

# Public Document Pack



## TO THE CHAIRMAN AND MEMBERS OF THE **EXECUTIVE**

You are hereby summoned to attend a meeting of the Executive to be held on Thursday, 23 November 2017 at 7.30 pm in the Council Chamber, Civic Offices, Gloucester Square, Woking, Surrey GU21 6YL.

Please note the meeting will be filmed and will be broadcast live and subsequently as an archive on the Council's website ([www.woking.gov.uk](http://www.woking.gov.uk)). The images and sound recording will also be used for training purposes within the Council. The broadcast will be stopped when the confidential/Part II item on the agenda is reached. Generally, the public seating areas are not filmed. However, by entering the meeting room and using the public seating area, you are consenting to being filmed.

The Chairman of the meeting has the discretion to terminate or suspend filming, if in his/her opinion continuing to do so would prejudice the proceedings of the meeting or, on advice, considers that continued filming might infringe the rights of any individual.

As cameras are linked to the microphones, could Members ensure they switch their microphones on before they start to speak and off when finished and do not remove the cards which are in the microphones.

The agenda for the meeting is set out below.

RAY MORGAN  
Chief Executive

## **AGENDA**

### **PART I - PRESS AND PUBLIC PRESENT**

1. Minutes

To approve the minutes of the meeting of the Executive held on 12 October 2017 as published.

2. Urgent Business

To consider any business that the Chairman rules may be dealt with under Section 100B(4) of the Local Government Act 1972.

### 3. Declarations of Interest

To receive declarations of disclosable pecuniary and other interest from Members in respect of any item to be considered at the meeting.

In accordance with the Members' Code of Conduct, the Leader of the Council, Councillor D J Bittleston, Councillor Mrs B A Hunwicks and Councillor C S Kemp have declared a non-pecuniary interest in Agenda Items 5, 6, 7, 10, 11, 12, 13, 16, 17 and 18 arising from their positions as Directors of the Thamesway Group of Companies.

In accordance with the Members' Code of Conduct, the Leader of the Council, Councillor D J Bittleston has declared a non-pecuniary interest in Agenda Item 14 arising from his daughter being appointed to a post at the Council.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan, the Deputy Chief Executive, Douglas Spinks, Strategic Director, Sue Barham, and Head of Democratic and Legal Services, Peter Bryant, have declared an interest in Agenda Items 5, 6, 7, 10, 11, 12, 13, 16, 17 and 18 arising from their positions as Directors of the Thamesway Group of Companies.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan, has declared an interest in Agenda Items 5, 6, 10, 12, 13, 16 and 17 arising from his position as a Director of Victoria Square Woking Limited.

In accordance with Officer Procedure Rules, the Deputy Chief Executive, Douglas Spinks, and Head of Democratic and Legal Services, Peter Bryant, have declared an interest in Agenda Items 10, 12 and 13 arising from their positions as Directors of Woking Necropolis and Mausoleum Limited, Brookwood Park Limited and Brookwood Cemetery Limited.

In accordance with Officer Procedure Rules, the Chief Executive, Ray Morgan, and the Deputy Chief Executive, Douglas Spinks, have declared an interest in Agenda Items 10, 12 and 13 arising from their positions as Directors of Export House Limited.

### **Questions**

4. To deal with any written questions submitted under Section 3 of the Executive Procedure Rules. Copies of the questions and draft replies will be laid upon the table.

### **Matters for Recommendation**

5. Thamesway Business Plans 2018 (Pages 5 - 150)  
Reporting Person – Corporate Management Group
6. Woking Gateway (Pages 151 - 180)  
Reporting Person – Douglas Spinks
7. Leisure Management Contract - Extension and Variations (Pages 181 - 198)  
Reporting Person – Sue Barham
8. Review of Fees and Charges 2018-19 (Pages 199 - 304)  
Reporting Person – Leigh Clarke
9. Calendar of Meetings 2018-19 (Pages 305 - 312)  
Reporting Person – Peter Bryant

## **Matters for Determination**

10. Draft General Fund Budget 2018-19 (Pages 313 - 388)  
Reporting Person – Leigh Clarke
11. Draft Housing Revenue Account Budget Update 2018-19 (Pages 389 - 402)  
Reporting Person – Leigh Clarke
12. Draft Investment Programme 2017-18 to 2020-21 (Pages 403 - 446)  
Reporting Person – Leigh Clarke

## **Performance Management**

13. Performance and Financial Monitoring Information  
Please bring to the meeting your copy of the Performance and Financial Monitoring Information (Green Book) September 2017.

## **Disclosure**

14. Standing Order 18 - Appointment of a Relative of a Member of the Council  
In accordance with Standing Order 18.3, the Executive is advised that the Leader of the Council (Councillor Bittleston) disclosed to the Chief Executive that his daughter (Louise Bittleston) was a candidate for the role of Green Infrastructure Support Assistant at the Council. Ms Bittleston was appointed to this post.

## **Exclusion of the Press and Public**

15. The Chairman will move and the Vice-Chair will second:-  
“That the press and public be excluded from the meeting during consideration of items 16 to 18 in view of the nature of the proceedings that, if members of the press and public were present during these items, there would be disclosure to them of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A, to the Local Government Act 1972.  
  
Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).”

## **PART II – PRESS AND PUBLIC EXCLUDED**

## **Matters for Recommendation**

16. Victoria Square Update (Pages 447 - 532)  
Reporting Person – Ray Morgan

17. Woking Gateway (Pages 533 - 534)

Reporting Person – Douglas Spinks

18. Leisure Management Contract - Extension and Variations (Pages 535 - 546)

Reporting Person – Sue Barham

AGENDA ENDS

Date Published - 15 November 2017

For further information regarding this agenda and arrangements for the meeting, please contact Julie Northcote on 01483 743053 or email [julie.northcote@woking.gov.uk](mailto:julie.northcote@woking.gov.uk)



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EXECUTIVE - 23 NOVEMBER 2017

## THAMESWEY BUSINESS PLANS 2018

### Executive Summary

This Executive Summary report summarises the Thameswey Group Business Plan with the individual Business Plans for the companies listed below. The Business Plans have been approved by the relevant Boards of the Thameswey companies. The financial year end for all companies in the Thameswey Group is 31<sup>st</sup> December; accordingly all plans and accounts are for calendar years, not the Council's year end of 31<sup>st</sup> March.

Audited accounts for each company for the year ending 31<sup>st</sup> December 2016 and prior years are available on the Group's website (<http://www.thamesweygroup.co.uk/thameswey-group-companies/>) and the results were consolidated into the Council's accounts which have been approved by the Council at its meeting on September 2017.

Attached are the Business Plans for the Thameswey Group of Companies listed below.

- Thameswey Limited (Group Plan)
- Thameswey Energy Limited
- Thameswey Central Milton Keynes Limited
- Thameswey Solar Limited
- Thameswey Housing Limited (includes Thameswey Guest Houses Ltd)
- Thameswey Developments Limited
- Thameswey Maintenance Services Limited
- Thameswey Sustainable Communities Limited

There are no business plans attached for Thameswey Joint Ventures with Rutland, proposals from the Joint Venture are considered individually by the Council through its Investment Programme.

The Council established the Thameswey Group of Companies to assist in the delivery of some of its highest priorities. These can be described in three main areas of activity:

- Achievement of the Council's Woking 2050 objectives;
- Achievement of the Council's Housing Strategy objectives; and
- Achievement of the Council's Economic Development Strategy objectives.

In establishing the Thameswey Group the Council took a long-term view of investment in infrastructure and housing with the intention of securing benefit for the residents of the Borough, whether the activity was undertaken within the Borough or elsewhere. This report continues this approach. The Business Plans are now considered as a going concern not a project with an end date, reinforcing the established approach of taking a long term view in the context of a sustainable Woking.

The benefits for Borough residents through these activities are summarised in the following paragraphs.

### Support for Energy & Environmental Projects (Woking 2050)

Thameswey Limited (TL) charges a project fee for its intellectual property; this fee is set at up to 4% of the capital expenditure on new works. This project fee is then set aside as a reserve for TL to support energy, environmental, housing and economic initiatives in Woking in furtherance of the Council's Climate Change Strategy, Housing Strategy and Local Plan. TL also uses funds to support subsidiary companies where required.

A proposed Dividend Policy identifies that, should it be adopted, 50% of Thameswey Developments Limited (TDL) profits should be paid as a dividend to Thameswey Limited to increase the funds available to deliver environmental projects.

### Carbon Dioxide (CO<sub>2</sub>) Savings

The Thameswey Group's energy companies focus on supplying renewable and sustainable energy and reducing greenhouse gas emissions. CO<sub>2</sub> is one of a number of greenhouse gases that contribute to man-made climate change. CO<sub>2</sub> equivalent emissions savings are achieved by generating energy through sustainable sources, for example by using a combined heat and power engine (CHP) or solar photovoltaic panels. The savings are calculated as the difference between the CO<sub>2</sub> emitted in producing each unit of energy and the amount of CO<sub>2</sub> (and other greenhouse gases) emitted in the production of conventional 'grid' energy.

During 2016 the Thameswey Group saved 3,897 tonnes of carbon dioxide emissions through the generation of energy across its sites. A further 509 tonnes was saved through the installation of energy efficiency measures in homes across Surrey via Action Surrey. The aggregate CO<sub>2</sub> savings of 4,406 tonnes in 2016 compares with the 4,841 tonnes saved in 2015. The reduction in net benefit, despite increased production and increased activity, is because the UK National Grid continues to be decarbonised through increased production of renewable energy.

### Housing Strategy activity

Thameswey Housing Limited (THL) and Thameswey Guest Houses Limited (TGHL) both hold and operate housing and Thameswey Developments Limited produce new residential units. The activity is summarised as follows:

- Provision of some circa 460 homes for rent to meet local need;
- Providing an additional 12 new homes a year at rents closer to Council rents;
- A development programme, excluding Sheerwater Regeneration, which should provide in excess of an additional 900 homes for rent to meet local need;
- A development programme to enable the Council to deliver Sheerwater Regeneration; and
- Operation of Mayford Lodge providing emergency bed & breakfast accommodation to help the Council alleviate homelessness.

### Income from Loan Margins

The Council provides loans to some Thameswey Group Companies. In order to recognise the lending risk a risk premium is applied to some loans which result in a benefit to the Borough. The loans are provided to the Companies at a margin on the interest rate WBC pays to the Public Works Loan Board (PWLb). The margin varies by company with a lower premium applied to the residential loans given the strength of the property security.

The forecast benefit to Council Tax taxpayers in the Borough during 2017 is £2.032m, which is equivalent to circa £50 at Band D. The forecast benefit for 2018 is £2.7m, which is equivalent to circa £65 at Band D.

### Assessment of Loans & Investments

As part of its overall governance arrangements the Council carries out an annual assessment of its loans and investments in the Thameswey Group to determine whether any impairment has occurred. This analysis has been carried out over the last few years with the conclusion that no impairment has been required in the Council's accounts including for 2016/17.

### Other Fees and Income

The Thameswey Group also contribute financially towards the Borough in other ways including:

- WBC charges TL £10,000 per annum for use of the Thameswey Trademark;
- TSCL and TMSL both rent premises from WBC for their offices/workshop at commercial open market rates;
- THL pays ground rent for the Middle Walk flats to WBC; and
- When TDL and THL develop new housing in the Borough WBC will benefit from increased Council tax and while it is still available New Homes Bonus.

### Main Requests by Thameswey Group

The details of the respective Business Plans are not reproduced in this Executive Summary. However the following is a summary of requests made by the Thameswey Group for the period 2018 to 2021:-

- The Business Plans for the Thameswey Group of Companies be approved;
- Appoint Barry Maunders as an Independent Director for TGHL;
- Appoint Councillor Kemp as a Councillor Director of TGHL and TL;
- WBC to provide TEL with leases for occupation of
  - Format house
  - 9 & 9a Poole Road
  - Construction lease for Poole Road car park
  - Board School Road car park;
- THL – Funding for the period of April 2020 to December 2021 of £75M to fund additional affordable homes, and £10M to service the debt. That future funding of £5M per annum is built into Council financial strategies for long term debt servicing within THL;
- TDL to be granted approval to draw down loans on behalf of TEL to fund Poole Road energy station; and
- TCMK – Additional funding for 2020 and 2021 funding of £5,020,000 (previous business plan included finance up to 2019).

The requests from the Thameswey Group are supported by Council Officers and are incorporated in the recommendations set out below and in the Draft Council Investment Programme to be considered later in the Agenda.

## Reasons for Decision

To recommend to Council the approval of the Business Plans for each of the Thamesway Group companies.

## Recommendations

The Executive is requested to:

### **RECOMMEND to Council That**

- i) the Business Plans for the Thamesway Group of Companies be approved;**
- ii) Barry Maunders be appointed as an Independent Director of Thamesway Guest Houses Limited;**
- iii) Councillor Colin Kemp as Portfolio Holder for Housing, be appointed as a Councillor Director of Thamesway Guest Houses Limited and Thamesway Limited;**
- iv) Thamesway Energy Limited be granted leases or licenses on appropriate commercial terms of:**
  - a. a Lease of 9 & 9a Poole Road, Format House and adjoining land for the construction, subject to Planning Consent, of the Poole Road Energy Station accommodation;**
  - b. a Licence to occupy the Poole Road car park for the purpose of the construction of the Poole Road Energy Station;**
  - c. a Lease of part of the Board School Road car park for the installation of its local electricity network and connection to the North Road UK Power networks sub stations;**
- v) Thamesway Developments Limited be authorised to draw down Loans on behalf of Thamesway Energy Limited to finance the construction of the Poole Road energy station;**
- vi) an increased Loan Facility of £75M be allocated to Thamesway Housing Limited for the period of April 2020 to December 2021 to finance additional affordable homes, and £10M to service the debt with future years Loan facilities of £5M per annum for long term debt servicing pending reaching its full operational revenue; and**
- vii) extension of the Loan Facility for Thamesway Central Milton Keynes Limited for 2020 and 2021 in the aggregate sum of £5,020,000.**

<b>This item will need to be dealt with by way of a recommendation to the Council.</b>
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## Background Papers:

Previous Thamesway Business Plans and Statutory Accounts and Reports.  
Sustainability Impact Assessment  
Equalities Impact Assessment



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**Date Published:**

17 November 2017

REPORT ENDS

EXE17-073

**APPENDICES**

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

Page 10		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
Gender	Men					X	
	Women					X	
<b>Gender Reassignment</b>						X	
Race	White					X	
	Mixed/Multiple ethnic groups					X	
	Asian/Asian British					X	
	Black/African/Caribbean/Black British					X	
	Gypsies / travellers					X	
	Other ethnic group					X	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					X	
	Sensory					X	
	Learning Difficulties					X	
	Mental Health					X	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials	X			The Thamesway Group is established to make a positive impact on the environment of Woking, the provision of homes and increased economic activity. The lines marked X reflect those areas included in the Business Plans of the Companies.
Waste generation / sustainable waste management	X			
Pollution to air, land and water	X			
Factors that contribute to Climate Change	X			
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy	X			
Meet local needs locally	X			
Opportunities for education and information			X	
Provision of appropriate and sustainable housing	X			
Personal safety and reduced fear of crime			X	
Equality in health and good health			X	
Access to cultural and leisure facilities			X	
Social inclusion / engage and consult communities			X	
Equal opportunities for the whole community			X	
Contribute to Woking's pride of place	X			



## **Thameswey Limited**

### **Business Plan 2018 Covering the Period 2018-2021**

Address: 2<sup>nd</sup> Floor, Gloucester Chamber, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 0527730  
VAT Number: 879503972

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## 1.0 Introduction

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- 1.1 This Business Plan sets out the proposed arrangements for delivering the Thameswey Group's activities for the next year and seeks to define the strategic direction for the Group.
- 1.2 The business plan aims to ensure that the focus of activity within the Group is aligned with the shareholder, Woking Borough Council. This business plan reflects the Board's views on the medium and long term objectives for the Group.
- 1.3 This business plan refreshes the Business Plan approved in 2016 and reflects the activity and challenges over the last year. This plan also aims to draw out potential business development opportunities for the Group which it intends to investigate over the plan period. Not all will come to fruition and other opportunities may arise during the plan period, but it provides greater transparency of the company thinking on direction of travel.

## 2.0 Group Purpose and Structure

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- 2.1 The Council established Thameswey Limited (TL) in 1999 to make long-term energy and environmental project investments in support of what subsequently became the Council's Climate Change Strategy. In 2004 the company's remit was extended to include provision of affordable homes in support of the Council's Housing Strategy. In 2008 the company's remit was further extended to take forward redevelopment proposals for parts of the Borough.
- 2.2 With the launch of the Councils 'Woking 2050 Strategy' the Group aims to adopt the main strategic goals of this document as its purpose:
  - Protect and enhance the quality of the natural environment;
  - Promote the wise use of resources and conserve biodiversity;
  - Deliver a built environment which is developed sustainably, meets local needs and enables the local economy to prosper;
  - Prepare and adapt to the socio-economic, environmental and demographic changes of the future;
  - Commercial elements of Thameswey group supporting the council to deliver council functions.

In effect to work towards enabling the development of 'sustainable communities'.

- 2.3 Thameswey Limited (TL) is wholly owned (100%) by Woking Borough Council (WBC). TL acts as the holding company of the Thameswey Group.

2.4 The Thameswey Group subsidiaries and company ownership are shown below:

Company Name	Abbreviation	Ownership Structure
Thameswey Energy Ltd	TEL	Wholly owned by Thameswey Ltd
Thameswey Central Milton Keynes Ltd	TCMK	Wholly owned by Thameswey Energy Ltd
Thameswey Housing Ltd	THL	Wholly owned by Thameswey Ltd
Thameswey Guest Houses Ltd	TGHL	Wholly owned by Thameswey Housing Ltd
Thameswey Sustainable Communities Ltd	TSCL	Wholly owned by Thameswey Ltd
Thameswey Maintenance Services Ltd	TMSL	Wholly owned by Thameswey Ltd
Thameswey Solar Ltd	TSL	Wholly owned by Thameswey Ltd
Thameswey Developments Ltd	TDL	Wholly owned by Thameswey Ltd
Rutland (Woking) Ltd	RWL	Joint Venture owned 50% by Thameswey Developments Ltd and 50% by Rutland Properties Ltd
Rutland Woking (Residential) Ltd	RWR	50% owned by Thameswey Housing Ltd, 50% owned by Rutland (Woking) Ltd making it a 75% subsidiary of the Thameswey Group.
Rutland Woking (Carthouse Lane) Ltd	RWCL	Joint Venture owned 50% by Thameswey Developments Ltd and 50% by Rutland Properties Ltd

2.5 During 2017 Brunswick Road (Pirbright) Residents Company Ltd has ceased trading as it was no longer required. In addition the cemetery companies transferred to WBC ownership.

2.6 During the business plan period, directors of the joint venture companies are reviewing the structure to ensure it meets future business requirements.

2.7 All of the wholly owned companies listed above are supported by Thameswey staff either employed in TSCL or TMSL. Staff structures are listed in the appendices.

### 3.0 Group Directors

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- Barry Maunders Independent Director (Chairman)
- William Prescott Independent Director
- Terry Price Independent Director
- Cllr. David Bittleston Councillor Director
- Cllr. Beryl Hunwicks Councillor Director
- Cllr. John Kingsbury Councillor Director
- Cllr Colin Kemp Councillor Director (THL only)
- Sue Barham Officer Director
- Ray Morgan Officer Director
- Peter Bryant Officer Director
- Douglas Spinks Officer Director

3.1 The Thamesway Limited Board is recommending to WBC as part of this Business Plan that WBC appoint Cllr Colin Kemp (in his role as Housing Portfolio Holder) to Thamesway Guest Houses Limited and Thamesway Limited and Barry Maunders (in his role as Independent Chairman) to Thamesway Guest Houses Limited to ensure consistency between all the Residential Boards.

### 4.0 Achievements since Last Business Plan

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- 4.1 The Group has streamlined some of its administration processes by bringing board structures together into thematic area (residential and environmental) to avoid multiple meetings.
- 4.2 A new monthly report for all Board Members has been created to ensure they are kept up to date on activity, key performance metrics and financial performance.
- 4.3 The Group has commenced the transition from quarterly management accounts to monthly financial accounts; this is expected to be completed by the end of 2017.
- 4.4 The Group has also started to scale up capacity, through its subsidiaries, to deliver the major programme of Sheerwater.

### 5.0 Group Operational Priorities

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5.1 There are a number of operational priorities which need to be addressed at a Group level over the coming plan period.

#### People Strategy

5.2 The growth of Thamesway's housing portfolio has presented opportunities to expand the services offered by TSCL to support THL through self delivery of tenant services. There is the opportunity to co-ordinate these services with energy billing, energy efficiency and fuel poverty advice through a single integrated customer services team in TSCL.

- 5.3 Action Surrey will continue to work with partner Local Authorities to source grant funding and deliver energy efficiency services and advice to residents. In addition, a greater focus will be made on promoting environmental and sustainability projects and technology to Woking residents. This will involve a greater level of research and demonstration projects, with a particular focus on renewable, using funding raised through development profit from TDL and project funding from investment in the energy companies (TEL/TCMK). The use of this funding will be informed by the Climate Change Working Group of the Council.
- 5.4 During 2016, the Council approved its medium term financial strategy to provide additional finance for new affordable homes and significantly increased the amount of available finance available to THL to £50M per annum for a period of four years. In addition THL, along with TDL has been appointed by Woking Borough Council to deliver the Sheerwater Regeneration scheme. The increased volume of work and complexity around managing suppliers and contractors has generated a requirement for additional staff and contractors.
- 5.5 As the Group grows and develops it will pursue opportunities to streamline business processes and limit the need for additional staff resources. However, with the introduction of additional business systems, it has become necessary to recruit a data manager who will ensure the core business systems are procured correctly and managed effectively.
- 5.6 The table below summarises additional proposed recruitment over the next three years. The roles are included within the financial statements of each business plan.

2017	Development Manager
2018	Data Manager Housing System Implementation Manager Accounts Assistant Trainee Environmental Projects Assistant* Residential Services Manager Engineering Services Manager – Poole Road Field Services Mechanical - Woking
2019	Accounts Assistant Customer Services Assistant Residential Services Manager Field Services Engineer - Woking

\*Existing post re-graded to trainee

**Appendix 1 shows the staff structures within TSCL and TMSL**

### Dividend Policy

- 5.7 Following the agreement in 2016 business plan for 50% of TDL profits to be declared as a dividend and passed to Thameswey Limited for investment in environmental projects which support the Council's delivery of the Woking 2050 strategy a dividend of £250,000 was made in 2017. A further dividend in 2018 is proposed of £150,000.
- 5.8 TGHL paid an initial dividend during 2017 to WBC of £155,000. It is proposed a further dividend is paid in 2018 of £95,000.

### Marketing Strategy

- 5.9 The Group will develop a strategy to improve the presentation of the Thameswey brand across all the Group's activities. This will include refreshing the Thameswey web presence to improve public and stakeholder interaction, and more clearly articulate the company's objectives. This work will be delivered through a combination of internal resources from TSCL and a specialist external advisor. Thameswey will also lend its support to the Council's '#WeAreWoking' promotional campaign.

## **6.0 Funding and Loan Strategy**

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- 6.1 WBC provides funding to some Thameswey Group companies. In order to recognise the lending risk a risk premium is applied to loans which result in a benefit to WBC. The loans are provided to Thameswey at a margin on the interest rate WBC pays to the Public Works Loan Board (PWLB)
- 6.2 Subject to approval of the attached business plans, the benefit to the Council Tax payers in the Borough during 2018 will be £2,702,108 which is equivalent to circa £65 at Band D.
- 6.3 Appendix 2 shows a breakdown of the WBC income from loan margins.
- 6.4 Appendix 3 shows the share capital structure of Thameswey.

## **7.0 Inter Group Lending**

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- 7.1 Loans can be provided as per below:
- Thameswey Housing Ltd to Thameswey Guest Houses Ltd;
  - Thameswey Energy to Thameswey Milton Keynes & Thameswey Solar Ltd;
  - Thameswey Developments to Thameswey Ltd;
  - Thameswey Ltd can loan to any 100% owned Group Company.
- 7.2 Loans are provided to Thameswey Developments who will continue to develop properties on behalf of Thameswey Housing Limited. Following WBC agreement to fund Poole Road energy station, loans will be advanced to Thameswey Developments on behalf of Thameswey Energy Ltd.

