONS data so have not been factored into targets. The estimated savings are based on the costs saved from not printing, posting or using a hybrid solution. Emails can be sent free of charge from our internal servers. We will sign new users to the email service as default, with the intention they will opt out if they wish to receive physical copies.

- The estimate is to sign up 20 to 25% of residents each year, specifically around the main billing period in April where most people are interacting with the Council.
- If all interactions and correspondence were sent via Email, this target could be achieved at a faster rate and the saving would be accelerated.

2. Hybrid mail printing & postage: Hybrid can be rolled out quickly, the volume set to increase as services come onboard - savings shown are for Customer Services & Revs only. This is not controlled by user adoption but internal processes.

- Current Cost: £1.03 per unit
- Hybrid Mail: £0.73 per unit
- Dot post (Email): £0.15p per unit (This is different to the above Email's as it is only for large scale campaigns sending hundreds or thousands at a time, above is for single items sent ad-hoc)
- Self-serve (portal): £0.00 per unit

3. E-Bills: These savings are derived from placing bills and other correspondence directly onto customer accounts in the customer portal. This avoids any costs at all.

The savings are based on the following assumptions.

- o 25% uptake of dailies in yr1,
- o 50% yr2
- o 75% yr3
- o 93% yr4
- o Increasing the uptake rate would achieve the savings sooner.
- o This could be accelerated by signing residents up as default and removing other communication types as a method of communication.

- A dependency on this is the acquisition of software to template all correspondence types so it is displayed correctly in the portal.

4. Paris Licence and Advantage Digital (Connect)

- Once all of the above have been achieved this software will no longer be required so can be cancelled.
- These licences run from 1st April every year. So, if this was achieved it would be from April of the year the software was no longer required
- This can't be accelerated, this will only be achieved if the above is achieved in full. Details of what we are doing to ensure adoption reaches the levels required to achieve saving targets is detailed below, alongside additional actions we could undertake and clarification of factors which may hinder the process.

5. Garden Waste automation

Automation of payment renewals for the Garden Waste billing cycle account results in a £2k saving per.anum.

Cost decreases due to reduction in staffing

The costs in this table are derived from a reduction in FTE:

GovTech Revenue Automation	34,000	110,000	124,000	126,000
Digital Customer Engagement				
Portal Subscriptions				
Webchat Uptake				
IVR Improvements	36,000	36,000	35,000	35,000
Missed Bin Alerts				

These savings will be achieved through the cumulative effect of the projects listed above running together which will generate the staff savings over time as uptake increases.

Aims of Transformation projects

The savings listed above through the transformation projects have a thread running through all of them which is to achieve the following:

- Reduce customer contact across all channels without reducing customer service levels.
- Introduce resident self-service facilities
- Introduce end-to-end automation of high-volume processes
- Where the above isn't possible, automate parts of the process
- Replace expensive, disparate legacy software applications with cheaper, integrated alternatives that have greater functionality.
- Reduce the cost of posting, printing, paper, envelopes, and consumables by 85% - long term. Reduce it by 30% short term.

It's difficult in a simple table to explain the relationship between the items as a lot of them are related and/or overlap.

These items support a programme which is creating a reciprocal relationship between automated customer facing services and processes. Each component listed will enhance the value of another and should create a self-reinforcing cycle that drives long term adoption and engagement, where the success of one service, boosts the performance of the others.

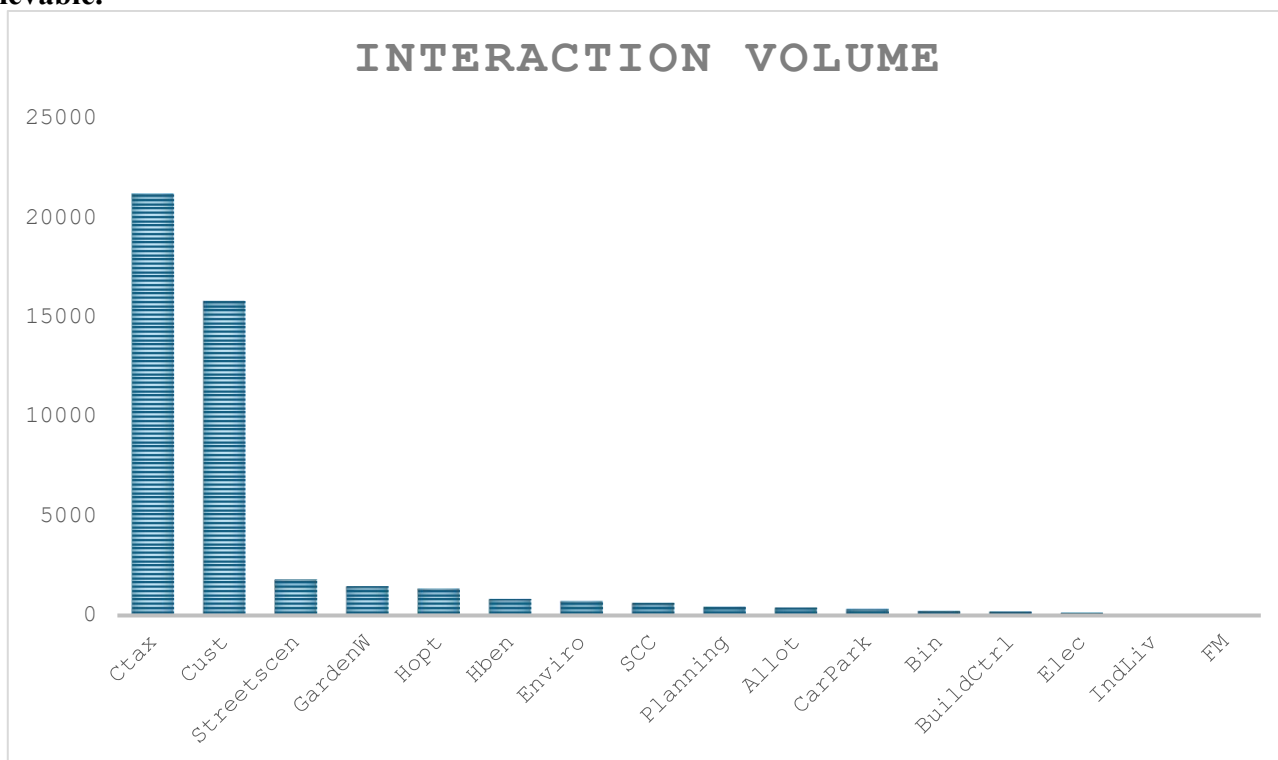
Analysis of our Customer Services Agents(CSA) showed that an average agent completes 8.5k interactions per year, which makes the savings listed achievable.

Nearly a quarter of our Council Tax Base have signed up to the portal in the first year. In contrast, the portal we replaced had 2000 active subscribers when it was decommissioned, and it had been live for 10 years. Additionally, we received 33k e-forms, automating 8.5k of those is achievable. We are very much on target to achieve the numbers needed to deliver the estimated savings, and some of these projects went live in-year so are still reaching full efficacy.

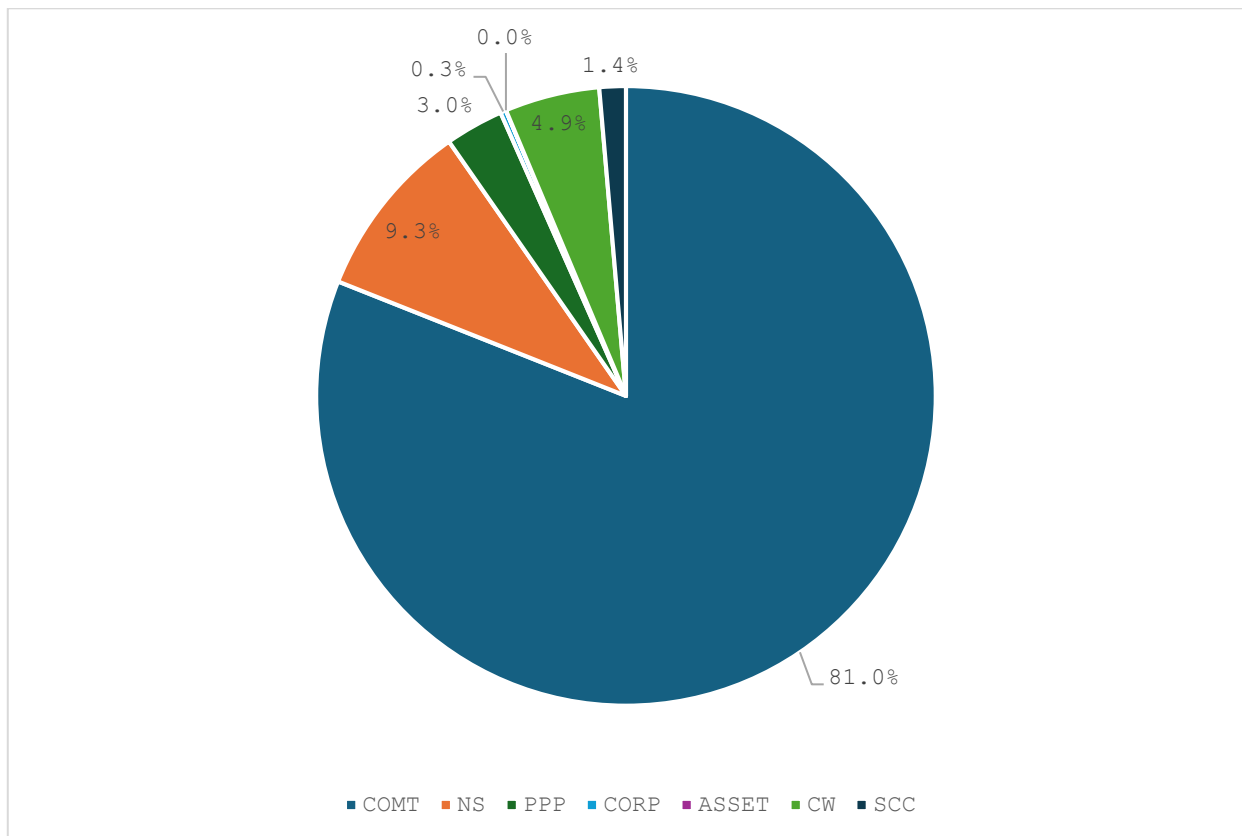
Summary of how estimate was calculated:

- **Govtech:** This software will automate high volume revenue functions. Our calculations are to plateau at around 70%. A recent user group of Councils with a similar software environment to us are achieving automation rates of 80%+ with several over 90% and one authority achieving 100% for Single Person Discounts (SPDs). That makes this estimate achievable.

This chart shows all interactions into our main contact centre for the 2023/24 year, split by team. 46% of these interactions (over 21k) was in relation to Council tax. Our estimate of automating 8.5k is achievable.



Same information split by Service



- **Portal Subscriptions:** Based on assumption of 500 new subscribers per month carrying out 1 x transaction each. The April subscription target increases to 2,000 due to main billing. an 8.5k interaction reduction equates to the average annual workload of 1 FTE.
- **Webchat Uptake:** The webchat will be developed to prevent interactions reaching CSA's. It may be possible to issue documents and provide helpful links. The initial conversation will be managed by AI before being passed to a CSA
- **IVR Uptake:** The telephony menu will be reviewed. When operating as intended the call centre will re-direct callers to self-serve facilities, reducing the calls that reach staff. Where it's necessary for calls to be placed, they will be routed correctly.
- **Alerts:** The contact centre receives a large percentage of calls for bin/missed bin enquiries. Through integration with the portal and GovDelivery, we will pro-actively inform residents of why their bin was missed, and when it will be collected, preventing them from having to get in touch.

What we are doing to ensure targets are reached and estimated savings are achieved.

As stated above, savings estimates based on service uptake can't be guaranteed by specific dates because real-world conditions are unpredictable. There are some actions we can take to exert control and mitigate risk. Below are clarifications of what we are currently doing, and could do, to influence this.

- **It's Better**
 - The biggest incentive for change is that everything we are doing is a significant improvement on what is being replaced or changed.
 - We have introduced more features, functions, security, performance and accessibility at a lower cost. This will naturally drive uptake.
- **User-Friendly Experience:**

- We have Intentionally created an intuitive onboarding process with guided tutorials, demos, and easy-to-follow documentation. We've ensured the initial setup is as seamless as possible to reduce friction for new users.
- Customer Service staff can sign residents up over the phone, add their accounts, help them complete e-forms and signpost them to the portal for their future needs.
- **Continuous Resident Engagement and Support:**
 - We provide ongoing support through multiple channels such as web chat, email, and phone and we regularly engage with customers through newsletters, and web alerts to keep them informed and involved and to request feedback.
- **Knowledge Base and Self-Service Options:**
 - We have developed a comprehensive knowledge base with FAQs, how-to guides, and tutorials. We have provided self-service options so residents can find answers to their questions quickly and easily.
- **Personalised Communication:**
 - Through GovDelivery we use personalised emails and notifications to guide and inform customers and tailor our messages based on user preferences to make the communication more relevant and engaging.

What could be considered to further accelerate adoption.

- **Incentives and Promotions:**
 - Offer special promotions at sign up milestones where the resident wins an iPad, gift voucher or some other item.
- **Phased Removal of Alternatives:**
 - Phase out the old platform or option by setting a clear timeline for its discontinuation. We would communicate these timelines well in advance and provide ample support to help customers & staff transition smoothly.

While offering incentives can be effective in encouraging adoption, they also require financial investment. Given our current focus on cost-saving, we have decided not to pursue this option.

The phased removal of the old platform would demand substantial resources, including time and personnel, to manage the transition effectively. This approach also carries the risk of causing a negative response from customers who may feel pressured or inconvenienced

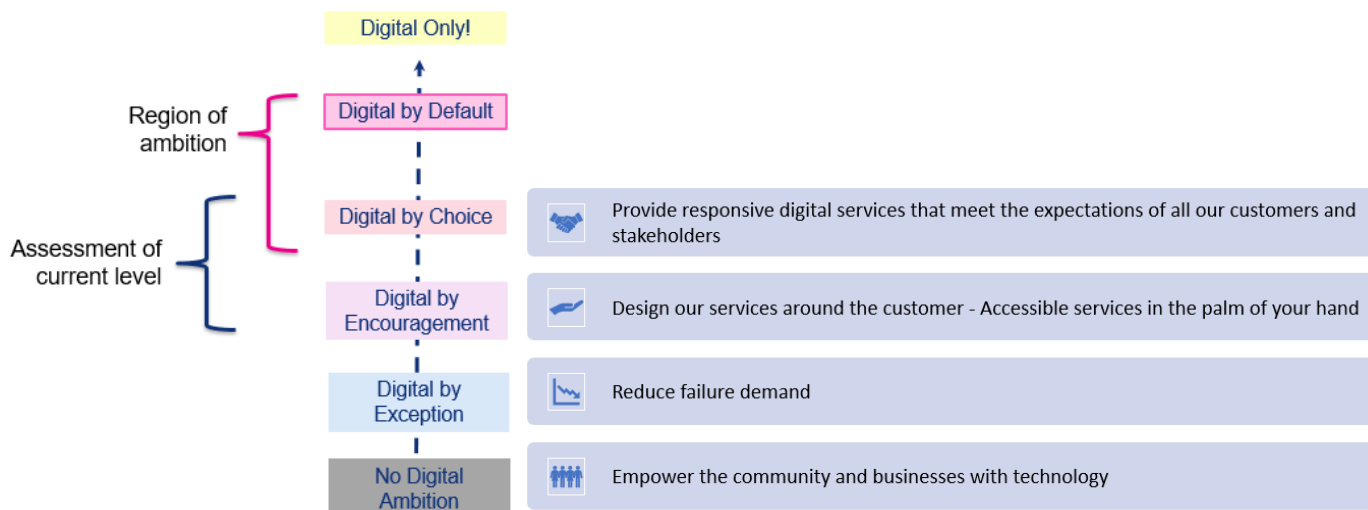
Below are barriers to adoption which we have limited influence if any over and should be noted:

- **User Resistance to Change:**
 - Some users/staff may be inherently resistant to change, preferring to stick with what is familiar. Overcoming this requires time and consistent effort. We are addressing this in part by our current approach listed above.
- **Organisational Culture:**
 - Culture can significantly impact adoption rates. If the culture is not supportive of change, it can be difficult to accelerate adoption without first addressing these barriers.
- **Learning Curve:**
 - If the new platform is perceived to be significantly different from the old one, users may need more time to learn and adapt. Simplifying the user experience and providing extensive training is helping, but it may still take time for users to become proficient.
- **External Dependencies:**
 - Adoption can be influenced by factors outside Spelthorne's control, such as regulatory requirements, budget and third-party integrations etc. These external dependencies can slow down the process despite our best efforts.
- **Resource Limitations:**

- Limited resources, whether financial, human, or technological, will hinder our ability to accelerate adoption. Ensuring adequate support and resources are available is crucial, but sometimes these limitations are unavoidable.

Transformation strategy

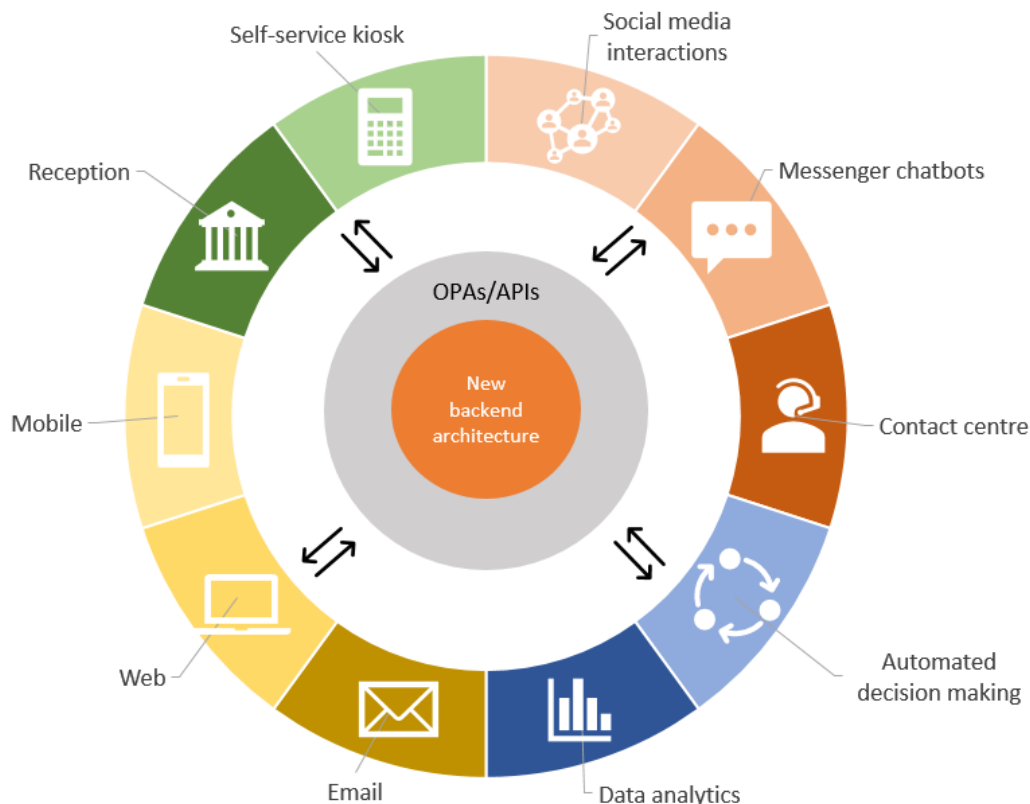
Why we are transforming:



- **Increased Efficiency** Digital solutions have helped Spelthorne streamline processes and automate tasks, reducing the administrative burden and freeing up staff to focus on higher value tasks. For example, the implementation of an online customer portal and the utilisation of digital workflows and e-forms. This leads to significant time savings and increases the efficiency of our operations.
- **Cost Savings** Adopting digital systems and AI will reduce paperwork, streamline processes, and lower costs. When demand for services decreases, there is less work to be done, which can lead to a reduction in the number of staff needed to handle the workload.
- **Better Decision-Making** Digital tools can provide local government with real-time data and analytics, enabling better decision making and more targeted interventions. For example, by capturing and analysing data on service usage through tools such as Converse, we will identify areas for improvement, prioritise resources and implement more effective interventions.
- **Enhanced Collaboration** Digital transformation promotes collaboration between departments and with other local authorities, enabling more joined-up services and better outcomes for residents. For instance, local government can adopt common standards and platforms to improve interoperability between different systems and reduce the duplication of effort.
- **Upskilling Staff** Spelthorne regularly provides training and development opportunities for staff to build their digital skills and capabilities, ensuring they are equipped to deliver high-quality services. For example, MS Office training and better utilising our business applications such as SharePoint and Teams.