## **8.0 Group Strategic Opportunities and Business Development**

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### Investment

- 8.1 The scale of the operation of the residential side of Thameswey will increase significantly within the period of this business plan. At the same time the scale of Thameswey's energy networks in both Woking and Milton Keynes are expected to increase substantially in response to growth in connected load. The implications of both of these factors mean that the value of the group is expected to increase over the plan period and the attractiveness of the group to external investors will equally increase. During this plan period the group will look to engage with external investors to see if there is an appetite for investment other than direct from Woking Borough Council. This could include partner Local Authority investment via new subsidiaries of Thameswey as opposed to increasing representation at Thameswey Limited level, as well as commercial lenders.

### Step Down Accommodation and Care

- 8.2 Currently there is a national issue with frail and elderly people not being able to be discharged from acute care to their homes as the appropriate discharge package (either formalised care or adaptations) are not in place. This 'bed blocking' significantly increases cost to the NHS and also reduces Accident and Emergency capacity. The Acute Trusts are looking to determine options to address this problem and the Thameswey Group proposes to work with them as part of this business plan to see if we can assist in this issue. Many individuals do not need permanent residential care but do need to be in a 'transitional' residential setting to get them out of the acute sector for a short period while permanent solution is found. This is sometimes referred to as 'step down' accommodation. In this business plan Thameswey plans to work with the Acute Sector to design accommodation to be delivered through TDL and THL which can provide this step down facility. A business case for any subsequent development will be brought back to the relevant board (TDL) before any build project is commenced. It is likely that this will be delivered in partnership with a registered care provider. An initial project is proposed through TDL in Chertsey Road.

### Letting and Management Service

- 8.3 The current residential stock held by THL is increasing and has passed a threshold (c.450 units) where the running management costs to the group will be of sufficient scale that it would be cost effective to deliver the letting and property management service in house. Although a greater part of letting activity is now delivered through the on-line environment there is still a face to face component. This is increased within the tenancy profile of Thameswey Housing compared to the general population due to the vulnerable nature of a proportion of THL tenants. Therefore THL will look to develop its own letting service during this business plan period.

### Waste Reduction

- 8.4 The increased high density accommodation that is being developed within Woking town centre has led to increased pressures on domestic waste collection. The current requirement for waste receptacle capacity is also significantly adding to development

costs and waste collection will become increasingly challenging. Working with the Council, Thameswey will look to assess if there are any alternative strategies for waste reduction, alternative collection regimes or onsite treatment for high density town centre dwellings during this business plan period. The first opportunity for this is looking at Ompeco waste processing machines in partnership with Victoria Square Limited. If this is successful the group will look to see if they can be used elsewhere in its stock.

#### Pod Style Accommodation

- 8.5 With the increased value of land and pressure for new homes in the South East, especially in the Woking area, but with an ever increasing demand for affordable residential property the Group will look at the possibility of 'pod style' accommodation with the planning authority. This is normally based around pre-fabricated units of minimal size to reduce cost to a minimum which can share communal facilities. A number of other areas already accept this type of accommodation, particularly for students and temporary accommodation and it is felt that it would provide a useful addition to the Woking local housing market.

#### Sustainability Plan

- 8.6 The company will develop an overall Sustainability Plan for the Group to set out how the Group will reduce its carbon impact through its own operation and how its activity, including procurement, will also reduce carbon consumption and promote sustainability in Woking. Linking to the Woking 2050 Strategy and the new work within Action Surrey this will be led by TSCL on behalf of the Group and will investigate expanding Group activity in the renewable sector before being reported back to Thameswey Limited within 2018.

### **9.0 Priorities**

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- 9.1 Detailed priorities and activities are set out in the individual company business plans; however the headline priorities of Thameswey Limited's subsidiary companies for the business plan period are listed below grouped into principal business activities.

#### Energy Division

- 9.2 TEL will increase the connected load in Woking town centre and optimise the performance of its existing primary plant in Victoria Way and Woking Park. The company will work with TDL and TMSL on the development of a new Woking Energy Centre to service Victoria Square and the additional developments planned in the town.
- 9.3 In Milton Keynes, TCMKL will continue to seek to increase the connected load to the existing energy centre, responding to the opportunities arising from increased development in Central Milton Keynes. In addition the company will strengthen its relationship with Milton Keynes Council, the Milton Keynes Development Partnership and the Homes and Communities Agency to address the scope for an increased district energy network arising from the Government funded HNDU study.
- 9.4 TMSL will expand its operational activity to include solar services and statutory inspections for other Group companies while reducing the operational cost of maintaining the Group's major plant and equipment. The structure of TMSL will also be reviewed to ensure that it is the most cost effective way of delivering services including the recruitment of new engineering staff to help deliver the new energy centre in Woking town centre.

- 9.5 TSL will seek opportunities to expand its renewable energy generating capacity and will progress a comprehensive preventative maintenance regime to maximise the output from its existing solar installations.

#### Housing and Property Division

- 9.6 THL will deliver a significantly increased residential holding in line with the Council's medium term financial strategy and the necessary infrastructure to manage and operate this scale of property holding. The aim is to reduce the company reliance on external providers. The company will also work to improve the current energy performance of its existing stock to reduce energy costs for its residents and to reduce the carbon impact of the stock. TGHL will continue to maximise occupancy following the contractual review.
- 9.7 TDL will respond to project requests from other group companies and the Council. In the business plan period this will include several significant residential blocks for THL and the development of a second Woking Energy centre for TEL in addition to the delivery of Sheerwater for the Council.

#### Environment, Sustainability and Economic Development

- 9.8 TSCL the company will work to ensure the staffing levels are sufficient to deliver the other group company objectives. Notably this will include an increase in residential service and project management resources. TSCL will also develop capacity to self deliver marketing and promotion activities but in the interim will work with external advisors to improve the overall brand and stakeholder understanding of the group activities. TSCL will also work to develop a comprehensive environment sustainability programme building on the activity of Action Surrey. This will include co-ordinating research on the deployment of additional renewable energy by the Group and the wider community. The company will also develop further sustainability reporting for the Group's activities.

### **10.0 Financial Proposals in the Business Plan**

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- 10.1 THL business plan proposes to utilise the additional funding & share capital structure agreed in the council's medium term financial strategy to support the purchase of street properties and developments within TDL. Additional funding of £85M is proposed to continue developments into 2021, covering the period from April 2020 to December 2021.
- 10.2 THL funding can be drawn down by TDL to support THL development projects. Work in progress is held within TDL, the balance at the end of 2018 is expected to be £150M. Upon completion developments transfer into THL as fixed assets.
- 10.3 THL has the facility to purchase Sheerwater properties within the red line regeneration scheme. Until 2019 the properties will be held in THL, post 2019 the properties will be transitioned to a new entity which will hold all Sheerwater rental properties long term.
- 10.4 TCMK will require additional funding to support the expected new connections to the plant & fund working capital totalling. Loans will be drawn over varying terms to match cash flow expectations on an annuity / repayment basis. Additional finance for 2020 and 2021 is forecast at £5,020,000.



10.5 TEL will develop a third energy station at Poole Road, a loan facility of £25M has been agreed, TEL proposes funding can be drawn on behalf of TDL to support the development.

10.6 The summary below, identifies capital investment during the business plan period:

- TEL £28.6M, including £25M Poole Road and £3.6M energy connections;
- TCMK £3.2M in energy connections;
- THL £156M of completed developments;
- TMSL £34K, including £10K Health & Safety software, and 3 vehicles totalling £24K;
- TSCL £34K, including website development and computer equipment upgrades / replacement for current and new team members.

10.7 The Thameswey Group also contributes financially towards the borough in other ways including:

- Net interest premium benefit per annum for 2018 is £2,702,108, equating to circa £65 equivalent of Band D Council Tax;
- WBC charges TL £10,000 per annum for use of the Thameswey trademark;
- THL pays ground rent for market Walk flats to WBC;
- TGHL dividend payable to WBC, proposed for 2018 at £95K.

## **11.0 Non-Financial Benefits to WBC**

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11.1 Thameswey also contributes to WBC through non financial benefits including:

- Carbon dioxide emission savings of some 4,406 tonnes in 2016;
- Assisting WBC in delivery of its Climate Change Strategy;
- Delivering Borough Redevelopment Projects.

## **12.0 Group requests for Council Approval**

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12.1 The following are a summary of requests from Thameswey group for the period 2018 to 2021:

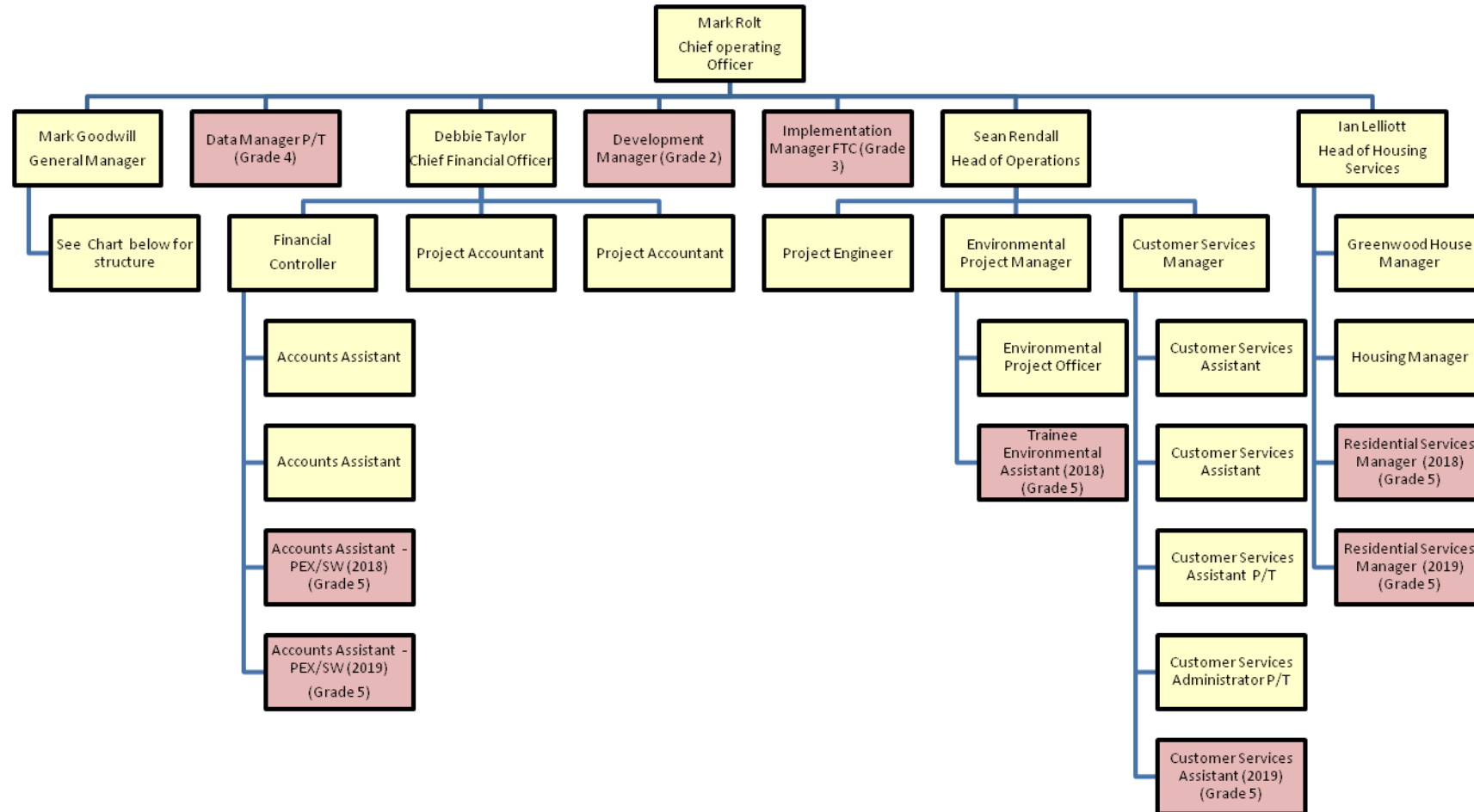
- Approval of all Company Business Plans;
- Appoint Barry Maunders as an independent director for TGHL;
- Appoint Councillor Kemp as a Councillor Director of TGHL and TL;
- WBC to provide TEL with leases for occupation of:
  - Format house,
  - 9 & 9a Poole Road
  - Construction lease for Poole Road car park
  - Board School Road car park;
- THL – Funding for the period of April 2020 to December 2021 of £75M to fund additional affordable homes, and £10M to service the debt. That future funding of

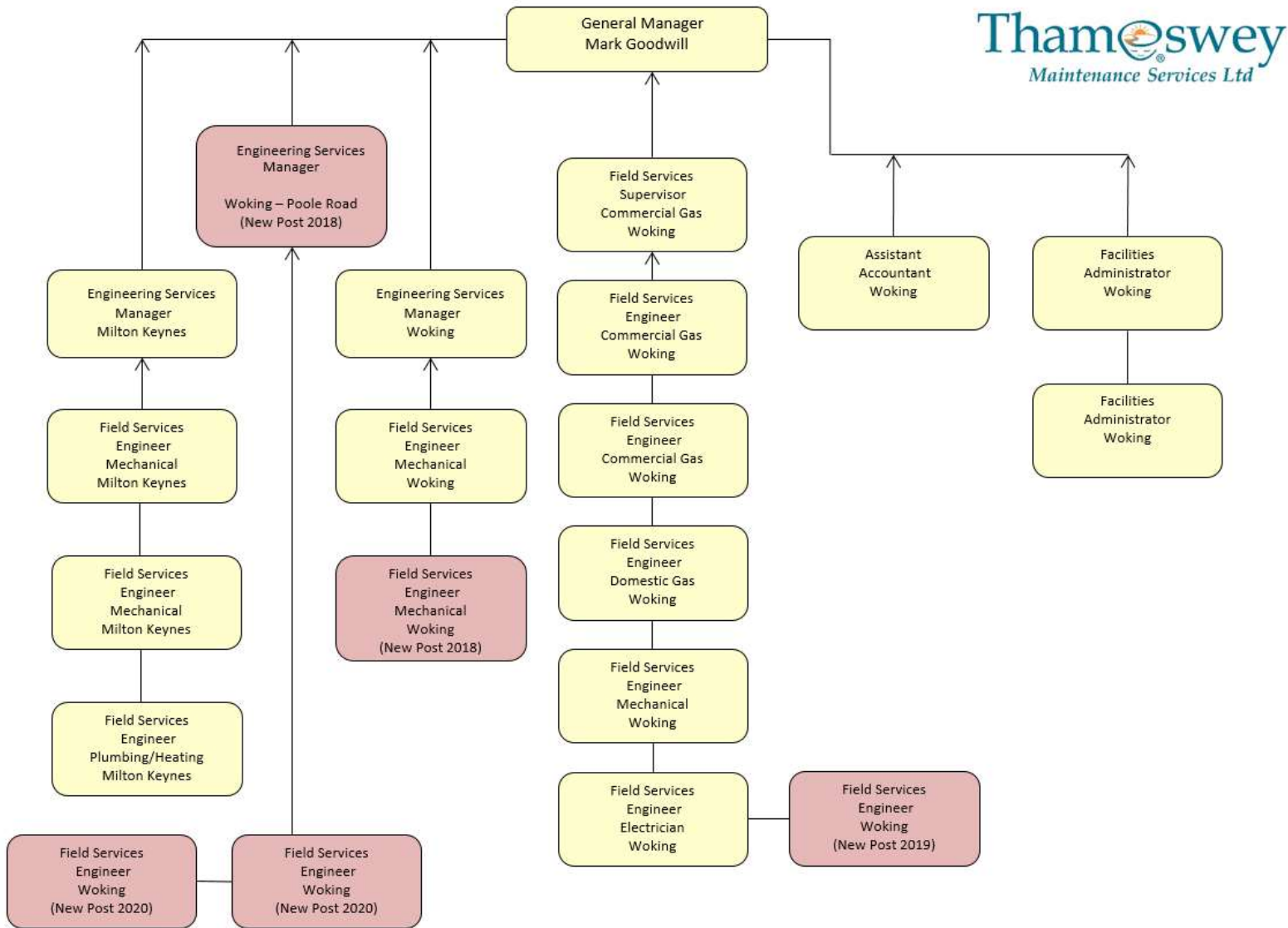
£5m per annum is built into Council financial strategies for long term debt servicing within THL;

- TDL to be granted approval to draw down loans on behalf of TEL to fund Poole Road energy station;
- TCMK – Additional funding for 2020 and 2021 funding of £5,020,000 (previous business plan included finance up to 2019).

Appendix 1: Organisational Charts

TSQL Organisation Structure





**Appendix 2: WBC Income from Loan Margin**

Page 29

2017	Company	Balance of WBC loans o/s on 01.01.17 £	New Loans in 2017 £	Less Repayments in Period £	Net Estimated Balance of loans 31.12.17 £	Total interest due in 2017 £	Interest Paid by WBC on o/s group loans £	Net Benefit to WBC £	Equivalent to Band D 2016/17
	TCMK	25,676,046	3,600,000	-1,734,346	<b>28,163,541</b>	1,873,955	1,028,336	<b>845,619</b>	<b>21.21</b>
	TEL	14,195,783	0	-477,460	<b>13,718,323</b>	774,289	533,159	<b>241,130</b>	<b>6.05</b>
	THL	116,755,234	53,791,352	-24,648	<b>170,521,938</b>	7,418,975	5,486,994	<b>1,931,981</b>	<b>48.47</b>
	TSL	1,667,075	0	-134,735	<b>1,532,340</b>	97,804	34,874	<b>62,930</b>	<b>1.58</b>
	<i>Less WBC Interest on TL Share Capital @ 31.12.17</i>				<b>30,995,451</b>		1,049,286	<i>-1,049,286</i>	<b>-26.66</b>
	<b>2017 Group Total benefit to WBC excl Develop</b>				<b>182,940,691</b>	<b>10,165,023</b>	<b>8,132,650</b>	<b>2,032,373</b>	<b>50.65</b>

2018	Company	Balance of WBC loans o/s on 01.01.18 £	New Loans in 2018 £	Less Repayments in Period £	Net Estimated Balance of loans 31.12.18 £	Total interest due in 2018 £	Interest Paid by WBC on o/s group loans £	Net Benefit to WBC £	Equivalent to Band D 2017/18
	TCMK	28,163,541	3,650,000	-1,226,203	<b>31,485,652</b>	1,898,596	1,139,300	<b>759,296</b>	<b>18.28</b>
	TEL	13,718,323	0	-504,302	<b>13,214,021</b>	747,655	514,408	<b>233,247</b>	<b>5.62</b>
	THL	170,521,938	112,307,126	-27,121	<b>282,801,943</b>	9,349,548	6,513,938	<b>2,835,610</b>	<b>68.27</b>
	TSL	1,532,340	0	-142,942	<b>1,389,398</b>	89,828	31,847	<b>57,981</b>	<b>1.40</b>
	<i>Less WBC Interest on TL Share Capital @ 31.12.18</i>				<b>30,995,451</b>		1,184,026	<i>-1,184,026</i>	<b>-28.51</b>
	<b>2018 Group Total benefit to WBC excl Develop</b>				<b>297,895,563</b>	<b>12,085,627</b>	<b>9,383,519</b>	<b>2,702,108</b>	<b>65.05</b>

**Appendix 3: Thamesway Limited Share Capital**

Company	31.12.16	31.12.17	31.12.18
	£	£	£
THL	17,915,000	23,915,000	23,915,000
TEL	5,050,450	5,050,450	5,050,450
TDL	10,001	10,001	10,001
TMSL	660,000	660,000	660,000
TSCL	250,000	250,000	250,000
TSL	1,110,000	1,110,000	1,110,000
<b>Sub Total</b>	<b>24,995,451</b>	<b>30,995,451</b>	<b>30,995,451</b>
<b>Share Capital from THL</b>			
TGHL	360,000	360,000	360,000
<b>Sub Total</b>	<b>25,355,451</b>	<b>31,355,451</b>	<b>31,355,451</b>
<b>Share Capital from TEL</b>			
TCMK	1,110,000	1,110,000	1,110,000
<b>Total</b>	<b>26,465,451</b>	<b>32,465,451</b>	<b>32,465,451</b>

THL share capital may increase in 2018 dependant on project requirements

**End of Business Plan**

## Appendix A

### Glossary

#### Company Abbreviations

RWCL	Rutland Woking (Carthouse Lane) Ltd
RWL	Rutland (Woking) Ltd
RWR	Rutland Woking (Residential) Ltd
TCMK	Thameswey Central Milton Keynes Ltd
TDL	Thameswey Developments Ltd
TEL	Thameswey Energy Ltd
TGHL	Thameswey Guest Houses Ltd
THL	Thameswey Housing Ltd
TL	Thameswey Ltd
TMSL	Thameswey Maintenance Services Ltd
TSCL	Thameswey Sustainable Communities Ltd
TSL	Thameswey Solar Ltd

#### Other Abbreviations used in Thameswey Business Plans

AHU	Air Handling Units
CHP	Combined Heat and Power
DE	Distributed Energy
DG	Distributed Generation
EMCS	Energy Management Control Systems
EPC	Energy Performance Certificate
GHP	Geothermal Heat Pump
GWh	Gigawatt Hours
HRA	Housing Revenue Account
HVAC	Heating, Ventilation, and Air Conditioning System
kWh	Kilowatt Hour
LED	Light Emitting Diodes
MTFS	Medium term financial strategy
MKC	Milton Keynes Council
M&V	Measurement and Verification
MWh	Megawatt Hour
MWth	Megawatt-Thermal, unit of heat output for CHP production
MWe	Megawatt-Electrical, unit of electrical output for CHP production
O&M	Operations and Maintenance
PV	Photovoltaic
R&D	Research and Development
RE	Renewable Energy
REC	Renewable Energy Certificate
WBC	Woking Borough Council

## **USEFUL DEFINITIONS**

### **Absorption chillers**

Absorption chillers produce chilled water by using heat and can be combined with CHP to provide tri-generation or combined cooling, heat power and (CCHP)

### **Band A Property**

Property that is let at open market rent

### **Band B Property**

Property that is let at between 80%-99% of market, also known as an affordable let

### **Band C Property**

Property that is let at between 51%-79% of market, similar to social housing

### **Band D Property**

Council house property that is let at 50% of market rate

### **Band D Council tax**

The council tax that applies to properties at approximately the mid-point tax band based on the property valuation in April 1991

## **BEIS**

Department for Business, Energy and Industrial Strategy (successor to Government department to DECC- Department of Energy and Climate Change)

### **Capacity Market**

A mechanism introduced by Government to incentivise investment in electricity generating capacity to ensure adequate capacity is available through the national grid. The Capacity Market operates through incentive payments based on capacity auctions four years in advance.

### **Combined Heat and Power Quality Assurance (CHPQA)**

A government-run scheme for independently assessing the efficiency CHP installations. An annual CHPQA assessment permits CHP operators to qualify for exemption from carbon tax (such as CCL exemption).



## **Climate Change Levy (CCL)**

A carbon tax levied by HMRC that applies to electricity, natural gas and solid fuels consumed by non-domestic energy consumers, charities and small businesses . Various rates and exemptions are applied depending on the type of generating plant and scale of production.

## **Demand Side Management (DSM)**

DSM concerns the active management of electricity demand by (generally large) consumers to change their level and pattern of electricity usage to avoid and reduce consumption during times of peak demand.

## **Demand (energy)**

The level at which energy is delivered to users at a given point in time, expressed in kilowatts (kW) or megawatts (MW).

## **Homes and Communities Agency (HCA)**

Formerly called English Partnerships (EP), it is the national regeneration agency for England, responsible for land acquisition and assembly and major development projects, alone or in joint partnership with private sector developers. Thamesway Central Milton Keynes Ltd. was set up to enter into partnership with EP to develop the Milton Keynes Energy Stations within the PDA area.

## **Heat Networks Development Unit (HNDU)**

An initiative introduced by DECC (now BEIS) dedicated to helping public bodies evaluate the potential for new and enlarged heat networks. HNDU has provided financial and technical assistance for local authorities in commissioning technical and economic feasibility assessments of district heat

## **Heat Networks Investment Project (HNIP)**

The delivery arm of HNDU, it provides grants and loans to support investment in heat networks

## **Feed-in-Tariff (FIT)**

A fixed term financial incentive introduced by the Government to promote widespread uptake of a range of small-scale renewable and low-carbon electricity generation technologies. It is available through licensed electricity suppliers, requiring some of them to make tariff payments on both generation and export of renewable and low carbon electricity.

## **kWh and MWh**

The **kilowatt hour (kWh)** is a unit of energy equal to 1000 watt hours. For constant power, energy in watt hours is the product of power in watts and time in hours. The kilowatt hour is most commonly known as a billing unit for energy delivered to consumers by electric utilities.