How is it being delivered:

The digital model Spelthorne is delivering is essentially to build an omnichannel platform that offers several advantages over the existing multichannel platform which suffers from being siloed and has scalability issues. The model Spelthorne is working to create a back-end platform linked to existing applications which is then accessible by the customer through web applications e.g. User portal, web chat, forms etc as illustrated below.



What have we done so far:

- **Civic Engagement Portal** Spelthorne has consolidated our current customer portals into a single 'Digital-front-door', and by using a single log-in, residents and businesses now have immediate and personalised access to various services on any device, at any time of day. Sign ups have reached 10k within the first year of going live.
- **Contact Centre** Whether engagement is received by email, web chat or phone, Spelthorne have made the experience as seamless and consistent as possible. By changing our telephone system and provider, we integrated processes and systems where it had previously not been possible; broke down silos; and began flexibly managing all communications interactions internally and externally across the organisation.
- **Web chat** Spelthorne has implemented a chat bot overlay on our primary webpage to offer visitors prompt responses to their enquiries or information needs. This approach enables our staff to focus on addressing more complex queries and high-impact areas such as recovery and collection, ultimately improving efficiency and productivity. Web chat usage has increased by 108% in the last year.
- **Printing & postage** Spelthorne has chosen to outsource certain printing and postage requirements to a third party which send around 100,000 items a year on the Council's behalf at a greatly reduced cost to ending it ourselves. There is also a considerable staff time saving from this activity. Our goal is to reduce our existing postage costs by as much as 85%
- **Automation** we have introduced the automatic processing of certain (high volume) Council Tax applications. This automation will free up staff currently engaged in the manual processing of day-to-day Council Tax changes and enable the redeployment or reduction of resources. Our target is to automate 70% of forms received. This target is below what is being achieved by other authorities who have reached between 80% - 90%.
- **Continuous improvement** During this review, the Root and Branch project team identified 307 improvements across all services and were able to deliver 73% of them through short- and long-term projects. The remaining improvements were able to be delivered outside of a formal project or without ongoing support from the project team. The improvements identified through this programme equated to approximately £214k in staff time savings.

APPENDIX 8

Anticipated Local Government Settlement for 2025-26

1. Following the Chancellor's Budget on 30th October we have some insights into the potential shape of the Provisional Settlement for 2025-26 but have not yet seen the detail. The indications are that the detailed Provisional Settlement will not be announced until the week before Christmas, now anticipated to be Thursday 19th December.
2. In the Chancellor's Budget it was identified that there will be a real terms increase in core local government spending power of around 3.2% in 2025/26, including at least £1.3 billion of new grant funding, of which at least £600 million will be new grant funding to support social care (i.e. this element will go to upper tier and unitaries); £700m funding within the £1.3billion will targeted funding intended to be a first steps towards a deprivation based funding approach with additional funding targeted to the places that need it most. It is anticipated that a majority of this targeted funding will go to upper tier and unitary councils. It is likely that when the Spending Review for 2026-27 to 2027-28 or 2028-29 is announced that there will be a shift in the local government funding model towards needs equalization which is not likely to be favourable to Surrey councils.
3. Within the £3.4billion additional spending power, as stated above £1.3billion is represented by additional grant and £2.1billion by additional council tax. So, more of the additional resources for local government allowed for by the Core Spending Power is coming from council tax increases than from central government grant. The Office for Budget Responsibility has estimated that the additional increase in council tax income will equate overall nationally to about a 5% increase for the sector.
4. We await to see whether the new Government will continue with New Homes Bonus grant for one more year. It is anticipated that the Core Spending Guarantee Grant will continue but with a lower percentage guarantee.
5. The Shared Prosperity Fund will continue for a further year and be worth £900 million, in advance of wider funding reforms. There will be an £86 million increase to the Disabled Facilities Grant in 2025/26.
6. The Government will provide £233 million of additional spending in 2025/26 to prevent homelessness. This suggests the Homelessness Prevention Grant continuing for another year.
7. Additionally, local authorities are expected to receive around £1.1 billion of new funding in 2025/26 through the implementation of the Extended Producer Responsibility scheme to improve recycling outcomes from

January 2025. Exceptionally for 2025/26 only, the Treasury will guarantee that if local authorities do not receive Extended Producer Responsibility income in line with the central estimate there will be an in-year top up, with the detail on this to be set out through the Local Government Finance Settlement (LGFS) process. We do not yet know the split between upper and lower tiers for this funding in two tier areas. This is likely to improve the Council's Budget position for 2025-26.

8. One of the key tax raising measures announced by the Chancellor was raising the Employers National Insurance contribution rate from 13.8% to 15% and halving the threshold from £10k to £5k. By the end of the current parliament the Government estimates this will raise nationally an extra £25 billion in tax revenue of which £5 billion will impact on public sector employers. The Government has stated that public sector employers will have additional funding to offset and MHCLG has confirmed that additional funding has been set aside to offset the impact for Local Government. The underlying increase in our employee costs for the measure is estimated at approximately £413k per annum. We await the provisional funding settlement details to see if we can confirm that additional cost has been fully offset.
9. As announced by the Chancellor prior to the Budget, funding through the affordable homes programme will be increased by £500 million in 2025/26, the Government is consulting on a five-year social housing rent settlement of CPI + 1%, Right to Buy discounts will be reduced and councils will be able to keep 100% of receipts. This does mean it might be appropriate to consider the option of re-opening a Housing Revenue Account and moving Knowle Green Estates assets back on to the Council's Balance Sheet.
10. With respect to Business Rates the Chancellor announced:
 - 40% business rates relief for retail, hospitality and leisure businesses, up to a total relief of £110,000 per business, in 2025/26;
 - freezing the small business multiplier in 2025/26, with a full CPI increase to the standard multiplier; and
 - an intention to introduce new, permanently lower multipliers for retail, hospitality and leisure properties with a rateable value under £500,000, funded by a new higher multiplier on all properties with a rateable value of £500,000 and above, which includes the majority of large distribution warehouses including those used by large online retailers.

APPEND 9 : Summary of Key Elements within the Local Government Financial Policy Statement published by Ministry of Housing Communities and Local Government on 28th November 2024

Element of the Settlement	Detail on proposals for 2025-26
Revenue Support Grant	<ul style="list-style-type: none"> • Increase in line with the consumer price index of inflation • There will be no 'negative Revenue Support Grant'
Council tax referendum principles	<ul style="list-style-type: none"> • A core council tax referendum limit for local authorities of up to 3%; • A council tax referendum principle of up to 3% or £5, whichever is higher, for shire district councils; • An adult social care precept of 2% for all local authorities responsible for adult social care services; • A council tax referendum principle of £14 for police authorities; • A council tax referendum principle of up to £5 will apply to fire and rescue authorities; • There are no council tax referendum principles for mayoral combined authorities or town and parish councils.
Council tax bills	<ul style="list-style-type: none"> • The government will require local authorities to adjust the presentation of the adult social care precept on council tax bills from 2025-26, so that they show a single line for the council tax increase set by social care authorities. • The government will also consider longer term options to improve council tax billing. This will include how to further strengthen the transparency of council tax bills and accompanying material, such as how revenue is spent, and whether to move to 12 monthly council tax billing from the current 10 months.
Local Council Tax Support schemes	<ul style="list-style-type: none"> • Centrally prescribed council tax reduction scheme for pensioners will be updated to reflect the annual uprating of benefits and other changes. • It is expected that the regulations will be laid before Parliament in mid-January 2025.
Business Rates Retention	<ul style="list-style-type: none"> • Local authorities will see an increase in the sum of baseline funding levels (BFLs) and compensation grant as if both business rates multipliers had increased by CPI between September 2023 and September 2024. • For 2025-2026, BFLs will increase to reflect the increase of the standard business rates multiplier to 55.5p, accounting for the fact that authorities have different shares of properties subject to the small and standard multipliers. We will also compensate local authorities for the freeze in the small business rates multiplier via an increase to the calculation of under-indexation compensation. • Continue all current enhanced business rates retention areas i.e. Cornwall Council, Greater Manchester Combined Authority Area, Greater London Authority, Liverpool City Region Combined Authority Area, West Midlands Combined Authority Area and West of England Combined Authority Area. • Proceed with business rates pooling where requested, a policy which has operated since 2013-14 providing local authorities the

	<p>option of joining together to pool their retained business rates income.</p> <ul style="list-style-type: none"> Continue with the revaluation adjustment for the 2025-26 Settlement, with the methodology and adjustments to tariffs and top-ups published alongside the provisional Settlement.
Existing social care grants	<ul style="list-style-type: none"> Increase the Social Care Grant by £680 million for adult and children's social care, including equalising for the adult social care precept. In 2025-26, local authorities will receive £2.6 billion (including discharge funding) to provide their minimum contribution to the Better Care Fund (BCF), alongside the £711 million Disabled Facilities Grant. Local authorities and NHS Integrated Care Boards will be asked to agree plans at Health and Wellbeing Board level for how best to use this funding to provide joined-up services for people with more complex health, social care and housing needs, helping them stay as independent as possible, preventing avoidable hospital and care home admissions, and ensuring timely and effective hospital discharge. Further details will be set out at the provisional Settlement and in the 2025-26 BCF Policy Framework. £1.05 billion will be allocated through the Market Sustainability and Improvement Fund (MSIF) to support local authorities to maintain key aspects of adult social care, such as fees, to support provider pressures.
Children's Services Prevention Grant	<ul style="list-style-type: none"> Introduce a Children's Social Care Prevention Grant worth £250 million to lay the groundwork for children's social care reform. This grant uses a new children's needs based formula
Recovery Grant	<ul style="list-style-type: none"> Introduce a Recovery Grant worth £600 million. This grant uses a simple formula based on deprivation, taxbase and population to lay the foundations for reform
Funding floor	<ul style="list-style-type: none"> No council will see a reduction in Core Spending Power in cash terms, after factoring in forecast council tax increases
New Homes Bonus	<ul style="list-style-type: none"> Bring forward one further round of New Homes Bonus payments, using the same methodology as in previous years
Repurposing grants	<ul style="list-style-type: none"> Repurposing the £110m Rural Services Delivery Grant and £87m Services Grant will enable us to deliver all of the above proposals
Funding simplification	<ul style="list-style-type: none"> Consolidate four MHCLG grants: <ul style="list-style-type: none"> Electoral Integrity Programme New Burdens (4.6 million); Transparency Code New Burdens (£3.6 million); Tenant Satisfaction Measures New Burdens (£3.9 million) rolled into Revenue Support Grant – maintaining existing distributions. Domestic Abuse Duty New Burdens (c.£160 million), consolidated as a new, separate line in the Settlement, maintaining its existing distribution. Consolidate DfE's Extended Rights Home to School Transport Grant (£54 million) into the Revenue Support Grant Consolidate 6 existing DfE Children's Social Care programmes (worth c.£415m) into a single 'Children and Families Grant
Exceptional Financial Support	<ul style="list-style-type: none"> Any council concerned about its financial position or its ability to set or maintain a balanced budget should make contact with

	<p>MHCLG. The government has a framework in place to support councils in the most difficult positions. As part of this, we will not seek to replicate conditions that made borrowing more expensive.</p> <ul style="list-style-type: none"> • Where a council in need of exceptional financial support views additional council tax increases as critical to maintaining their financial sustainability, the government will consider requests for bespoke referendum principles. Local proposals will be considered on a case-by-case basis. In considering any requests, the government will take account of councils' specific circumstances, for example their existing levels of council tax relative to the average, the potential impact on local taxpayers, and the strength of plans to protect vulnerable people.
Capital finance	<ul style="list-style-type: none"> • Extend the flexible use of capital receipts (FUCR) flexibility, which helps councils manage the costs of transformation, to 2030
Internal Drainage Boards	<ul style="list-style-type: none"> • In line with the previous two years, the government will provide £3 million in funding for authorities impacted by Internal Drainage Board levies. The allocations for this funding will be announced in due course.
NICs	<ul style="list-style-type: none"> • The government has committed to provide support for departments and other public sector employers for additional employer NICs costs. This applies to those directly employed by the public sector, including local government. We will provide more information on this at the provisional Settlement in December 2024.

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Corporate Policy & Resources Committee

9th December 2024

Title	<i>Reserves Strategy for Capital & Revenue for 2025-26 to 2028-29</i>
Purpose of the report	To make a recommendation to Policy and Resources Committee/Council
Report Author	Management Team (MAT) and Mahmud Rogers, Joint Financial Services Manager
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>n/a</i>
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1. Note the forecast Council Reserves balances for the four years ending 31 March 2029 2. Note a further report will come to Committee in February once the final budget has been finalised 3. Agree to repurpose £8.71m of earmarked Revenue Reserves to offset abortive project management costs on Council housing regeneration sites, that must be re-charged from Capital to the Revenue Budget 4. Repurpose the Green Belt fighting fund reserve (£900k) to become a Local Plan Resources funding reserve to be applied in 2025-26 and 2026-27 to help fund Strategic Planning 5. To apply a further £700k of Social Housing Initiatives Reserve in 2025-26 to offset Revenue pressures arising from Homelessness
Reason for Recommendation	<i>Effective and sustainable use of reserves is a key element of the Council's Medium Term Financial Strategy and ensuring the Council's continued financial sustainability</i>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> The use of Council’s Earmarked Revenue Reserves can only be authorised by Council. Reserves can be used to help mitigate impacts of future risks. In particular, Sinking Funds can mitigate the impact of future drops in investment assets income. The Council faces a key risk that it will need to write down to Revenue accumulated capitalised costs and capital losses to Revenue Budget from development proposals which are no longer progressing. As a result of the Council’s approved Development Delivery Strategy the Council over the next few years will realise a number of capital receipts from disposal of sites for housing and other development outcomes. For 2025-26, Council will be asked to approve a continuation for a further year of use of £700k of Social Housing Initiatives Reserve approved in 2024-25 to address homelessness costs in order for the Council to discharge its statutory duties 	<ul style="list-style-type: none"> As part of producing a balanced budget, the Council’s Earmarked Revenue Reserves, form an important part of the funding for the Council’s Service Delivery. The Sinking Funds modelling review has identified the need to put more into Sinking Funds reserves over time. As the Council undertakes its Development Delivery Strategy and enters Joint Ventures or disposes of sites, capitalised costs will need to be written off Use of reserves needs to be carefully managed, as it is important that sufficient funds are held in reserves for the periods when the support from those reserves will be required. Reserves can only be spent once. The biggest growth pressure identified in Committee Service Plans for the next two years relates to the resourcing of the likely early review of the Local Plan (if adopted) and planning related activity. Provision of temporary accommodation continues to be a significant pressure on the Revenue Budget.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Take a risk-based view of the Estimated Earmarked Revenue Reserves for the four years to 31 March 2028 (Appendix 1). This will be linked to the Review of Sinking Funds and to the risks the Council is facing with respect to potential write down to Revenue of capital losses and capitalised costs on 	<ul style="list-style-type: none"> The Committee reviews the Council’s projected Estimated Future Earmarked Revenue Reserves for the four years to 31 March 2029 and agrees an initial steer for application of Reserves as part of Balancing the 2025-26 Budget. However, this is to be subject to further review and amendment by the Committee at its

<p>housing/regeneration schemes, to Revenue Budget</p> <ul style="list-style-type: none"> • Review the notes on reserves in this report to develop councillors' understanding of the principles of reserves. • Seek to maintain the Council's Earmarked Revenue Reserves at a level that will ensure the Council has sufficient cash backed reserves to fund the Council's cash flow requirements. • Repurpose (paragraph 2.5) £8.7m of existing Reserves to act as funds available to offset capitalised costs to be written down to Revenue. • Build up more quickly the Sinking Funds balances by putting more into the Funds each year (paragraph 2.7). • To apply £700k of Social Housing Initiatives reserve to Revenue Budget to offset ongoing higher cost of addressing homelessness (paragraph 2.8). • To repurpose (paragraph 2.8) part of the Green Belt Fighting Reserve (£900k) to become a Local Plan Resourcing Reserve to be applied over 2025-26 and 2026-27 to help offset the Revenue Budget impact of resourcing Local Plan related activity. 	<p>February meeting, in light of the final proposals for the Revenue Budget.</p>
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- 1.1 The Council has relatively healthy balances of funds, accumulated over time, known as reserves, the majority of this relates to ring fenced (earmarked) for specific Revenue purposes in the future. The opening balance for these reserves is set out in Table 1. As the Council encounters greater challenges around its annual revenue budget setting and is directed to transfer abortive costs (£8.7m in 2025/26) currently allocated against former capital projects i.e. development proposals to revenue, it is proposed that the impact of this on the Revenue Budget is offset by drawing down reserves. The reserves shown in Appendix 1 are proposed to offset the £8.7m to ensure the annual

revenue budget for service provision is not significantly impacted and to enable a balanced Budget to be set.

- 1.2 It is anticipated there will be further costs that will be required to be transferred to the revenue budget, once it is clear original project proposals will not be progressed and/or sites are disposed of as set out in September 2023 Corporate Policy and Resources Committee report.
- 1.3 The Council has completed a major refresh of its sinking funds modelling. The sinking funds reserves are a key risk mitigation approach for the risks associated with the Council's investment assets. Having now completed that refresh this has highlighted a greater need for the Council to more rapidly build up the balances in the sinking funds to accommodate anticipated future peaks and troughs with spend and income associated with the investment portfolio. This greater investment into the sinking fund reserves will mean that over time the net contribution from the investment assets towards the Revenue Budget will fall from £10m per annum to £5m per annum. The net £5m of income will assist in meeting the cost of front-line services. The sinking fund contributions have been modelled on a complex series of asset-based assumptions over the next 50 years and can be found in more detail in 16th December 2024 Commercial Assets Sub-Committee report.
- 1.4 This reserves strategy builds on the sinking fund modelling and sets out how the Council's reserves are anticipated to be used and re-purposed over the period 2025-26 to 2028-29. Appendix 1 shows the combined effect of:
 - Drawing down £8.7m of reserves to offset cessation of capital projections
 - Putting more into Sinking Funds reserves
 - Limited application of reserves in 2025-26 and 2026-27 to offset specific pressures such as homelessness pressures and Planning resourcing
- 1.5 The Reserves Strategy also highlights the Capital Reserves and the intention to generate over the next few years more capital receipts from disposal of housing, regeneration and other sites.

2. Revenue Reserves

- 2.1 The Council maintains earmarked useable reserves to help mitigate impacts of future risks. As at 1st April 2024 they sat at £73.3m. **Table 1** sets out the current balances in useable reserves as at 30th September 2024.
- 2.2 The largest usable reserves are the Funds for acquired properties (Sinking Funds) at £35.8m (01/04/24), which the Council aims to utilise in line with a 50-year plan to cover necessary maintenance and strategic improvements in the property investment portfolio, and to offset dips in rental income when lease breaks are exercised or leases not renewed. In order to do this the Council will need to continue to make contributions into the Sinking Fund reserves. Other reserves cover specific purposes, such as National Non-Domestic Rates equalisation which is used to offset the inherent variability of

business rates income flowing through to the Revenue Budget, or match commitments relating to grants received.

- 2.3 As at the end of 2023-24, according to independent benchmarking by LG Improve, the Council had built up the second highest ratio (driven by the increase in Sinking Funds) of Usable Revenue Reserves to Net Revenue Budget of any district or borough councils in England.
- 2.4 This report is subject to the 2025-26 Budget process, which involves a review of budgets and approval by Committees, and Council in February 2025.