A **megawatt hour** (MWh) is 1,000 kWh and 1,000,000 watt hours

### **kWp**

The unit of measurement for peak power output for photovoltaic cells

### **Load Diversity**

The condition that exists when the peak demands of a variety of energy customers occur at different times.

### **Milton Keynes Development Partnership (MKDP)**

A property development vehicle acting for MKC to promote the development of the land assets transferred to the council from HCA.

### **PDA**

The Project Development Agreement is the base document for the partnership between TCMK and EP within a defined area of Central Milton Keynes

### **PPDA**

The Project Phase Development Agreements are the core documents for each new development phase within the PDA area.

### **Solar thermal**

The generation of useable heat (in the form of hot water) from solar energy. Usually takes the form of roof-mounted panels that generate hot water for heating or domestic hot water services.

### **Solar Photovoltaic (PV)**

The generation of electricity from solar energy, usually in the form of roof or ground mounted 'modules' (panels) connected either to a building or directly to the grid.

### **Renewable energy**

Energy that is generated from a source that is not depleted when used or is naturally replenished on a human timescale (eg wind, solar, biomass, geothermal, tidal and wave energy)

### **Renewables Obligation (RO)**

The RO is the main support mechanism for renewable electricity projects in the UK. Smaller scale generation is mainly supported through the Feed-In Tariff scheme (FITs).

Renewables Obligation Certificates (ROCs) are green certificates issued to operators of accredited renewable generating stations for the eligible renewable electricity they generate.

Operators can then trade the ROCs with other parties, with the ROCs ultimately being used by suppliers to demonstrate that they have met their obligation.

### **Renewable Heat Incentive (RHI)**

The RHI provides long term financial support for renewable heat technologies like heat pumps, biomass boilers and solar thermal panels.

### **Short Term Operating Reserve (STOR)**

A national grid operated service for the provision of additional active power from generation and/or demand reduction at times when the grid is most stressed. STOR provides payment to generators on the basis of a combination of:

- **Availability Payments (£/MW/h):** service providers are paid to make their unit/site available for the STOR service within an Availability Window
- **Utilisation Payments (£/MWh):** service providers are paid for the energy delivered as instructed by National Grid. This includes the energy delivered in ramping up to and down from the Contracted MW level

### **Triad**

Triads are financial mechanism used to help limit peak demand of power on the National Grid. A triad is measured as the average demand on the system over three half hours between the first day of November and last day of February. These three half hours comprise the half hour of system demand peak and the two other half hours of highest system demand which are separated from system demand peak and each other by at least ten days. These half hours of peak demand are referred to as triads.

### **Triad charges and payments**

Consumers of electricity that are metered on a half-hour basis are charged premium rates for electricity consumed during triad periods. Conversely, a premium price is paid to generators for the electricity supplied to the Grid during triad periods.



# **THAMESWEY ENERGY LIMITED**

## **BUSINESS PLAN 2018**

### **Covering the Period 2018 - 2021**

Address: 2<sup>nd</sup> Floor, Gloucester Chambers, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 03772150  
VAT Number: 742 6380 32

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## 1. Company Overview

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### Introduction

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- 1.1 This business plan sets out the proposed priorities for Thameswey Energy Limited (TEL) to deliver the Thameswey Group companies' strategic objectives for the near future up to 2021.
- 1.2 The plan ensures that the focus of activity within this company is clearly aligned with those of Thameswey Limited, and ultimately with Woking Borough Council's strategic objectives for the Thameswey Group.
- 1.3 The plan refreshes the 2017 to 2020 business plan (approved by Council in December 2016). It identifies the business opportunities and priorities for investment in the near future, including the main capital projects that will require investment to enable TEL to deliver its objectives for the Council. During 2017, a business case was agreed by the Council to build a new energy station in Poole Road.

### Purpose

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- 1.4 Thameswey Energy Ltd was established to provide a long term strategy of sustainable energy infrastructure investment both within the borough of Woking and elsewhere, with the objective of securing reductions in carbon dioxide equivalent emissions. The company achieves this through its generation, distribution and supply of sustainable, low carbon and renewable energy to public, commercial and private domestic customers in the borough (and in Milton Keynes via its subsidiary).

### Financial Requirements

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- 1.5 The business is financed by way of loans and share capital.
- 1.6 TEL has the use of intellectual property owned by Thameswey Limited (TL) and is obliged to pay an annual licence fee of £1,000. At its discretion TL also charges a project fee for capital work of up to 4% of the value of the works. These fees are used to benefit the residents of the borough as TL contributes towards environmental, social and carbon dioxide equivalent emission reduction projects. Further information on the projects that have benefited from these funds is provided in the Thameswey Limited business plan.
- 1.7 The current programme of planned capital expenditure over the next three years is shown in the table below and described in Section 3 of this Business Plan. Major Capex beyond 2020 has not been identified at this stage, and will be largely determined by the opportunities for new connections arising from new development activity at that time. Where reference is made to future connections to supply energy to new developments, these will be subject to planning approval and contractual negotiations.

	2017	2018	2019	2020	TOTAL
Victoria Gate Connection	£230,000	£0	£0	£0	£230,000
Doubletree Modifications	£0	£120,000	£0	£0	£120,000
Town Centre Optimisation/Refurb	£160,000	£75,000	£50,000	£50,000	£335,000
Increased Chiller Capacity	£19,000	£255,000	£0	£0	£274,000
Elizabeth House Connection	£204,000	£148,000	£70,000	£0	£422,000
Chertsey Road network extension (incl. 121)	£0	£300,000	£390,000	£0	£690,000
Kings Court Connection	£0	£131,000	£0	£0	£131,000
Rat & Parrot Connection	£0	£100,000	£100,000	£0	£200,000
Church St East 'relief ring' upgrade2	£0	£0	£0	£310,000	£310,000
Woking Park Optimisation	£79,000	£125,000	£50,000	£0	£254,000
Town Centre CHP Overhaul	£290,000	£0	£0	£0	£290,000
Poole Road			£25,000,000	£1,000,000	£26,000,000
<b>TOTAL</b>	<b>£982,000</b>	<b>£1,254,000</b>	<b>£25,660,000</b>	<b>£1,360,000</b>	<b>£29,256,000</b>
Table excludes capital contributions from Customers					

### Current Business Position

1.8 The current business priorities for TEL are:

- Completion of phased replacement of aging primary energy assets in Woking Park
- Expansion of existing distribution infrastructure to supply new developments in the eastern half of Woking town centre
- Construction of new energy generating capacity and distribution infrastructure to supply the Victoria Square scheme and other major developments elsewhere in the town centre

### Major Achievements since the last business plan

- 1.9 During 2016, the low carbon heat, cooling and electricity generated by Woking Town Centre Energy Station and Woking Park CHP reduced carbon dioxide equivalent emissions by 1,048 tonnes (as compared to the emissions emitted in the production of an equivalent amount of grid energy). Woking Park CHP was awarded its highest efficiency rating in the last five years (as assessed by the Government's CHPQA scheme).
- 1.10 TEL's solar PV installations generated 344MWh of renewable electricity, compared with 231MWh during 2015 (an increase of 33%). This reflects in part work carried out to improve output from some of the larger and older PV installations systems.
- 1.11 Victoria Gate office refurbishment signed up and work commenced to connect to the town centre district heat and cooling networks.
- 1.12 Planning consent was granted for the Poole Road energy station, along with major new heat and power distribution networks that will serve the Victoria Square scheme along with other major developments in the town centre.

### Company Ownership & Governance

- 1.13 Thameswey Energy Ltd is a private Limited Company registered in the United Kingdom and is a 100% subsidiary of Thameswey Limited (the holding company of the Thameswey Group), which is in turn solely owned by Woking Borough Council. TEL has a wholly owned subsidiary company, Thameswey Central Milton Keynes Limited (TCMK) which provides embedded generation



facilities in the Central Milton Keynes area. Both companies have separate business plans and their results are not incorporated into the results of TEL.

1.14 The current board of Directors is set out below:

Barry Maunders	Independent Director (Chairman)
Cllr. John Kingsbury	Councillor Director
William Prescott	Independent Director
Peter Bryant	Officer Director
Douglas Spinks	Officer Director

**Significant Assets**

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- 1.15 The Woking Town Centre Energy Station located in Victoria Way Car Park has been operational since 2001. The energy station includes a 1.3 MWe Deutz gas fired Combined Heat & Power (CHP) engine with two 1.2MW gas boilers, two absorption chillers and a thermal store to provide security of heat supply. This energy station provides heat, cooling and power to a number of buildings within the town centre. Distribution assets include district heat and cooling mains and an extensive 11,000v mains distribution system and seven HV substations.
- 1.16 TEL also owns and operates a number of sites previously developed by WBC. The largest of these installations is at Woking Park and includes a 0.84 MWe Jenbacher CHP engine. Other sites include a number of domestic sites with small scale CHP installations and over 700kWp of solar photovoltaic installations in the Borough. See Schedule 1.

**2. Industry Outlook and Business Opportunity**

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**Industry Outlook**

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- 2.1 Government support for the growth in decentralised energy is continuing with the roll out in 2017 of a new £320m fund investment to stimulate growth in heat networks. A further £10 million of Government funding will sponsor the Energy Systems Catapult on its Smart Systems and Heat Programme. The programme will help develop local energy plans alongside Local Authorities, and bring down the cost of energy bills, while supporting the development of the UK’s low carbon heating projects.
- 2.2 The implications of Brexit have yet to be fully identified. A heavy reliance on parts and equipment supplied by manufacturers based in continental Europe has impacted on costs and charges as a result of currency exchange rates and will be subject to future trade deals. Where possible, UK-sourced components and equipment are now being used to reduce exposure to future price uncertainties.
- 2.3 Ofgem has announced significant reductions in the payments made by the National Grid to small ‘embedded generators’ for contributing to grid supplies at times of shortage. These will be phased in over the next three years (2018-2020) and will reduce both the payments received by TEL for exported power generated during winter triads, and the risk of higher charges for periods when TEL imports power.
- 2.4 There is significant growth in development of power storage technologies and new markets are emerging to support the electricity grid and local networks through fast-response reserve power.

This sector is expected to continue to expand as growth in scale and competition among suppliers brings down the capital costs.

- 2.5 There has been a recent emergence of new energy suppliers challenging the established 'Big Six' by offering supply contracts tailored for specific market sectors, such as green tariffs, communities energy suppliers and fuel poor households. This includes local authorities that have set up their own electricity and/or gas suppliers operating nationally. Examples are Bristol Energy and Robin Hood Energy (Nottingham).
- 2.6 The Heat Metering and Billing Regulations (2014) introduced new obligations relating to the distributed supply of heat, cooling and hot water. However, provisions in respect of metering of heat supplies to final customers within existing multiple occupancy buildings have been delayed pending revisions to the tools to be used for assessment of cost-effectiveness. A public consultation on a revised methodology for assessing the cost effectiveness of metering for district and communal heating networks and is expected during 2018.

### The Business Opportunity

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- 2.7 The growth in new development in Woking presents opportunities to connect new customers to TEL's existing networks and develop new generating and supply capacity. This is being progressed simultaneously through two routes:
  - Extension of the distribution infrastructure connected to Victoria Way energy station, connecting initially to Thameswey's development interests at Elizabeth House and 121 Chertsey Road, and new waste processing equipment to be located in the Peacocks; and,
  - The development of a new station at Poole Road, with networks serving Victoria Square and other major developments in the west of the town centre. In the longer term TEL will seek to extend the Poole Road new network to development sites south of the railway.
- 2.8 Ultimately, as each network grows the opportunity will arise to interconnect the two networks and provide additional operational resilience and capacity throughout the town centre. Poole Road also provides the opportunity for TEL to diversify its generating capacity with the potential to accommodate alternative and renewable generating and storage technologies to help secure further sequential carbon reductions in the energy supplied by the company.
- 2.9 Sheerwater Regeneration provides a major opportunity for TEL to supply low carbon energy to a major new community outside of the town centre. As the early phases of the development include non-residential uses, these will be capable of providing 'anchor load' demand which can be extended to serve some of the residential phases. The infrastructure and services designs for Sheerwater will include assessment of energy generating technologies that will ensure long term carbon savings.
- 2.10 The introduction of battery storage technologies 'behind the meter' alongside existing and new CHP and solar power generation will be explored in TEL's primary generating stations and also its PV sites. Initial discussions have commenced with a single supplier to test the economic and technical proof of concept, with a view to deployment during the business plan period.
- 2.11 The emergence of niche or local licensed energy suppliers presents an opportunity for Thameswey to enter a growing market that challenges the large utility companies. This may

offer Thameswey opportunities to manage regulatory risks as it grows the number of directly supplied customers, whilst also expanding its customer base beyond those physically connected to its networks. Further exploration of this business model is proposed to understand the potential benefits and risks of this approach to business expansion.

- 2.12 The opportunity exists for TEL (and TMSL) to assist the Council in meeting its statutory obligations in respect of heat metering tenants in council properties supplied by TEL. TEL's supply chain, combined with TSCL's meter data handling personnel and TMSL's engineering resource can help ensure the Council is compliant with the emerging obligations under the Heat Metering Regulations.
- 2.13 The Council's adopted strategy for sustainable development ('Woking 2050') provides a number of opportunities for TEL to assist in the delivery of the Council's sustainable development objectives. These include a number of areas where TEL is already actively delivering outcomes (for example providing renewable and low carbon energy, promoting energy efficient homes and initiatives to help reduce fuel poverty), as well as other areas where new opportunities exist for the company to contribute to project delivery (such as helping to provide electric vehicle charging infrastructure and assisting local businesses to switch to lower carbon energy supplies).
- 2.14 Thameswey's housing stock comprises over 260 properties that have no renewable energy supply. These provide an opportunity for TEL (and Thameswey Solar Ltd.) to increase its generation and supply of renewable energy through the installation of small scale solar PV and/or solar thermal energy on Thameswey's own stock.
- 2.15 There is the opportunity for TEL to negotiate with the Council and TMSL for the operation and maintenance of small communal boilers and plant through a service level agreement. As part of this arrangement TEL would consider opportunities for communal plant to be supplemented with renewable technology such as solar thermal.

#### Investment strategy for Woking town centre

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- 2.16 The investment strategy adopted in the 2017-2020 Business Plan focused on meeting the growth in energy demand arising from the planned growth and redevelopment in Woking town, through investment in upgrading and extending existing assets and building new energy generating and plant and distribution infrastructure. It set out three priorities for investment to achieve this:
  - 1) Optimising the performance of existing assets;
  - 2) Increasing capacity to supply new customers through additional generating assets and extending TEL's distribution infrastructure;
  - 3) Planning for replacement of aging assets with new, lower carbon and/or renewable energy technologies.

This investment strategy is continued into the new Business Plan.

- 2.17 The Victoria Way town centre energy station will reach 20 years in operation during the Business Plan period. During 2017 work started on a number of measures to improve efficiency of existing plant and increase supply capacity from existing energy generation and distribution assets. Additional capacity to generate chilling is also planned as this currently has very limited spare capacity. This work is expected to continue into 2018, with reduced expenditure thereafter.

- 2.18 The investment strategy assumes continued opportunities for growth through new development coming forward in the town centre. A number of schemes located close to TEL's existing networks in the east of the town have sought planning consent (including 121 Chertsey Road and the former Rat and Parrot), and other major redevelopments are anticipated in the current Business Plan period near to Church Street East. These connections will be subject to individual investment appraisal, at which time their contribution to the cost of connection will be quantified.
- 2.19 Planning consent has been granted for a new energy centre on land at 9/9a Poole Road and construction of this facility as part of a new mixed used development will commence during the Business Plan period. The Poole Road energy centre and new networks will enable TEL to significantly increase its existing generating capacity in the town centre.
- 2.20 As the 'headroom' of capacity available to new customers at Victoria Way energy centre to meet new customer loads decreases, the opportunity will be available to supply new customers via inter-connection of the new and existing district heat and cooling networks.
- 2.21 In addition to meeting anticipated growth in energy demand, TEL is considering how it generates the energy it supplies in future. TEL's district energy networks are currently wholly dependent on natural gas as the primary fuel to generate heat, cooling and power. Future changes in the way the UK's primary energy is supplied may impact on the environmental benefits and costs of energy supplied by TEL. Recent years have seen a steady reduction in the carbon intensity of the UK's electricity mix supplied over the grid with the increase in wind and solar power and switch away from coal-fired power stations. These movements in the energy mix of grid electricity directly impact on the relative carbon savings provided through gas fired CHP. In the short term TEL will consider opportunities to reduce the carbon intensity of its energy supplies through measures such as purchasing 'green gas' certificates as part of its primary energy. Longer term measures include ensuring the Poole Road energy centre is designed to enable greater flexibility in the mix of primary energy used.

### 3. The Business Model

#### Sources of Revenue

3.1 TEL's revenue in 2016 from energy sales and energy service charges is summarised in the table below.

	<b>2015</b>	<b>2016</b>
	<i>Actual</i>	<i>Actual</i>
	£	£
Electricity	1,034,629	967,918
Electricity Export	87,825	130,105
Triad Income	(10)	12,584
Heat	521,837	428,500
Cooling	97,342	114,051
Standing Charges	228,698	222,565
Admin Charges	19,975	16,999
Energy Service Charge	1,351,802	1,366,287
Sale of ROCs	12,033	6,615
Feed in Tariff	16,150	19,554
Plant Maint Recharge		0
Non Trading Income		0
	<b>3,370,280</b>	<b>3,285,177</b>

#### Major Operational Costs

3.2 The most significant costs that the company incurs are primary energy costs (natural gas and electricity import) and operation and maintenance (O&M) costs.

3.3 During 2017 primary energy costs have been more stable after a period of volatility during 2016. However, as TEL's supply contracts for commercial customers link the energy tariffs charged to customers using a formula based on RPI and the UK natural gas price index this has negatively impacted on revenues from energy sales. Whilst this pricing formula provides TEL's business model with some protection against volatility in wholesale energy prices, the net effect of falling wholesale energy prices is adverse for TEL.

3.4 Engine services and major asset renewal completed during the year are capitalised to be depreciated on the future running hours.

#### Operational Plan

3.5 Changes to the Operational Plan will be introduced over the course of the Business Plan to achieve the following outcomes:

- Installation of automatic meter reading (AMR) to replace the last remaining manually read meters, along with integration of meter data into the Ista system
- Control of planned maintenance regimes using QFM software for Victoria Way and Woking Park energy centres, and (once operational) Poole Road

- Growth in the number of customer accounts from connection of major new developments in Woking town centre (managed through re-organisation and expansion of the Customer Services team in TSCL)

### Capital Investment

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- 3.6 Capital expenditure during 2017 has focused on major plant refurbishment and replacement at Victoria Way energy centre as part of a programme to extend the operating life of the energy centre and meet the growth in energy demand through redevelopment in the eastern part of the town centre. This has included major engine overhaul, refurbishment of the chillers and development of a new SCADA (control) system for Victoria Way and Woking Park. In addition, the connection of Victoria Gate to the town centre district heat, cooling and electricity supplies has been completed.
- 3.7 During 2018 planned capital expenditure at the Victoria Way energy centre includes the installation of additional chiller capacity to meet increased cooling demand arising from new connections. A budget sum of £274,000 has been included in the capex investment plan which will be firmed up following further technical appraisal.
- 3.8 Investment in further expansion of the network is anticipated over the next 2-3 years to connect new developments in the eastern half of the town centre, including Thameswey's sites at 121 Chertsey Road and Elizabeth / Cornerstone House. The investment required by TEL for each new proposal that comes forward in the town centre will be modelled and considered on its own merits. The total estimated capital costs for new connections are included in the investment plan. Contributions towards these costs will be sought from developers during commercial negotiations.
- 3.9 Work will be carried out during 2018 to provide new HV (high voltage) private wire network capacity to serve the Victoria Square scheme and other new developments throughout the town centre. This will also provide the opportunity to provide future reinforcement to the existing town centre private wire network.
- 3.10 Investment in the Poole Road energy centre and new distribution networks has been approved by the TEL and TL Boards and Woking Borough Council. The capex for this will include a contribution by Victoria Square Woking Ltd (VSWL).
- 3.11 The current business plan (excluding Poole Road) forecasts an average annual rate of return of 3.5% and in the future a minimum of 4.5% has been adopted for investment appraisal models for major capital expenditure. This is in line with current commercial expectations.

### Assumptions and Critical Factors in Model

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- 3.12 TEL has a financial model which has been used to make long term financial projections. The model is updated each year to reflect the previous year's activity and any updates on market forecasts. The model also takes into account new projects / connections, engine running strategies and capacity of the engines.
- 3.13 The model assumes that inflation will run at 2.0% per annum for the business plan period. In practice short term inflation rates will vary. Increased inflation will provide an improvement in

the return for the company due to increasing revenues and margins. As referred to above commercial customer prices are based on the gas index price and inflation, thereby reducing risk to the business.

- 3.14 The nature of the Council's investment is long term. The established business has an underlying sound foundation with a good customer base and considerable opportunity for growth. The business plan covers the financial period 2018 to 2021 in detail, as this can be accurately predicted. However the economic model has been extrapolated into the future to facilitate the established business including Poole Road energy station.

#### 4. Financial Plan

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##### Finance Structure

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##### **Appendix 2 shows the Finance Structure of TEL**

- 4.1 TEL is financed by both share capital and loans. TL (ultimately WBC) has a nominal total of £4,556,350 in share capital finance in TEL, £1,110,000 of this share capital was used by TEL to invest in its subsidiary TCMK.
- 4.2 WBC charges TEL a margin on its loan rates which is used for the benefit of the Council. In 2017 the re-scheduled loan will contribute approximately £241,000 to WBC in the form of loan margin.

##### Shareholder Return on Investment

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- 4.3 Average annual return on investment has been calculated up to 2035 as 3.5% in the 2016 business plan. Additional connections are calculated by individual business cases and are required to meet a minimum of 4.5%.
- 4.4 Poole Road business case expects to achieve a minimum rate of return of 4.1%, however additional capacity can be supported and expectations are at least 4.5% will be achieved over the business case period.
- 4.5 The addition of the new energy station in Poole Road is expected to return the business to profit by 2027, and accumulated profit by 2034. Dividends will be paid to WBC from 2050. Shareholder return in 2069 delivers 4.5%

##### **Appendix 3 shows the other benefits to WBC.**

##### Profit & Loss Account

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- 4.6 The profit & loss account has 2016 actual data as a comparator, against 2017 expected overrun, and a budget for 2018 to 2021.
- 4.7 The budget has been based on historical costs, expected inflation and modelled revenue and costs. TEL has a good level of confidence in the budget. It should be noted that increases in the gas price index lead to increases in the prices charged to commercial customers with prices calculated on a monthly basis, this helps to reduce financial risk to TEL.

- 4.8 Amortisations of grants from connections are written off over the contract term, to match capital investment depreciation.
- 4.9 Poole Road income and associated costs are expected to commence in 2019, although steady state is not expected until 2028.
- 4.10 The plan shows an increasing profit (before interest, tax and depreciation) with the introduction of Poole Road, however due to loan interest and depreciation being incurred, losses are increasing in the business plan period.
- 4.11 The business will return to producing an annual profit in 2026

**Appendix 4 shows the Profit & Loss Account for the business plan period**

**Balance Sheet**

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- 4.12 Capital expenditure increases in 2019 to reflect Poole Road energy station.
- 4.13 Lombard loans will be fully repaid in 2018, resulting in funding only from WBC from this point.
- 4.14 Loan requirements from WBC have been agreed for Poole Road, and no additional funding is required during the business plan period. However if the customer base increases, potential funding may be required to support infrastructure investment

Year	Funding Requirement	Purpose
2018	£0	No Funding Required
2019	£23M	Poole Road Development
2020	£1M	Poole Road Development
2021	£1M	Poole Road Development

**Appendix 5 shows the detailed balance Sheet for the business plan period**

**Cash Flow**

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**Appendix 6 shows the forecast Cash Flow**



## Appendix 1: Sites operated by TEL

Location	TEL Facilities	Site owner
Victoria Way Energy Station	CHP	TEL
Woking Leisure Centre/Pool in the Park	CHP / Photovoltaics	WBC
Broadway House / The Vyne	CHP / Photovoltaics	WBC
Brockhill	CHP / Photovoltaics	WBC
Bunyard Drive	CHP	WBC
Ferney Court*	Photovoltaics	WBC
Hampton Close (Cranmer and Wolesley Courts)	CHP	Thameswey Housing Ltd
Nightingale Court *	Photovoltaics	WBC
Nottingham Court	Photovoltaics	WBC
Priors Croft *	CHP / Photovoltaics	WBC
Stream Close (St. Marys) *	CHP / Photovoltaics	WBC
Sunnyside *	Photovoltaics	WBC
Tudor Court	CHP	Greenoak Housing
Wesco Court *	Photovoltaics	WBC
Woodlands House (Parkview) *	CHP / Photovoltaics	WBC

\*WBC sites with plant rooms operated by TEL

## Appendix 2: TEL Finance Structure

<b>Share Capital Summary</b>	<b>Total Share Capital £</b>
<b>Date</b>	
01.06.2000	720,000
01.02.2002	920,000
01.10.2003	800,450
31.12.2005*	1,110,000
Nominal Value	3,550,450
31.12.2004 Discount	-494,100
Net Purchase Price As At 01.01.2006	3,056,350
30.12.2011	500,000
30.07.2012	500,000
24.12.2012	500,000
	<b>4,556,350</b>
<b>Total Share Capital As At 31.12.2016</b>	<b>0</b>

\* Invested in TCMK

## Appendix 3: Benefits to WBC

Year	Description	Value
2016	Net Interest Margin	£290,909
	Carbon Dioxide Emission Savings	1,400 tonnes
	Capital Project Fees paid to TL for investment in energy & environmental projects in the borough	0
	Payment of NNDR	£18,832
	Assist WBC in its Climate Change Strategy	
2017	Net Interest Margin	£241,130
	Carbon Dioxide Emission Savings	TBC
	Capital Project Fees paid to TL for investment in energy & environmental projects in the borough	£0
	Payment of NNDR	£19,209
	Assist WBC in its Climate Change Strategy	

Note: Capital Project Fees will be payable to TL in 2018 as connections under construction are completed.

## Appendix 4: Detailed Profit &amp; Loss Account for the period 2016-2021

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
<b>Turnover</b>	3,285,177	3,388,092	3,457,334	4,087,293	4,587,428	5,315,944
<b>Cost of Sales</b>						
Cost of Gas	605,018	610,202	646,913	789,843	854,831	983,624
Cost of Electricity Import	693,796	699,741	741,839	905,742	980,266	1,127,957
Climate Change Levy	20,943	21,122	22,393	27,340	29,590	34,048
Cost of Water	19,570	19,738	20,925	25,549	27,651	31,817
Plant Maintenance	176,501	178,013	188,723	230,420	249,379	286,951
<b>Total Cost of Sales</b>	<b>1,515,828</b>	<b>1,528,817</b>	<b>1,620,792</b>	<b>1,978,894</b>	<b>2,141,717</b>	<b>2,464,397</b>
<b>Gross profit/(loss)</b>	<b>1,769,348</b>	<b>1,859,275</b>	<b>1,836,542</b>	<b>2,108,399</b>	<b>2,445,712</b>	<b>2,851,547</b>
GP % of turnover	53.9%	54.9%	53.1%	51.6%	53.3%	53.6%
<b>Indirect Costs</b>						
Administration Charges	109,396	112,968	114,519	173,190	180,408	217,928
Data Collection/Metering	714	2,574	2,626	2,678	2,732	2,786
Energy Management	18,341	9,675	9,869	13,126	13,388	13,656
Customer Services	0	293	299	305	311	317
Rent, Rates & Utilities	13,020	15,021	15,322	20,378	20,786	31,178
Insurance	58,809	61,266	62,491	83,113	84,775	86,471
Prof Fees - Legal	27,556	18,643	19,015	19,396	19,784	20,179
Prof Fees - Consultancy	20,287	24,489	24,979	25,479	25,988	26,508
Audit & Tax Advice	9,250	6,042	6,162	6,286	6,411	6,540
Trade Mark Fees	1,000	1,000	1,000	1,000	1,000	1,000
Non Exec Remuneration	9,318	9,571	9,763	9,958	10,157	10,360
Bank Charges	2,113	2,421	2,470	2,519	2,569	2,621
Bad Debts	7,603	1,669	1,703	1,737	1,771	1,807
Doubtful Debt Provision	-981	-1,707	-1,741	-1,776	-1,812	-1,848
<b>Total Costs</b>	<b>276,426</b>	<b>263,925</b>	<b>268,475</b>	<b>357,387</b>	<b>368,268</b>	<b>419,503</b>
<b>EBITDA</b>	<b>1,492,922</b>	<b>1,595,350</b>	<b>1,568,067</b>	<b>1,751,013</b>	<b>2,077,444</b>	<b>2,432,044</b>
Depreciation	928,681	955,092	1,037,420	1,578,515	1,615,723	1,648,985
Amortisation	36,281	40,781	52,781	128,781	128,781	124,243
<b>Operating Profit</b>	<b>600,522</b>	<b>681,039</b>	<b>583,428</b>	<b>301,279</b>	<b>590,502</b>	<b>907,302</b>
Finance Income	7,610	3,500	3,500	1,000	1,000	1,000
Finance Costs	800,657	774,289	747,655	1,534,530	1,534,141	1,531,597
<b>Profit/(Loss) Before Tax</b>	<b>(192,524)</b>	<b>(89,750)</b>	<b>(160,727)</b>	<b>(1,232,251)</b>	<b>(942,639)</b>	<b>(623,295)</b>
Corporation Tax Prov.	1,522	0	0	0	0	0
<b>Profit/(Loss) After Tax</b>	<b>(194,046)</b>	<b>(89,750)</b>	<b>(160,727)</b>	<b>(1,232,251)</b>	<b>(942,639)</b>	<b>(623,295)</b>

## Appendix 5: Forecast Balance Sheet

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
<b>FIXED ASSETS</b>						
Land & Buildings	358,840	350,501	342,162	15,181,347	14,869,998	14,558,648
Plant & Machinery	12,423,908	12,268,772	12,861,310	22,522,783	22,672,471	22,452,738
Engine Service	7,731	246,127	205,508	164,889	124,270	122,838
Assets Under Construction	192,276	117,276	42,276	0	0	0
	12,982,754	12,982,676	13,451,256	37,869,019	37,666,738	37,134,225
<b>LONG TERM INVESTMENTS</b>						
TCMK Share Capital	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000
<b>CURRENT ASSETS</b>						
Trade Debtors	287,480	424,737	288,111	340,608	382,286	442,995
Provision for Doubtful Debts	(13,564)	(11,535)	(14,406)	(17,030)	(19,114)	(22,150)
Corporation Tax	163,024	163,024	163,024	163,024	163,024	163,024
Accrued Income	189,971	132,769	172,867	204,365	163,492	130,793
Prepayments	4,225	52,639	52,639	52,639	52,639	57,639
Parts in Stock	57,779	41,730	37,745	46,084	49,876	57,390
Short Term Deposit	148,352	0	0	0	0	0
Bank Account	2,004,053	1,547,770	151,688	597,845	35,411	114,038
	2,841,320	2,351,135	851,668	1,387,535	827,613	943,730
<b>CURRENT LIABILITIES</b>						
Trade Creditors	121,174	455,709	135,066	164,908	178,476	205,366
Service a/c Woking Park	115,516	151,516	151,516	151,516	151,516	151,516
Accrued Expenses	326,282	212,986	162,079	197,889	237,467	284,961
VAT Payable	115,310	21,492	18,365	21,084	24,457	28,515
Group Recharges	24,954	0	0	0	0	0
	703,235	841,703	467,026	535,397	591,916	670,358
<b>NET CURRENT ASSETS</b>	<b>2,138,085</b>	<b>1,509,432</b>	<b>384,642</b>	<b>852,138</b>	<b>235,697</b>	<b>273,372</b>
<b>LONG TERM LIABILITIES</b>						
Long Term Loans	14,195,783	13,718,323	13,214,021	35,510,312	35,763,011	36,015,710
Grants/Contributions	719,498	678,717	805,936	4,627,155	4,498,374	4,374,132
TCMK Lombard Deposit	139,140	118,400	0	0	0	0
	15,054,421	14,515,440	14,019,957	40,137,467	40,261,385	40,389,842
<b>NET TOTAL ASSETS</b>	<b>1,176,418</b>	<b>1,086,668</b>	<b>925,941</b>	<b>(306,311)</b>	<b>(1,248,950)</b>	<b>(1,872,245)</b>
<b>CAPITAL &amp; RESERVES</b>						
Share Capital	5,050,450	5,050,450	5,050,450	5,050,450	5,050,450	5,050,450
P&L Account brought fwd	(3,679,986)	(3,874,032)	(3,963,782)	(4,124,509)	(5,356,761)	(6,299,400)
Profit/(Loss) YTD	(194,046)	(89,750)	(160,727)	(1,232,251)	(942,639)	(623,295)
	<b>1,176,418</b>	<b>1,086,668</b>	<b>925,941</b>	<b>(306,311)</b>	<b>(1,248,950)</b>	<b>(1,872,245)</b>

## Appendix 6: Forecast Cash Flow to 2021

	2017	2018	2019	2020	2021
	£	£	£	£	£
<b>Operating Activities</b>					
Profit/(Loss) Before Financing	681,039	583,428	301,279	590,502	907,302
(Increase)/Decrease in Debtors	33,903	103,384	(89,709)	(2,513)	(37,490)
Increase/(Decrease) in Creditors	117,728	(481,076)	144,370	56,520	73,904
Add Back: Depreciation / Less Amortisation	914,311	984,639	1,449,734	1,486,942	1,524,742
<b>ACTIVITIES</b>	<b>1,746,980</b>	<b>1,190,375</b>	<b>1,805,674</b>	<b>2,131,450</b>	<b>2,468,458</b>
<b>Investing Activities</b>					
(Purchase)/Disposal of fixed assets	(955,014)	(1,506,000)	(25,996,278)	(1,413,443)	(1,116,471)
<b>NET CASH FLOW FROM INVESTING ACTS.</b>	<b>(955,014)</b>	<b>(1,506,000)</b>	<b>(25,996,278)</b>	<b>(1,413,443)</b>	<b>(1,116,471)</b>
<b>Financing Activities</b>					
Increase in Share Capital	0	0	0	0	0
Interest Received	3,500	3,500	1,000	1,000	1,000
Interest Paid	(774,289)	(747,655)	(1,534,530)	(1,534,141)	(1,531,597)
Grants Received	0	168,000	3,874,000	0	4,538
Loans Received	0	0	23,000,000	1,000,000	1,000,000
Loan Repayments	(477,460)	(504,302)	(703,709)	(747,301)	(747,301)
<b>NET CASH FLOW FROM FINANCING ACTS.</b>	<b>(1,248,249)</b>	<b>(1,080,457)</b>	<b>24,636,761</b>	<b>(1,280,442)</b>	<b>(1,273,360)</b>
<b>NET INFLOW/(OUTFLOW) OF CASH</b>	<b>(456,283)</b>	<b>(1,396,082)</b>	<b>446,157</b>	<b>(562,434)</b>	<b>78,627</b>
Cash Balance @ Beginning of Period	2,004,053	1,547,770	151,688	597,845	35,411
Cash Balance @ End of Period	1,547,770	151,688	597,845	35,411	114,038

End of Business Plan

# **THAMESWEY CENTRAL MILTON KEYNES LIMITED**

## **BUSINESS PLAN 2018**

### **Covering the period 2018-2021**

Address: 2<sup>nd</sup> Floor, Gloucester Chambers, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 0527730  
VAT Number: 879 5039 72

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## Executive Summary

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### Introduction

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- 1.1. This business plan sets out the proposed priorities for Thameswey Central Milton Keynes Ltd (TCMK) to deliver the Thameswey Group companies' activities for the period up to 2021.
- 1.2. The business plan ensures that the focus of activity within this company is clearly aligned with those of Thameswey Limited, and ultimately with Woking Borough Council's strategic objectives for the Thameswey Group.
- 1.3. The Business Plan summarises the activity since the last updated Business Plan and sets out the business opportunities and priorities for the near future.

### Mission

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- 1.4. It is Thameswey Central Milton Keynes Limited's mission to generate, distribute and supply low carbon energy to the Central Milton Keynes area, and in so doing, to reduce atmospheric carbon dioxide emissions through providing cost effective supplies of sustainable energy to its customers.

### Business Concept

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- 1.5. TCMK was established by Thameswey Energy Ltd (TEL) to provide a long term strategy for infrastructure investment for its operations in Milton Keynes, with the objective of securing reductions in carbon dioxide (CO<sub>2</sub>) equivalent emissions and generating investment returns through sales of energy it has generated by use of Combined Heat and Power (CHP). This is achieved through its embedded generation facilities at the energy station in Central Milton Keynes and heat and electricity distribution networks. All customer services, billing and revenue collection is provided in parallel with the Thameswey Energy Ltd services from Woking.

### Financial Features

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- 1.6. The nature of the Council's investment in TCMK is long-term. The established business has an underlying sound foundation with a good customer base and considerable opportunity for growth. The plan covers the financial period 2018 to 2021, in detail as this can be accurately predicted.
- 1.7. TCMK has the use of intellectual property owned by Thameswey Limited (TL) and is obliged to pay an annual licence fee of £10,000. At its discretion TL also charges a project fee for capital work of up to 4% of the value of the works. These fees are used to benefit the residents of the Borough of Woking as TL contributes towards environmental, social and carbon dioxide equivalent emission reduction projects. Further information on the projects that have benefited from these funds is provided in the Thameswey Group business plan.

### Financial Requirements

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- 1.8. The business is financed by way of loans and share capital. In establishing TCMK the intention has been to maintain a share capital to loan ratio of 20% share capital finance to 80% loan finance (at 7.0% interest per annum). The authorised share capital was originally set at £5m with anticipated loans of £25m. In 2010 WBC Executive agreed that all new financing for TCMK would be via loans at 6.0% annual interest with the share capital investment remaining at £1.11m; this was to be reviewed annually. Providing loan finance to TCMK is more attractive to the Council as it charges a margin on the interest rate.

## Current Business Position

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- 1.9. In the calendar year 2016, the company provided to its customers 18,360 MWh of self-generated electricity and 16,832MWh heat and heat for cooling. In 2016 turnover from sales of energy was £2,897,260. This compares with turnover of £3,186,569 in 2015. TCMK's retail energy sales have, in common with all energy suppliers, experienced some volatility during the year as a result of weak wholesale markets in the first half of the year followed by significant rises in markets during the second half. Current sales are split 23% residential customer consumption and 77% business customer consumption.
- 1.10. The company is currently supplying over 950 residential and commercial customers located on four main development sites in central Milton Keynes (Schedule 1).
- 1.11. The company reported an operating profit of £709,000 in 2016 compared with an operating profit of £620,000 in 2015.
- 1.12. Since 2016 the company developed closer links with Milton Keynes Council (MKC), and assisted MKC's consultants in the production of a detailed evaluation of the potential for expansion of the network in Milton Keynes. Whilst the final release of this report is still awaited, its interim findings were highly supportive of the potential to expand district energy supplies in central Milton Keynes. A dialogue has also been established with MKC's property development operation, Milton Keynes Development Partnership (MKDP). A number of development sites within central Milton Keynes are currently being marketed by MKDP, and connecting to future development on these sites to TCMK's networks is a key priority for the company.

## Major Achievements since the last Business Plan

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- 1.13. Since 2016 the production and sale of low carbon energy by TCMK saved the equivalent of 2,288 tonnes of carbon dioxide (CO<sub>2</sub>) equivalent emissions (as compared to the emissions emitted in the production of an equivalent amount of grid energy).
- 1.14. TCMK has continued its participation in a number of DSR (Demand Side Response) electricity contracts. This has used spare generating capacity within the energy station to provide additional electricity to the local and national grids when peak demand places these under stress. Electricity exported to the grid under DSR has a premium value, as well as earning additional revenue for TCMK in return for making its assets available at short notice to the grid. The company has continued to actively operate its generating assets for triad management and was successful in maximising generating output during all the winter triads of 2016/17 resulting in an additional £112,216 of revenue, as well as significant avoided costs. TCMK has also continued to participate in STOR (Short Term Operating Reserve) and is participating in a trial with the National Grid to stabilise grid frequency ('Spinning Inertia'). TCMK's participation in this pilot will generate additional revenue of approximately £30,000.

## General Company Description

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### Legal Entity

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- 2.1 Thameswey Central Milton Keynes Ltd is a private Limited Company registered in the United Kingdom.

### Ownership & Subsidiary Company

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- 2.2 Thameswey Central Milton Keynes Ltd is a 100% subsidiary of Thameswey Energy Ltd. Thameswey Energy Limited is a 100% subsidiary of Thameswey Limited, which is the holding company of the Thameswey Group, which is in turn solely owned by Woking Borough Council.

### Board of Directors

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- 2.3 The current board of Directors is set out below:

- William Prescott                      Independent Director    (Chairman)
- Cllr. John Kingsbury                Councillor Director
- Barry Maunders                        Independent Director
- Peter Bryant                            Officer Director
- Douglas Spinks                        Officer Director

- 2.4 The board composition meets the requirements of the Thameswey Group Protocols as approved by the Council on 8<sup>th</sup> December 2011. In order to be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance.

### Significant Assets

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- 2.5 The primary assets within Energy Station (ES1) comprise two gas-fired 3.0 MWe Combined Heat & Power (CHP) engines, a 10 MW back-up gas boiler, three thermal stores and ancillary equipment. TCMK also owns an energy distribution network in Central Milton Keynes with approximately 6 km of heat distribution pipes, 10 network substations, 15 network 11/0.4kV 1000kVA transformers, and 2 CHP local transformers both 11/0.4kV. It also owns over 900 heat interface units and the electricity and heat meters for all connected customers.
- 2.6 The energy distribution networks will continue to be developed to meet the needs of new customers as they connect to the supply capacity of ES1.
- 2.7 ES1 and its associated distribution system in Central Milton Keynes provide TCMK with a strong asset and operational base and considerable opportunity for growth.

**Appendix 1 shows a site plan of Central Milton Keynes with ES1 and current and planned future connections and opportunities.**

### Goals and Objectives

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- 2.8 TCMK operates its energy assets in Milton Keynes for the purpose of providing efficient and competitive low carbon energy services to institutional, business and residential customers.
- 2.9 TCMK was established to assist WBC in meeting the Councils' Climate Change Strategy. The key principles of the Climate Change Strategy for Woking are as follows:
- Reduction of Borough wide CO<sub>2</sub> equivalent emissions;
  - Adaptation to climate change; and
  - Promotion of sustainable development.
- 2.10 Although TCMK does not operate within the Borough of Woking it contributes to the Council's Climate Change Strategy via its payments to TL for both new capital investments and for the annual intellectual property charge. The funds are used for projects within the Borough. TCMK also contributes further to the Borough via the loan margin charged on the loans from the Council.

- 2.11 TCMK actively seeks to continue securing additional customer base for Energy Station 1 from new developments and occupants of existing buildings in central Milton Keynes. Each addition to the network increases overall efficiency of the TCMK's assets and improves financial performance of the company.

## Industry Outlook and Business Opportunity

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### Industry Outlook

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- 3.1 The decentralised energy industry is influenced by a number of external factors that include Government and local authority policy, regulatory changes and economic changes. Factors that are considered to be particularly relevant to TCMK's business activities are summarised below.
- 3.2 Government support for the growth in decentralised energy is continuing with the roll out of a new £320m fund investment to stimulate growth in heat networks. A further £10 million of Government funding will sponsor the Energy Systems Catapult on its Smart Systems and Heat Programme. The programme will help develop local energy plans alongside Local Authorities, and bring down the cost of energy bills, while supporting the development of the UK's low carbon heating projects.
- 3.3 The effects of Brexit (both positive and negative) have yet to be fully identified. A heavy reliance on parts and equipment supplied by manufacturers based in continental Europe may impact on costs and charges. Where possible, UK-sourced components and equipment is now being used to reduce exposure to future price uncertainties.
- 3.4 In October 2017 the Government published draft legislation to cap domestic electricity and gas tariffs. The cap is aimed to set price limits on the standard variable energy tariffs charged by licensed suppliers to domestic customers. TCMK's domestic electricity tariffs are currently benchmarked against a sample of suppliers' standard variable tariffs. The impact on retail prices of market intervention has yet to be observed, but a number of energy suppliers have commented they will move away from offering standard variable tariffs, and TCMK may need to adjust its price setting mechanism as a result.
- 3.5 Ofgem has announced significant reductions in the payments made by the National Grid to small 'embedded generators' for contributing to grid supplies at times of shortage. These will be phased in over the next three years (2018-2020) and will reduce the payments received by Thameswey for exported power generated during winter triads. However, over the same period the introduction of 'capacity market' payments is expected to help offset the loss of triad income.
- 3.6 Sustained investment in new development will continue to provide opportunities to expand TCMK's networks and supply capacity to serve new commercial and residential customers. Whilst the scale and number of redevelopment schemes currently proposed in central Milton Keynes does not match that in Woking, the existence of a local authority-owned development vehicle (MKDP) demonstrates an ambition to promote redevelopment throughout the area, including central Milton Keynes.
- 3.7 There is significant growth in deployment of battery technologies and new markets to support the electricity grid and local networks through fast-response reserve power. This sector is expected to continue to expand as a result of scale and competition among suppliers brings down the capital costs.
- 3.8 The emergence of new energy suppliers is challenging the established 'Big Six' by offering supply contracts tailored for specific market sectors, such as green tariffs, communities energy suppliers and

fuel poor households. This includes local authorities that have set up their own electricity and/or gas suppliers operating nationally. Examples are Bristol Energy and Robin Hood Energy (Nottingham).

## The Business Opportunity

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- 3.9 After a prolonged period of no or very slow growth in central Milton Keynes that commenced with the economic downturn in 2007/2008, there is now evidence of a recovery with a number of developments coming forward.
- 3.10 During 2017 TCMK established regular communications with both MKDP and Palmer Capital, the owner/developer of land adjacent to the energy centre in Avebury Boulevard ('Building 1200' and adjacent land named 'Aubrey Place'). Outline planning consent has been granted for a hotel on Building 1200, and discussions are underway with the hotel operator on connecting it to the network (as required by the PDA). A mixed use residential/office scheme is proposed by Palmer Capital for its Aubrey Place site, with in principle agreement to connect the scheme.
- 3.11 MKDP has agreed to enable discussions between TCMK and its development partner for a major mixed use scheme (site B3.3N) located adjacent to TCMK's networks serving the Pinnacle. TCMK is also making progress through discussions with these parties towards resolving legacy issues concerning the lease for the energy station and an agreed permanent right of access for cranes in the event that major plant replacement becomes necessary.
- 3.12 MKC granted planning consent in 2017 for a major new commercial development and a mixed tenure residential scheme both in central Milton Keynes. Both schemes are subject to planning conditions that they connect to the district energy supplies, and TCMK is working with the respective developers to agree contributions towards costs.
- 3.13 New opportunities for participating in the electricity market are emerging with services such as Capacity Market offering significant revenues through premium payments to CHP operators. TCMK is in a good position to exploit these opportunities and has entered an agreement with its aggregators to participate in the Capacity Market throughout the Business Plan period.
- 3.14 Investment in new connections to the network would be required to target an acceptable shareholder return on investment and may require additional loan finance from WBC or appropriate support in respect of any third party finance. Any requirement for WBC support and any projects requiring TCMK to make a large capital investment outside this business plan would be subject to WBC approval.

## The Business Model

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### Sources of Revenue

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- 4.1 The main sources of revenue for TCMK are from sales of energy to the customers of Energy Station 1. Energy is currently supplied to four major developments within the Central Milton Keynes area.
- 4.2 There are three main routes for TCMK to grow its revenue:
- Increases in charges for energy sales
  - Increased volumes of energy sold to customers
  - Additional sources of income through participation in DSR/grid services

The tariff structure for energy sold and mechanism for price adjustment by TCMK is defined in its contracts and is index linked to wholesale energy market prices. Therefore the company has limited

opportunity to influence this. The greatest opportunities to actively seek growth in revenue are through new customer acquisition and further participation in DSR activities.

Additional revenue can be earned through DSR services, and there are new opportunities emerging for companies such as TCMK that have generating assets available at short notice to respond to peaks in grid supply demand. TCMK will continue to actively pursue these opportunities as they arise.

### Major Operational Costs

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- 4.3 The purchase of gas and imported electricity comprise approximately 66% of direct costs. During 2016 plant maintenance costs were £318,842 approximately 10% lower than in 2015.

### Operational Plan

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- 4.4 TCMK is working closely with TMSL and the energy management company to improve and optimise operation of the engines and reduce running costs. This involves balancing the hours that the engines are run and the output level that the engines are running at with customer demands for heat and grid electricity import/export prices. In addition, the impact of different running patterns on asset life and operating costs are taken into account. Engine running strategies are regularly reviewed throughout the year to optimise asset operation. Monthly performance monitoring of a number of operational factors is used to inform adjustment of operating strategies. These include the proportion of heat generated by engines and boiler; customer heat and power demand; net import and export of power; thermal and electrical efficiency of engines; and heat dumped.
- 4.5 TCMK and TMSL are also working together to schedule the major services for the engines and reduce down time during peak periods.