3. Revenue Reserves Strategy

- 3.1 The key elements of the Revenue Reserves element of the strategy are as follows:
- 3.2 **Mitigating risk of unexpected future events**, such as civil emergencies, pandemics, unexpected losses not covered by insurance – the Council's General Fund exists to help mitigate the impact of such risks. Over the last decade the Council has steadily increased the balance of this reserve from £0.75m to the current balance of £3.1m. The rationale for this increase has been to provide additional resilience in an increasingly turbulent and uncertain world.
- 3.3 **Equalisation reserves to address variable income streams** – examples of this are the Business Rates Equalisation Reserve (£9m) and the Interest Equalisation Reserve. The Strategy is to seek to continue to maintain an appropriate level of equalisation mechanisms.
- 3.4 **Reserves to deal with timing differences between the receipt of funds and the application of funds** – for example grants unapplied where the Council may receive grants in advance of meeting the criteria for applying those funds. The UK Shared Prosperity Reserve is an example of this.
- 3.5 **Reserves to supplement risk mitigation arrangements** – for example the Insurance fund reserve.
- 3.6 **Reserves to fund future anticipated spending requirements** – for example, setting aside of service charge income for Harper House and White House to build up funds which can be applied in future to assist in funding maintenance costs. Similarly, the Environmental Impact Reserve, Social Housing Initiatives Fund, and Green Belt Fighting Reserve represent funds which have been set aside or earmarked to address future specific spending requirements.
- 3.7 **Mitigating risk relating to investment and commercial activity** - from 2016 through to 2022-23 the Council steadily year after year set aside a slice of the rental income from its investment and regeneration assets to build up a "safety cushion", in the form of earmarked Sinking Funds reserves (balance at 1/4/24 £35.8m), against future potential adverse impacts on the Revenue Budget arising from dips in rental income when tenants break leases or do not renew

leases, and there is then a void period and a need to provide some form of initial rent free incentive. The Sinking Funds also assist in funding future refurbishment costs of the assets.

- 3.8 The Council's strategy is to regularly model and review the quantum of future potential risks arising from the investment assets and to ensure that the Council is setting aside sufficient funds from rental streams into those reserves to ensure that when future pressures arise there is sufficient provision to absorb the impacts of those pressures.
- 3.9 A key challenge for the Council is resolving financially viable outcomes representing value for money for council taxpayers by disposing of or entering into joint ventures on a number of sites the Council has been holding for housing and redevelopment projects. In October 2023 the Council stepped back from seeking to directly deliver and finance its own housing schemes. The Council has approved a Development and Delivery Strategy. There is a report on the agenda of this Committee providing an update on two of the sites within that strategy. As part of the disposal process there will be redundant capitalised costs which will need to be written off and charged from Capital (the Balance Sheet) to Revenue. It is proposed that some of the Reserves balances will be used to offset this impact. This has been flagged as a risk for several years, and we are now at a stage, that these costs need to be addressed.
- 3.10 In light of the externalities and challenges the Council faces it is proposed that the Reserves Strategy is revised to reflect the below:
- 3.11 There is a need to set aside more funds into the Sinking Funds
- (a) The Council is going to have to moderate its future spending aspirations and release some of the funds for future spending to instead be used to offset the impact on the Revenue Budget of absorbing write-off capitalised costs on housing/regeneration sites and capitalised losses.
 - (b) Maintain (at an appropriate level) ongoing general contingency funds
 - (c) Maintain (at an appropriate level) revenue equalisation mechanisms.
- 3.12 Following individual committees' reviews, each Committee budget must be approved by Corporate Policy & Resources Committee, who will also recommend for approval the below-the-line items, including sinking funds movements, interest and earnings budget and movements into and out of reserves, before the 2025-26 Budget is sent to Council for approval at their meeting on 21 February 2025.
- 3.13 Any changes to the budget between the Committees and ultimate Council approval on 21 February 2025 could have an impact on this Strategy and result in updates being issued.
- 3.14 For the closing balance on reserves at 31 March 2024, see **Table 1**.
- 3.15 This report presents a reserves strategy for Spelthorne Borough Council for the financial year 2025/26.

4. Key issues

- 4.1 The Council's Earmarked Revenue Reserves have been assigned by Council and can only be used for the purpose they were intended. For example, it is not possible to use the Sinking Fund Reserves to fund a staffing Full-Time-Equivalent (FTE) role within the Council. However, through the process of review and revision of the Reserves Strategy it is possible to repurpose the reasons reserves are held or to combine reserves.
- 4.2 Reserves are built up over time by setting aside funds to enable those funds to be applied in the future in line with the agreed purposes of those funds. This report is focused on cash backed reserves (which represent the net cash equity of the Council) and not on Accounting Reserves which represent financial movements yet to crystallise, such as the valuation reserve or to facilitate statutory accounting adjustments.
- 4.3 There are two overall categories of cash backed revenue reserves. Firstly, reserves set aside as a general safety net or contingency to protect the Council in event of unforeseen events such as natural emergencies. The General Fund (balance of £3.1m as at 31/3/24) is this form of reserve. The other category of reserves is Earmarked Reserves which are earmarked or reserved for specific purposes approved by Councillors.
- 4.4 A key risk facing the Council is the likelihood that there will be capital losses and capitalised costs on current housing and regeneration sites owned by the Council which will need over the next few years to be written down to Revenue. The accumulated total for capitalised costs at 31st March 2024 was £16.0m. Of this, approximately £8.71m of the costs relate to items which are now most clearly redundant costs, and which should be written off to Revenue. In order to partially offset this risk, it is recommended to repurpose a number of reserve funds totalling £8.71m to be applied to offset Revenue impact of charges to revenue. **Table 1** below summarises the proposals as to how £8.71m can be found across Reserves:

Table 1: Proposed breakdown of release of £8.71 million form Earmarked Revenue Reserves

Reserve	Amount to be released £	Remaining balance unused £	Category
Property Searches New Burdens Payment	86,284	0	Property Management
DCLG - Custom Build Grant Local Authority	90,000	0	Corporate Priorities/Investment
DCLG - New Burdens Funding for the Brownfield Register and PIP LA	26,263	0	Corporate Priorities/Investment
New Burdens - Tinklers Claims	7,058	0	Corporate Priorities/Investment
Handy Person Scheme	7,028	0	Corporate Priorities/Investment
Localising Council Tax Support New Burdens	116,608	0	Corporate Priorities/Investment
New Burdens - Single Fraud Investigation Service	4,721	0	Corporate Priorities/Investment

New Burdens - Real Time Information	177,232	0	Corporate Priorities/Investment
New Burdens - Implementation of the 2016 Benefit Cap changes	28,328	0	Corporate Priorities/Investment
Capital Fund	1,442,593	0	Corporate Priorities/Investment
Planned Projects Fund	1,434,043	0	Revenue Reserve For Capital Financing
Carry /Forward Reserve	225,561	0	Corporate Priorities/Investment
Social Housing Initiatives	1,015,950	31,000	Corporate Priorities/Investment
New schemes Fund: Revenue Projects	1,220,817	119,800	Risk
Business Rates Equalisation Reserves	2,827,514	6,456,690	Other Corporate Priorities
	8,710,000		

4.5 Appendix 1 sets out the impact on the reserves of drawing down £8.71m to be used to offset the impact of cessation of capital housing projects.

4.6 Appendix 1 also draws together the following:

- Drawing down £8.7m of reserves to offset cessation of capital projections
- Putting more into Sinking Funds reserves
- Limited application of reserves in 2025-26 and 2026-27 to offset specific pressures such as homelessness pressures and Planning resourcing

4.7 The appendix sets out anticipated movements into and out of these reserves in in 2025-26 through to 2028-29. Within the Earmarked Reserves roughly half of the balance (£35.8m) is represented by the Sinking Funds reserves. Sinking Funds provide future liquidity to protect the Council's Revenue Budget in the event of dips in the investment assets rental income streams arising as a result of, for example, tenants breaking leases or not renewing leases. Given the size of the Council's investment assets portfolio and the extent to which its Revenue Budget relies on support from this income stream, this is a key risk for the Council. For this reason, the Council has recently undertaken a fundamental review of the modelling underpinning the Sinking Funds to estimate over the next fifty years the likely need to apply those Reserves. See the report going to Commercial Assets Sub-Committee on 16th December. As part of that analysis, it has been identified that on annual basis the Council gradually needs to put more into the Sinking Funds each year which means the average contribution the Council had been receiving, which was £10m, will have to steadily reduce. This will add to the challenge of balancing the Revenue Budget over time. **Appendix 1** reflects these anticipated movements.

4.8 In 2025-26, initially £1.1m of growth bids relating to an early review of the Local Plan (if it gets back to Examination and is adopted) and planning appeal activity were brought forward. Whilst some of this is now being spread over 2 years; to help offset this pressure on the Revenue Budget it is proposed to repurpose the Green Belt Fighting Reserve (balance 1st April 2024 £900k) to become a reserve to fund Local Plan related activity.

Whilst pressures on the Housing and Homelessness Revenue Budget have been steadied as a result of the acquisition of 80 Temporary Accommodation units, to be managed by Knowle Green Estates, there is still a need to continue with the £900k growth built into 2024-25 Budget. Therefore, it is proposed to use a further £703,800 of the Social Housing Initiatives Reserve (Balance as at 1st April 2024 £1.72m) to continue offset these pressures in 2025-26. This will leave a closing balance of £1.016m on the Social Housing Initiatives Reserve.

4.9 **Table 2** below summarises the balances in Total Usable Reserves as at 1st April 2024

Table 2: Useable Revenue Reserves Balances

Reserve Summary	1st April 2024 £
Developer Contributions & Grants with stipulations	
Woodthorpe Rec & Fordbridge Park (set aside relating to Esso pipeline)	80,189
Contributions from Developers	11,107,441
All other Earmarked Reserves	
Revenue Grants Unapplied	5,926,332
Capital Fund	1,442,593
Insurance Reserve	50,041
Planned Spending Fund	4,498,734
Housing Initiatives	1,719,750
Business Rate Reserve	9,156,690
Sinking Funds (Funds for acquired properties)	35,038,347
Green Belt Fighting Fund	900,000
Harper House Reserves	72,341
Environmental Impact Reserve	154,176
White House Reserves	32,145
Youth Council	19,814
Unearmarked General Fund	
General Fund	3,082,903
Grand total all Useable Revenue Reserves	73,281,495

Appendix 1 highlights the proposed use of reserves from 2025-26 to 2028-29 and in the column "Abortive costs 2025/26" adds in the impact of drawing down £8.71m of reserves for offsetting cessation capital projects and shows projected closing revenue reserves balances for each of the years 2025-26 to 2028-29. This shows the total balance of revenue reserves is projected to fall to £54.30m at the end of 2025-26 and will be £58.28m at end of 2028-29

5. Capital Reserves

Strategy

- 5.1 **Capital Receipts** – the Council over the Outline Budget period will be looking to realise capital receipts from a number of disposals of assets across its housing and regenerate sites portfolio and small-scale disposals across the Municipal portfolio. For the housing/regeneration portfolio the strategy will be to seek to achieve best consideration and to seek to generate capital gains on some sites to offset capital losses on others. The Council will also receive a stream of capital receipts in the form of principal repayments from KGE.
- 5.2 Capital Expenditure as approved by the Council’s Capital Programme and in line with its Capital Strategy can be financed from a number of sources, including contributions from the Revenue Budget, Capital Grants, Capital Receipts from the sale and disposal of Capital Assets and borrowing (primarily from the Public Works Loan Board).

Capital Grants Unapplied	31st March 2024
Homes England - White House	664,460
Local Authority Housing Fund (LAHF)	384,000
Disabled Facilities Grant (DFG) management fees	457,059
	1,505,519

Capital Receipts	31st March 2024
Right To Buy - Share of proceeds (relating to A2D stock previously part of the Council’s stock)	710,174
Housing - Stanwell Overage Capital receipt	405,000
General Fund Capital Receipts	420,350
	1,535,524

- 5.3 Similar to Revenue Grants, Capital Grants can be received in advance of meeting the criteria for application and may therefore be set aside into Reserves. Equally whilst some capital receipts may be quickly applied following receipts, over time some receipts may be carried forward to be available to meet future capital financing requirements. Equally capital receipts can be applied to pay down outside capital borrowing. Currently the Council, due to the relatively low rates it fixed its PWLB borrowing in the period 2016 to 2018, can repay outstanding PWLB borrowing at significant

discounted rates. Therefore, as part of the Strategy, when the Council generates capital receipts it will always evaluate a range of options including applying capital receipts to pay down debt which has the benefit of reducing future debt interest payable by the Revenue Budget.

6. Options analysis and proposal

- 6.1 Option 1 (preferred) - agree to the above proposals.
- 6.2 Option 2 – amend and refine the options set out above.
- 6.3 Option 3 - do not agree to the proposals which would have significant implications for balancing the Budget in 2025-26 and over the Outline Budget period. Potentially this would mean that the Council could not meet its statutory obligations to set a balanced Revenue Budget.

7. Financial management comments

- 7.1 Addressed in the report above. Having an appropriate level of reserves in place to mitigate risks and adverse impacts on the Council's ability to sustain an ongoing balanced budget is a key financial benefit of reserves. For this reason, it is important that the Council's Reserves Strategy is reviewed on an annual basis and feeds into the Revenue Budget process.

8. Risk management comments

- 8.1 Addressed in the report above. As has been highlighted in the report above, a key purpose of setting aside reserves is to ensure that the Council has funds to mitigate risks. A key focus of the Strategy is focusing on mitigating the risks associated with the Investment Assets Portfolio.

9. Procurement comments

- 9.1 Not applicable

10. Legal comments

- 10.1 Section 151 Officer is responsible for advising the Council about the level of reserves.
- 10.2 Sections 31A and 42A of the Local Government Finance Act 1992 require the Council to have regard to the level of reserves needed for meeting estimated future expenditure when calculating their budget requirement.

11. Other considerations

- 11.1 None.

12. Equality and Diversity

12.1 Targeted use of reserves can help ease pressure on the Revenue Budget which would otherwise require additional discretionary services to be cut which could impact on more vulnerable client groups

13. Sustainability/Climate Change Implications

13.1 Some reserves such as the Green Initiatives Reserve can be used to help fund measures to mitigate climate change impacts.

14. Timetable for implementation

14.1 Any transfers in to or out of reserves take place are subject to approval by Councillors as part of the annual final accounts process

15. Contact

15.1 M.Rogers@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix 1 – Proposed use of Useable Revenue Reserves 2425 to 2829

Appendix 1 - Proposed use of reserves from 2024/25 to 2026/27 including contribution to cessation of suspended schemes

Reserve	Balance 31/3/24	Proposed	Actual	Proposed	Abortive costs	Proposed	Proposed	Proposed	Estimate Balance
	£	2024/25 £	2024/25 £	2025/26 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	£
Developer Contributions & Grants with stipulations									
S106 Reserve	-620,369								-620,369
CIL Admin Reserve	-275,007			0					-275,007
CIL Local Reserve	-1,604,393								-1,604,393
CIL Strategic	-7,154,106								-7,154,106
Green Initiative Fund	-579,481	46,300	22,000	193,900		49,900	49,900		-217,481
Local Plan Reserve	-45,800								-45,800
Planning DevelopAppeal Reserve	-35,800								-35,800
Cost of Living Reserve	-429,353								-429,353
Other developer contributions	-363,131								-363,131
Woodthorpe Rec&Fordbridge Park*	-80,189			0					-80,189
<i>subtotal</i>	<u>-11,187,630</u>	<u>46,300</u>	<u>22,000</u>	<u>193,900</u>	<u>0</u>	<u>49,900</u>	<u>49,900</u>	<u>0</u>	<u>-10,825,630</u>
Sinking Funds									
Sinking Fund contribution and use	-35,038,347	2,016,100	0	5,747,500		769,986	-1,456,914	2,349,378	-25,612,297
<i>Sinking Fund top up</i>	0					-1,000,000	-2,000,000	-3,000,000	-6,000,000
<i>subtotal</i>	<u>-35,038,347</u>	<u>2,016,100</u>	<u>0</u>	<u>5,747,500</u>	<u>0</u>	<u>-230,014</u>	<u>-3,456,914</u>	<u>-650,622</u>	<u>-31,612,297</u>
All other Earmarked Reserves									
Capital Fund	-1,442,593				1,442,593				0
Housing Initiatives	-1,719,750	703,800			1,015,950				0
New Schemes	-1,220,817				1,220,817				0
Interest Equalisation	-493,454								-493,454
Bridge Street	-24,640								-24,640
Building Control Reserve	-162,676	5,700							-156,976
Environmental Impact Reserve	-154,176								-154,176
Planned Projects Fund	-1,434,043				1,434,043				0
Planning PerformAgreemen	-285,904	96,700		96,700		56,000			-36,504
White House Reserves	-72,341								-72,341
Harper House Reserves	-32,145								-32,145
Green Belt Fighting Fund	-900,000	90,000	191,200	0		210,000			-408,800
BronzeField Reserve	-170,902		101,147	0					-69,755
Insurance Reserve	-50,041			0					-50,041
PDG Reserve	-50,000			50,000					0
C/Fwd Reserve	-256,561	31,000			225,561				0
NNDR Retention EcDev	-399,738	84,700	-46,000						-361,038
Business Rate Reserve	-9,156,690		1,200,000		2,827,514				-5,129,176
Youth Council	-19,814			0					-19,814
Transformation Reserve	0		-500,000						-500,000
Revenue Grants	-5,926,332	71,700	14,150	50,000	543,522				-5,246,960
<i>subtotal</i>	<u>-23,972,615</u>	<u>1,083,600</u>	<u>960,497</u>	<u>196,700</u>	<u>8,710,000</u>	<u>266,000</u>	<u>0</u>	<u>0</u>	<u>-12,755,819</u>
General Fund	-3,082,903								-3,082,903
Grand total all Useable Revenue Reserves	-73,281,495	3,146,000	982,497	6,138,100	8,710,000	85,886	-3,407,014	-650,622	-58,276,649
	0								

*the contribution towards cost of reinstatement works relating to impact of Esso have been placed in a reserve and is earmarked for that specific purpose

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Corporate Policy and Resources Committee

9th December 2024 then Full Council 12th December 2024

Title	<i>Replacement of Mechanical & Electrical Plant at Sunbury Leisure Centre</i>
Purpose of the report	To make a recommendation to Full Council
Report Author	Coralie Holman, Group Head Assets
Ward(s) Affected	All Wards
Exempt	Main Report and Appendix 2 – No Appendix 1 - yes
Exemption Reason	As to Appendix 1. The Appendices contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any contract or other type of negotiation with a prospective purchaser who could then know the position of the Council.
Corporate Priority	Community, Environment and Services
Recommendations	<p>Committee is asked to: Recommend to Full Council to:</p> <ol style="list-style-type: none"> 1) Approve a net budget of up to £739,000 to undertake improvement Mechanical and Electrical Plant replacement works at Sunbury Leisure Centre. 2) Approve a contingency budget in the amount that equals 10% of the total project cost (shown in Appendix 1) 3) Delegate authority to the Group Head of Assets in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee to agree requests for expenditure from the contingency budget. 4) Delegate authority to the Group Head of Assets in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee to appoint the preferred bidder as set out in this report to undertake the Mechanical and Electrical Plant works. 5) Delegate Authority to the Group Head of Corporate Governance to enter into necessary legal documentation to formalise the appointment of the contractor.

Reason for Recommendation	The replacement Mechanical and Electrical Plant works at Sunbury Leisure Centre, will not only enhance the operation of the facility but are also a contractual requirement under the Leisure Operator Contract between the Council and Places for People.

Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • The Mechanical and Electrical plant (MEP) at Sunbury Leisure Centre is over 25 years old and is considered obsolete • As part of the procurement for a new leisure centre operator the Council undertook to replace the aged MEP • Under the Leisure Operator Contract, the works must be completed by 30th September 2025 • The Council has undertaken a procurement exercise to appoint a contractor, but only 1 of the 4 invited contractors submitted a tender 	<ul style="list-style-type: none"> • If the works are not undertaken the Council will be in breach of the Leisure Operator Contract • If the aged equipment is not replaced it is at risk of failing and this could result in parts or all of Sunbury Leisure centre having to close for long periods of time
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> • Seek approval from Full Council for a net budget provision of £739,000 (allowing for additional funds received from a dilapidations settlement to also be used to meet the total cost of replacement) • Liaise with alternative suitable contractors listed on a framework contract to determine if a more competitive price can be achieved. • Once the framework contractors have been approached, identify a preferred contractor and 	<ul style="list-style-type: none"> • Identify a preferred bidder and enter into a contract for the works to be carried out • Works to commence in January 2025 to ensure completion by 30th September 2025, which is the deadline set in the Leisure Operator contract for completion

appoint them to undertake the works	
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1. Key issues

- 1.1 As part of the tender of the new Leisure Centre Operator contract, the Council undertook to complete certain improvement works at Sunbury Leisure Centre in respect of Mechanical and Electrical Plant (MEP) and the Building Fabric. The works were based on survey information dated 2021 and 2023 which formed part of the tender documents included with the procurement for a new Leisure operator. These works were not included within the March 2022 budget approvals sought for the construction of the new Eclipse Leisure Centre.
- 1.2 This report focuses on the MEP works, referred to above. The required works were determined based on a 2023 Mechanical & Electrical survey carried out by an external specialist consultant, Hoare Lee. The Hoare Lee report noted several key areas of plant that had come to the end of its economic life in terms of manufacturers recommended 'shelf life'. There are 3 main elements of MEP that need to be replaced, the Building Maintenance System, Air Handling Units and the main Electrical Power distribution.
- 1.3 The existing MEP at Sunbury is over 25 years old and consultants have advised cannot be replaced on a like for like basis, predominantly because the size, configuration and functionality of MEP equipment has significantly changed over the last 25 years.
- 1.4 The Council procured and instructed a specialist consultant, Calford Seadon to assist with the preparation of a bespoke MEP design, procurement of a contractor and project management of the physical works. The indicative programme shows commencement in January and complete in September 2025. The consultant provided a budget cost of £900,000 for the works, which was in addition to their own fee of 5% of the contract sum plus £1,750 for dealing with statutory Health & Safety matters to address Construction, Design and Management regulations.

2. Current position

- 2.1 The Council has secured a financial settlement from the previous Leisure operator to compensate the Council for technical breaches of lease, where it could be considered the operator did not fully meet their lease obligations in terms of repair and maintenance of both the building and MEP. (The details of this financial settlement must remain confidential as part of the settlement agreement, hence, are set out in a confidential Appendix, no.1.)
- 2.2 The financial settlement can be offset against the cost of the MEP replacement works hence the budget sought within this report, is referred to as a 'net budget', being the difference between the cost of the MEP replacement works and dilapidations settlement received. Any works relating

to the building fabric are minor and will be met from existing revenue planned maintenance budget provision.

- 2.3 Under the terms of the new Leisure operator contract (LOC) the MEP replacement work must be completed by 30th September 2025. If the work is not completed by this date, and the 'aged' equipment malfunctions or fails causing the new leisure operator to incur financial losses the Council will be exposed to a contractual claim. Due to the lead in times with ordering the new equipment a contractor must be appointed by Christmas 2024 to achieve the 30th September deadline. Appendix 2 sets out the works programme.
- 2.4 The works programme could not be completed until the LOC was finalised (30th September 2024). This resulted in a short tender period to allow for reporting timescales to present a report to CPRC and Council in December 2024. Whilst 4 contractors were invited to submit tenders, due to the complexity of the work and short tender period only one contractor submitted a tender price. This tender price (set out in Appendix 1) includes provisional budget sums and project management costs (including for Health and Safety management).
- 2.5 The Council has a contractual obligation to undertake this work and due to the anticipated contract value, the works had to be formally procured to comply with the Council's contract procedure rules. However as only a single tender price has been received, we are seeking a further quote for the work from a specialist procurement framework. This will provide a benchmark comparable price, subject to a second price being obtained in a timescale that allows a contractor to be appointed and works to commence in January 2025.
- 2.6 Early indications suggest there are several contractors on the framework who would be prepared to submit a tender price. Due to the limited timescales, we do not have sufficient time to carry out further procurement. The selected framework provides the ability to progress with a single lead contractor who is identified through pre-determined framework scoring, carried out by the external framework provider.
- 2.7 In order to appoint a contractor before Christmas and obtain budget approval, we are running tender evaluation in parallel with bringing a report to this Committee and Council. Hence at this stage we are only seeking agreement from this Committee to recommend to full Council a net budget is approved up to a maximum of £739,000, being the actual cost, the Council will need to fund once the dilapidations settlement is added, to finance the costs of the works.
- 2.8 The report also seeks approval that appointment of the preferred bidder is delegated to the Group Head of Assets in consultation with the Chair and Vice Chair of CPRC. If full Council agree this delegation, it will provide the additional time required prior to January 2025, to fully evaluate the single tender received, conclude discussions with the framework contractors in order to achieve a comparable price and reach a conclusion about the preferred bidder.

- 2.9 Conclusions will be based on assessment of all risks relating to tender assumptions. The single tender currently includes c.£300,000 of budget prices. This is where the contractor can't provide fixed, guaranteed prices for certain elements of the work and the risk of any price increases will have to be met by the Council. Therefore, full evaluation of the reasons for the budget pricing must be undertaken and then qualified and closed out where possible to provide as greater level of price certainty as possible.
- 2.10 Part of the tender evaluation includes ensuring all contractors (both from the open tender and framework) meet the required standards, with acceptable contract terms and performance. Therefore, conclusions about the preferred contractor will be based on price, including cost certainty i.e. the risk of price increase occurring from budget items within the overall contract sum. The appointed external project manager will provide guidance on the areas of the contract price that pose the greatest risk in respect of cost increase.
- 2.11 The tender prices do not provide for any project contingency. Through the project management and reporting which will include budget monitoring, should any unknown items arise which require any additional budget, this is likely to require an immediate decision. It is recommended that a budget contingency up to 10% of the gross contract sum (see appendix 1) be agreed, without the need for further referral to Full Council on the condition that all requests for expenditure from this contingency budget will be agreed by the Group Head of Assets in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee for transparency.

3. Options

- 3.1 Option 1 - **It is recommended** a) this Committee agree to approve a recommendation and full Council approve a net budget provision of £739,000, plus a further 10% contingency as needed to undertake the replacement MEP works set out within this report. This is a contractual obligation under the LOC contract between the Council and Places for People and b) the final decision to appoint a contractor to undertake the work be delegated to the Group Head of Assets in consultation with the Chair and Vice Chair of CPRC. This will follow discussions with framework contractors to determine if a more competitive price can be achieved for the works.
- 3.2 Option 2 – re-tender the works over a longer period to see if further interest from contractors and more competitive prices can be achieved. This is not recommended as it will result in the programme commencement being delayed and completion of the works extending beyond the 30th September 2025, which could result in Places for People claiming against the Council for losses.
- 3.3 Option 3 – Do not progress any of the MEP works at Sunbury Leisure Centre. This is not recommended as the Council would be in breach of its contractual obligations to Places for People and may find the aged plant at Sunbury Leisure Centre fails resulting in the swimming pool or other elements of the centre having to close. This is likely to result in a much greater claim for losses from Places for People than a delay would.

4. Next steps

- 4.1 Progress discussions with suitable framework contractors to determine if a more favourable price can be achieved for the work. Following conclusion of these discussions, select a preferred contractor based on contract pricing, then seek approval from the Group Head of Assets in consultation with the Chair and Vice Chair of CPRC to enter into a contract with the preferred bidder to undertake the works, commencing in January 2025.

5. Financial implications

- 5.1 A net budget of up to £739,000 from the Capital programme (set out in Appendix 1) is required for this work, whilst not all funds will be spent in the 2024/25 financial year, in year additional capital budget provision will be required. This level of budget request allows for use of the dilapidation's settlement referred to in section 2.1 of this report.
- 5.2 This spend forms part of the total Leisure Centre Programme cost referenced in the Capital Monitoring Q2 and the Eclipse Financing Report and will be part of the expenditure financed from the sources referenced in the Financing Report.
- 5.3 The requirement to carry out this work and the previous estimate of costs have been included within previous financial reports, specifically the Q1 Capital Monitoring Report (Appendix 2) which went to this Committee in July 2024. The estimated costs of works has increased from the financials included within the July report, based on the tender prices received being higher than the original project managers estimated budget.

6. Risk Management

- 6.1 If the contract is not awarded to the preferred bidder before Christmas 2024, this will impact on the works programme and is likely to result in works not being completed by 30th September and raises the possibility of Places for People making a claim for losses incurred, due to breach of contract.
- 6.2 The risk associated with the current leisure operator incurring Loss of profit and / or a breach of contract claim from the current leisure operator, is managed by co-ordinating the schedule of works with the current operator to minimise disruption, by carrying out the works outside the operating hours of the leisure centre where possible, by selecting the preferred contractor before Christmas 2024 and by carefully monitoring the works once these commence.
- 6.3 The services of a specialist project manager have been procured to manage the works on behalf of the Council due to the specialist technical nature and to provide close supervision and careful programming and monitoring to ensure there are no delays. The consultant costs are included within the budget request as shown in Appendix 1.
- 6.4 Service continuation/Sunbury LC closures – the existing MEP is approaching the end of its lifespan and in the event of a breakdown or failure there is a risk that the leisure centre will not be able to operate as repairs may not be a viable option. This risk is managed by the ongoing maintenance regime until the replacement works are completed.
- 6.5 Project Management - the project will be managed using the Council's project management methodology, which is broadly based around Prince 2 Project Management and quarterly updates will be provided to the Chair and Vice

Chair of CPRC. Project documentation includes a project Initiation document and programme. Once commenced further documents to include a project risk log, project progress, budget monitoring and other relevant matters will be produced and made available on the project dashboard.

7. Procurement comments

- 7.1 The contract was procured in line with the Council's contract procedure rules initially inviting 4 specialist contractors to submit tenders for the work. As has been set out in the report only one of the 4 companies submitted a tender.
- 7.2 Due to the submitted tenderer's price including certain assumptions (the detail of which has not been provided), resulting in provisional sums and exceeding the informed budget cost, further quotes will be sought from a specialist framework. The frameworks suppliers regional 'rates' for mechanical and electrical works will form the basis of any tender pricing.

8. Legal comments

- 8.1 The Council has a statutory duty to deliver best value under the Local Government Act 1999. The proposal to obtain a further quote for the MEP works to establish a benchmark cost is consistent with this duty.
- 8.2 Council's Contract Standing Orders (Part 4(e) of the Constitution) must be considered and complied with in the selection of the preferred contractor.
- 8.3 Legal Services (g.legal@spelthorne.gov.uk) will provide advice and assistance with the review and negotiation of the contract terms and conditions and any other associated documentation as necessary.
- 8.4 Sunbury Leisure Centre is held by the Council on a lease from Sunbury Manor School. Legal Services will liaise with the landlord in the event the lease requires the landlord's consent to the proposed works.
- 8.5 The Council has granted a sublease of Sunbury Leisure Centre to the current operator, Places for People Leisure Management Ltd; the sublease reserves suitable rights to carry out the proposed works which mitigates a risk of a claim from and / or the need to enter into a supplemental arrangement with the operator.

9. Other considerations

- 9.1 If the Council does not carry the works out then this could create reputational risk, from the potential of the Council being in breach of its contract with Places for People and also from failing equipment that cannot easily be repaired resulting in lengthy closures of some or all of Sunbury Leisure Centre.
- 9.2 The length of closures cannot be qualified as this will depend on the element of MEP that fails, the availability of suitable parts to undertake repairs. As outline earlier in the report, much of the equipment is considered obsolete as well as being dated, hence it is not anticipated sourcing parts to replace the aged equipment will be straightforward.

9.3 The progression of these works will need to be managed in parallel with works relating to the decarbonisation project e.g. installation of new PV panels and air source heat pumps.

10. Equality and Diversity

10.1 There are no direct implications

11 Sustainability/Climate Change Implications

11.1 As part of the procurement process, the selection criteria prescribe contractors to demonstrate processes which minimise the environmental impact of their services.

11.2 Additionally, replacing MEP installations at Sunbury Leisure Centre with energy-efficient technologies have many environmental benefits, including reduction in carbon footprint and greenhouse gas emissions.

11.3 Any Mechanical and Electrical Plant that is replaced will be recycled where possible, at the current time we do not have sufficient information to provide clarity on what elements can or can't be recycled. This information can be included in the quarterly project updates provided to CPRC.

12 Timetable for implementation

12.1 Immediately progress next steps, outlined above, if approved.

13 Contact

13.1 Coralie Holman Group Head Assets c.holman@spelthorne.gov.uk

Background papers: There are none.

**Appendices: Appendix 1 – 'Exempt' Financial Analysis of budget request
Appendix 2 – Works programme**

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Corporate Policy and Resources Committee



9th December 2024

Title	Appointment of an Independent Member of Commercial Assets Sub-Committee
Purpose of the report	To make a recommendation to Full Council
Report Author	Coralie Holman, Group Head Assets
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	Not applicable
Corporate Priority	All
Recommendations	<p>CPRC is asked to recommend to Full Council the appointment of:</p> <p>Mark Bunney as the independent member of the Commercial Assets Sub-Committee</p>
Reason for Recommendation	As part of the move to the new committee system structure and governance, the Council resolved to have an independent member of the Commercial Assets Sub-Committee.

1. Summary of the report

What is the situation	Why we want to do something
The terms of reference for the Commercial Assets Sub Committee included one independent member appointment	Formalise the independent member appointment and complete the Member selection for this committee.
This is what we want to do about it	These are the next steps
Confirm the appointment of the selected candidate	If Full Council approval is received on 12 th December 2024, issue all the relevant appointment paperwork, so the selected candidate is able to attend the CASC meetings and input into decision making.

- 1.1 The revised terms of reference for the Commercial Assets Sub-Committee (CASC) were approved by the Council on the 25th April 2024 and this reflected that there would be one independent member on that committee.
- 1.2 In order to affect the decision of the Council to appoint an independent member to CASC, the role was advertised and was subject to a recruitment process. There was only a single applicant, however following consultation with The Chair and Vice-Chair of CASC, it was agreed the applicant's experience was suitable and the applicant should be invited to an interview.
- 1.3 As a result of the recruitment process, this report is recommending Corporate Policy & Resources Committee (CPRC) support the appointment of the preferred candidate until the end of the 2026/27 Municipal year and asks Full Council to approve the appointment.

2. Current position - Recruitment Process

- 2.1 A recruitment pack was produced in consultation with the Chair and Vice-Chair of CASC. The pack included a person specification stating the skills, knowledge and can be found in Appendix 1.
- 2.2 The role was advertised on the Council's website, on all social media channels and with Resident's Associations.
- 2.3 As referred to in section 1.2 of this report, there was only a single application for the role. Following assessment of the application against the personal specification, this candidate was shortlisted for interview and the panel proceeded with a single interview.
- 2.4 The interviews were undertaken by the Chair and Vice Chair of CASC Committee and assisted by the Deputy Chief Executive (Terry Collier), and the Group Head Assets (Coralie Holman).
- 2.5 Through the interview process Mark Bunney demonstrated that he fully met all the requirements of the person specification and would bring appropriate expertise to the committee. The interview panel were unanimous in their decision on the recommendation to progress this appointment.

3. Options

- 3.1 Option 1 - **It is recommended** that Corporate Policy & Resources Committee approve a report to Full Council for the appointment of Mark Bunney as the independent member of Commercial Assets Sub Committee until the end of the 2026/27 Municipal year.
- 3.2 Mark Bunney is a Chartered Surveyor, who has worked within the property sector for over 35 years. He has experience of advising pension schemes, charities and property companies on complex property matters.
- 3.3 Option 2 – **It is not recommended** that Corporate Policy & Resources Committee do not approve the appointment, but instead seek to extend the recruitment process to seek other interest in the role.

4. Next steps

- 4.1 If the CPRC are supportive to recommend to Full Council the appointment of Mark Bunney, subject to Council agreement, Mark Bunney would with immediate effect be a member of that Committee following the Council meeting on 12th December 2024.

5. Financial implications

5.1 This role attracts the usual committee allowance of £2000pa

6. Risk Management

6.1 If the Council does not progress this appointment, next steps would be to advertise the post in property or similar trade journals, which may attract other applicants, but they may not meet the preferred option of someone who is based local to and as a result has knowledge of Spelthorne. In addition, further time and external costs of c. £4000 per trade journal advert are likely to be incurred.

7. Procurement comments

7.1 There are no direct procurement implications in respect of this appointment. The role has been openly advertised.

8. Legal comments

8.1 The proposed appointment will meet the following purposes of the Constitution as set out in Article 1 para 1.3:

Sub-para 5: enable decisions to be taken efficiently and effectively; and

Sub para 9: ensure that high standards of probity and ethics are evident in all aspects of the Council's decisions and activities.

8.2 The Terms of Reference for Commercial Assets Sub-Committee envisage that an independent member will be appointed.

9. Other considerations

9.1 To progress neither option would be in direct contravention of the April 2024 decision to appoint an independent Member to CASC, hence, to do nothing is not a viable option.

10. Equality and Diversity

10.1 There are no direct equality issues arising.

11 Sustainability/Climate Change Implications

11.1 The appointment will include electronic access to all reports, hence paper resources will not be needed

12 Timetable for implementation

12.1 Immediately progress next steps, outlined above, if approved.

13 Contact

13.1 Coralie Holman Group Head Assets c.holman@spelthorne.gov.uk

Background papers: There are none.

Appendices: Appendix 1 Recruitment Pack

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Recruitment Pack

Independent Member of Spelthorne Borough Council's Commercial Assets Sub Committee

August 2024

Contents

1. Advertisement
2. Personal Specification
3. Terms of Reference of the Audit Committee
4. Recruitment Process
5. Application Form

Advertisement

Vacancy for Independent Member of the Commercial Assets Sub Committee

The Council is looking for a local person, unaffiliated to the Council's political groups and with no connection with the Council, to sit on our Commercial Assets Committee (CASC). We are looking for a person with experience of working in an organisation at a senior level or have other experience which would give similar experiences. Ideally you will have Asset management experience (Tenancy management, investment, acquisition/disposal transactions of large multi-let commercial office premises).

CASC is a newly formed committee with effect from May 2024 and will provide challenge and assurance in respect of the Council's management of its commercial property investments. CASC is a non-decision-making committee, with the remit of assessing the risk and understanding the wider financial issues connected to the Council's investment portfolio to support the Council in ensuring that it is well managed and able to deliver its priorities.

The Sub-Committee focus on all aspects of the investment portfolio including approval of tenant lease events above a certain value threshold i.e. lettings, rent reviews and lease renewals. In addition, the committee will consider reports detailing performance of the assets against KPIs, and general property benchmarks. The committee will consider capital expenditure proposals and requests, in advance of these being taken to the Corporate Policy and Resources Committee and/or Full Council as appropriate to seek budget approval.

The Committee will meet monthly (usually on a Monday at 1.30pm). You will sit with elected councillors and bring an informed and independent perspective to the Committee. This is role which carries public responsibility.

You will be appointed up to the end of the 2027/2028 Municipal and this appointment may be renewed annually thereafter.

In order to be eligible to apply for the position, applicants must not be:

- Be a Councillor or officer of the Council or have been so in the preceding five years prior to appointment
- Be related to, or a close friend of, any Councillor or officer of Spelthorne Borough Council.
- Have been convicted of any offence.
- Be an undischarged bankrupt
- Have significant business dealings with the Council
- Have a formal connection with any political group

If you are interested in becoming an Independent Member of the Commercial Assets Sub Committee, please apply by completing the application form.

There is an annual allowance of £2000 for the role. You can also view an information pack about the role.

The closing date for applications is 5pm Wednesday 11th September 2024. Applications will be considered by the committee in mid-September and those short listed will then be contacted about the interview process and dates in late September.

For more information or an informal discussion, please contact Coralie Holman, Group Head of Assets on 01784 446243.

Personal Specification

Qualifications and Experience

You will be a person who has experience of working in a medium / large organisation at a senior level or other experience which would give similar benefits.

You are required to have experience dealing with decision making connected to the Asset Management of a Commercial Property Portfolio. This should include in-depth understanding of tenancy management (i.e. lettings, rent reviews lease renewals), investment transactions i.e. acquisition/disposal transactions of large multi-let commercial office premises.

Skills

You will have:

- an ability to understand complex property issues and the importance of accountability and probity in public life
- an ability to analyse and question written and verbal reports in respect of the strategic asset management of commercial property activities
- an understanding of the need to safeguard and maximise income whilst managing and reducing associated risk
- an ability to demonstrate integrity and discretion
- effective interpersonal skills
- be able to maintain strictest confidentiality of sensitive information

Knowledge

All members of the Commercial Assets Sub Committee should have, or should acquire as soon as possible after appointment:

- An understanding of the objectives and key activities of the Council and current major initiative and significant issues for the Council
- An understanding of the Council's structures and responsibilities, including key relationships with partners, businesses and organisations
- An understanding of the organisation's culture
- An understanding of any relevant legislation or other rules governing the organisation
- An understanding of corporate governance arrangements in place across the Council
- An understanding of the governance environment generally
- An understanding of risk management

Other

You must:

- Have local connections, and either reside in the Borough, carry out the main part of your work in the Borough or have other recognisable ties to the area.
- Agree to abide by the provisions of the Code of Conduct while serving on the Committee.