### Capital Investment

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- 4.6 Further connections to Energy Station 1 distribution network are expected during 2018 to 2020 as new buildings are constructed in central Milton Keynes. Based upon the sites identified for development the total estimated invested capital value of ES1 and the distribution network will be approximately £30.3m by the end of 2020. £10.8m of this is expected to be financed by grants and developer contributions; the total contribution by TCMK since 2007 is expected to be £19.5m.

### Assumptions and Critical Factors in Model

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- 4.7 TCMK has a financial model which has been used to make the financial projections in the Business Plan (shown in Appendix 3 to 5). The model is updated to reflect the previous year's activity and any updates on market and new connection forecasts.
- 4.8 The model also takes into account the engine running strategies and capacity of the engines.
- 4.9 The model assumes that fuel price inflation and retail price index inflation will run at 2.0% per annum for the business plan period. In practice short term inflation rates will vary. Increased inflation will provide an improvement in energy prices charged to commercial customer prices as these are based on a combination of the national gas price index and inflation.

## Financial Plan

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### Finance Structure

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- 5.1 TCMK is financed by both share capital and loan finance. TEL (ultimately WBC) has invested a total of £1,110,000 in share capital finance in TCMK.
- 5.2 This business plan requests approval of an amended financing profile, and additional years of funding. An incremental borrowing is requested of £5,020,000.

Year	Authorised Borrowing in 2015	Expected Profile of Borrowing
2018	£3,200,000	£3,650,000
2019	£3,200,000	£2,800,000
2020		£2,670,000
2021		£2,300,000
<b>TOTAL</b>	<b>£6,400,000</b>	<b>£11,420,000</b>

- 5.3 Other benefits to WBC and the community are set out in Appendix 2.

### Financial Accounts

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- 5.4 The budget has been based on historical costs, expected inflation and modelled revenue and costs. TCMK has a good level of confidence in the budget. It should be noted that increases in the gas price index lead to increases in the prices charged to commercial customers with prices calculated on a monthly basis, this helps to reduce financial risk to TCMK.

**Appendix 3 shows the forecast Profit & Loss**  
**Appendix 4 shows the Balance Sheet**

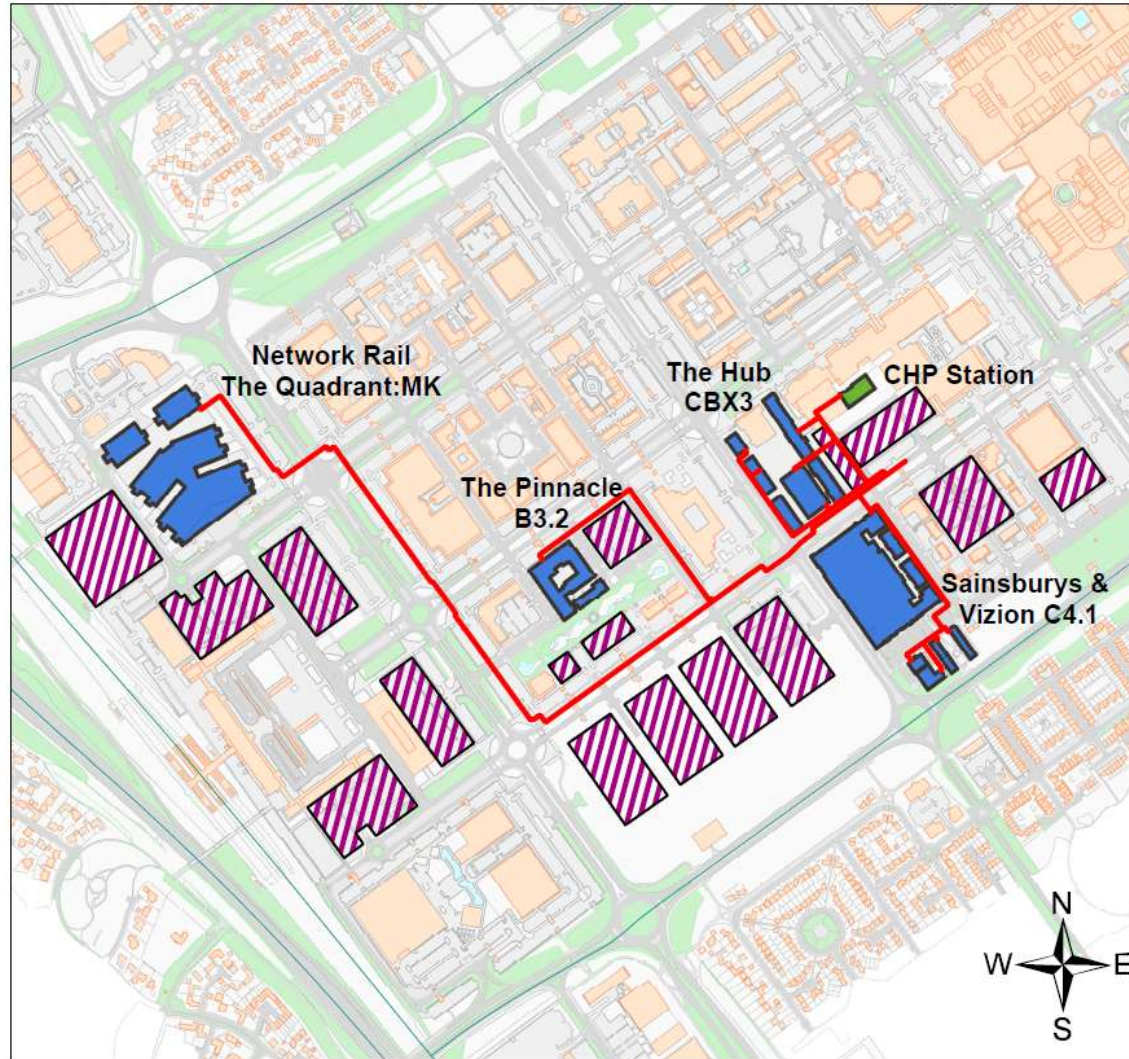
### Cash Flow

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**Appendix 5 shows the forecast Cash Flow**



Appendix 1: Site Plan showing Current and Potential Future Connections



Legend

- Pipe Layout
- CHP Station
- Connected Buildings
- Business Neighbourhood Plan Sites

 Central Milton Keynes Ltd	
Title	TCMK Network
Drawn: CS	Date: 24.09.15

## Appendix 2: Benefits to WBC

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Year	Description	Value
2016	Net Interest Margin	£667,542
	Carbon Dioxide Emission Savings	2,280 tonnes
	Loan Arrangement Fees	£25,000
	Assist WBC in its Climate Change Strategy	
2017	Net Interest Margin	£656,412
	Carbon Dioxide Emission Savings	TBC
	Capital Project Fees paid to TL for investment in energy & environmental projects in the borough	£50,000
	Assist WBC in its Climate Change Strategy	

**Appendix 3: Profit & Loss Account to 2021**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
	<i>Actual</i>	<i>Forecast</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>
	£	£	£	£	£	£
<b>Turnover</b>						
Income	2,897,260	3,017,892	3,022,124	3,303,888	3,695,241	3,867,078
	2,897,260	3,017,892	3,022,124	3,303,888	3,695,241	3,867,078
<b>Cost of Sales</b>						
Direct Costs	1,710,385	1,959,044	1,949,433	2,106,114	2,267,466	2,374,773
<b>Gross Profit</b>	<b>1,186,874</b>	<b>1,058,848</b>	<b>1,072,691</b>	<b>1,197,774</b>	<b>1,427,776</b>	<b>1,492,305</b>
GP % of turnover	41.0%	35.1%	35.5%	36.3%	38.6%	38.6%
<b>Overheads</b>						
Administration Charges	40,962	41,781	47,076	50,292	89,996	94,228
Operation Mgt - TSC	9,243	9,428	9,522	9,665	9,785	9,920
Energy Management	11,918	12,157	12,278	12,462	12,617	12,790
Customer Services	192,327	196,174	198,136	201,098	203,609	206,401
Rent, Rates & Utilities	29,760	30,355	30,659	31,117	31,506	31,938
Insurance	54,872	55,969	56,529	57,374	58,090	58,887
Prof Fees - Legal	11,860	12,097	12,218	12,401	12,556	12,728
Prof Fees - Consultancy	41,187	42,011	42,431	43,066	43,603	44,201
Other Misc Costs	256	261	264	268	271	275
Data Collection	27,742	28,297	28,580	29,008	29,370	29,772
Audit & Tax Advice	9,250	9,435	9,529	9,672	9,793	9,927
Trade Mark Fees	10,000	10,200	10,302	10,456	10,587	10,732
Non Exec Remuneration	9,319	9,506	9,601	9,744	9,866	10,001
Bank Charges	4,437	4,526	4,571	4,639	4,697	4,762
Abortive Connection Costs	20,402	20,810	21,018	21,332	21,598	21,894
Bad Debts	33,100	33,762	34,099	34,609	35,041	35,522
Doubtful Debt Provision	-28,476	-29,046	-29,336	-29,775	-30,147	-30,560
<b>Total Costs</b>	<b>478,160</b>	<b>487,724</b>	<b>497,478</b>	<b>507,428</b>	<b>552,840</b>	<b>563,417</b>
<b>EBITDA</b>	<b>708,714</b>	<b>571,125</b>	<b>575,213</b>	<b>690,347</b>	<b>874,936</b>	<b>928,888</b>
Depreciation	793,257	852,095	1,012,307	1,092,307	1,107,487	1,101,239
Amortisation	273,147	277,526	303,716	343,716	382,663	410,441
<b>Operating Profit/(loss)</b>	<b>188,604</b>	<b>(3,445)</b>	<b>(133,378)</b>	<b>(58,244)</b>	<b>150,113</b>	<b>238,090</b>
Finance Income	1,192	0	0	1,040	1,061	1,082
Finance Costs	1,743,842	1,837,955	1,862,096	1,961,024	2,025,339	2,072,488
Loan Arrangement Fees	25,000	36,000	36,500	27,972	26,619	23,015
<b>Profit/(Loss) Before Tax</b>	<b>(1,579,046)</b>	<b>(1,877,400)</b>	<b>(2,031,974)</b>	<b>(2,046,200)</b>	<b>(1,900,784)</b>	<b>(1,856,331)</b>
<b>Tax Income</b>	<b>69,268</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit/(Loss) after Tax</b>	<b>(1,509,778)</b>	<b>(1,877,400)</b>	<b>(2,031,974)</b>	<b>(2,046,200)</b>	<b>(1,900,784)</b>	<b>(1,856,331)</b>

EBITDA is earnings before interest, taxation, depreciation and amortisation

**Appendix 4 : Forecast Balance Sheet for the period 2016-2021**

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
<b>FIXED ASSETS</b>						
Land & Buildings	1,593,297	1,561,851	1,530,404	1,498,957	1,467,511	1,436,064
Plant & Machinery	16,791,772	17,196,633	18,032,439	18,668,245	18,746,157	17,768,513
Engine Service	54,294	270,961	379,294	162,628	145,531	192,973
Assets Under Construction	345,570	259,178	172,785	86,393	0	0
	18,784,933	19,288,622	20,114,922	20,416,223	20,359,198	19,397,550
<b>LONG TERM INVESTMENTS</b>	0	0	0	0	0	0
<b>CURRENT ASSETS</b>						
Trade Debtors	497,273	497,273	497,273	497,273	497,273	497,273
Provision for Doubtful Debts	(47,251)	(47,251)	(47,251)	(47,251)	(47,251)	(47,251)
HMRC CIS Refund	0	0	0	0	0	0
VAT Refund	0	0	0	0	0	0
Accrued Income	163,577	163,577	163,577	163,577	163,577	163,577
Corporation Tax	200,947	200,947	200,947	200,947	200,947	200,947
Prepayments	9,813	9,813	9,813	9,813	9,813	9,813
Group Recharges	23,238	23,238	23,238	23,238	23,238	23,238
Parts in Stock	70,231	70,231	70,231	70,231	70,231	70,231
Short Term Deposit	5,000	5,000	5,000	5,000	5,000	5,000
Bank Account	296,296	70,513	132,319	100,000	100,000	100,000
	1,219,125	993,341	1,055,148	1,022,828	1,022,828	1,022,828
<b>CURRENT LIABILITIES</b>						
Trade Creditors	167,904	167,904	167,904	167,904	167,904	167,904
VAT Liability	42,712	42,712	42,712	42,712	42,712	42,712
Accrued Expenses	362,462	362,462	362,462	362,462	362,462	362,462
Deferred Income	0	0	0	0	0	0
	573,077	573,077	573,077	573,077	573,077	573,077
<b>NET CURRENT ASSETS</b>	<b>646,048</b>	<b>420,264</b>	<b>482,071</b>	<b>449,752</b>	<b>449,752</b>	<b>449,752</b>
<b>LONG TERM LIABILITIES</b>						
Long Term Loans WBC	25,676,046	28,163,541	31,485,652	33,404,549	35,130,972	36,436,096
Long Term Loans Lombard	1,520,155	898,314	0			
Grants/Contributions	6,088,388	6,378,039	6,874,322	7,270,606	7,387,943	6,977,502
	33,284,589	35,439,894	38,359,974	40,675,155	42,518,915	43,413,598
<b>NET TOTAL ASSETS</b>	<b>(13,853,608)</b>	<b>(15,731,007)</b>	<b>(17,762,981)</b>	<b>(19,809,181)</b>	<b>(21,709,966)</b>	<b>(23,566,296)</b>
<b>CAPITAL &amp; RESERVES</b>						
Share Capital	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000	1,110,000
P&L Account B/F	(13,453,829)	(14,963,608)	(16,841,008)	(18,872,981)	(20,919,182)	(22,819,966)
Profit/(Loss) YTD	(1,509,778)	(1,877,400)	(2,031,974)	(2,046,200)	(1,900,784)	(1,856,331)
	<b>(13,853,608)</b>	<b>(15,731,008)</b>	<b>(17,762,981)</b>	<b>(19,809,182)</b>	<b>(21,709,966)</b>	<b>(23,566,296)</b>

## Appendix 5: Forecast Cash Flow

	Forecast	Budget	Budget	Budget	Budget
	2017	2018	2019	2020	2021
	£	£	£	£	£
<b>Operating Activities</b>					
Profit/(Loss) Before Financing	(3,445)	(133,378)	(58,244)	150,113	238,090
(Increase)/Decrease in Debtors	0	0	0	0	0
Increase/(Decrease) in Creditors	0	0	(1)	0	0
Add Back: Depreciation / Less Amortisation	574,570	708,591	748,591	724,823	690,798
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>571,125</b>	<b>575,213</b>	<b>690,346</b>	<b>874,936</b>	<b>928,888</b>
<b>Investing Activities</b>					
(Purchase)/Disposal of investments	(788,608)	(1,038,608)	(653,608)	(550,462)	(139,591)
(Purchase)/Disposal of fixed assets	0	0	0	0	0
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(788,608)</b>	<b>(1,038,608)</b>	<b>(653,608)</b>	<b>(550,462)</b>	<b>(139,591)</b>
<b>Financing Activities</b>					
Increase in Share Capital	0	0	0	0	0
Interest Received	0	0	1,040	1,061	1,082
Interest Paid	(1,873,955)	(1,898,596)	(1,988,997)	(2,051,958)	(2,095,503)
Loans Received	3,600,000	3,650,000	2,797,207	2,661,895	2,301,520
Repayment of Loans	(1,734,346)	(1,226,203)	(878,310)	(935,472)	(996,396)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(8,300)</b>	<b>525,201</b>	<b>(69,059)</b>	<b>(324,474)</b>	<b>(789,297)</b>
<b>Taxation</b>					
Corporation Tax	0	0	0	0	0
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>(225,783)</b>	<b>61,806</b>	<b>(32,320)</b>	<b>(0)</b>	<b>(0)</b>
Cash Balance @ Beginning of Period	296,296	70,513	132,320	100,000	100,000
Cash Balance @ End of Period	70,513	132,319	100,000	100,000	100,000



# THAMESWEY SOLAR LIMITED

## BUSINESS PLAN 2018

**Covering the period 2018-2020**

Address: 2<sup>nd</sup> Floor, Gloucester Chambers, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 07679222  
VAT Number: 129 5595 78

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## 1. Executive Summary

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### Introduction

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- 1.1 This business plan sets out the proposed strategies for delivering the Thameswey Group companies' activities for the next year and seeks to define their strategic direction for the period up to 2020.
- 1.2 The strategic plan ensures that the focus of activity within each company is clearly aligned with those of Thameswey Limited, and ultimately with the shareholders' strategic objectives. This plan reflects the Board's views on the medium and long term objectives set out in the proposed strategic plans.
- 1.3 This business plan refreshes the 2017 to 2019 business plan. As an established business the plan details expected financial returns for the plan period, and discusses long term projections. Future investment appraisals will be subject to specific business cases.

### Purpose

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- 1.4 Thameswey Solar Limited (TSL) was established in 2011 to further the installation, commissioning and operation of solar photovoltaic (PV) panels throughout the Borough of Woking on Council owned housing, community buildings, and third party owned buildings.

### Financial Features

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- 1.5 In establishing TSL in December 2011 a long term financial target was set at 5.29% annual equivalent return on its investment over the 25 year business plan period. Expected financial returns within the business plan period are commented on in section 4 – Financial Plan.
- 1.6 TSL has the use of intellectual property owned by Thameswey Limited (TL). It is obliged to pay an annual licence fee of £1,000 for the Trademark.
- 1.7 WBC established a framework for financial support by way of share capital (from the ultimate owner and from the Joint Venture partner Total Gas Contracts Ltd) and loan investment to enable TSL to invest in PV. WBC charges a margin over its borrowing costs for the loans to the Group and this directly benefits residents by contributing to the revenue income of WBC. In 2016 Total Gas Contracts Ltd sold their shares to Thameswey Limited (TL) at a discount of circa 50%.

### Financial Requirements

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- 1.8 This business plan sets out the financing requirements for TSL. Additional loan finance will be required in 2021, until 2021, no additional loan finance is required.
- 1.9 This business plan does not propose further investment in new installations. If the company is to make additional capital investment, approval would be sought from the TSL Board, shareholders and the Council before commencement of works.

## Current Business Position

- 1.10 TSL operates roof-mounted PV installations on buildings owned by the Council, local schools, community buildings, Peacocks and the Wolsey Place shopping centre.
- 1.11 The company's PV installations generated 1,028,131 kWh of electricity in 2016, compared with 946,211 kWh in 2015 (an 8.56% increase). The power generated saved approximately 424 tonnes of carbon dioxide (CO<sub>2</sub>) equivalent emissions. The renewable electricity generated by TSL has contributed towards a reduction in the Carbon Reduction Commitment (CRC) of WBC and helped the council reduce its CRC payments.
- 1.12 Over the course of 2016 Thameswey Maintenance Services Ltd. has taken on responsibility for maintenance of the PV installations. This has included converting the remote monitoring of the installations to remove reliance on SunPower for data and performance monitoring.

## 2. General Company Description

### Legal Entity

- 2.1 Thameswey Solar Ltd is a private Limited Company registered in the United Kingdom.

### Ownership & Subsidiary Company

- 2.2 Thameswey Limited originally held 75% of the shares in Thameswey Solar Ltd under a joint venture (JV) agreement with Total Gas Contracts Ltd (TGC) who held the remaining 25% of the share capital. All shares were transferred to TL by the end of January 2016. TL is the holding company of the Thameswey Group and is a 100% subsidiary of Woking Borough Council.
- 2.3 Shareholdings are shown below:

Table 1: Thameswey Solar Ltd Shareholder Equity

Company	Equity Share	Number of £1 Ordinary Shares
Thameswey Limited	100%	1,182,688

### Board of Directors

- 2.4 The current board of Directors is set out below:

Barry Maunders	Independent Director (Chairman)
Cllr. John Kingsbury	Councillor Director
Douglas Spinks	Officer Director
Peter Bryant	Officer Director

- 2.5 The above board composition meets the requirements of the Thameswey Group Protocols as approved by the Council on 8<sup>th</sup> December 2011. In order to be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance.

### Significant Assets

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- 2.6 TSL has over 4,900 PV panels located across 35 sites in the Borough. They have a total capacity of 1,238 kWp (kilowatt peak). All installations include telemetry for remote monitoring of components and meter reading.

### Goals and Objectives

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- 2.7 TSL has three primary objectives:

- To support greater use of renewable energy in order to achieve a reduction in carbon dioxide emissions;
- To promote awareness of the benefits of solar energy to the users of public buildings; and
- To promote the use of PV and develop projects that help stimulate further investment in the solar energy market locally.

- 2.8 TSL was established to assist WBC in meeting the Councils' Climate Change Strategy. The key principles of the strategy are as follows:

- Reduction of Borough-wide CO<sub>2</sub> equivalent emissions;
- Adaptation to climate change; and
- Promotion of sustainable development

- 2.9 TSL will continue to support WBC in achievement of the Climate Change Strategy, which adopted the Government's Climate Change Act (2008) targets for carbon emission reductions i.e. to reduce greenhouse gas emissions by 80% by 2050 against a 1990 baseline.

- 2.10 To facilitate future objectives, due diligence will be channelled through TL.

## 3. The Opportunity & Industry

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### The Opportunity

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- 3.1 There may be opportunities for TSL to assist the Council further in achievement of its Climate Change Strategy.
- 3.2 TSL may provide or tender for new PV or renewable energy installations and may respond positively to invitations to participate in partnership business opportunities to develop new renewable energy installations where the capital for the surveys and installation costs is secured from third parties and a project fee for TSL is secured for intellectual property.

### The Industry

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- 3.3 The PV industry currently requires a high capital upfront investment in a sector with relatively low annual returns and therefore requires a long term business plan.
- 3.4 The UK government has maintained its policy of cutting the financial support for solar power provided through the Feed in Tariff, with large reductions introduced in early 2016. In addition, the

effects of the Brexit referendum on the solar industry are open to speculation. Whilst there is the potential to secure new trade agreements with China and other large manufacturers of components, the general short term view within the industry is that the wider political changes expected as a result of the referendum will fail to lend new support to the renewable energy sector.

#### 4. The Business Model

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##### Sources of Revenue

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- 4.1 TSL receives the following types of income for its operations:
- 4.2 FiT income is paid by energy suppliers for every kWh of electricity generated. The current rates of FiT that TSL receives (as at April 2017) varies between 16.96p/kWh and 38.50p/kWh depending mainly on the registration date. This income is RPI linked and was uplifted in April 2017.
- 4.3 Export tariffs for electricity supplied directly to the National Grid vary depending on the size of the site. Small sites below 30 kWp receive deemed export at 3.57 p/kWh for 50% of the energy generated which is RPI linked. Larger sites receive export income under a Power Purchase Agreement based on metered export to the grid;
- 4.4 Electricity income is received from building owners/occupiers for the sale of a proportion of the electricity consumed onsite; and
- 4.5 A contribution is received from building owners for the cost of maintenance of the PV panels through a service charge.

##### Major Operational Costs

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- 4.6 Apart from depreciation and finance charges the most significant costs that the company incurs are for the operation and maintenance (O&M) of the panels.
- 4.7 Insurance costs are significant and due to the insurance claim for the Goldwater Lodge site the cost of insuring the PV panels has increased in the last year. Since the fire the company has taken out additional insurance to insure against loss of income in the event of arson or other damage.

##### Operational Plan

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- 4.8 TSL will continue to operate the PV panels. During the Business Plan period TMSL will take on greater responsibility for routine maintenance of the installations, including a fault response service and assistance in the optimisation of power output from the installations.
- 4.9 During 2017 approximately half of the company's installations were cleaned. This was carried out as a trial to assess the cost-benefit of cleaning. The performance of these installations will be monitored in comparison to the other installations to assess the impact of cleaning the panels in terms of improved electrical output.

## Capital Investment

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- 4.10 No major additional capital investment has been identified in this plan. However, the company will respond to opportunities to purchase and install PV equipment monitoring system if the business case is favourable.

## Assumptions and Critical Factors in Model

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- 4.11 TSL has a financial model which has been used to make the financial projections in the Business Plan (shown in Schedules 2 and 3). The model is updated annually to reflect the previous year's activity and any updates on performance and inflation forecasts.
- 4.12 The original model that was used as the basis for approval of the project in 2011 has been updated to bring it in line with actual income streams currently anticipated.
- 4.13 The model assumes that inflation will run at 2.5% for the full period of the business plan. In practice short term inflation will vary. Increased inflation will provide an improvement in the return for the company due to increasing revenues and margins.
- 4.14 The performance of solar panels is expected to gradually reduce annually; to account for this the model assumes degradation of PV panels at 0.25% per annum
- 4.15 TSL has not forecast any further investment in new solar PV installations.

## 5. Financial Plan

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### Finance Structure

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- 5.1 TSL is financed by both share capital and loan finance. TL (ultimately WBC) has a total of £1,182,688 in share capital finance in TSL. Approval was given for loan finance of £2,196,000 under a 14 year annuity loan from WBC at an annual interest rate of 6.0%. Up to May 2014, £2,126,000 of the available loan had been drawn down, so TSL has the facility to draw down a further £70,000.
- 5.2 In 2017 TSL will contribute £95,783 to WBC in the form of loan interest; the Council uses this to help reduce Council tax charges to residents of the Borough.
- 5.3 The Council will also benefit from reduced energy charges totalling £17k for the General Fund properties and the housing sites.
- 5.4 Over the 25 year business plan period the net benefit to WBC is expected to generate a shareholder return of over £3m.

**Appendix 1 shows the key financial benefits to WBC of TSL over the plan period.**

### Shareholder Return on Investment

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- 5.5 This business plan is forecasting returns of 3.95%.
- 5.6 A summary of the shareholders returns is below:

**Table 2: Financial Returns**

	£
Shareholders Return	£3,076,739
Less Share Capital	(1,182,688)
Net Shareholders Return	1,894,051
Return on Investment	3.95%
NPV of Shareholders Returns	£714,876

#### Profit & Loss Account

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5.7 The budget has been based on historical costs, expected inflation and modelled revenue and expenditure. TSL has a good level of confidence in the budget.

#### Risks and Sensitivities

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5.8 One of the biggest risks to the company is variation in the annual output of the panels due to local weather and general atmospheric conditions. The output of the PV panels is directly affected by the level of solar irradiation (insolation) at ground level. It is anticipated that solar irradiance levels will rise at a rate of approximately 1% per annum (ref: EUCAARI (European Integrated project on Aerosol Cloud Climate and Air Quality Interaction) project funded by the European Commission). However, it is considered prudent to forecast solar irradiance to remain at constant levels throughout the plan period. If in future years the annual output of the panels improves due to higher irradiance levels then it may be brought into the plan at a later date and will lead to improved shareholders' returns.

**Appendix 2 shows the forecast Profit & Loss until 2038.**

#### Cash Flow

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**Appendix 3 shows the forecast Cash Flow until 2038.**

Appendix 1: Benefits to WBC for 2014 to 2017

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Description	2016	2017	2018	2019
Net Interest Margin	£75,372	£74,638	£57,981	£52,487
Carbon Dioxide Emission Savings	536 tonnes	522.6 tonnes		
Electricity provided to WBC buildings Free of charge	205,000 KWh	199,000 KWh		
Assist WBC in its Climate Change Strategy				



Appendix 2: Profit and Loss Forecast to 2038

Year	FIT	Export	Electricity	Maintenance	Total Income	O&M Costs	Insurance	Total Direct Costs	Gross Profit	Indirect Costs	EBITDA	Interest Income	Interest Cost	Profit Before Depreciation	Depreciation	Amortisation of Grant	Net profit	Corporation Tax and C. Tax Relief	Profit After Tax
					£	£	£	£	£	£	£	£	£	£	£		£	£	£
2011	0	0	0	0	0	0	0	0	0	1,028	-1,028	0	0	-1,028	0		-1,028	0	-1,028
2012	118,143	10,149	9,232	14,343	151,867	10,096	5,463	15,559	136,308	28,604	107,704	4,638	48,526	63,816	61,936		1,880	0	1,880
2013	160,598	14,742	23,695	10,778	209,812	8,478	11,159	19,637	190,175	32,755	157,419	410	122,232	35,597	127,424		-91,827	-51,671	-40,156
2014	171,107	16,695	17,897	-6,853	198,846	5,361	12,029	17,390	181,456	18,144	163,312	465	117,808	45,969	31,129	21,055	35,895	-41,936	77,831
2015	160,668	17,809	17,897	6,889	203,263	6,950	8,253	15,203	188,060	25,728	162,332	874	111,465	51,741	65,014	4,785	-8,488	-6,936	-1,552
2016	174,600	15,846	25,504	12,367	228,317	11,263	8,768	20,031	208,286	19,279	189,007	789	103,457	86,339	86,962	4,785	4,162	17,268	-13,106
2017	181,551	15,045	23,387	-13,124	206,860	17,453	12,734	30,187	176,673	17,951	158,722	16	95,783	62,955	80,272	4,785	-12,532	0	-12,532
2018	186,530	15,458	23,825	8,326	234,139	17,418	12,798	30,216	203,923	20,342	183,581	58	87,684	95,955	80,272	4,785	20,468	0	20,468
2019	191,646	15,882	24,275	8,437	240,240	15,804	12,862	28,665	211,575	20,439	191,136	38	78,848	112,327	80,272	4,785	36,840	0	36,840
2020	196,902	16,317	24,739	8,551	246,508	16,199	12,926	29,125	217,383	20,536	196,848	22	69,474	127,395	80,272	4,785	51,908	0	51,908
2021	202,302	16,765	25,215	8,666	252,948	16,604	12,991	29,594	223,353	20,633	202,720	7	60,542	142,185	80,272	4,785	66,698	0	66,698
2022	207,850	17,225	25,705	8,784	259,563	17,019	13,056	30,075	229,489	20,732	208,757	31	53,029	155,759	80,272	4,785	80,272	0	80,272
2023	213,550	17,697	26,209	8,904	266,360	17,444	13,121	30,565	235,794	20,830	214,964	172	41,836	173,299	80,272	4,785	97,812	0	97,812
2024	219,407	18,182	26,727	9,026	273,342	17,880	13,187	31,067	242,275	20,929	221,345	98	29,962	191,481	80,272	4,785	115,994	0	115,994
2025	225,424	18,681	27,260	9,150	280,515	18,327	13,253	31,580	248,935	21,029	227,906	46	17,364	210,587	80,272	4,785	135,100	0	135,100
2026	231,606	19,193	27,808	9,276	287,884	18,786	13,319	32,104	255,779	21,129	234,650	32	2,707	231,974	80,272	4,785	156,487	0	156,487
2027	237,958	19,720	28,372	9,405	295,454	19,255	13,385	32,641	262,813	21,230	241,584	216	11,493	230,307	80,272	4,785	154,820	0	154,820
2028	244,484	20,260	28,951	9,536	303,231	19,737	13,452	33,189	270,042	21,331	248,712	5,452	11,493	242,671	80,272	4,785	167,184	0	167,184
2029	251,189	20,816	29,547	9,669	311,221	20,230	13,520	33,750	277,472	21,433	256,039	10,076	0	266,115	80,272	4,785	190,628	0	190,628
2030	258,078	21,387	30,160	9,805	319,430	20,736	13,587	34,323	285,107	21,535	263,572	15,398	0	278,970	80,272	4,785	203,483	0	203,483
2031	265,155	21,974	30,790	9,943	327,862	21,254	13,655	34,909	292,953	21,637	271,316	21,877	11,493	281,700	80,272	4,785	206,213	0	206,213
2032	272,427	22,576	31,438	10,084	336,525	21,785	13,723	35,509	301,016	21,741	279,276	23,671	0	302,947	80,272	4,785	227,460	0	227,460
2033	279,899	23,195	32,104	10,227	345,425	22,330	13,792	36,122	309,303	21,844	287,459	25,606	0	313,065	80,272	4,785	237,578	0	237,578
2034	287,575	23,831	32,789	10,373	354,568	22,888	13,861	36,749	317,819	21,949	295,870	27,318	0	323,189	80,272	4,785	247,702	0	247,702
2035	295,462	24,485	33,493	10,522	363,961	23,461	13,930	37,391	326,570	22,053	304,517	29,030	0	333,547	80,272	4,785	258,060	0	258,060
2036	303,565	25,156	34,217	10,673	373,611	24,047	14,000	38,047	335,564	22,159	313,405	30,747	0	344,153	80,272	4,785	268,666	0	268,666
2037	49,383	25,846	34,961	10,827	121,017	24,648	14,070	38,718	82,299	22,264	60,034	32,469	0	92,503	1,230,546	65,084	-1,072,958	0	-1,072,958
					6,992,769	455,452	326,895	782,347	6,210,422	569,263	5,641,160	229,556	1,075,195	4,795,521	3,208,451	191,409	1,778,480	-83,275	1,861,755

Appendix 3: Cash Flow Forecast to 2038

Year	Period	Total Income	Direct Costs	Indirect Costs	Loans Received	Loan Repayment	Loan Interest	Bank Interest	Grant	Share Capital	Capital Expenditure	Corporation Tax	Dividends	Working Capital	Net Cash Flow	Accumulated Cash Flow
2011	0	£0	£0	-£1,028	£0	£0	£0	£0	£0	£1	-£140,027	£0	£0	£141,054	£0	£0
2012	1	£151,867	-£15,559	-£28,604	£2,046,418	£0	-£17,829	£4,638	£0	£1,182,687	-£3,070,323	£0	£0	-£231,783	£21,512	£21,512
2013	2	£209,812	-£19,637	-£32,755	£80,000	-£102,045	-£121,277	£410	£0	£0	£6,236	£0	£0	£23,299	£44,042	£65,554
2014	3	£198,846	-£17,390	-£18,144	£0	-£110,584	-£121,132	£465	£191,409	£0	-£4,337	£51,671	£0	£30,747	£201,552	£267,106
2015	4	£203,263	-£15,203	-£25,728	£0	-£119,712	-£113,058	£1,870	£0	£0	£0	£41,936	£0	£25,143	-£1,489	£265,617
2016	5	£228,317	-£20,031	-£19,279	£0	-£127,002	-£105,768	£903	£0	£0	£0	-£17,268	£0	-£25,488	-£85,616	£180,001
2017	6	£206,860	-£30,187	-£17,951	£0	-£134,737	-£97,804	£16	£0	£0	£0	£0	£0	£32,029	-£41,774	£138,227
2018	7	£234,139	-£30,216	-£20,342	£0	-£142,942	-£89,828	£55	£0	£0	£0	£0	£0	£0	-£49,134	£89,093
2019	8	£240,240	-£28,665	-£20,439	£0	-£151,647	-£81,123	£36	£0	£0	£0	£0	£0	£0	-£41,598	£47,495
2020	9	£246,508	-£29,125	-£20,536	£0	-£160,883	-£71,887	£19	£0	£0	£0	£0	£0	£0	-£35,903	£11,592
2021	10	£252,948	-£29,594	-£20,633	£90,000	-£170,680	-£62,090	£5	£0	£0	£0	£0	£0	£0	£59,955	£71,546
2022	11	£259,563	-£30,075	-£20,732	£0	-£181,075	-£55,745	£29	£0	£0	£0	£0	£0	£0	-£28,034	£43,512
2023	12	£266,360	-£30,565	-£20,830	£0	-£192,102	-£44,718	£148	£0	£0	£0	£0	£0	£0	-£21,708	£21,804
2024	13	£273,342	-£31,067	-£20,929	£0	-£203,801	-£33,019	£74	£0	£0	£0	£0	£0	£0	-£15,401	£6,403
2025	14	£280,515	-£31,580	-£21,029	£0	-£216,213	-£20,607	£22	£0	£0	£0	£0	£0	£0	-£8,893	-£2,489
2026	15	£287,884	-£32,104	-£21,129	£0	-£202,995	-£5,415	£0	£0	£0	£0	£0	£0	£0	£26,240	£23,751
2027	16	£295,454	-£32,641	-£21,230	£0	£0	£0	£166	£0	£0	£0	£0	£0	£0	£241,750	£265,501
2028	17	£303,231	-£33,189	-£21,331	£0	£0	-£22,985	£5,310	£0	£0	£0	£0	£0	£0	£231,037	£496,537
2029	18	£311,221	-£33,750	-£21,433	£0	£0	£0	£9,931	£0	£0	£0	£0	£0	£0	£265,970	£762,507
2030	19	£319,430	-£34,323	-£21,535	£0	£0	£0	£15,250	£0	£0	£0	£0	£45,448	£0	£324,270	£1,086,777
2031	20	£327,862	-£34,909	-£21,637	£0	£0	£0	£21,736	£0	£0	£0	£0	-£203,335	£0	£89,716	£1,176,493
2032	21	£336,525	-£35,509	-£21,741	£0	£0	£0	£23,530	£0	£0	£0	£0	-£206,072	£0	£96,734	£1,273,227
2033	22	£345,425	-£36,122	-£21,844	£0	£0	£0	£25,465	£0	£0	£0	£0	-£227,319	£0	£85,605	£1,358,832
2034	23	£354,568	-£36,749	-£21,949	£0	£0	£0	£27,177	£0	£0	£0	£0	-£237,436	£0	£85,611	£1,444,442
2035	24	£363,961	-£37,391	-£22,053	£0	£0	£0	£28,889	£0	£0	£0	£0	-£247,560	£0	£85,846	£1,530,288
2036	25	£373,611	-£38,047	-£22,159	£0	£0	£0	£30,606	£0	£0	£0	£0	-£257,919	£0	£86,092	£1,616,380
2037	26	£121,017	-£38,718	-£22,264	£0	£0	£0	£32,328	£0	£0	£0	£0	-£268,524	£0	-£176,162	£1,440,218
2038	27	£0	£0	£0	£0	£0	£0	£28,804	£0	£0	£0	£0	-£1,474,023	£5,000	-£1,440,218	£0
<b>Totals:</b>		<b>£6,992,769</b>	<b>-£782,347</b>	<b>-£569,263</b>	<b>£2,216,418</b>	<b>-£2,216,418</b>	<b>-£1,064,284</b>	<b>£257,879</b>	<b>£191,409</b>	<b>£1,182,688</b>	<b>-£3,208,451</b>	<b>£76,339</b>	<b>-£3,076,739</b>	<b>£0</b>		<b>£0</b>

# **Thameswey Housing Limited Thameswey Guest Houses Limited**

## **Business Plan 2018**

### **Covering the period 2018-2021**

Address: 2<sup>nd</sup> Floor, Gloucester Chambers, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Thameswey Housing Ltd:  
Company Registration No.: 05437166  
VAT exempt

Thameswey Guest Houses Ltd:  
Company Registration No.: 08641958  
VAT Number: 193 3984 64

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## 1. Introduction

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- 2.1 The Business Plan updates the residential activities of the Thamesway Group following the approval of the 2017 Plan by Council in December 2016. This plan covers the residential activities of the group which are split between two legal entities. Thamesway Housing Limited (THL), Thamesway Guest Houses Limited (TGHL).
- 2.2 The Business Plan comprises of the following format:
- A summary of the purpose of the company/companies;
  - Structure and scope of current operations;
  - Activity since last Business Plan;
  - Proposed medium-long term objectives;
  - Financial Performance.
- 2.3 This is a four year business plan which reflects the long term nature of the housing business.
- 2.4 The strategic plan ensures that the focus of activity is clearly aligned with those of Thamesway Limited, and ultimately with Woking Borough Council's (WBC) strategic objectives for the Thamesway Group.

## 2. Purpose of the Companies

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- 2.5 Thamesway Housing Limited (THL) is established to support the WBC Housing and Economic Development Strategies through the provision of additional residential accommodation of all types. It has an objective to provide affordable homes to those who, due to their circumstances, are not able to access open market provision but are also unlikely to be able to access social rented accommodation. While Thamesway Housing's rental structure covers rents from 50% to 100% of the local open market rent, the main target for THL is the delivery of property for the affordable and intermediate market where rents are in the region of 80% of the local open market rents. In order to provide the subsidy to achieve the intermediate market rent, THL will need to hold approximately two thirds as open market stock.
- 2.6 Thamesway Guest Houses Limited provides accommodation on a temporary basis to those who cannot access permanent or temporary accommodation on the open market.
- 2.7 The key objectives of the current Housing Strategy for WBC are as follows:
- Providing well-designed, quality homes that are affordable and suit people's needs;
  - Preventing homelessness and providing help to people in housing need;
  - Helping people to achieve independence and choice; and
  - Making better use of all existing housing.

- 2.8 THL is specifically referred to in the WBC Housing Strategy Action Plan to assist WBC in the provision of affordable housing. The housing policy provides opportunities for THL to assist WBC and has been considered in forming the strategic plan for the company and its subsidiary, TGHL.
- 2.9 The current directors for the residential companies are set out below:
- |                       |                                |
|-----------------------|--------------------------------|
| Terry Price           | Independent (Chairman)         |
| Barry Maunders        | Independent (THL Only)         |
| Sue Barham            | Officer Director               |
| Peter Bryant          | Officer Director               |
| Cllr David Bittleston | Councillor Director            |
| Cllr John Kingsbury   | Councillor Director            |
| Cllr Colin Kemp       | Councillor Director (THL only) |
- 2.10 The Board composition meets the requirements of the Thamesway Group Protocols. In order to be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance. As part of the Thamesway Limited request to Council it is proposed that the Council appoint Barry Maunders (as Chair of the Group) and Cllr Colin Kemp (as Housing Portfolio Holder) to TGHL to ensure consistency across the residential boards.

### 3. Structure and Scope of Companies

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#### Business Concept - THL

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- 3.1 The acquisition (or development) of property within this Business Plan will be provided at no net cost to the Woking Council Taxpayer. In order to do this the company must charge rent at such a level to support the cost of purchasing and running the properties that it holds. Each property will be purchased or developed at a separate cost and an appropriate rent is set dependent on this cost. In order to set rents at a sub market rate some properties will need subsidy in order to cover their acquisition or development costs. This subsidy will come in either a grant (such as section 106 payments from the Council) or cross subsidy from other THL property.
- 3.2 The financial impact is for the initial period of the property ownership the company will operate at a loss on the majority of property so as to secure rent levels at affordable prices. Each property (in effect each project) is then aggregated into the company's overall financial model to allow cross subsidy where properties are performing better than originally modelled. When modelling, no account is taken of capital appreciation as this is maintained as a safety buffer in case property disposal is required.
- 3.3 THL was not established to make a return for ultimate shareholder (WBC), its objective is to secure homes and assist the Council in achieving its Housing and Economic Development Policies at no net cost to Council Taxpayers. Accordingly profits generated by THL and any subsidiary companies will be retained in THL and earmarked to support the provision of homes into the future. The intention is that this is done by providing revenue support to future investments allowing lower rental levels to be achieved.

## Business concept - TGHL

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- 3.4 TGHL has been set up to operate the transitional and temporary accommodation operated by the group. The properties are effectively supported or bed and breakfast style accommodation. As such they have VAT chargeable services. Currently the company only operates Maybury Lodge but consideration will be made during 2018 as to whether additional activities and property are placed in TGHL.

## 4. Activity Since the last Business Plan

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- 4.0 THL and its subsidiary TGHL have performed well over the last twelve months. TGHL has maintained a high degree of occupation and has supported WBC and neighbouring local authorities in preventing homelessness, this year 132 families have been accommodated throughout the year with 113 from Woking.
- 4.1 THL has acquired 14 street properties since January 2017. The company has focussed its street acquisitions on property which can deliver band B and C rental levels which are set out in paragraph 5.39. It has also looked to acquire more property in Knaphill and Byfleet where its existing stock is under-represented.
- 4.2 In addition to street purchases the company has successfully secured a number of development sites to provide larger numbers of properties via TDL, and to benefit from some of the development profit.
- 4.3 During 2017 TGHL contract with the Management Company was reviewed and fees assessed. The result was the management fee was reduced to encourage higher occupancy levels. The funding of Maybury Lodge via a loan from THL was restructured to reduce the term of the loan to 15 years. In addition a volume discount structure was adopted.
- 4.4 During 2017 a dividend was paid to WBC from TGHL (via TL) for £155,000, the dividend was generated by accumulated profits in TGHL. It is proposed an annual dividend will be issued to WBC from TGHL based upon annual generated profits.
- 4.5 Since the last business plan period THL, along with TDL, has been appointed by Woking Borough Council to help deliver the Sheerwater Regeneration scheme. Following a letter of comfort from WBC, THL has started to acquire property within the Sheerwater Regeneration area under the terms set out in the Woking Borough Council Community Charter.

## 5. Proposed Medium – Long Term Objectives

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### Overview 2018 – 2021

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- 5.1 Residential property prices have continued to increase although this increase has slowed since the Brexit vote. The total number of properties on the market has also reduced, this has meant that on street purchases have been challenging. During this business plan period we expect



more property to be available but that prices will still increase. This has meant that THL have been unable to secure a number of properties on the market as we have been out-bid. Land and development sites have not been as affected by Brexit and still continue to increase in value and be competitively bid upon.

- 5.2 The local increase in property price also means where THL secures a purchase there is less scope to offer a rental level below market without additional subsidy. This subsidy has taken the form of either section 106 commuted housing payments, cross subsidy from existing THL properties which are making a return above model parameters and profit made on property disposals.
- 5.3 The other side to the challenge of purchasing due to the increase in property prices has been the increase in the value of THLs current stock. Historically THL stock has been valued at cost in the accounts but in discussion with the Auditors an external valuation of the stock was carried out as of the 31 December 2015 taking into account the current occupancy and condition. This has resulted in a revaluation reserve of £26,924,187 giving a company value of just over £111m with a rent roll of over £4.5m per annum. Property prices continue to increase in Woking Borough and an exercise will be carried out annually to assess the increase. If the increase is material, assets will be revalued within the statutory accounts. The basis of the revaluation will be the Office of National statistics RICS data for Woking. A formal third party revaluation will be completed in December 2018.

#### Priorities 2018 to 2021

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- 5.4 The increase in property prices referred to in the previous section means that it is proposed to focus on development to provide new units as the 'development profit' element can be reduced to minimise the amount of subsidy required to generate an affordable rent or, where an open market rent is proposed, to reduce the overall cost of the unit to create a subsidy to provide affordable rents elsewhere. In addition to the increase in completed property prices the cost of construction has also increased. This means that development appraisals will need to be carefully analysed to ensure that the schemes still provide sufficient head room to provide either a subsidy or an affordable rent.
- 5.5 THL will continue to purchase on street property where it makes economic sense or fulfils a strategic development opportunity (for example unlocks a wider development).
- 5.6 The current articles of association of the Company allow investment in property outside of WBC administrative boundaries. The Company has been working around a 30 minute commute to Woking railway station as its main operating area. This plan proposes the continuation of this area as the main focus. Any proposed investment outside this 30 minute commute will be brought back to the Company Board and then to the Executive for specific approval. In order to minimise the risk of over-concentration of the Company open market property holdings in one location and potentially competing against itself THL will look to prioritise open market property in the wider commuter area and affordable within Woking where there isn't the risk of competition. In line with the Council resolve at the July 2016 approval of the interim THL business plan any property or development purchases outside of Woking Borough Council administrative boundaries will be done in consultation with the Leader of the Council and the Portfolio Holder for Strategic Housing.

- 5.7 During August 2017, WBC agreed to support THL in purchasing Sheerwater properties within the red line regeneration scheme. THL will continue to purchase properties from Sheerwater residents as the redevelopment progresses. When the Council approves the detailed delivery of the Sheerwater regeneration scheme the newly developed housing will also be held within Thamesway. However it is expected the housing stock will move from THL to a Sheerwater holding company in 2019, as sufficient levels of stock have been purchased and built. The separate holding company will reflect the different funding arrangements for Sheerwater and the Council's desire for a different rental structure.
- 5.8 The priority for TGHL will be to continue to provide short term bed and breakfast accommodation. Since opening Maybury lodge fees to councils have not been increased. The intention is to maintain fees for a further year, with a review in 2019. TGHL also provides an annual subsidy to WBC, based on volume of occupation, to support the housing service.
- 5.9 During this business plan period there will be a greater relationship between Thamesway Developments Limited (TDL) and THL to reflect the increase in housing development sites that will be acquired. While funded through THL the site acquisition and development will be through TDL. This will protect THL from non reclaimable VAT should the developments not progress. Once the development in question is completed it will be transferred into THL as an intra-group transfer. Some of the developments are also likely to be with commercial partners to share the development risk as well as profit reducing the exposure of THL.
- 5.10 During the business plan period a number of developments will be completed by TDL, and sold to THL. The developments include Camp Road Farnborough, St Dunstan's and Elizabeth/Cornerstone House.