You must not:

- Be a councillor or officer of the Council or have been so in the preceding five years prior to appointment
- Be related to, or a close friend of, any councillor or officer of Spelthorne Borough Council.
- Have been convicted of any offence. The Council has the right to DBS check any independent committee members.
- Be an undischarged bankrupt
- Have significant business dealings with the Council
- Have a formal connection with any political group
- Have a proven history of vexatious and/or frivolous complaints against Spelthorne Borough Council
- Be the holder of a significant office in an organisation being grant aided/supported by Spelthorne Borough Council

Terms of Reference of the Commercial Assets Sub Committee (CASC)

COMMERCIAL ASSETS SUB-COMMITTEE

Objective

Within the overall policies and strategies set by the Council, to provide leadership, decision making and accountability for the management of the Council's Investment properties and commercial assets within the Council's regeneration programme.

Membership

A minimum of 4 Members reflecting political balance, with at least 1 member from each political party. An independent member will also be appointed.

Functions

1. Acquisitions relating directly to Regeneration purposes only (acquiring assets for alternative purposes is not covered via the Objectives of this Sub-Committee)

(a) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to possible new strategic property acquisitions for regeneration purposes only.

(b) Following (a) above, to give an initial steer on whether to investigate further those potential acquisitions.

(c) Following (b) above and any subsequent reports from officers, to make recommendations to the Corporate Policy & Resources Committee to proceed with acquisitions in accordance with relevant Council procedure rules.

2. Disposals

(a) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to the potential freehold (or long leasehold) disposal of investment assets and/or commercial assets within the regeneration programme.

(b) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to the potential joint venture initiative involving investments assets and/or commercial assets within the regeneration programme.

(c) Following (a) or (b) above to give an initial steer on whether to investigate further those potential disposals or joint venture initiatives.

(d) Following (c) above and any subsequent reports from officers, to make recommendations to the Corporate Policy & Resources Committee to proceed with the freehold (or long leasehold) disposal or joint venture initiative in accordance with the relevant Council procedure rules.

(e) To receive recommendations from officers and approve (or otherwise) any proposals for the granting of a new or reversionary lease at an aggregated rent over the term which exceeds officer delegation levels. Page 244 Part 3 section (b) Updated 25 April 2024

3. Management of Investment Assets and Commercial Assets within the Regeneration Programme

- (a) To approve leasehold disposals (lettings) in investment assets (where officer/member delegation financial limits are exceeded.)
- (b) To approve the change of use of investment assets including recommendations to the Corporate Policy and Resources Committee regarding alternative use or classification of the asset.
- (c) To receive monthly update reports on the management of the investment assets in accordance with the adopted Asset Management Strategy, including rental income, potential letting opportunities, pending break option and lease expiries over the next 12-month period, significant assignments and any other estate management issues based on officer recommendations.
- (d) To approve the exercise of a break option under the terms of lease of land or property where officer/member delegation financial limits are exceeded.
- (e) To approve or agree to the surrender of a lease of land or property where officer/member delegation financial limits are exceeded.
- (f) To approve new lettings where the rental income per annum (net of VAT) exceeds £100k.
- (g) To approve lease renewals where the rent in the first year of the new lease is less than 50% of the passing rent of the previous lease, or where the financial impact exceeds £250k.
- (h) To receive monthly arrears reports on each individual asset/tenant within the investment portfolio by rent quarters.
- (i) To be notified of any potential arrears and issues being faced by individual tenants (including taking decisions on tenant requests to change from quarterly to monthly payments or rent deferment requests) where the rental income exceeds £100,000pa and to be advised of steps being taken by officers to mitigate that risk.
- (j) To receive quarterly reports on the Investment Sinking Funds and to be notified of any change of adverse impact and mitigation measures which are being taken to address.
- (k) To receive notification of and authorize any non-budgeted capital expenditure or any capital expenditure over £50,000. on the investment portfolio.
- (l) To approve, the settlement of rent reviews, lease renewals or lease re-structuring negotiations in respect of the Investment assets where officer/member delegation financial limits are exceeded.
- (m) To review, advise on and approve formal reporting of the investment portfolio to CPRC and/or full council to include Asset Investment Strategies, Business Plans, Key Performance Indicators, Risk Registers, and half yearly update reports.
- (n) To agree the scope of the annual reporting on the Council's investment and regeneration portfolios with the Assets Team.

4. Frequency

Monthly day time meetings. Where meetings are not necessary for lack of business they will be cancelled.

Recruitment Process

- Application submission deadline 5pm Wednesday 11th September 2024
- Applications will be considered and a shortlist of candidates for interview will be produced.
- Interviews will take place. This will not involve any other tests or activities.
- Recommendation for appointments presented to the Corporate Policy & Resources Committee and then Full Council for decision

Application form

SPELTHORNE BOROUGH COUNCIL

APPLICATION FOR THE POST OF INDEPENDENT MEMBER

Personal Details

Name:

Address:

Home Telephone:

Work Telephone:

Mobile:

Email:

Please read the **Person Specification** before completing this form.

Are you currently, or have you been at any time in the past five years, a member of Spelthorne Borough Council or any other local authority?

Yes/No

If yes, please state which Council and give dates.

Are you a paid-up member of a political party?

Yes/No

If yes, please give details.

Are you currently, or have you been at any time in the past five years, employed by Spelthorne Borough Council or any other local authority?

Yes/No

If yes, please state which Council and give dates.

Are you the subject of a Bankruptcy Restrictions Order or Interim Order?

Yes/No

Do you have any convictions that remain unspent?

Yes/No

If yes, please enclose details.

Have you ever been convicted or disqualified for any corrupt electoral practices?

Yes/No

If yes, please enclose details.

Are you a relative or close friend of a Councillor or employee of Spelthorne Borough Council?

Yes/No

If yes, please give details.

QUALIFICATIONS AND WORK EXPERIENCE

Please provide brief details of any professional or academic qualifications, any work experience and/or any roles relevant to the role of an independent member?

SKILLS, KNOWLEDGE, ABILITIES AND PERSONAL QUALITIES

Please briefly explain how you feel you fulfil the role profile for this post.

Please give the names and addresses of two referees

1.

2.

I confirm that the information given in this application is correct.

Signed :

Date:

Please return this form to Coralie Holman, (c.holman@spelthorne.gov.uk) Group Head of Assets, Spelthorne Borough Council, Knowle Green, Staines-upon-Thames, TW18 1XB **by 5pm Wednesday 11th September 2024**

Corporate Policy and Resources Committee



9 December 2024

Title	<i>Safeguarding Children and Adults at Risk Policy 2024-2028</i>
Purpose of the report	To make a decision
Report Author	<i>Lisa Stonehouse Community Development Manager and Safeguarding Operational Lead</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1. Approve the Safeguarding Children and Adults at Risk Policy 2024-2028. 2. Delegate authority to the Strategic Safeguarding Lead in consultation with the Chair of the Community Wellbeing and Housing Committee to approve minor amendments and updates to the Policy.
Reason for Recommendation	<ol style="list-style-type: none"> 1. It is a statutory requirement for the Council to have a Safeguarding Policy. 2. Minor changes to procedures and personnel will inevitably occur and the policy will need updating to reflect this. Delegation of approval to the Chair and Strategic Safeguarding Lead for Safeguarding would expedite this process. 3. Any major changes or updates will require the Policy to be reconsidered by the Community Wellbeing and Housing Committee.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • It is a statutory requirement for the Council to have a Safeguarding Policy to safeguard children and adults at risk. 	<ul style="list-style-type: none"> • The current safeguarding policy requires updating in order to comply with statutory requirements.

This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> The new policy includes the updated information and procedures required to satisfy the statutory requirement to ensure that SBC safeguards children and adults at risk. 	<ul style="list-style-type: none"> If Committee recommend that this policy is approved, it will be communicated to all staff and Cllrs via the council’s communication channels. The procedures within the document will be implemented.

1.1 This report seeks approval of the new Safeguarding Children and Adults at Risk Policy. (Appendix A).

1.2 It also seeks a recommendation to delegate authority to the Chair and the Strategic Safeguarding Lead to approve subsequent minor amendments to the policy such as procedure changes and telephone numbers.

1.3 The Corporate Policy and Resources Committee considered this policy on 15 October 2024. A Councillor suggested some minor amendments to the Safeguarding Children and Young People section. The amendments are highlighted in yellow in the policy.

2. Key issues

2.1 The Surrey Safeguarding Children Partnership (SSCP) and the Surrey Adult Safeguarding Board (SSAB) have the statutory duty to lead safeguarding arrangements across the Surrey locality and oversee and coordinate the effectiveness of the safeguarding work of its member and partner agencies. Spelthorne Borough Council (SBC) is a partner agency of the SSCP and SSAB. SBC refers all safeguarding concerns to Surrey County Council (SCC) as they have the statutory responsibility for this in Surrey.

2.2 A robust Safeguarding Policy for both children and adults at risk is required to ensure that Spelthorne Borough Council complies with our statutory duty under section 11 of the Children Act 2004 and under the Care Act 2014.

2.3 The SBC Safeguarding Children and Adults at Risk Policy 2024-2028 has been written to update and replace the previous version and to satisfy the statutory requirement. It covers all aspects of safeguarding best practice as well as the national and local context upon which the policy is based. Upon approval it will be communicated to all staff and Cllrs via the council internal communication channels.

3. Options analysis and proposal

3.1 Option 1 is to approve the implementation of the new safeguarding strategy. The advantage of this is that the policy includes new information and procedures required to comply with the statutory safeguarding requirements. There are no disadvantages of this.

Option 2 is to make amendments to the draft policy attached to this report.

(The policy and procedures have been based on guidance from the Surrey Safeguarding Children's Partnership and Surrey Safeguarding Adult's Board. The policy has also gained approval from our Internal Safeguarding Strategic Board).

Option 3 is to not approve the implementation of the new safeguarding strategy. There are no advantages of this option. The disadvantage of this is that the existing policy does not include the new information and procedures required to comply with the statutory safeguarding requirements

4. Financial management comments

4.1 There are no significant financial implications in relation to the adoption of this strategy. SBC makes a partnership contribution of £1,416.00 per annum to the SSCP and £1055.00 per annum to the SSAB.

4.2 All staff undertake online safeguarding training and in house induction training. Frontline staff undertake additional external face to face training for which there is a charge of approximately £100 per delegate. In 2024 the cost of this will be approximately £3500. These members of staff will undertake training every 3 years. Councillors undertake basic induction training on election and will receive further training from the safeguarding operational lead within their term.

5. Risk management comments

5.1 There are significant risks associated with not having an up-to-date policy. There is a statutory duty to have sufficient safeguarding policies and procedures in place. SBC could potentially be found to be in breach of statutory duty or negligent if there was a safeguarding incident and correct procedures were not followed.

5.1 There are no risk implications arising from the Report as mentioned above a robust policy and procedures will help to reduce the risk.

6. Procurement comments

6.1 N/A .

7. Legal comments

7.1 There is a statutory requirement for the council to make arrangements for ensuring that its functions are discharged having regard to the need to safeguard and promote the welfare of children and adults at risk pursuant to the Children Act 2004 and the Care Act 2014.

8. Other considerations

8.1 N/A

9. Equality and Diversity

9.1 The Safeguarding Policy is relevant to the whole population. Residents may be more vulnerable to abuse due to their age, inability to protect themselves due to care and support needs or due to exploitation. This is outlined within the policy.

10. Sustainability/Climate Change Implications

10.1 The policy does not have an impact on sustainability/climate change issues.

11. Timetable for implementation

- 11.1 The policy will be implemented upon approval. The policy is a live document and minor changes will be made in accordance with 1.2. The policy will be updated in 2028.

12. Contact

- 12.1 Lisa Stonehouse (Community Development Manager and Safeguarding Operational Lead) L.Stonehouse@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A Safeguarding Children and Adults at Risk Policy



Appendix A (DRAFT)

Spelthorne Borough Council Safeguarding Policy and Procedures

A guide to safeguarding children and adults at risk

2024-2028

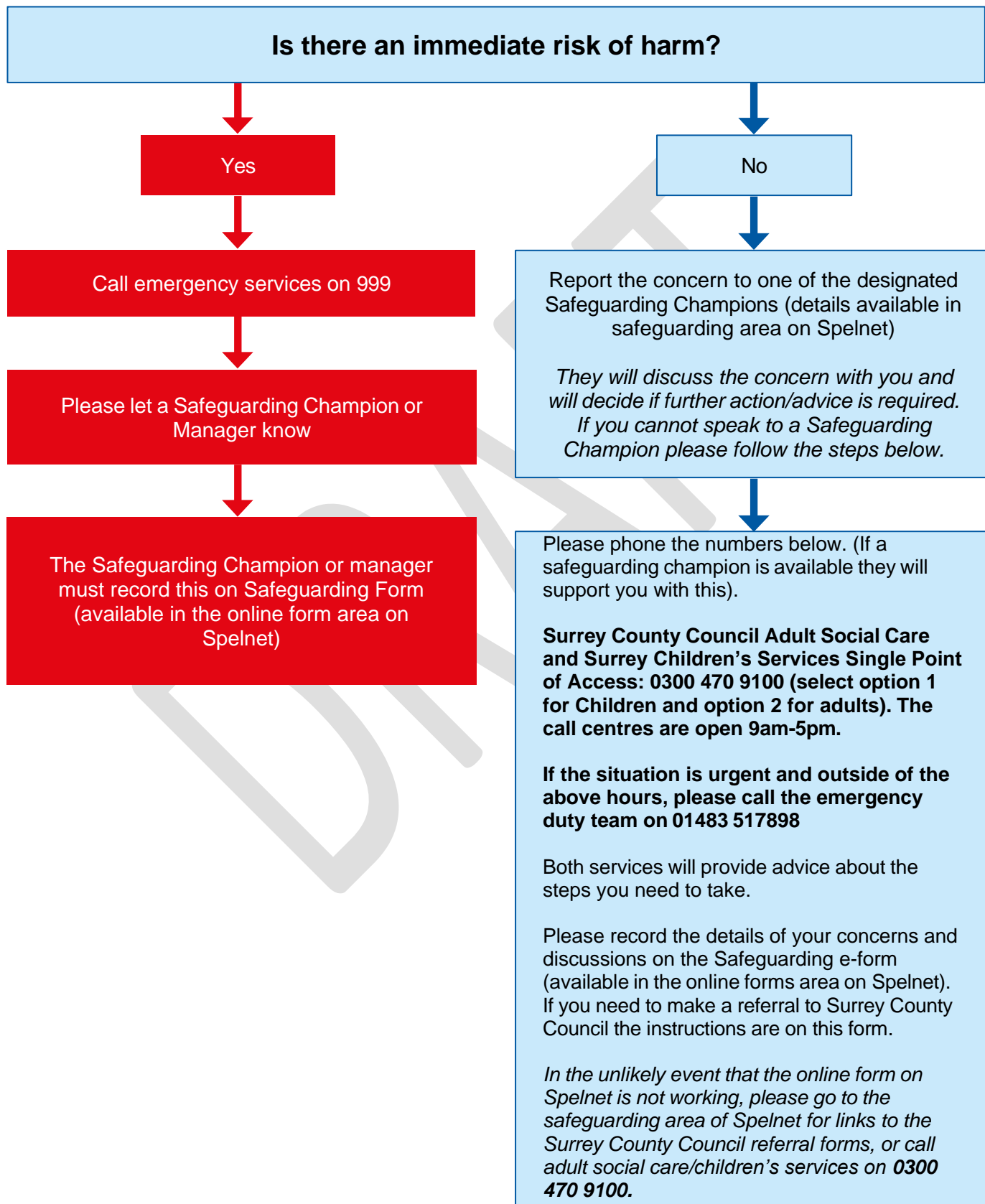
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Amendments / Changes	Date

How to report a safeguarding concern for a child or an adult



This could be a suspicion, an allegation, an observation or a disclosure of abuse or risk of abuse.



Safeguarding Key Roles

Name	Role	Team	Contact details
Terry Collier	Strategic Safeguarding Lead	Deputy Chief Executive	01784 446296
Lisa Stonehouse	Operational Safeguarding Lead	Leisure and Community Development	01784 446431
Deborah Dobson	Safeguarding Champion	Environmental Health	01784 448563
Lisa Dunton	Safeguarding Champion	Neighbourhood Services	01784 446412
Ken Emerson	Safeguarding Champion	Housing Options	01784 446382
Katy Frame	Safeguarding Champion	Human Resources	01784 444296
Nicki Gould	Safeguarding Champion	Independent Living	01784 448643
Janice Hutchinson	Safeguarding Champion	Independent Living	01784 243880
Will Jack	Safeguarding Champion	Community Safety	01784 448550
Hayley Littek	Safeguarding Champion	Family Support	
Herbie Mann	Safeguarding Champion	Housing Options	01784 448553
Victoria Mason	Safeguarding Champion	Independent Living	01784 446290
Sarah Morrison	Safeguarding Champion	Housing Options	01784 446479
Nicki Rentall	Safeguarding Champion	Independent Living	01784 446343

Introduction

Spelthorne Borough Council (SBC) believe the safety and well-being of children, young people and adults at risk of harm is of the utmost importance and that they have a fundamental and equal right to be protected from harm regardless of age, disability, gender reassignment, race, religion or belief, sex or sexual orientation.

This Safeguarding Policy applies to anyone who is undertaking duties on behalf of SBC, whether paid or unpaid eg management, officers, elected members, consultants, contractors, volunteers, students and those on work experience. The purpose of the policy is to protect and enhance the safety and well-being of all children, young people and adults at risk of harm by actively promoting awareness, good practice and sound procedures to:

- Protect children from maltreatment;
- Prevent impairment of children's health and development;
- Ensuring that children grow up in circumstances consistent with the provision of safe and effective care;
- Taking action to enable all children to have the best outcomes.
- Ensure that adults are able to live their lives free from abuse or neglect.
- Protect those with care and support needs who are experiencing, or at risk of abuse and neglect as a result of their care and support needs.

The Safeguarding of children and adults at risk are governed by Government legislation.

- In the case of children, the legislation is the Children Act 2004. The Act recognises that shared responsibility and the need for effective joint working between agencies and professionals with different roles and expertise are essential if children are to be protected from harm and their welfare promoted and safeguarded. The Surrey Safeguarding Children Partnership (SSCP) has the lead statutory responsibility for safeguarding arrangements, led by the local authority, the police and Integrated Care Boards (NHS), along with other statutory and non-statutory partners. SBC and all Surrey Borough and District Councils are partners. [Surrey Safeguarding Children Partnership](#)
- In the case of adults, the legislation is the Care Act 2014. The Safeguarding Adults Board (SSAB) has the lead statutory responsibility for enforcing this legislation in partnership with multi-agency statutory and non-statutory partners. They ensure that partners in Surrey are working effectively to safeguard adults at risk from abuse and neglect. As with the SSCP the partners include the police, the integrated Care Board (NHS) along with other statutory and non-statutory partners. SBC and all Surrey Borough and District Council's. SBC and all Surrey Borough and District Councils are partners. [Surrey Safeguarding Adults Board](#)

SBC work in accordance with guidance and good practice from the SSCP and SSAB.

The policy includes safeguarding information and procedures for reporting concerns. The first section of the policy refers to children and young people, the second section of the policy relates to adults at risk. The final section refers to information applicable to people of all ages.

Everyone has a duty to ensure that any suspected incident, allegation, or other occurrence relating to child protection or safeguarding adults at risk of harm is reported using the procedures in this policy. If in any doubt about what action to take, you must seek advice from the safeguarding leads or one of the named safeguarding champions named on page 4.

Anyone undertaking duties for the organisation will be made aware of this policy as part of their induction and contract of employment/their volunteer induction. They will have access to mandatory training and further training and update training depending on their role in the organisation.