#### Minimum EPC Rating and Property Enhancement

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- 5.11 During 2017 THL undertook a review of the EPC ratings across the housing stock, and although the majority of the properties achieve the minimum standard, there are a group of properties where energy improvement investment is required to reach the EPC "E" rating. Over and above this basic legislative requirement the company will aim to improve all the properties (where possible) to a rating of C or above in line with company's environmental credentials and the Council's objectives as set out in the Woking 2050 environmental policy.
- 5.12 By April 2018 it will be unlawful to let a property with an EPC (Energy Performance Certificate) rating below a prescribed level (thought likely to be an "E"). For domestic lets there will be a further requirement that, landlords will be prohibited from unreasonably refusing a tenant's request to install energy efficiency measures.
- 5.13 Irrespective of the legislative requirement or the EPC target THL will look to improve the energy efficiency of the stock it holds to minimise the energy costs to its tenants. This will be delivered through a combination of asset improvement programmes with the support and assistance of sister Thamesway companies, including investigating in solar thermal and PV installations. Properties which are managed by New Vision Homes on behalf of THL, will be reviewed to ensure that any upgrades are compatible and prioritised towards energy efficiency.

## Operational Support

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- 5.14 With THL's successful acquisition programme and the activities of TDL, the property portfolio has grown to a level that is supportive of an in-house letting and property management solution. In Quarter 2, 2017 Board members approved a proposal, including investment in software solutions, staff increases, Web exposure and the potential re-structuring impacts on supporting areas of the collective Thamesway companies. During the business plan THL will implement this self delivery model during 2018 and 2019.
- 5.15 THL will still continue to use appropriately qualified commercial advisors as appropriate, particularly in valuation and development appraisals as well as to assist in development. The company has recently completed a tender exercise for strategic support to assist with development. Synergy has been appointed to provide Quantity Surveying, Employers Agent and CDMC (health and safety) support to THL and TDL. A strategic relationship is also being developed with a planning consultancy given the number of new residential developments that are likely to be developed through THL and TDL. As the company continues to grow, in house capacity will also be employed to reduce reliance on external advisors. Bed and breakfast and transient accommodation owned by TGHL will also be managed by specialist providers determined on a project by project basis.
- 5.16 Whilst the corporate legal services for the company are provided by Clyde & Co LLP the day to day contract requirements for acquisitions and developments are undertaken by the Council's legal services team who have developed extensive experience in this regard. Where additional capacity is required framework solicitors are used to provide conveyance support. HR functions for THL, as with the rest of the group, will be supported by the Council.

## Property Portfolio

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- 5.17 The companies will continue to aim to provide the following types of accommodation. The proportion of each type will be driven by the rental policy structure outlined in other sections of this business plan. The main split of two thirds open market rent and a third sub market (including a minimum of 24 per annum Band C for the business plan period to 2020) will apply as a total portfolio level as opposed to property type.

## Affordable Housing at Intermediate Rent

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- 5.18 THL aims to continue to provide affordable homes at an intermediate tiered rent. The rental level of each property is assessed on a project finance basis with close reference to the current need and the ability to fund the property. The base rental position will be 80% of the open market rental value as independently valued on acquisition.
- 5.19 Despite acquiring in cheaper areas the company is aware that the rental market is exceptionally strong and likely to continue within the plan period making intermediate rental levels (80% of market) increasingly challenging for some residents on an affordability aspect. The company will therefore look to generate rental subsidies from open market property to lower the rental levels being charged for those on intermediate rent. Section 7 of this business plan sets out the

approach to rental levels in more detail. The key challenge, and objective, of the company will be to provide a number of units within rental Band C (supported rent) which will address an affordability challenge locally.

- 5.20 Affordable properties at intermediate rent through THL have been let on a mix of assured short hold (AST) and assured tenancy basis and, compared to WBC housing, THL tenants are not able to exercise a right to buy option. It is intended that going forward the default tenancy position will be AST. Where tenants currently occupying under an assured tenancy move the re-lets will be on AST. Where the company offers an AST, unless there are any issues associated with payment of rent or breach of tenancy conditions, the tenancy is allowed to go periodic after the initial term of 6 months. Looking forward work is going to be done with our managing agents to consider an initial 3 year period to encourage household stability, encouraging tenants to consider the property as a long term home, while saving the company costs from property turnover.

### Shared Ownership

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- 5.21 Traditional shared ownership is no longer a popular or financially viable product due to Government subsidy schemes such as Homebuy providing more attractive options for residents. As such THL does not intend to focus on this form of tenure in this business plan period.
- 5.22 THL will continue to hold a mortgage protection reserve on the balance sheet of 10% of the value of the sold proportion of the Raynes Close properties. In the event of further shared ownership sales this provision would be reassessed.

### Other Forms of Ownership

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- 5.23 Due to the company's involvement in developing large scale town centre developments such as St Dunstan's we will consider the possibility of alternative ownership structures such as fractional ownership leaseholds to increase the mix within the development. The intention of this product would be to allow people to 'buy into' the scheme from an investment point of view as small scale landlords but would prevent THL losing overall management control of the development as the investment wouldn't tie specifically to an individual unit. Details of any potential scheme would be brought back to the board for approval prior to implementation.

### Transitional Rented and Temporary Accommodation

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- 5.24 During the period of this business plan THL aims to acquire properties to address the needs of potentially vulnerable people who have an institutional background such as the care system, armed forces or the justice system. This transitional category can also be used to help the Council manage its homelessness and temporary accommodation duties. The aim is to provide homes which are located within close proximity to existing support networks which will allow people to gain life skills in managing their own home. The properties will be selected in consultation with partner agencies who will also confirm the appropriate support networks are in place. There may need to be some element of support and while the default position is that the properties will be managed in the same way as the company's intermediate rent properties there may be projects which will require on site or specialist management.

- 5.25 Transitional rented properties will either be let on a corporate basis direct to the scheme providers, under a licence to occupy to individuals or in the case of the guest house on a nightly basis to individuals/the Council to allow ease of mobility. Where rents are paid directly, the individual rental levels will be in line with THL intermediate rents. Where they are direct corporate lets, the rent will be determined in negotiation with the provider.

### Investment Rental

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- 5.26 When THL was established, the initial business strategy provided for the company to develop and sell properties on the open market to either cross subsidise future investment in affordable rented accommodation or to help maintain the financial stability of the company. The combination of the prevailing market conditions and the outlook for the housing market over the period of this plan means that this option is a priority in this plan.

### Capital Funding of THL

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- 5.27 On the 7 April 2016 the Executive approved the medium term financial strategy for the Council which proposed changing the scope of the THL loan arrangements. The Council's medium term financial strategy (MTFS) reintroduced the provision of Share Capital at 25-35% of the investment, which had been suspended since September 2015 and significantly increased the amount of available finance to £50m per annum for a period of four years. The effective cost of capital to the company proposed in the MTFS was 1.5% above the Council's certainty rate reflecting the increasingly challenging market conditions the company operates within. The funding is still on a 50 year period with 25 years interest only and 25 years annuity. The initial 25 year period can either be borrowed short term or long term fixed to aid treasury management for the company.
- 5.28 The table below summarises the funding available to THL. Funding to date totals £311.9M, including £84.5M agreed within the business plans, £26.5M agreed outside the business plans and £200M agreed as part of WBC Medium Term Financial Strategy. The point at the previous agreed funding was spent was November 2016, from this point the borrowing margin reduced to 1.5%.
- 5.29 Funds have been made available to THL, outside the business plan process totalling £26.5M; the funds include Victoria Square development for affordable houses £18M, Sheerwater regeneration proposals on behalf of WBC totalling £2.5M and Brookwood Lye affordable homes contribution of £6M.

Year	Business Plan agreements	Outside Business Plan Cycle	MTFS	TOTAL FUNDING AGREED	Borrowing Margin
Pre 2015	64,400,000	2,000,000		66,400,000	Various
2015	5,000,000	8,000,000		13,000,000	2%
2016	6,000,000	8,000,000	25,000,000	39,000,000	2% /1.5%
2017	5,000,000	8,500,000	50,000,000	63,500,000	1.50%
2018	5,000,000	-	50,000,000	55,000,000	1.50%
2019			50,000,000	50,000,000	1.50%
2020 (Jan-Mar)			25,000,000	25,000,000	1.50%
<b>TOTAL</b>	<b>85,400,000</b>	<b>26,500,000</b>	<b>200,000,000</b>	<b>311,900,000</b>	
Proposed					
2020 (Apr- Dec)	5,000,000		25,000,000	30,000,000	1.50%
2021	5,000,000		50,000,000	55,000,000	1.50%
<b>TOTAL</b>	<b>95,400,000</b>	<b>26,500,000</b>	<b>275,000,000</b>	<b>396,900,000</b>	

- 5.30 Additional funds are requested for the period of March 2020 to December 2020 of £30M, and for 2021 funds of £55M. The purpose is to continue to fund housing developments, and to support loan financing.
- 5.31 To progress further developments, THL may request additional borrowing during the business plan term if the development meets the strategic long term aims of the business.
- 5.32 The timing and order of borrowing will affect the final margins applied to individual loans. It is also acknowledged that these borrowing approvals are indicative as projects will not necessarily follow financial years. Therefore some expenditure may move to later years or come forward within these approved borrowing limits should opportunities for larger projects arise. The movement of borrowing between years will be managed in consultation with the Council's section 151 officer.

#### Operational Modelling (Finance) for THL

- 5.33 Each batch of acquisitions, or in the case of large purchases or developments each individual transaction, is modelled based on the underlying THL financial model of 50 year loans, 25 years interest only and 25 years annuity.
- 5.34 The financial model is used to forecast both revenue and costs for property purchases. It is used to provide information on the different levels of rent needed to service the debt and is used to assist in setting rent levels. It is updated depending on market and inflation forecasts. The basic or base case model assumes cost inflation will run at 2% per annum. Due to the different acquisition costs for property some will have a revenue contribution above the minimum required to service the cost under the model. This surplus will be used to keep rental levels lower in other properties where there would not be a surplus, in effect pooling the total rent and cost. As referred to earlier in the plan section 106 money, as grant, will become increasingly

necessary to support affordable rental levels within the model as property prices, construction costs and market rental levels continue to increase significantly.

5.35 In line with the WBC adopted MTF5, which sets out a facility of up to £50m per annum, THL intends to increase investment significantly over the rest of the business plan period. The company has already started a number of projects and feasibility studies which, although they have a long lead in period, will make a significant step forward in scale of the company. Between these projects THL aims to supply in excess of c.500 properties, subject to planning, over the next four years.

## Rental Policy

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5.36 Within this plan period THL will continue to operate 5 different types of agreement when letting property to third parties or occupiers:

- Assured Shorthold Tenancy (AST) – this will be the normal position for all new acquisitions.
- Commercial Tenancy – this will be used where THL lets a property to a third party to provide specialist accommodation normally in support of its transitional accommodation category.
- Long Lease – this will be used in the case of a shared ownership property.
- License – this will be used if THL is operating transitional accommodation directly or where the property is not fully self contained.
- Assured Tenancy – these are historic tenancies given out by WBHL (now THL) when it first started and will be phased out as tenancies end.

5.37 The rental levels for the commercial tenancy, long lease and licence will all be determined on a case by case basis and will be determined purely by the economic circumstances of the property acquisition.

5.38 Assured tenancies will be phased out but the existing ones will remain at the current rental structure applied on purchase.

5.39 Assured Shorthold Tenancies will be banded according to the subsidy THL is able to use to support the property acquisition and will fall into three bands.

Band A (open market)	96-100% of local open Market Rent
Band B (intermediate rent)	61-95% of local open Market Rent
Band C (supported rent)	50-60% of local open Market Rent

5.40 All of these bands will be assessed every year to ensure they are still appropriate given THL purchases, subsidy rates and the prevailing economic conditions. The local open Market Rent is assessed on individual properties and can therefore vary considerably, however the underlying assumption is an annual rent increase of 5%.

5.41 WBC MTF5 included a new objective for THL in that THL should aim to provide at least 24 Band C units per annum. Band C units are aimed to provide properties at the equivalent of the target social rent for households who need direct support as they will not be able to sustain an intermediate rent. The ability to deliver these units will be assessed annually to ensure that the need is still appropriate and they are financially viable. It is likely that tenants in Band C

property will also require a greater level of social support and the company will work closely with the Council to ensure stable tenancies.

The table below identifies property that fall within the banding criteria, shared ownership and corporate lets are excluded from the table.

	<b>Properties</b>
Band A	93
Band B	297
Band C	44
	<b>434</b>

- 5.42 All new tenancies will be subject to a credit reference to ensure that prospective occupiers are able to afford the proposed rent and will be used in conjunction with personal references as appropriate. The credit reference will be relevant to the proposed rent and take into account household income including benefits where relevant. This process wouldn't be appropriate for Licenses due to the short term nature of the arrangement and ease of termination in arrears situations.
- 5.43 TGHL rental policy will be reviewed as part of the review of operational costs. The rental charges have been tested to reflect the comparative market and with the desire for the company to pay off the debt associated with this property quickly, due to the shortened property life of temporary accommodation and Bed and Breakfast. If costs are reduced the rental levels will be reviewed at the same time. In the interim they will remain at current levels. As part of the TGHL financial return from this rent the company provides a payment back to WBC to support the work it does with Housing Options to prevent homelessness. Relating 2016 and prior this payment amounted to £115,000 and is expected to be £45,000 in 2017.

## 6. Financial Performance: Thamesway Housing Limited

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### Projected Profit & Loss Account

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- 6.1 The Profit and Loss account for the period 2016-2021 is included in Appendix 1.
- 6.2 Over the business plan period, operating profit will increase from £3.2M in 2016 to projected £8.5M in 2021, this is due to increasing the quantity of properties to rent by over 450 properties to an expected total of 920 in 2021.
- 6.3 Rent roll at the end of 2017 is expected to be £4.9M per annum, increasing to £10.9M by 2021. Rental income inflation is budgeted at 3% in line with the financial models.
- 6.4 The cost base is expected to rise with inflation, assumed at 2% per annum, however a number of costs are driven by the number of properties held, costs such as general maintenance, insurance and agent's fees will therefore increase in line with revenue increases plus inflation.
- 6.5 In July 2017, the board agreed to THL self delivering housing management, and removing third party agencies. The breakeven point of investment versus savings will be achieved in three years. The transition to self delivery will be in phases, it is expected to embed across the



property portfolio by 2020. Capital expenditure is expected to be £345K which will fall within this business plan period.

- 6.6 During the business plan period dedicated THL staff will be employed by THL directly, this due to an increasing number of staff required to manage self delivery of the property portfolio. The benefit of this initiative is to reduce intercompany VAT transactions and reduce administration burden.
- 6.7 Staffing levels are planned to increase in line with activity as the property portfolio increases and transitions across to self management. Staffing levels in 2018 are equivalent to 9 Full time staff, increasing by 3 in 2019.
- 6.8 Doubtful debts and bad debts are expected to remain at the current levels even though the property portfolio is increasing, due to rigorous internal processes, and the requirement of a deposit for Band A and Band B properties.
- 6.9 Loan interest will increase significantly compared to prior years due to the heavy capital investment projected during the business plan. Loan interest during the business plan period is expected to exceed £35M.
- 6.10 The current business plan does not take into account property revaluation benefits which are expected to be generated by the investments properties, to date THL has benefitted from £26M of revaluation of investment properties.

#### Projected Balance Sheet

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- 6.11 The projected balance sheet is included in Appendix 2.
- 6.12 Fixed Assets increase as properties are completed by TDL and sold to THL, plus the purchase of street properties. Sheerwater properties purchased within the red line regeneration area are held by THL for 2017 and 2018, and assumed to be held in a Sheerwater specific entity from 2019 onwards. Furniture and Fixtures and fitting are capitalised and depreciated over 4 years
- 6.13 Capitalisation of the self delivery housing system increases as properties are phased into the system and new developments are self managed. Depreciation is over 4 years.
- 6.14 Stock currently includes land purchased for St Dunstan's, Knaphill Library 2 and Brookwood Lye, as the developments are completed the stock provision transitions into fixed assets.
- 6.15 Accrued expenses are expected to reduce over the business period due to self delivery of the properties and the removal of quarterly invoices from some current property management companies.
- 6.16 Long Term loans are forecast to increase from £95.3M in 2016 to £243.6M in 2021, an increase of £148.3M to support the capital investment in properties of £155.8M.
- 6.17 Net total assets are forecast to decrease over the business plan period due to the impact of interest costs incurred.

#### Projected Cash Flow

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- 6.18 The cashflow forecast is included in Appendix 3
- 6.19 The increase in share capital is expected in 2017 relates to previously agreed WBC increases of £6M

#### Long Term View

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- 6.20 THL runs as an established business, making long term strategic decisions
- 6.21 In 2015 the investment properties were revalued to take into account property inflation, it is expected that property prices will increase both in the short term and longer term. Over the last two years since revaluation, property prices in Woking have increased on average by £28K, equating to a 7% increase (according to RICS data as at July 2017). The property portfolio will be formally revalued in 2018.
- 6.22 THL total investment in 2021 is expected to be £276.9M, excluding future revaluation. Property investment appraisals are assumed to break even over 25 years, therefore interest funding will required to support THL in the medium term. Included within the total investment is a revaluation reserve of £26,924,187.

#### Financial Performance – Thameswey Guest Houses Limited

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##### Projected Profit & Loss Account

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- 6.24 The profit and loss account is included in Appendix 4
- 6.25 Nightly accommodation rates are expected to be maintained in 2018 with a further review in 2019. The model assumes a modest 1% in 2019, although a benchmarking exercise will be carried out.
- 6.26 The intention is to maintain a third party managing the facility over the business plan period.
- 6.27 Costs are assumed to increase by 2% per year
- 6.28 The loan from THL has been refinanced in 2017 and amended to an annuity loan; as a result interest costs have reduced.

Projected Balance Sheet

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6.29 The projected balance sheet is included in Appendix 5.

Projected Cash Flow

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6.30 The cashflow forecast is included in Appendix 6.

**Appendix 1: THL - Profit & loss Account**

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	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
<b>Turnover</b>						
Rental Income	4,129,831	4,848,884	5,337,846	8,676,527	10,548,584	10,890,379
Feed in Tariff Income	4,542	3,715	3,715	3,715	3,715	3,715
Other Income	0	4,800	0	0	0	0
Sale of Property	1,647,750	262,500	0	0	0	0
Cost of Sales	1,505,108	243,750	0	0	0	0
Profit on Sale of Assets	142,642	18,750	0	0	0	0
	<b>4,277,015</b>	<b>4,876,148</b>	<b>5,341,561</b>	<b>8,680,242</b>	<b>10,552,299</b>	<b>10,894,094</b>
<b>Cost of Sales</b>						
Ground Rent	78,226	91,651	91,651	93,484	95,354	97,261
Council Tax/Rates	29,616	30,893	30,893	31,511	32,141	32,784
Utilities/Telephones	15,938	49,684	49,684	50,678	51,691	52,725
General Maintenance	492,827	751,050	675,000	1,046,200	1,077,586	1,109,914
Grounds Maintenance	15,712	12,330	12,330	12,577	12,829	13,085
Total Cost of Sales	632,319	935,609	859,559	1,234,450	1,269,601	1,305,769
<b>Gross profit/(loss)</b>	<b>3,644,696</b>	<b>3,940,539</b>	<b>4,482,003</b>	<b>7,445,792</b>	<b>9,282,698</b>	<b>9,588,325</b>
GP% of Turnover	85%	81%	84%	86%	88%	88%
<b>Indirect Costs</b>						
Insurance	62,606	88,000	92,400	94,248	96,133	98,056
Housing Management Costs	23,263	0	0	321,280	327,706	334,260
Administration Charges	118,023	260,932	377,977	0	0	0
WBC/NVH Mgt Fee	119,137	136,688	139,422	41,826	13,942	14,221
Agents Fees	111,703	150,807	173,480	173,531	0	0
Prof Fees - Legal	837	3,884	3,962	4,041	4,122	4,205
Prof Fees - Consultancy	0	0	0	0	0	0
Prof Fees - Surveying	60,717	0	0	0	0	0
Audit & Tax Advice	9,864	13,212	17,000	18,700	20,570	22,627
Trade Mark Fees	1,200	1,200	1,200	1,200	1,200	1,200
Non Exec Remuneration	6,485	10,443	10,651	10,865	11,082	11,303
Other Expenses	4,624	3,046	3,107	3,169	3,232	3,297
Bank Charges	3,476	1,263	1,288	1,314	1,340	1,367
Bad Debts	14,906	15,000	16,513	17,008	17,518	18,044
Doubtful Debt Provision	-1,421	18,000	18,360	18,911	19,478	20,062
Total Costs	535,422	702,474	855,360	706,093	516,324	528,642
<b>EBITDA</b>	<b>3,109,274</b>	<b>3,238,065</b>	<b>3,626,643</b>	<b>6,739,699</b>	<b>8,766,374</b>	<b>9,059,683</b>
Depreciation	56,646	54,564	89,023	215,023	247,012	271,363
Mortgage Protect Provn.	19,667	(27,375)	0	0	0	0
Amortisation	143,256	149,443	168,004	168,004	296,631	296,631
<b>Operating Profit</b>	<b>3,176,217</b>	<b>3,360,319</b>	<b>3,369,616</b>	<b>6,356,672</b>	<b>8,222,731</b>	<b>8,491,688</b>
Dividends Receivable	345,036	0	0	0	0	0
Bank Interest Income	7,585	244	250	250	250	250
Loan Interest Income	131,516	138,777	114,700	111,977	109,116	106,616
Finance Costs	4,532,002	6,237,954	6,153,295	8,474,817	11,750,506	12,110,506
<b>Profit/(Loss) Before Tax</b>	<b>(871,649)</b>	<b>(2,738,614)</b>	<b>(2,668,730)</b>	<b>(2,005,918)</b>	<b>(3,418,409)</b>	<b>(3,511,952)</b>
Deferred Taxation	-235,000	0	0	0	0	0
<b>Profit/(Loss) After Tax</b>	<b>(636,649)</b>	<b>(2,738,614)</b>	<b>(2,668,730)</b>	<b>(2,005,918)</b>	<b>(3,418,409)</b>	<b>(3,511,952)</b>

Appendix 2: THL - Balance Sheet

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
<b>FIXED ASSETS</b>						
Property (Cost Price)	115,599,981	124,293,292	141,096,292	254,650,774	254,770,774	254,770,774
Greenwood House	5,037,306	4,999,224	4,973,837	4,948,449	4,923,062	4,897,674
Sherwater Properties		3,076,781	15,383,907	0	0	0
Brookwood Lye				16,262,381	16,262,381	16,262,381
Assets Under Construction	398,221	0	0	0	0	0
Furniture/Fixtures	101,726	216,626	466,470	653,852	794,389	899,792
Housing System	0	37,917	292,074	232,645	189,514	142,135
	121,137,235	132,623,840	162,212,579	276,748,101	276,940,119	276,972,756
<b>LONG TERM INVESTMENTS</b>						
Loan to TDL	815,135	815,135	815,135	815,135	815,135	815,135
Loan to TGH Ltd	1,192,029	1,166,115	1,112,329	1,055,819	996,448	934,072
Investment in TGH Ltd	360,464	360,464	360,464	360,464	360,464	360,464
	2,367,628	2,341,714	2,287,928	2,231,418	2,172,047	2,109,671
<b>CURRENT ASSETS</b>						
Trade Debtors	19,792	46,886	51,361	83,464	101,464	104,751
Other Debtors	345,036	345,036	0	0	0	0
Stock	15,806,346	15,806,346	15,806,346	0	0	0
Accrued Income	897,692	222,410	222,565	361,677	439,679	453,921
Provision for Doubtful Debts	(23,579)	(2,344)	(2,568)	(4,173)	(5,073)	(5,238)
Prepayments	26,726	30,000	25,000	32,000	28,000	15,000
TDL Advances	2,010,808	0	0	0	0	0
BF Service Charges	12,205	6,102	6,224	6,349	6,476	6,605
Bank Account	453,767	7,220,003	9,011,625	2,418,227	7,886,911	8,113,641
	19,548,790	23,674,438	25,120,553	2,897,544	8,457,457	8,688,681
<b>CURRENT LIABILITIES</b>						
Trade Creditors	105,750	136,507	142,560	117,682	86,054	88,107
Other Creditors	3,620	3,620	3,620	3,620	3,620	3,620
Accrued Expenses	855,859	770,273	385,137	392,839	400,696	408,710
Deferred Income	104,992	110,241	0	0	0	0
Mortgage Protection Fund	120,675	93,300	93,300	93,300	93,300	93,300
Provision for Deferred Tax	4,597,195	4,597,195	4,597,195	4,597,195	4,597,195	4,597,195
Short Term Loans						
	5,788,090	5,711,135	5,221,810	5,204,635	5,180,864	5,190,931
<b>NET CURRENT ASSETS</b>	<b>13,760,700</b>	<b>17,963,303</b>	<b>19,898,742</b>	<b>(2,307,092)</b>	<b>3,276,593</b>	<b>3,497,750</b>
<b>LONG TERM LIABILITIES</b>						
Long Term Loans	95,255,234	107,806,586	142,113,711	236,560,812	239,560,812	243,560,812
Grants/Contributions	6,698,421	6,548,978	6,380,974	6,212,970	12,347,712	12,051,080
	101,953,655	114,355,564	148,494,685	242,773,782	251,908,524	255,611,892
<b>NET TOTAL ASSETS</b>	<b>35,311,908</b>	<b>38,573,294</b>	<b>35,904,564</b>	<b>33,898,645</b>	<b>30,480,236</b>	<b>26,968,284</b>
<b>CAPITAL &amp; RESERVES</b>						
Share Capital	17,915,000	23,915,000	23,915,000	23,915,000	23,915,000	23,915,000
P&L Account Brought fwd	18,033,556	17,396,907	14,658,294	11,989,564	9,983,645	6,565,236
Profit/(Loss) YTD	(636,649)	(2,738,614)	(2,668,730)	(2,005,918)	(3,418,409)	(3,511,952)
	<b>35,311,907</b>	<b>38,573,294</b>	<b>35,904,564</b>	<b>33,898,645</b>	<b>30,480,236</b>	<b>26,968,284</b>