DRAFT

Safeguarding Children and Young People

Introduction

Spelthorne Borough Council recognises its statutory responsibility for safeguarding. The safety, protection and well-being of all children and young people that it supports and interacts with is paramount and has priority. This includes responding immediately and appropriately where there is a suspicion that any young person under the age of 18 years old may be at risk of or experiencing harm or neglect. **This includes babies, pre-school children, school age children and young people up to the age of 18.**

In the context of the Children's Act 1989 a child means a person under the age of 18. In this policy any reference to a child or young person means anyone under the age of 18.

Spelthorne Borough Council encourages a culture of listening to and engaging in dialogue with children and young people, seeking their views in ways that are appropriate to their age, culture and understanding. We work in partnership with Surrey County Council's [User Voice and Participation Team](#) via the Borough and District Safeguarding Forum to consult with children and young people and support our corporate parenting obligations as outlined by the Surrey County Council Corporate Parenting Board and Strategy

This policy has been written based on legislation, policy and guidance that seeks to protect children in England including the Children's Act 2004 and Working Together to Safeguard Children (2023) which provides key statutory guidance to multi agency working to help protect and promote the welfare of children and young people.

These legislative sources are listed below for reference:

- [Children Act \(2004\)](#)
- [Working Together to Safeguard Children \(2023\)](#)

Working together to Safeguard Children 2023: statutory guidance states that: Nothing is more important than children's welfare. Every child deserves to grow up in a safe, stable, and loving home. Children who need help and protection deserve high quality and effective support. This requires individuals, agencies, and organisations to be clear about their own and each other's roles and responsibilities, and how they work together.

Behaviour Code for Working with Children Young People and Adults at Risk

Those representing the Borough in any capacity are responsible for ensuring that children/young people and adults at risk are protected and any issues of concern are reported. The Spelthorne Borough Council Behaviour Code for Working with Children/Young People and Adults at Risk is available on the [Spelnet Safeguarding Page](#) and forms part of the this Safeguarding Policy. Following this code provides guidance on the behaviour that is expected which will help us to protect children, young people, and adults at risk and will also help to reduce the possibility of unfounded allegations being made.

What is Child Abuse?

Child abuse happens when a person harms a child. This could be physical, sexual, emotional abuse or neglect.

Children may be abused by:

- family members
- friends
- people working or volunteering in organisational or community settings
- people they know
- strangers.

General signs of abuse*

Children experiencing abuse often experience more than one type of abuse over a period of time. Children who experience abuse may be afraid to tell anybody about the abuse. They may struggle with feelings of guilt, shame or confusion, particularly if the abuser is a parent, caregiver or other close family member or friend.

Many of the signs that a child is being abused are the same, regardless of the type of abuse. Anyone working with children or young people needs to be able to recognise the signs. These include a child:

- being afraid of particular places or making excuses to avoid particular people.
- knowing about or being involved in 'adult issues' which are inappropriate for their age or stage of development, for example alcohol, drugs and/or sexual behaviour.
- having angry outbursts or behaving aggressively towards others.
- becoming withdrawn or appearing anxious, clingy or depressed.
- self-harming or having thoughts about suicide.
- showing changes in eating habits or developing eating disorders.
- regularly experiencing nightmares or sleep problems.
- regularly wetting the bed or soiling their clothes.
- running away or regularly going missing from home or care.
- not receiving adequate medical attention after injuries.

These signs do not necessarily mean that a child is being abused. There may well be other reasons for changes in a child's behaviour such as a bereavement or relationship problems between parents or carers. **The list is in no particular order and may not be exhaustive.** If you have **any** concerns about a child's wellbeing, you should report them to a safeguarding lead or champion listed on page 4.

*With thanks to the NSPCC for this information.

Definitions of Harm – in Relation to Children & Young People

- **Neglect and acts of omission**

This is maltreatment through the often persistent, repeated omission of appropriate physical, emotional, medical care or other support needs. Eg food clothing, shelter, hygiene needs, not getting the nurture or stimulation they need, or isolating them and not ensuring that they are cared for/have appropriate medical care when sick. Leaving a child alone in circumstances that are inappropriate for their age and or ability is also neglect. Neglect and acts of omission could lead to serious impairment of a child's health and development.

Surrey Neglect Screening Tool

Surrey Safeguarding Children's Partnership provide a Neglect Screening Tool which all staff can use to support safeguarding referrals where neglect is suspected. The purpose of it is to help staff to focus in on specific neglect concerns and articulate these clearly to the Children's Single Point of Access (C-SPA) where necessary. Staff who work closely with children and families (eg The Family Support Team) should use the more in-depth Graded Care Profile 2 (GCP2) which they are licensed to use upon completion of the GCP2 training.

- **Emotional abuse**

This is persistent, emotional ill treatment that has a severe adverse effect on the emotional development of children and young people. It may involve conveying to them that they are not wanted, not loved or worthless, or deliberately trying to humiliate, isolate or intimidate them. It may involve inappropriate expectations and responsibilities being placed on the young person leaving them frightened and unable to cope. It may also involve threatening, exploitation or corruption of children and young people. Face to face and cyberbullying via social network sites, gaming sites or chat rooms are also examples of emotional abuse.

- **Physical abuse**

This may include hitting, kicking, shaking, slapping, throwing, scalding, burning, poisoning, drowning, suffocating, or other action intended to cause physical harm or ill health to the child or young person. Physical harm may also be caused when a parent or carer covers up the symptoms of or fabricates or induces illness by deliberately causing ill health to a child or young person within their care. **This could also include the false administration of drugs.**

- **Child Sexual Abuse and Sexual Exploitation**

Child Sexual Abuse is when a child or young person is forced or persuaded to take part in sexual activities. This may involve physical contact or non-contact activities and can happen online or offline. Children and young people may not always understand that they are being sexually abused. Contact abuse may include sexual acts include penetrative and non-penetrative acts such as touching or stroking. Non-contact abuse may include things such as flashing at a child, encouraging or forcing a child to watch or hear sexual acts, or persuading a child to make view or distribute child abuse images such as performing sexual acts over the internet and other sexually inappropriate ways. There have been some high-profile cases of child sexual exploitation whereby young teenagers believe they are in relationships but are being groomed with gifts or the attraction of being associated with people with money/flash cars etc.

The Sexual Offences Act 2003 defines 'consent' as 'if he agrees by choice and has the capacity to make that choice'. The Act, removes the element of consent for many sexual offences for:

- Children/young people under 16
- Children/ young people under 18 having sexual relations with a person of trust (for example: teachers, youth workers, foster carers, police officers).
- Children / young people under 18 involved with family members over 18.
- Persons with a mental disorder impeding choice or who are induced, threatened or deceived.
- Persons with a mental disorder who have sexual relations with care workers.
- In relation to young people under the age of 13, consent is irrelevant. The law says, 'a child under the age of 13 does not, under any circumstances, have the legal capacity to consent to any form of sexual activity'. The Police must be informed immediately of any sexual activity involving a child under 13 years of age.

- **Witnessing ill treatment of others**

Witnessing domestic abuse is known to have a big impact on the health or development of a child or young person.

- **Modern Slavery/Exploitation**

This can include things like child trafficking and forced labour, such as enforced domestic service. Children and young people are also exploited by 'county lines' gangs who target vulnerable young people. County lines is a form of criminal exploitation where urban gangs persuade, coerce or force young people to store drugs, money or transport them to suburban areas. These vulnerable young people are also at risk of being abused in other ways.

- **Honour Based Violence and Female Genital Mutilation**

Honour based violence can take many forms but most commonly a girl or woman is abused or disowned by her family because they are believed to have brought dishonour or shame on the family. Men and boys can be victims too. Female Genital Mutilation (FGM) is when a female's genitals are deliberately altered or removed for non-medical reasons. Females may be sent abroad for this procedure.

- **Discrimination**

This Includes abuse or slurs etc because of race, gender, gender identity, age, disability, sexual orientation or religion.

- **Hate Crime and Mate Crime**

Hate crime is a crime motivated by hostility or prejudice towards any aspect of a person's identity. Mate crime is when a 'friendship' becomes bullying.

How to Reacting to a Suspicion, Allegation or Disclosure.

A suspicion, allegation or disclosure may come about in a variety of ways.

- Never ignore your concerns no matter how small you think it is.
- Your information could be an important piece of the jigsaw and may help to build a full picture when added to information from other people.
- Do not try and investigate the matter yourself. Surrey County Council are the specialists and have the statutory responsibility to do this.
- Listen carefully to the person rather than asking leading questions.
- Never promise any particular action or to keep things secret. Make it clear that you must report it.
- It is normal for a person making a disclosure to be upset and nervous. Allow them time to speak or to be silent whilst they gain the courage to speak.
- Try to relate to the age, understanding or special needs of the person.
- Write down carefully the information you have been given as soon as possible and only include what you have been told.

Please discuss your concerns with a safeguarding lead/champion immediately. The safeguarding lead/champions are responsible for supporting officers to decide what action is required and whether a request for support needs to be made. In the unlikely event that a safeguarding lead/champion is not available the officer must follow the procedure on page 3 (also detailed below) and let the safeguarding lead/champion know what has been done as soon as possible.

Reporting Procedures – Children and Young People

It is vital to take every action which is needed to safeguard the child, children and young person(s).

- In an emergency please call 999.
- If an officer or safeguarding champion is unclear as to what action needs to be taken, the Surrey Children's Services Single Point of Access (C-SPA) Child Protection Consultation Line team will ensure that they are directed to the most appropriate service that can meet the child and family's needs. The consultation line is open 9am -5pm Monday- Friday to all professionals who work with families. 0300 470 9100 (option 1 for children's services then follow the next options) The emergency duty team is available outside of these hours and at weekends on 01483 517898.
- **Once you know if a referral to Surrey Children's Services Single Point of Access (C-SPA) is required/not required, please complete the Safeguarding e form (in the e form area of Spelnet). The form will ask you to document discussions you have had with Safeguarding Champions/Leads or Surrey County Council on the above form. If a referral to Surrey Children's Services (C-SPA) required, there is a link from the e form.**
- In the unlikely event that the online form on Spelnet is not working, please go to the safeguarding area of Spelnet for links to the Surrey County Council referral forms, or call adults social care or children's services on 0300 470 9100.

- Page 1 of this document explains what happens when we refer to CSPA and the services that work together to keep children safe. [`Rethinking the front door' Our revised model, personalised and tailored to meet the needs of children and families in Surrey](#)

Local Authority Designated Officer (LADO)

If there is an allegation against anyone who works or volunteers with children in Surrey, this must be reported immediately to the Local Authority Designated Officer (LADO) who will assist. Please contact one of the Safeguarding Leads, your manager or Human Resources and they will contact them on 0300 123 1650. Email: LADO@surreycc.gov.uk The LADO team also have a referral form. [LADO-referral-form](#)

Communicating with Parents/Carers

While, in general, we should seek to discuss any concerns with the family and, where possible, seek their agreement to make referrals to Surrey Children's Services there will be some circumstances where we should not seek consent e.g. where to do so would:

- Place a child at increased risk of significant harm
- Place an adult at risk of serious harm;
- Prejudice the prevention or detection of a serious crime;
- Lead to unjustified delay in making enquiries about allegations of significant harm.

If you have concerns about the above, please seek advice from the Surrey County Council Children's Single Point of Access Team (C-SPA) as referenced above.

Referring Families for Appropriate Early Support

Some families will benefit from early support to prevent a situation deteriorating and requiring social care involvement. Most families will be able to access opportunities in the community to support them and the needs of their children, some will need extra help to achieve this. This may be because they have additional needs or because of family circumstances or adversity or events outside their control.

Some families may find advice and signposting helpful, others will need goals-based help, or may have multiple or needs that require different practitioners to work in partnership together, with the family at the centre.

To ensure that families are helped early in Surrey, [The `Continuum of Support'](#) and the Social Work practice model `Family Safeguarding' are used as a guide. The Family Safeguarding model is a partnership approach to working with families. The principles of this model are rooted in understanding family needs, working on the families strengths and supporting more families to create sustained change.

The Continuum of Support

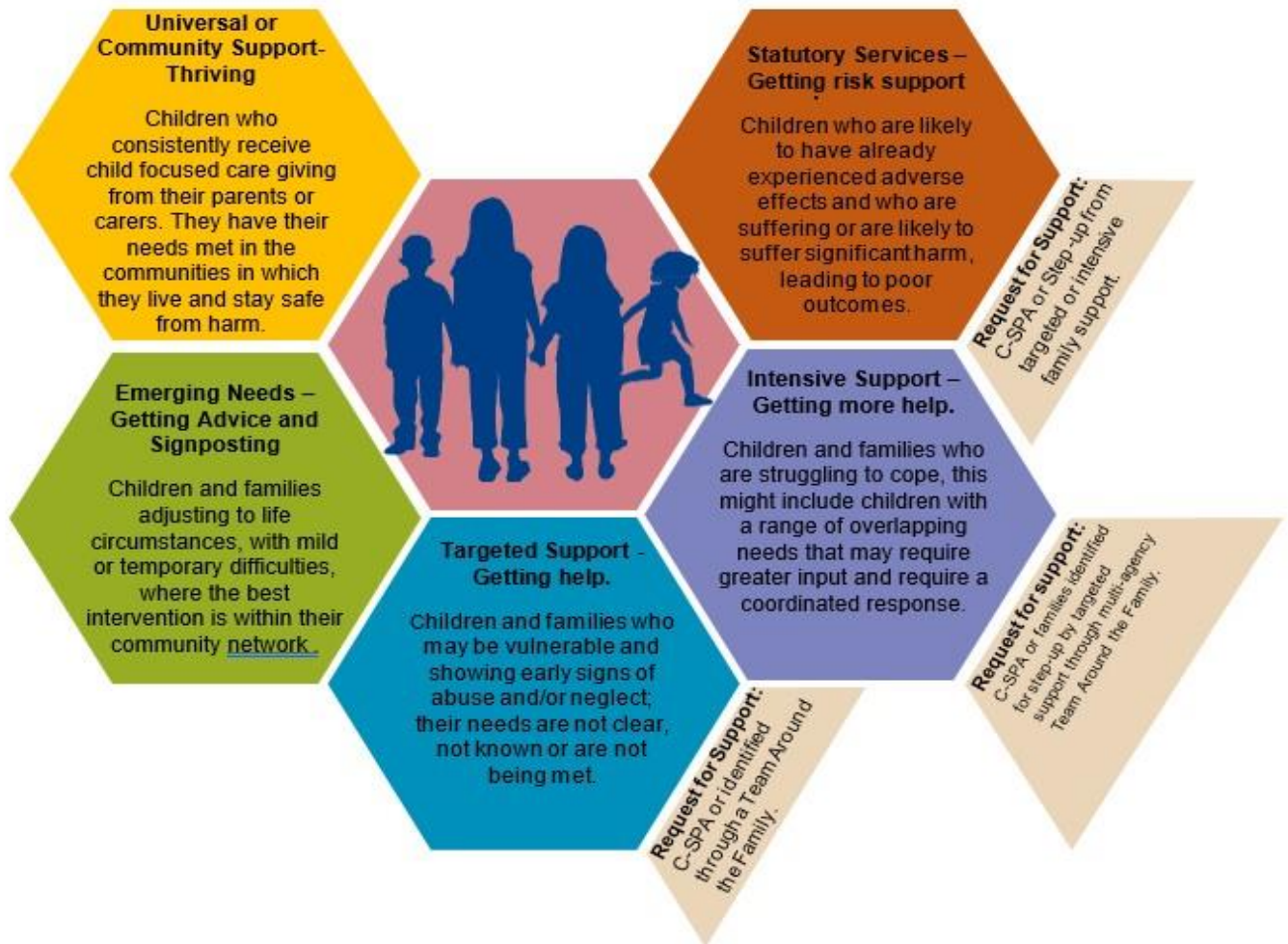
There are five types of support which are outlined below:

- Universal and community
- Emerging Needs
- Targeted Support
- Intensive Support

- Statutory Services

The Continuum of support indicators identifies which area of support a child/family may require for every aspect of their life. To ensure that families are referred for the appropriate support, training on the 'Continuum of Support' model and the indicators will be provided to Safeguarding Leads, Champions and frequent referrers eg Family Support, Housing and Environmental Health Teams.

A diagram of the five continuum of support indicators is below:



When discussing families with Surrey County Council Consultation line or when completing a request for support form, it is important to state where the child and family are on the 'Continuum of Support' by using indicators mentioned above. This will assist the consultation line or team receiving the request to provide advice and guidance about the appropriate support for the family and the next steps. The way in which Surrey County Council deal with Requests for Support and make decisions is outlined here ['Rethinking the front door' Our revised model, personalised and tailored to meet the needs of children and families in Surrey](#) If you know that there is more than one service working alongside a child and family, please mention this as a Team Around the Family (TAF) may be needed with other practitioners coming together to offer the most appropriate support and best outcomes for the child and family.

The practitioner most appropriate to co-ordinate the response should be someone who knows the family well and works closely with them. This practitioner will act as the child champion and be a

central point of contact for the family. They ensure the family is listened to, supported and kept informed. They will support the wider family and professional network in implementing the family plan. SBC officers (with the exception of the Family Support Team) generally don't know families well enough to be the lead practitioner. If you feel that a family will benefit from a TAF, please contact the children's safeguarding team (details on p3) or indicate this on the request for support form as they will support the process of identifying a lead professional.

DRAFT

Safeguarding Adults at Risk of Harm

Spelthorne Borough Council (SBC) recognises its statutory responsibility for safeguarding the safety, protection and well-being of all adults. Adult safeguarding work is about protecting adults with care and support needs from abuse and neglect, and about responding well when adults with care and support needs are experiencing or are at risk of abuse or neglect.

When making an adult safeguarding referral, there needs to be a reasonable cause for concern that the person you are referring;

- Has care and support needs; **and**
- Is experiencing, or at risk of, abuse or neglect

Who is an adult with care and support needs?

An adult is someone who is 18 years old or more.

The term 'needs for care and support' is not precisely defined within legislation or statutory guidance. Defining a need for care and support considers both the nature of care and support and the circumstances in which an adult may need care and support.

An adult with care and support needs may be:

- an older person
- a person with a physical disability, a learning difficulty or a sensory impairment
- someone with mental health needs, including dementia or a personality disorder
- a person with a long-term health condition
- someone who misuses substances or alcohol to the extent that it affects their ability to manage day-to-day living.

Consideration of this need for care and support must be person-centred (for example, not all older people will need care and support but those who are 'frail due to ill health, physical disability or cognitive impairment' may be).

Surrey County Council (SCC) undertake an adult safeguarding enquiry if it has reasonable cause to suspect that an adult with care and support needs in Surrey is experiencing, or is at risk of, abuse or neglect, and they are not able to protect themselves from the abuse or neglect because of their care and support needs.

SBC is committed to;

- Stopping abuse or neglect wherever possible
- Safeguarding adults in a way that supports them in making choices and having control about how they want to live
- Promoting an approach that concentrates on improving life for the adults concerned
- Raising public awareness so that communities, alongside professionals, play their part in prevention.
- Identifying and responding to abuse and neglect.
- Providing information and support in accessible ways to help people understand the different types of abuse, how to stay safe and what to do to raise a concern about the safety or well-being of an adult
- Addressing what has caused the abuse or neglect

[The Care Act 2014](#) sets out the duties and powers in law around adult safeguarding issues. In Surrey the Safeguarding Adults Boards (SSAB) have the strategic lead and will respond to adult safeguarding concerns.

The [SSAB Policy and Procedures](#) provides information for all partners involved in safeguarding adults across Surrey.

Definitions of harm abuse / neglect in relation to adults

Definitions of harm abuse and neglect in relation to an adult as set out in the Care Act 2014 are as follows:

Physical

This includes hitting, slapping, pushing, kicking and misuse of medication, it can also include inappropriate sanctions.

Sexual

This includes rape, indecent exposure, sexual harassment, inappropriate looking or touching, sexual teasing or innuendo, sexual photography, subjection to pornography or witnessing sexual acts, indecent exposure and sexual assault or sexual acts to which the person has not consented or was pressured into consenting.

Financial or material

This includes theft, fraud, internet scamming and coercion in relation to an adult's financial affairs or arrangements, including in connection with wills, property, inheritance or financial transactions. It can also include the misuse or misappropriation of property, possessions or benefits.

Neglect and Acts of Omission

This includes ignoring medical or physical care needs and failing to provide access to appropriate health, social care or educational services. It also includes the withdrawing of the necessities of life, including medication, adequate nutrition and heating.

Emotional or Psychological

This includes threats of harm or abandonment, deprivation of contact, humiliation, blaming, controlling, intimidation, coercion, harassment, verbal abuse, isolation or withdrawal from services or supportive networks.

Modern slavery

This encompasses slavery, human trafficking, forced labour and domestic servitude. There have been some high-profile news stories about human trafficking and forced labour.

Domestic Abuse

This includes psychological, physical, sexual, financial, emotional abuse perpetrated by anyone within a person's family. It also includes so called 'honour' based violence.

Discriminatory

Discrimination is abuse that focusses on a difference or perceived difference in relation to any of the protected characteristic of the Equality Act such as race, gender, disability etc.

Organisational

This includes neglect and poor care practice within an institution or specific care setting eg a hospital, care home or community centre, or in relation to care provided in one's own home. Organisational abuse can range from one off incidents to on-going ill-treatment. It can also be through neglect or poor professional practice as a result of the structure, policies, processes and practices within an organisation.

Self-neglect

This covers a wide range of behaviour, but it can be broadly defined as neglecting to care for one's personal hygiene, health or surroundings. An example of self-neglect is behaviour such as hoarding.

Additional Types of harm relevant to safeguarding adults but not currently included in the Care Act.

Cyber Bullying

This occurs when someone repeatedly makes fun of another person online via emails, texts or online forums. It can also involve using online forums with the intention of harming, damaging, humiliating or isolating another person. It may include bullying related to a protected characteristic under the Equality Act.

Forced Marriage

This is a term used to describe a marriage in which one or both of the parties are married without their consent or against their will. Forced Marriage is a criminal offence. It differs from an arranged marriage in which both parties consent to the assistance of a third party in identifying a spouse.

Mate Crime

This is when vulnerable people are befriended by members of the community who go on to exploit and take advantage of them. A mate crime is carried out by someone the adult knows and it often happens in private. There have been number of Serious Case Reviews relating to people with learning disability who were seriously harmed or even murdered by people who purported to their friend.

Radicalisation

The aim of radicalisation is to inspire new recruits, embed extreme views and persuade vulnerable individuals to the legitimacy of a cause. This may happen through a relationship or through social media. People may be radicalised prior to committing acts of terrorism. The 'Prevent' agenda is a UK wide strategy that aims to stop people becoming terrorists or supporting terrorism. Further information on Prevent is on page 28.

A suspicion, allegation or disclosure or abuse may come about in a variety of ways

- Never ignore your concerns no matter how small you think it is.
- Your information could be an important piece of the jigsaw and may help to build a full picture when added to information from other people.
- Do not try and investigate the matter yourself. Surrey County Council are the specialists and have the statutory responsibility to do this.
- Listen carefully to the person rather than asking leading questions.
- Never promise any particular action or to keep things secret. Make it clear that you must report it.
- It is normal for a person making a disclosure to be upset and nervous. Allow them time to speak or to be silent whilst they gain the courage to speak.
- Try to relate to the understanding or special needs of the person.
- Write down carefully the information you have been given as soon as possible and within 24 hours and only include what you have been told.

Please discuss your concerns with a safeguarding lead/champion immediately. The safeguarding lead/champion is responsible for supporting the officers to decide what action is required and referral needs to be made. In the unlikely event that a safeguarding lead/champion is not available the officer must follow the procedure on page 3 (also detailed below) and let the safeguarding lead/champion know what has been done as soon as possible.

Reporting Procedures – Adults at risk of harm

It is vital to take every action which is needed to safeguard the adult at risk.

- If the adult is in immediate danger or requires emergency medical attention call 999 for the police or an ambulance.

If an officer or safeguarding champion believes that the situation is urgent, or is unclear as to what action needs to be taken, please call Surrey County Council Adult Social Care on:

- 0300 470 9100 (9am to 5pm Monday to Friday).
- Textphone (via Text Relay):18001 0300 200 1005
- SMS:07527 182 861 (for the deaf or hard of hearing)
- VRS: [Sign Language Video Relay Service](#)

All calls will be answered by the information and Advice Service who will advise on the steps you need to take.

For emergency situations outside our standard hours

- Telephone:01483 517 898
- Email:edt.ssd@surreycc.gov.uk
- Textphone (via Relay UK):18001 01483 517898
- Text (SMS):07800000388 (for the deaf or hard of hearing)

Once you know if a referral to Surrey Adult Social Care is required, please complete the Safeguarding e form (e form area of Spelnet). The form will ask you to document discussions you have had with Safeguarding Champions/Leads or Surrey County Council.

If a referral to Surrey Adult Social Care is required, there is a link from the Spelnet form to the Adult Social Care referral form.

In the unlikely event that the online form on Spelnet is not working, please go to the safeguarding area of Spelnet for links to the Surrey County Council referral forms, or call adults social care or children's services on 0300 470 9100.

This [Guide to Reporting Abuse and Safeguarding Enquiries](#) outlines what will happen when you report a concern and when social care carry out an enquiry under S42 of the Care Act 2014. Please use this SSAB guide to [Making Good Referrals of Adult Safeguarding Concerns in Surrey](#) which has been developed along with the [Adult Social Care Levels of Need](#) to assist you in making your referral to the appropriate service.

All correspondence must be kept strictly confidential. Please make sure that you consult the documents above to ensure that include all the necessary information.

Some referrals may require help and support rather than it being a safeguarding concern. Staff should refer to the Levels of Need document for a fuller understanding of the types of need that should be in each category and where to contact for help. [Adult Social Care Levels of Need](#)

Examples of the different levels of need are below:

Level 1 (Universal Response)

Level 2 (Early Help/Support needs and/or signposting)

Level 3 (Targeted Help/Care and support needs)

Level 4 (Safeguarding Concern requiring a decision whether Care Act criteria are met)

Training

There is a wealth of safeguarding training available for SBC staff. The information below provides a guide to help staff access what they need to fulfil their duties and obligations plus some useful wider links.

Managers must ensure that staff complete the relevant sessions, and that safeguarding principles and procedures are encouraged and supported in their line of work, whatever function they perform. All safeguarding training, other than induction and e learning should be recorded on the Training Log e form under HR e forms on Spelnet. Teams who regularly perform safeguarding work may wish to also collate and record safeguarding training collectively. Specific Officers in Housing, Environmental Health, Independent Living, Spelride, Leisure Services and Community Safety teams will require additional safeguarding training.

Mandatory training

All staff must complete mandatory safeguarding e-learning on [WorkRite](#) when they commence employment with SBC. The training covers an overview of safeguarding children and adults at risk of harm and must be re done every two years. All staff undertake mandatory induction training which is carried out by the Operational Safeguarding Lead.

Officers from the teams mentioned above and others that have face to face contact with members must also undertake the Safeguarding Children, Adults and Domestic Abuse course provided via Surrey Learn (or an equivalent course). This is a taught online course and may also be available face to face.

Safer Recruitment

SBC have safer recruitment processes in place. The purpose of this is to ensure that applicants who may wish to harm adults at risk, children or young people are deterred from applying for jobs or volunteering opportunities. For example:

- Unsuitable applicants are rejected by scrutinising applications and exploring potential areas for concern at interview.
- Carrying out all relevant pre-employment/pre volunteering checks such as seeking references and undergoing DBS checks.
- Ensuring all new staff and volunteers are given an appropriate induction.
- To identify and manage any identified risks and maintain a safe and vigilant culture.

Managers that recruit into roles working with children, young people and adults at risk may require additional safer recruitment training.

Children's Safeguarding

The SSCP provide free online and in-person training for partner agencies such as SBC on a huge range of safeguarding topics, including the new Continuum of Support for Children and Families. An overview of available courses can be found via the [Surrey Safeguarding Children's Academy](#) The username is the member of staff Spelthorne email address. A password will need to be created.

The [SSCP Safeguarding Children Training Pathway](#) provides guidance as to which training is appropriate for which members of staff. SBC have developed a training pathway which follows this guidance. All Spelthorne, employees require level 1 training. Housing, Environment Health (residential), Leisure and the Family Support Team require level 2 training and the continuum of support training.

Adult Safeguarding

Surrey Safeguarding Adults Board training information is available [here](#). The SSAB have developed a [Competency-Framework](#) and [Competency-Framework-Guidance](#) to assist to identify the training needs of their staff (including volunteers). These requirements are incorporated into the SBC training pathway.

Councillor Training

Safeguarding training is included in the Councillor Induction. Further training is then provided relating to children and adult safeguarding every four years.

Disclosure and Barring Service (DBS) Checks

SBC have compiled a list of the posts that require a Disclosure and Barring check. Certain volunteers will also require this check depending on the nature of their role. These staff and volunteers will have a DBS check before commencing employment. Any failure to disclose convictions may result in disciplinary action or dismissal. All Councillors undergo at Basic DBS check every 4 years.

Resolution of professional disagreements

The needs of children, families and adults in safeguarding cases can be complex. Often there may be no right or wrong solution and practitioners may exercise their professional judgement differently and have differing opinions of what the right approach should be. It is of vital importance that the welfare of the child, young person and their family, or the adult at risk is paramount and they do not become entangled in professional disagreements. Where such disputes do occur, it is important that practitioners resolve things together, with minimum delay.

Resolution of Professional Disagreements (Children)

If officers at SBC disagree with a decision made by Surrey CC or a partner agency in relation to a child or young person the FaST Resolution Process (Surrey Safeguarding Children Partnership) sets out how disagreements should be dealt with.

If officers can respond “Yes” to ALL of the following THREE questions, then the FaST resolution process is the best course of action:

- Are you concerned about a decision or practice related to a child or young person that you are working with?
- Is the child or young person being put “at risk” of harm as a result?
- Have you already raised your concern through normal channels (e.g. referral to the Children’s Social Care Single Point of Access C-SPA), raised your concern in a child protection meeting or team around the child meeting) but not achieved the resolution you wanted for the child?

If it is unclear as to whether to use the process, The Surrey Safeguarding Children Partnership will be able to provide advice. partnership.escalation@surreycc.gov.uk.

Resolution of Professional Disagreements (Adults)

The [SSAB Inter-Agency Escalation Policy and Procedure](#) must be used when workers from one or more agencies do not feel that a safeguarding decision made by a worker from another agency are safe ones, or adequately protect the individual from abuse or neglect. It may also be used when agencies are working in a collaborative, person centred way to safely manage risks but have reached a point where elements of risk are unmanageable and beyond the operational group's level of accountability. The aim of the policy is to ensure that any disagreements do not:

- Introduce unnecessary delay in implementing prevention plans.
- Distract from the focus on the adult at risk.
- Contribute to an increase in risk factors for the adult at risk

The policy also provides a series of steps for the escalation of complex cases with unmanageable risk.

If the above procedure is followed and the professional disagreement remains, the disagreement should be escalated to the Surrey Safeguarding Adults Board by completing a [Partnership Escalation Form to the SSAB](#)

Allegations made against staff and volunteers

When any form of allegation is made that might indicate a member of staff or volunteer could pose a risk of harm to children, young people or adults with care and support needs, it must be taken seriously.

Allegations may include that a person has:

- Behaved in a way that has harmed or may have harmed a child or adult with care and support needs.
- Possibly committed a criminal offence against or related to a child or adult with care and support needs.
- Behaved towards a child or children in a way that indicates they may pose a risk of harm to children or adults with care and support needs
- Behaved or may have behaved in a way that indicates they may not be suitable to work with children or adults with care and support needs

Concerns could also arise from the person's home / personal life, as well as within their work/volunteering and may include situations such as:

- A person has behaved (or is alleged to have behaved) towards another adult in a way that indicates they may pose a risk of harm to adults with care and support. For example, this may include situations where a person is being investigated by the police for domestic abuse to a partner, and undertakes voluntary work with adults with care and support needs or children.
- A person has behaved (or is alleged to have behaved) towards children in a way that indicates that they may pose a risk of harm to children or adults with care and support need.
- A person is the subject of a safeguarding enquiry into allegations of abuse or neglect which have occurred in one setting. However, there are also concerns that the person is employed, volunteers or is a student in another setting where there are adults with care and support

needs who may also be at risk of harm

If staff become aware of an allegation they must report this to the Operational or Strategic Lead for safeguarding or Human Resources immediately.

In the case of allegations that could impact a child, the Safeguarding Leads or Human Resources will seek the advice of the Surrey County Council Local Authority Designated Officer (LADO) by contacting 0300 123 1650 (option 3), emailing LADO@surreycc.gov.uk, or completing the Surrey LADO Referral form. Please see the full SSCP policy on [Managing allegations against people that work or volunteer with children](#)

In the case of allegation that could impact adults, the concern must be referred to Surrey County Council Adult Social Care and the Police.

Where allegations of inappropriate behaviour are raised, the Spelthorne Borough Council disciplinary policy and procedure will also be followed.

Spelthorne Confidential Reporting Code (Whistleblowing)

If a member of staff is concerned about the attitude or actions of colleagues, or the way in which a safeguarding incident has been handled, they may prefer to contact the managers listed in the Spelthorne Confidential Reporting Code. If the information raises safeguarding concerns, it cannot be kept confidential. This information must always be forwarded to Surrey County Council Safeguarding Teams.

Information Sharing is Vital

Information sharing is vital to safeguarding and promoting the welfare of children and adults at risk. A key factor in many serious case reviews has been a failure of agencies to record information, to share it, to understand the significance of the information shared and to take appropriate action in relation to known or suspected abuse or neglect.

Data protection law allows people to share information when required to identify children or adults at risk of harm and to safeguard them.

All staff & volunteers must adhere to the information sharing protocol published by HM Government

[Information sharing advice for practitioners providing safeguarding services for children, young people, parents and carers](#)

The document above states seven golden rules for sharing information.

- All children and adults at risk have a right to be protected from abuse and neglect. Protecting the person from harm takes priority over protecting their privacy or the privacy rights of the person(s) failing to protect them.
- When you have a safeguarding concern, wherever it is practicable and safe to do so, engage with the child or adult at risk (if possible) and/or their carer (s) and explain who you intend to share the information with and what information you will be sharing. You don't need to do this if you may put them at more risk by doing so.

- You do not need consent to share personal information about a child/adult/members of their family if a child or adult is at risk or there is a perceived risk of harm. While it is always good to work with the knowledge and understanding of those involved, or even their agreement, it is important to remember that the lawful basis of consent is not required for sharing information in a safeguarding context. The withholding of consent will not affect your ability to share for a legitimate safeguarding purpose. In the case of safeguarding the lawful basis for sharing information could be Public Task (“in the exercise of official authority”) Legal Obligation (to comply with the safeguarding legislation) or Vital Interest (where you are sharing information in an urgent situation). Whilst you should consider any objection the child or their carers may have to proposed information sharing, you should consider overriding their objections if you believe sharing the information is necessary to protect the child or adult from harm.
- Seek advice promptly whenever you are uncertain or do not fully understand how the legal framework supports information sharing in a particular case. Do not leave a child or adult at risk of harm because you have concerns you might be criticised for sharing information. Speak to the Safeguarding Leads or the Data Protection Officer who will support you.
- When sharing information, ensure you and the person or agency/organisation that receives the information take steps to protect the identities of any individuals (e.g., the child or adult at risk, a carer, a neighbour, or a colleague) who might suffer harm if their details became known to an abuser or one of their associates.
- Only share relevant and accurate information with individuals or agencies/organisations that have a role in safeguarding the person and/or providing their family with support, and only share the information they need to support the provision of their services. Eg you are unlikely to be required to share an entire case file. Only share information that is necessary and proportionate for the intended purpose. It needs to be relevant, adequate and accurate.
- Record the reasons for your information sharing decision, irrespective of whether or not you decide to share information. When another practitioner or organisation requests information from you, and you decide not to share it, be prepared to explain why you chose not to do so. Be willing to reconsider your decision if the requestor shares new information that might cause you to regard information you hold in a new light. When recording any decision, clearly set out the rationale and be prepared to explain your reasons if you are asked.

Relevant Spelthorne Borough Council Policies and Procedures

In addition to the policies and procedures mentioned within this policy, these wider organisational policies, procedures and guidance are also relevant to safeguarding.

- Staff Code of Conduct
- Domestic Abuse and the Workplace Policy
- Equalities Statement and Procedures

Internal Monitoring: Performance and Quality Assurance

SBC have a Strategic Safeguarding Board and an Operational Safeguarding Groups:

Spelthorne Strategic Safeguarding Board

Attendees include the Strategic and Operational Safeguarding Lead, senior managers and the lead councillor for safeguarding.

This Board is held quarterly. Agenda items include:

- Adult and Children Safeguarding Policy eg updates
- Updates from the District and Borough Safeguarding Leads Forum
- Referrals made in the last quarter and any themes or concerns
- Learning from serious case reviews
- Training Updates
- Performance Monitoring and Quality Assessment
 - Section 11 Audit (SSCP) action/improvement Plan
 - SSAB audits and action/improvement plan

The aim of this group is to ensure compliance with our statutory duties under the Care Act 2014 and the Children Act 2004, taking account of accompanying guidance and best practice.

Spelthorne Operational Safeguarding Group

Attendees include the Operational Safeguarding Lead and Safeguarding Champions

This group is also held quarterly. Agenda items include:

Training updates eg improving referrals
Updates on new procedures
Referrals made in the last quarter and any themes or concerns
Learning from serious case reviews
Identifying areas for improvement

Contracts

SBC contracts include reference to safeguarding and are monitored appropriately. Safeguarding is referenced in the general conditions of contract for suppliers. Failure to comply with such contract conditions may result in the contract being terminated.

Contractors engaged by the Council in areas where workers are likely to come into regular contact with children or 'adults with needs for care and support' should have a safeguarding policy and ensure that procedures such as DBS checks are undertaken. The contract monitoring officer will ensure that these procedures are being followed.

Licensing

SBC is the licensing authority for Private Hire and Hackney Carriages. As part of the licence conditions, drivers must pass the 'Blue Lamp Trust Taxi Safeguarding Training' before a licence is issued. SBC also issues licences and enforces the requirements of the Licensing Act and Gambling Act. An important part of this is to ensure that children and vulnerable persons are protected from harm and exploitation and to prevent crime and disorder from occurring. SBC works in partnership with Surrey CC Safeguarding, Trading Standards and the Police to ensure that children, young people and vulnerable persons are protected.

Council Grants

Voluntary Organisations receiving grant funding from the Council will be expected to have a safeguarding policy and procedures in place.

Appendix 1: Wider links to local strategies/bodies and support

The following section details other Borough groups, county policies and strategies that have a link with the safeguarding of residents.

Spelthorne Safer Stronger Partnership (SSSP)

The Community Safety Partnership (CSP) is known locally as the Spelthorne Safer Stronger Partnership (SSSP). The Board meets quarterly and includes statutory and non-statutory partners who support the Task Groups and monitor the overall implementation of the Community Safety Strategy. There are several task groups including:

- **Tactical and Coordinating Group (T&CG)**

This group facilitate improved responses to localised crime and disorder by appraising local intelligence, monitoring incidents as well as dealing with concerns relating to Anti-Social Behaviour. The T&CG also carry out a tasking and coordinating role with the Spelthorne Joint Enforcement Team to provide a quick and effective localised response.

- **Community Harm and Risk Management Meeting CHaRMM)**

This group discuss and agree actions to reduce the negative impact that problem individuals and families have on Surrey's Communities through their Anti- Social Behaviour. This multi-agency group put in place appropriate risk management plans to address the behaviour of the perpetrator and reduce the impact on victims. Domestic Abuse (DA) and Hate Crime are managed via this group and key partners are tasked to ensure that DA survivors needs are managed via this forum.

- **Surrey Community Safety Forum**

This Surrey wide forum is attended by all the Community Safety Officers, Police, ASB Officers and Community Safety Partnerships across Surrey. The purpose is to collaborate on new and emerging subjects.

- **Surrey Domestic Homicide Review (DHR) Board**

This Surrey wide forum is attended by all Community Safety Officers and the Office of Police and Crime Commissioner. It monitors ongoing DHR investigations.

- **High Harm Perpetrators Unit (HHPO) Management Panel**

This multi- agency group works to prevent and deter new entrants to the criminal justice system and to catch and convict active criminals who cause most harm to communities, and to help resettle and rehabilitate offenders who want to turn their back on a life of crime.

- **Other groups include.**

Surrey Risk Management Meeting
Surrey Drug and Alcohol Substance Misuse Panel
Domestic Homicide Review Group

Domestic Abuse

Domestic abuse can be any incident of threatening behaviour, violence or abuse between adults who are, or have been, intimate partners, family members or members of the same household regardless of gender or sexuality. Domestic abuse is not limited to violent abuse; it can be physical, psychological, sexual, emotional or financial. It arises from the misuse of power and control by one person over another. It is rarely a one-off event and tends to escalate in frequency and severity over time. Children's health and wellbeing can be seriously affected by living in households where there is any form of domestic abuse. More information, including contacts for agencies that can offer support and practical advice and a specific section for professionals, can be found at www.surreyagainstda.info. The [Surrey Against Domestic Abuse Strategy](#) outlines the action to be taken from 2024-2029.

Mental Health

If someone is experiencing mental health problems, it is important to signpost/refer them to appropriate help and support/services. The [Healthy Surrey Website](#) provides information about the mental health services in Surrey which range from crisis support to talking therapies.

What is a mental health crisis?

The mental health charity Mind describes a mental health crisis as when a person feels in need of urgent help. For example, they might experience:

Suicidal feelings or **self-harming behaviour**

Extreme anxiety or panic attacks

Psychotic episodes (such as delusions, hallucinations, **paranoia** or **hearing voices**)

Mania (intense moods, hyperactivity, delusions and unreasonable euphoria) or hypomania (a milder version of mania that lasts for a short period)

Other behaviour that feels out of control and is likely to endanger themselves or others.

A list of [Crisis Services](#) for adults in Surrey are available on the Health Surrey Website.

Mental Health Talking Therapies and Community Connections

If a person is feeling anxious or depressed, or that life is too difficult, there are a range of free and confidential services on offer including talking therapies (IAPT), 1-1 and group based support and activities that people can self-refer to.

There are also a range of self-help resources available, including downloadable printed and audio formats. Details of all the services mentioned above are available on the [Healthy Surrey Website](#) mentioned above.

Modern Slavery

Modern slavery is an unseen crime, it may take place in several settings and in the past has been linked to takeaways, hotels, car washes, nail bars and private homes. There is no typical victim of slavery. Victims can be men, women and children of all ages but it is normally more prevalent amongst the most vulnerable, minority or socially excluded groups. The broad categories of Modern Slavery include:

- Forced labour
- Debt bondage
- Sexual exploitation
- Forced criminality
- Domestic servitude

Victims are often trafficked to a foreign county where they cannot speak the language, have their travel and identity documents removed and are told that if they try and attempt escape, they or their families will be harmed. Please refer concerns about Modern slavery online via the [Surrey Police](#) e form or by calling 101(always call 999 in an emergency)

More information can be found on the Healthy Surrey Website [Modern slavery](#)

Prevent Programme

Prevent is one strand of the government's counter terrorism strategy known as CONTEST. Some people due to their vulnerabilities, associations or ideology may be at risk of being drawn into terrorism. Prevent aims to work in partnership to identify those at risk of being drawn into extremist and terrorist activity and ensures that these vulnerable people are given appropriate advice and support.

If a member of staff is concerned that a customer or colleague may be at risk of being drawn into terrorism due to their vulnerabilities, associations or ideology then a referral must be made by completing the Prevent Referral Form [Prevent information and referral form](#) and emailing it to the police address indicated on the form.

[Act Early](#) is a website for family and friends to share concerns and seek help if they are worried that a person they care about is being radicalised, or drawn into extremism/terrorism. They can report in confidence via 'Act Early' or via:

- Contacting Surrey Police by dialling 101
- Reporting your concerns anonymously to CrimeStoppers 0800 555 111
- Call the Anti-Terrorist Hotline on 0800 789 321
- If it's an emergency, always dial 999

Further information about the government Prevent strategy is available [here](#)

Child Exploitation

Child exploitation means using a child or young person (someone under 18 years) for financial gain, sexual gratification, labour, or personal advantage. Exploitation can take place online, offline or can often involve both. These children/young people face risks to their physical, emotional and psychological health and wellbeing.

The Police, Surrey County Council and all partners including SBC are working together to safeguard young people and prevent them from experiencing any form of exploitation.

The types of exploitation are as follows:

Child Criminal Exploitation

- Forcing a child to carry or deliver drugs money or weapons. 'County Lines' is a term used to describe the criminal networks moving illegal drugs and weapons from one area to another. This is often across police and local authority boundaries, although it can occur within the same geographical area. The 'County Line' or 'Deal Line' is the mobile phone used to deal and supply drugs.
- Forcing a child to steal or hurt others.
- Financial exploitation including using children's bank accounts to launder money.

Child Sexual Exploitation (CSE)

Child sexual exploitation (CSE) is a form of child sexual abuse. It occurs where an individual or group takes advantage of an imbalance of power to coerce, manipulate or deceive a child or young person (under the age of 18) into sexual activity. A child or young person might believe that they are in a relationship with their abuser. The relationship may fulfil an emotional need for affection, or the abuser may provide physical items such as food, accommodation, alcohol, drugs or gifts.

Child sexual exploitation often includes actual violence or the threat of violence towards the child or their family which may prevent the child from disclosing the abuse or exiting the cycle of exploitation.

There are a few types of Child Sexual Exploitation

- Inappropriate relationships: this usually involves one perpetrator who has inappropriate power or control over the young person. There is often a significant age gap, and the young person may believe they are in a loving relationship.
- 'Boyfriend/girlfriend' model: the perpetrator befriends and grooms the young person into a 'relationship' and then convinces or forces them to have sex with friends or associates. This is sometimes associated with gang activity.
- Organised sexual exploitation: young people are passed through networks, possible over geographical distances, where they are forced into sexual activity with multiple men. This often occurs at 'sex parties' and the young people may be used to recruit others into the network.
- Peer exploitation is where young people are forced or coerced into sexual activity by peers and associates.

Some of the above activity is described as serious organised crime and can involve the organised 'buying and selling' of young people by perpetrators.

Child sexual exploitation does not always involve physical contact. It can also occur using technology such as through phones, tablets, social media and gaming apps. Sometimes young people are exploited by a person they've never met in real life. Child Sexual Exploitation can take place through online grooming in chat rooms, social media and online gaming. A young person may be encouraged to take part in activities including:

- Sexting, the sending or exchanging of sexual content using a phone or any digital device
- Performing sexual acts via webcams
- Posting nude photographs of themselves online
- Viewing inappropriate content online
- Meeting up with the person exploiting them

Someone grooming or exploiting a young person will often use threats or blackmail to maintain contact. These threats can include sharing sexual images of the young person with their family, friends or wider community. For more information see the [Healthy Surrey website](#). Concerns about online sexual abuse or the way someone has been communicating with a child or young person online can be reported to the police, or the safeguarding team at Surrey via the reporting instructions in this document. The **Child Exploitation and Online Protection (CEOP) Child Protection Advisors** provides useful information on the subject and about keeping children safer from online child sexual abuse.

Female Genital Mutilation (FGM)

FGM is when a female's genitals are deliberately altered or removed for non-medical reasons. It's also known as 'female circumcision' or 'cutting' but has many other names.

FGM is a form of child abuse. It's dangerous and a criminal offence in the UK. We know:

- there are no medical reasons to carry out FGM
- it's often performed by someone with no medical training, using instruments such as knives, scalpels, scissors, glass or razor blades.
- children are rarely given anaesthetic or antiseptic treatment and are often forcibly restrained.
- it's used to control female sexuality and can cause long-lasting damage to physical and emotional health.

Further information on FGM is available on the [NSPCC website](#).

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Corporate Policy and Resources Committee



9 December 2024

Title	Appointment of Representative Trustee – Staines Parochial Charity
Purpose of the report	To make a decision
Report Author	Christeen Abee, Senior Democratic Services Officer
Ward(s) Affected	Staines Staines South
Exempt	Report: No Appendix 1: Yes
Exemption Reason	Appendix 1 is exempt as it is likely to involve the disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972
Corporate Priority	This item is not in the current list of Corporate Priorities but still requires a Committee decision.
Recommendations	Committee is asked to: Agree the appointment of: <ul style="list-style-type: none"> • June Stillwell As a Charity Trustee for a period of four years as requested by the Charity.
Reason for Recommendation	The Council has a duty to appoint representative trustees to charities whose charity scheme dictates appointments should be made by the Council.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • The Council makes five appointments on a staggered basis to Staines Parochial Charity as set out in their charity scheme. 	<ul style="list-style-type: none"> • A Trustee’s term is due to expire in December, and the Council is responsible for appointing trustees to this Charity.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> • The Committee to appoint a trustee to the Charity. 	<ul style="list-style-type: none"> • The Committee should agree a nomination so the trustee’s position can be confirmed.

- 1.1 This report seeks agreement to the proposed appointment of a representative trustee to the Staines Parochial Charity.
- 1.2 The Staines Parochial Charity provides relief either generally or individually to persons who are either resident in the Ancient Parish of Staines, or who within the previous two years have become resident within the area of the former Urban District of Staines having previously lived in the Ancient Parish of Staines, who are in conditions of need, hardship or distress.
- 1.3 The Charity has eight trustees, five of which are appointed by Spelthorne Borough Council for a term for four years. The Council last made an appointment to the Charity in October 2023.
- 1.4 The Charity was advised one of their current trustees term was expiring and were encouraged to advertise any vacancies. The Charity informed the Council with the names of the trustee they wished the Council to reappoint: Mrs June Stillwell. Her credentials are set out in Appendix 1. In accordance with the Charity Appointments Procedure, the ward councillors were informed of the nominations.
- 1.5 In accordance with the Charity Appointments Procedure, both the Charity and ward councillors have been invited to speak regarding their nominations.

2. Key issues

- 2.1 The responsibility for appointing to charities was moved into the remit of the Corporate Policy and Resources Committee following a review of committee terms of reference in May 2024.

3. Options analysis and proposal

- 3.1 Option one (recommended): agree the charity's nomination as proposed.
- 3.2 Option two (not recommended): Do not approve the nomination. As the Council appoints the trustees, this would cause a lapse in the positions being filled until the meeting they could be appointed. This may cause upset with the charity and the local community.

4. Financial management comments

- 4.1 There are none.

5. Risk management comments

- 5.1 If the Council were not to approve the nominations, this would cause a lapse in the positions being filled until the next meeting they could be appointed. This may cause upset with the charity and the local community.

6. Procurement considerations

- 6.1 There are none.

7. Legal considerations

- 7.1 There are none.

8. Other considerations

- 8.1 There are none.

9. Equality and Diversity

9.1 There are none.

10. Sustainability/Climate Change Implications

10.1 There are none.

11. Timetable for implementation

11.1 The nominations will be effective on the passing of a resolution by the Corporate Policy and Resources Committee.

12. Contact

12.1 Committee Services; committeeservices@spelthorne.gov.uk

Background papers: *Charity Scheme for Staines Parochial Charity dated 19 May 1953*

Appendices:

Appendix 1 – Credentials of June Stillwell

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of the Local Government Act 1972.

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Corporate Policy & Resources Committee



9 December 2024

Title	Appointment of Representative Trustee - Laleham Charities – Hodgson and Reeve
Purpose of the report	To make a decision
Report Author	<i>Christeen Abee, Senior Democratic Services Officer</i>
Ward(s) Affected	Laleham and Shepperton Green Riverside and Laleham
Exempt	Report: No Appendix 1: Yes
Exemption Reason	Appendix 1 is exempt as it is likely to involve the disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972
Corporate Priority	This item is not in the current list of Corporate Priorities but still requires a Committee decision.
Recommendations	<p>Committee is asked to:</p> <p>Agree the appointment of:</p> <ul style="list-style-type: none"> • <i>Barry Morgan</i> • <i>Jo Smith</i> <p>As charity trustees for a period of four years as requested by the Charity.</p>
Reason for Recommendation	The Council has a duty to appoint representative trustees to charities whose charity scheme dictates appointments should be made by the Council.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • The Council makes two appointments to Laleham Charities – Hodgson and Reeve as set out in their charity scheme 	<ul style="list-style-type: none"> • The two trustees terms are due to expire in December, and the Council is responsible for appointing trustees to this Charity.
This is what we want to do about it	These are the next steps

<ul style="list-style-type: none"> The Committee to appoint trustees to the Charity. 	<ul style="list-style-type: none"> The Committee should agree nominations so the trustees positions can be confirmed.
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- 1.1 This report seeks agreement to the proposed appointment of representative trustees to the Laleham Charities – Hodgson and Reeve.
- 1.2 The Charity provides relief either generally or individually to persons resident in the area of the Ancient Parish of Laleham who are in conditions of need, hardship and distress.
- 1.3 The Charity has three trustees, two of which are appointed by Spelthorne Borough Council for a term for four years. The Council last made appointments to this Charity in December 2020.
- 1.4 The Charity was advised their trustees terms were expiring and were encouraged to advertise any vacancies. The Charity informed the Council with the names of the trustees they wished the Council to reappoint: Barry Morgan and Jo Smith. Their credentials are set out in Appendix 1. In accordance with the Charity Appointments Procedure, the ward councillors were informed of the nominations.
- 1.5 In accordance with the Charity Appointments Procedure, both the Charity and ward councillors have been invited to speak regarding their nominations.

2. Key issues

- 2.1 The responsibility for appointing to charities was moved into the remit of the Corporate Policy and Resources Committee following a review of committee terms of reference in May 2024.

3. Options analysis and proposal

- 3.1 Option one (recommended): agree the charity’s nominations as proposed.
- 3.2 Option two (not recommended): Do not approve the nominations. As the Council appoints the trustees, this would cause a lapse in the positions being filled until the meeting they could be appointed. This may cause upset with the charity and the local community.

4. Financial management comments

- 4.1 There are none.

5. Risk management comments

- 5.1 If the Council were not to approve the nominations, this would cause a lapse in the positions being filled until the next meeting they could be appointed. This may cause upset with the charity and the local community.

6. Procurement comments

- 6.1 There are none.

7. Legal comments

- 7.1 There are none.

8. Other considerations

- 8.1 There are none.

9. Equality and Diversity

9.1 There are none.

10. Sustainability/Climate Change Implications

10.1 There are none.

11. Timetable for implementation

11.1 The nominations will be effective on the passing of a resolution by the Corporate Policy and Resources Committee

12. Contact

12.1 Committee Services; committeeservices@spelthorne.gov.uk

**Please submit any material questions to the Committee Chair and Officer
Contact by two days in advance of the meeting.**

Background papers: *Laleham Charities – Mary Hodgson and Mary Reeve Charity
Commission Scheme dated 17 October 1985.*

Appendices:

Appendix 1 – Credentials of nominees

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Spelthorne Borough Council Services Committees Forward Plan and Key Decisions

This Forward Plan sets out the decisions which the Service Committees expect to take over the forthcoming months, and identifies those which are **Key Decisions**.

A **Key Decision** is a decision to be taken by the Service Committee, which is either likely to result in significant expenditure or savings or to have significant effects on those living or working in an area comprising two or more wards in the Borough.

Please direct any enquiries about this Plan to CommitteeServices@spelthorne.gov.uk.

Spelthorne Borough Council

Service Committees Forward Plan and Key Decisions for 1 December 2024 to 1 June 2025

Anticipated earliest (or next) date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Business, Infrastructure and Growth Committee 05 12 2024 Council 12 12 2024	Development Site Disposal Options	Key Decision	Private	Coralie Holman, Group Head - Assets
Corporate Policy and Resources Committee 09 12 2024 Council 12 12 2024	Appointment of an Independent Member of the Commercial Assets Sub-Committee	Key Decision	Part public/part private	Coralie Holman, Group Head - Assets
Corporate Policy and Resources Committee 09 12 2024	Appointment of Charity Trustees - Laleham Charities - Hodgson & Reeve	Non-Key Decision	Public	Karen Wyeth, Democratic Services Manager
Corporate Policy and Resources Committee 09 12 2024	Appointment of Charity Trustees - Staines Parochial Charity	Non-Key Decision	Public	Karen Wyeth, Democratic Services Manager
Corporate Policy and Resources Committee 09 12 2024 Council 12 12 2024	Determination of 2025/26 Council Tax Base for Tax Setting	Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 09 12 2024	Knowle Green Estates Annual Report	Key Decision	Public	Terry Collier, Deputy Chief Executive
Corporate Policy and Resources Committee 09 12 2024	Leisure Centre Revenue Impact	Key Decision	Public	Prithiva Janaka, Treasury Management and Capital Accountant, Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 09 12 2024 Council 12 12 2024	Outline Budget Report	Key Decision	Public	Terry Collier, Deputy Chief Executive, Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 09 12 2024	Q2 Capital Monitoring Report	Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 09 12 2024	Q2 Revenue Monitoring Report	Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 09 12 2024	Reserves Strategy	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 09 12 2024	Safeguarding Children and Adults at Risk Policy 2024-2028	Non-Key Decision	Public	Lisa Stonehouse, Community Development Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 09 12 2024 Council 12 12 2024	Solar Canopies Over 'Eclipse' Leisure Centre Car Park	Key Decision	Public	Timothy Snook, Sustainability Officer
Corporate Policy and Resources Committee 09 12 2024 Council 12 12 2024	Spelthorne MEP Works, Tender and Budget Approval	Key Decision	Public	Coralie Holman, Group Head - Assets
Commercial Assets Sub-Committee 16 12 2024	Refreshed Sinking Fund Model	Key Decision	Private	Paul Taylor, Chief Accountant
Corporate Policy and Resources Committee 20 01 2025	Action Tracker Update	Non-Key Decision	Public	Lee O'Neil, Deputy Chief Executive
Corporate Policy and Resources Committee 20 01 2025 Council 27 02 2025	Calendar of Meetings 2025 - 2026	Non-Key Decision	Public	Matthew Williams, Democratic Services Officer
Corporate Policy and Resources Committee 20 01 2025	Car Park Management system award	Key Decision	Public	Bruno Barbosa, Parking Services Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 20 01 2025	Corporate Policy and Resources Budget, Fees and Charges, Capital and Savings Plan	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 20 01 2025	Discretionary Rate Relief Policy	Key Decision It is significant in terms of its effect on communities living or working in an area comprising two or more wards	Public	
Corporate Policy and Resources Committee 20 01 2025	Government Funding	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 20 01 2025	Interest Income	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 20 01 2025	Investments, Regeneration & Municipal Portfolios	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 20 01 2025	Leisure Centre Rate Relief Application	Key Decision	Public	Sandy Muirhead, Group Head - Commissioning and Transformation
Corporate Policy and Resources Committee 20 01 2025	Lloyds Bank Contract	Non-Key Decision	Private	Mahmud Rogers, Joint Financial Services Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 20 01 2025	Movement on Reserves (Including Sinking Fund)	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 20 01 2025	Revised Corporate Complaints Policy To adopt a revised Policy which complies with the Local Government and Social Care Ombudsman's Complaint Handling Code.	Key Decision	Public	
Corporate Policy and Resources Committee 20 01 2025	Spelthorne Direct Services (SDS) Vehicle procurement	Key Decision	Private	Jackie Taylor, Group Head - Neighbourhood Services
Audit Committee 28 01 2025	2023-24 Audited Accounts for KGE	Key Decision	Public	Paul Taylor, Chief Accountant
Audit Committee 28 01 2025	2023-24 Audited Accounts SDS	Key Decision	Public	Paul Taylor, Chief Accountant
Corporate Policy and Resources Committee 10 02 2025 Council 27 02 2025	Capital Programme	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 10 02 2025 Council 27 02 2025	Capital Strategy 2025-2026	Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 10 02 2025 Council 27 02 2025	Detailed Budget for 2025/26	Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 10 02 2025 Council 27 02 2025	Detailed Budget Treasury Management Strategy	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 10 02 2025	MTFP	Non-Key Decision	Public	Mahmud Rogers, Joint Financial Services Manager
Corporate Policy and Resources Committee 10 02 2025 Council 27 02 2025	Pay Policy 2025/26	Key Decision	Public	Debbie O'Sullivan, HR Manager

Date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Corporate Policy and Resources Committee 07 07 2025	Appointment of Charity Trustees - Staines Parochial Charity	Non-Key Decision	Public	Karen Wyeth, Democratic Services Manager
Corporate Policy and Resources Committee 07 07 2025	Appointments to Outside Bodies 25-26	Key Decision	Public	Karen Wyeth, Democratic Services Manager
	Asset Portfolio Exit Strategies	Non-Key Decision	Private	

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