Appendix 3: THL - Cashflow

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
<b>Operating Activities</b>						
Profit/(Loss) Before Financing	3,222,608	3,360,319	3,369,616	6,356,672	8,222,731	8,491,688
(Increase)/Decrease in Debtors	2,775,692	2,640,588	345,508	15,629,612	(91,230)	(4,493)
Increase/(Decrease) in Creditors	(1,564,682)	(76,955)	(489,325)	(17,175)	(23,771)	10,067
Add Back: Depreciation / Less Amortisation	(56,646)	(122,254)	(78,981)	47,019	79,008	103,359
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>4,376,972</b>	<b>5,801,698</b>	<b>3,146,818</b>	<b>22,016,128</b>	<b>8,186,737</b>	<b>8,600,621</b>
<b>Investing Activities</b>						
Advance re Westminster Court	(250,000)	0	0	0	0	
(Purchase)/Disposal of fixed assets	(32,421,366)	(11,338,922)	(29,482,637)	(114,553,617)	(240,177)	(103,095)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(32,671,366)</b>	<b>(11,338,922)</b>	<b>(29,482,637)</b>	<b>(114,553,617)</b>	<b>(240,177)</b>	<b>(103,095)</b>
<b>Financing Activities</b>						
Increase in Share Capital	3,900,000	6,000,000	0	0	0	0
Interest Received	93,652	139,021	114,950	112,227	109,366	106,866
Interest Paid	(3,106,955)	(6,237,954)	(6,153,295)	(8,474,817)	(11,750,506)	(12,110,506)
Grants/Contributions	0	(149,443)	(168,004)	(168,004)	6,134,741	(296,631)
Loans Received	24,475,000	12,551,352	34,307,126	94,447,101	3,000,000	4,000,000
Repayment of THL principal		(25,430)	(27,121)	(28,925)	(30,849)	(32,901)
Repayment of Loans - TGHL		25,914	53,786	56,510	59,371	62,376
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>25,361,697</b>	<b>12,303,459</b>	<b>28,127,441</b>	<b>85,944,092</b>	<b>(2,477,876)</b>	<b>(8,270,796)</b>
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>(2,932,697)</b>	<b>6,766,236</b>	<b>1,791,622</b>	<b>(6,593,397)</b>	<b>5,468,684</b>	<b>226,730</b>
Cash Balance @ Beginning of Period	3,386,464	453,767	7,220,003	9,011,625	2,418,227	7,886,911
Cash Balance @ End of Period	453,767	7,220,003	9,011,625	2,418,227	7,886,911	8,113,641

Appendix 4: TGHL - Profit & loss

	2016	2017	2018	2019	2020	2021
	Actual £	Forecast £	Budget £	Budget £	Budget £	Budget £
<b>Rent Income</b>	<b>405,880</b>	<b>404,000</b>	<b>406,000</b>	<b>410,060</b>	<b>414,161</b>	<b>418,302</b>
<b>Cost of Sales</b>						
Management Fee	107,000	108,040	108,040	108,040	108,040	108,040
<b>Gross Profit/(Loss)</b>	<b>298,880</b>	<b>295,960</b>	<b>297,960</b>	<b>302,020</b>	<b>306,121</b>	<b>310,262</b>
GP % of turnover	73.6%	73.6%	73.6%	73.6%	73.6%	73.6%
<b>Indirect Costs</b>						
Administration Charges	31,843	40,016	40,000	40,800	41,616	42,448
Business Rates	(31,441)	2,612	2,678	2,732	2,786	2,842
Electricity	4,285	3,173	4,000	4,080	4,162	4,245
Gas	4,213	5,794	4,000	4,080	4,162	4,245
Water	1,651	1,315	1,296	1,322	1,348	1,375
Insurance	2,313	3,080	3,800	3,876	3,954	4,033
Premises Maintenance	2,222	2,686	2,800	2,856	2,913	2,971
Audit & Tax Advice	6,000	3,815	5,500	5,610	5,722	5,837
Trade Mark Fees	1,000	1,010	1,000	1,020	1,040	1,061
Non Exec Remuneration	5,404	5,459	5,404	5,512	5,622	5,735
Doubtful Debt Provision	0	0	0	0	0	0
Other Sundry Expenses	158	147	144	147	150	153
Bank Charges	64	63	60	61	62	64
Total Costs	27,713	69,169	70,682	72,096	73,538	75,008
<b>EBITDA</b>	<b>271,167</b>	<b>226,791</b>	<b>227,278</b>	<b>229,924</b>	<b>232,583</b>	<b>235,254</b>
Depreciation	25,913	24,491	26,000	26,000	26,000	26,000
<b>Operating Profit/(loss)</b>	<b>245,254</b>	<b>202,300</b>	<b>201,278</b>	<b>203,924</b>	<b>206,583</b>	<b>209,254</b>
Finance Income	271	83	24	24	24	24
Finance Costs	74,456	65,562	57,642	54,919	52,058	49,052
<b>Profit/(Loss) Before Tax</b>	<b>171,069</b>	<b>136,822</b>	<b>143,660</b>	<b>149,030</b>	<b>154,549</b>	<b>160,226</b>
CT Provision	39,396	0	0	0	0	0
<b>Profit/(Loss) After Tax</b>	<b>131,673</b>	<b>136,822</b>	<b>143,660</b>	<b>149,030</b>	<b>154,549</b>	<b>160,226</b>
Dividends paid	0	155,000	95,000	100,000	106,000	112,000
<b>Retained Profit</b>	<b>131,673</b>	<b>(18,178)</b>	<b>48,660</b>	<b>49,030</b>	<b>48,549</b>	<b>48,226</b>

Appendix 5: TGHL - Balance Sheet

	2016	2017	2018	2019	2020	2021
	Actual	Forecast	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
<b>FIXED ASSETS</b>						
Land & Buildings	1,459,908	1,435,417	1,409,417	1,383,417	1,357,417	1,331,417
Furniture and Fittings	13,617	13,617	13,617	13,617	13,617	13,617
	1,473,525	1,449,035	1,423,035	1,397,035	1,371,035	1,345,035
<b>CURRENT ASSETS</b>						
Trade Debtors	87,244	33,667	33,833	34,172	34,513	34,859
Provision for Doubtful Debts	(5,840)	(5,840)	(5,840)	(5,840)	(5,840)	(5,840)
VAT Refund	0	0	0	0	0	0
Prepayments	2,273	2,500	2,500	2,500	2,500	2,500
Bank Account	347,675	390,726	411,656	430,485	445,974	458,135
	431,352	421,053	442,150	461,317	477,147	489,653
<b>CURRENT LIABILITIES</b>						
Trade Creditors	36,628	14,767	14,894	15,011	15,131	15,254
VAT Liability	15,542	45,358	45,456	45,985	46,517	47,051
Provision For Corpn. Tax	57,904	57,904	57,904	57,904	57,904	57,904
Accrued Expenses	28,654	30,000	30,000	30,000	30,000	30,000
	138,727	148,029	148,253	148,900	149,552	150,208
<b>NET CURRENT ASSETS</b>	<b>292,625</b>	<b>273,024</b>	<b>293,897</b>	<b>312,417</b>	<b>327,596</b>	<b>339,445</b>
<b>LONG TERM LIABILITIES</b>						
Long Term Loans (THL)	1,192,029	1,166,115	1,112,329	1,055,819	996,448	934,072
	1,192,029	1,166,115	1,112,329	1,055,819	996,448	934,072
<b>NET TOTAL ASSETS</b>	<b>574,121</b>	<b>555,943</b>	<b>604,603</b>	<b>653,633</b>	<b>702,182</b>	<b>750,407</b>
<b>CAPITAL &amp; RESERVES</b>						
Share Capital	360,000	360,000	360,000	360,000	360,000	360,000
P&L Account B/F	82,448	214,121	195,943	244,603	293,633	342,182
Profit/(Loss) YTD	131,673	(18,178)	48,660	49,030	48,549	48,226
	<b>574,121</b>	<b>555,943</b>	<b>604,603</b>	<b>653,633</b>	<b>702,182</b>	<b>750,407</b>



Appendix 6: TGHL - Cashflow

	2017	2018	2019	2020	2021
	£	£		£	£
<b>Operating Activities</b>					
Profit/(Loss) Before Financing	202,300	201,278	203,924	206,583	209,254
(Increase)/Decrease in Debtors	53,351	(167)	(338)	(342)	(345)
Increase/(Decrease) in Creditors	9,302	224	647	652	657
Add Back: Depreciation / Less Amortisation / Provisions	24,491	26,000	26,000	26,000	26,000
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>289,444</b>	<b>227,335</b>	<b>230,233</b>	<b>232,893</b>	<b>235,566</b>
<b>Investing Activities</b>					
(Purchase)/Disposal of fixed assets	0	0	0	0	0
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financing Activities</b>					
Increase in Share Capital	0	0	0	0	0
Interest Received	83	24	24	24	24
Finance Costs	(65,562)	(57,642)	(54,919)	(52,058)	(49,052)
Dividends Paid	(155,000)	(95,000)	(100,000)	(106,000)	(112,000)
Loans Received	0	0	0	0	0
Repayment of Loans	(25,914)	(53,787)	(56,510)	(59,371)	(62,376)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(246,392)</b>	<b>(206,404)</b>	<b>(211,404)</b>	<b>(217,404)</b>	<b>(223,404)</b>
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>43,052</b>	<b>20,930</b>	<b>18,829</b>	<b>15,489</b>	<b>12,161</b>
Cash Balance @ Beginning of Period	347,675	390,726	411,656	430,485	445,974
Cash Balance @ End of Period	390,726	411,656	430,485	445,974	458,135

End of Business Plan



# **THAMESWEY DEVELOPMENTS LTD**

## **Business Plan 2018**

### **Covering the Period to 31.12.2018**

Address: 2<sup>nd</sup> Floor, Gloucester Chamber, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 06646380  
VAT Number: 981 0909 06

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## **1.0 Introduction**

- 1.1 The attached Business Plan sets out the proposed arrangements for delivering the company's activities for the next year and seeks to define its strategic direction for the period up to the end of 2018. Given the responsive nature of TDL the plan only covers a one year period. However, it is recognised that should the Council agree to accept the proposals put forward by TDL in February 2018 for the delivery of the first phase of Sheerwater a mid year update will need to be put forward extending the business plan.
- 1.2 The structure of the Business Plan is consistent with last year and includes:
- A summary of the purpose and structure of the company
  - A summary of principal business activities and highlights over the last 12 months
  - Planned activity over the next 12 months
  - There is no strategic plan other than that of taking instructions from WBC, Thameswey Group and Joint Venture companies.
- 1.3 This plan ensures that the focus of activity within each company is clearly aligned with those of Thameswey Limited, and ultimately with the Council's strategic objectives for Thameswey. The plan reflects the Board's views on the short term objectives set out in the proposed strategic plans.

## **2.0 Purpose of the Company**

- 2.1 TDL was established in 2009 by its ultimate owner Woking Borough Council (WBC) to provide for a long-term strategy of property related development and investment in the Borough of Woking. All projects delivered by TDL are in accordance with the instructions of the Council or as a contractor for Thameswey Housing Limited (THL) and its subsidiary Thameswey Guest Houses Ltd (TGHL) or other parts of the Thameswey Group. TDL acts as the property development vehicle of the Thameswey Group.
- 2.2 The current board of directors are set out below:
- |                         |                        |
|-------------------------|------------------------|
| ▪ Terry Price           | Independent (Chairman) |
| ▪ Sue Barham            | Officer Director       |
| ▪ Cllr David Bittleston | Councillor Director    |
| ▪ Cllr John Kingsbury   | Councillor Director    |
| ▪ Peter Bryant          | Officer Director       |
- 2.3 The above board composition meets the requirements of the Thameswey Group Protocols as approved by the Council on 8<sup>th</sup> December 2011. In order to be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance.
- 2.4 TDL has use of the intellectual property owned by Thameswey Limited (TL) and is obliged to pay an annual licence fee of £1,000 payable to TL. In addition WBC established a framework for financial support by way of loan investment to enable TDL to make investments in Woking. WBC charges a margin over its borrowing costs for the loans to the Group; this benefits residents by contributing to the revenue income of WBC.

### 3.0 Operational Activity over the last 12 months

#### 3.1 St. John's Memorial Hall

The development of the St John's Memorial was completed this year following a significant delay due to contractor under performance.

#### 3.2 Horsell Civic Space

TDL has continued to snag the first phase of the Civic Space project which is tied into the underperformance of the same contractor as was involved with St Johns Memorial Hall. While the snags and defects are minor they have taken an inordinate amount of time to resolve. TDL has also delivered phase two of the scheme which involved significant landscaping and the provision of a new tennis court. The second phase public realm was completed in full this year but the first phase defects are still being rectified by the original contractor.

#### 3.3 Old Library Site, Knaphill

The Old Knaphill Library site was completed during the previous business plan period and 9 flats, all set at an affordable rent and subject to a Council nomination agreement, have been delivered. TDL also purchased a neighbouring site and a planning application for four houses has been submitted. The application also allows for pedestrian access to the rear of the first phase scheme to improve servicing/deliveries.

#### 3.4 St Dunstan's

TDL has commenced the redevelopment of the existing St Dunstan's site which has been held within THL for the last few years. A new design for the original consented scheme was approved with construction currently underway. The Council's Planning Committee at its meeting on 14 November resolved to grant consent for a further extension of the scheme along Heathside Crescent.

#### 3.5 121 Chertsey Road

TDL has acquired this site and has submitted a planning application to provide a supported accommodation block for elderly and vulnerable residents and other patients seeking to leave hospital but in need of intermediate support before returning home. (Use Class C2). The application is currently being considered by the Local Planning Authority.

#### 3.6 Elizabeth House/Cornerstone

TDL has purchased this site and has entered into a development agreement with Magna Asset Management One who are a developer specialising in office conversions. Magna have obtained a permitted development (prior approval) for 158 units and work is currently ongoing to secure a contractor and obtain planning consent for improvements to the elevations.

#### 3.7 Griffin and Concord House

In September 2017, TDL purchased Griffin and Concord House. The properties are currently let to third parties. The property will be held as an investment property until at least 2018, when current leases are due for renewal.

## 4.0 Business Opportunities 2018

### 4.1 Knaphill phase two

As soon as the planning consent is received for the second phase of Knaphill Library TDL will tender for a contractor to deliver the four residential units.

### 4.2 Hawthorne Road

TDL has been contracted by the Council Housing Revenue Account to progress this development of 5 units for new Council Housing. During the course of this business plan work will start on site and TDL will commence the planning process for Bonsey Close to provide more affordable units for the HRA.

### 4.3 Brookwood Lye

TDL is looking to develop part of the former traveller site at Five Acres to provide affordable housing to TDL. A planning application to deliver this will be submitted before the end of 2017 and subject to consent will be built out during 2018. TDL has entered into a partnership with Wienerberger to pilot their new e4 house concept at this site. These are brick built highly energy efficient properties aimed at affordable rent. As part of this partnership Wienerberger is taking the design lead.

### 4.4 Poole Road Energy Centre

The town centre energy station in Woking is nearing capacity and will not be able to supply the new Victoria Square development and the wider developments along Goldsworth Road. Therefore there is an opportunity to increase the energy network in this area of the town. TEL has identified Poole Road as a potential new energy centre providing low carbon energy to facilitate future development in the town. A full business case was approved by TEL during 2017 and a planning consent was achieved for 9 and 9A Poole Road. Since consent was achieved the neighbouring site has become available and Woking Borough Council has commenced acquisition. This changes the opportunity of the energy centre site and should the Council purchase of the site go through the Poole Road project will be reviewed and a new planning application submitted. This will cause a necessary delay in getting 'power on' from the site to Victoria Square. TDL and TEL have therefore been working with the developer of Victoria Square to provide temporary supply solutions while the new site is under construction.

### 4.5 Sheerwater

During 2017 Thameswey were been appointed by the Council as its development partner and was subsequently commissioned to bring forward proposals regarding the development of Sheerwater taking over the original Hybrid Master Plan consent obtained by New Vision Homes on behalf of the Council. The initial request was for TDL to obtain detailed costs (by going out to the market for tenders) for the delivery of the first phase of the Hybrid master plan, which had already achieved a detailed planning consent, and to get to a position whereby a planning application could be submitted for the remainder of phase one and phase two. The Council provided an underwrite of £2.5m in fees for the delivery of this work and set a target deadline for proposals to be submitted to Council for February 2018.

Following the next Council gateway in Spring the move from planning for, to delivery of, the first phase of Sheerwater this will fundamentally change the scale of TDL development work and commence a project which is likely to last 7-10 years. As such a

new interim business plan will need to be submitted for Board and Council approval which will cover a longer period to reflect the length of this project.

## 5.0 Financials/Budget

### 5.1 Business Performance

TDL was established to make a return for the shareholder; returns are assessed on a project by project basis. The development profit/margin provided by the project activity is used for two purposes, half is retained by TDL for a working capital fund for reinvestment in project appraisals and development. The other half is to be passed to Thameswey Limited for reinvestment in Environmental Projects, including for Action Surrey and Action Woking projects.

TDL will target a 4% project fee on developments going forward, the final fee will depend on the nature of the project and will need to be assessed on a case by case basis.

### 5.2 Financial Performance

#### **The Profit and Loss account is in appendix 1.**

Revenue is higher than previous years due to rent income received for Griffin and Concord House. Costs associated with the ground floor of Griffin and Concord House are included within the overheads, which TDL intend to use for contractors and staff.

Loan interest has increased due to Griffin and Concord House, while the building is tenanted. The loan interest relevant to ongoing development projects is included within the work in progress balance sheet item.

TDL has generated a dividend in 2017 for £250,000, payable to Thameswey Limited to reinvest in Thameswey Sustainable Communities Ltd to support Action Surrey projects. During 2018 a further dividend is proposed of £200,000.

#### **The Balance Sheet is included in Appendix 2**

The balance sheet includes Griffin and Concord house as investment properties, along with 20, High Street. The total value of investment properties in 2018 are £11.1M. The balance sheet includes an increasing Work in Progress balance of £134.2M as at December 2018.

TDL has borrowed short term to fund developments during their project period until the sale to THL, loans at December 2018 are expected to be £145.7M. In addition a long term loan exists, provided by THL, to fund 20 High Street.

#### **The cashflow is included in Appendix 3.**



**Appendix 1 – Profit and Loss Account**

	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<i>Actual</i>	Forecast	Budget
	£	£	£
<b>Turnover</b>			
Project Income	1,545,065	2,000,000	7,975,800
Rental Income	58,220	58,220	430,817
Non-Trading Income	0	1,200	
	1,603,285	2,059,420	8,406,617
<b>Cost of Sales</b>			
Insurance	6,923	7,879	12,879
Direct Cost of Projects	1,093,541	1,900,000	7,385,000
	1,100,464	1,907,879	7,397,879
<b>Gross profit/(loss)</b>	<b>502,821</b>	<b>151,541</b>	<b>1,008,738</b>
<b>GP% of turnover</b>	31.4%	20.3%	20.3%
<b>Indirect Costs</b>			
Non-Executive Directors	5,404	5,404	5,404
Administration Exp	32,362	12,000	12,000
Trade Mark Licence	1,000	1,000	1,000
Rates and Utilities	(12,124)	0	17,995
Service Charge	0	0	16,005
Cleaning	0	0	3,000
Legal Fees	16,974	5,000	5,000
Auditors Remuneration	7,500	7,000	7,000
Bank Charges	716	350	350
Sundry Exp	130	0	0
Bad Debts	(2,000)	0	0
Total Costs	49,962	30,754	67,754
<b>EBITDA</b>	<b>452,859</b>	<b>120,787</b>	<b>940,985</b>
Depreciation	0	0	0
<b>Operating Profit/(loss)</b>	<b>452,859</b>	<b>120,787</b>	<b>940,985</b>
Finance Income	5,943	500	500
Investment Income (Divd.)	172,518	0	0
Finance Costs	57,059	57,059	358,059
<b>Profit/(Loss) Before Tax</b>	<b>574,260</b>	<b>64,228</b>	<b>583,425</b>
Corporation Tax P&L	43,369	0	0
<b>Profit/Loss After Tax</b>	<b>530,891</b>	<b>64,228</b>	<b>583,425</b>
Dividends Paid	0	250,000	200,000
<b>Retained Profit</b>	<b>530,891</b>	<b>(185,772)</b>	<b>383,425</b>

**Appendix 2 – Balance Sheet**

	2016	2017	2018
	Actual	Forecast	Budget
	£	£	£
<b>FIXED ASSETS</b>			
Land & Buildings	827,491	11,107,491	11,107,491
	827,491	11,107,491	11,107,491
<b>LONG TERM INVESTMENTS</b>			
Rutland (Woking) Ltd	99,726	99,726	99,726
Rutland Woking (Carthouse Lane) Ltd	1	0	0
	99,727	99,726	99,726
<b>CURRENT ASSETS</b>			
Trade Debtors	323,152	323,152	323,152
Other Debtors	178,730	0	0
VAT Refund	3,793,732	3,793,732	2,400,000
Work in Progress	25,284,647	56,244,647	134,244,647
Prepayments	10	0	0
Accrued Income	433,331	0	0
Deposits	45,619	45,619	45,619
Bank Account	1,314,621	2,209,191	1,029,286
	31,373,842	62,616,341	138,042,704
<b>CURRENT LIABILITIES</b>			
Trade Creditors	474,116	1,548,000	600,000
Other Creditors	2	0	0
Payment on Account - THL	2,009,062	2,009,062	0
Accrued Expenses	605,611	0	0
Corporation Tax	386,114	386,114	386,114
	3,474,905	3,943,176	986,114
<b>NET CURRENT ASSETS</b>	<b>27,898,937</b>	<b>58,673,165</b>	<b>137,056,590</b>
<b>LONG TERM LIABILITIES</b>			
Long Term Loan - WBC	26,500,000	67,740,000	145,740,000
Long Term Loan - Intercompany	815,135	815,135	815,135
	27,315,135	68,555,135	146,555,135
<b>NET TOTAL ASSETS</b>	<b>1,511,020</b>	<b>1,325,247</b>	<b>1,708,672</b>
<b>CAPITAL &amp; RESERVES</b>			
Share Capital	10,001	10,001	10,001
P&L Account Brought fwd	970,128	1,501,019	1,309,715
Retained Profit FY	530,891	(185,772)	388,956
	<b>1,511,020</b>	<b>1,325,247</b>	<b>1,708,673</b>

**Appendix 3 – Cashflow**

	2017 £	2018 £
<b>Operating Activities</b>		
Profit/(Loss) Before Financing	120,787	940,985
(Increase)/Decrease in Debtors	(30,347,929)	(84,582,068)
Increase/(Decrease) in Creditors	468,271	(2,957,062)
Add Back: Depreciation / Less Amortisation		0
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(29,758,871)</b>	<b>(86,598,145)</b>
<b>Investing Activities</b>		
(Purchase)/Disposal of fixed assets / WIP		0
(Purchase)/Disposal of Long term investments	(10,280,000)	7,975,800
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(10,280,000)</b>	7,975,800
<b>Financing Activities</b>		
Increase in Share Capital	0	0
Dividends Paid	(250,000)	(200,000)
Investment Income (Divd.)	0	0
Interest Received	500	500
Interest Paid	(57,059)	(358,059)
Grant For Energy Centre		
Loans Received	41,240,000	78,000,000
Repayment of Loans	0	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>40,933,441</b>	<b>77,442,441</b>
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>894,570</b>	<b>(1,179,905)</b>
Cash Balance @ Beginning of Period	1,314,621	2,209,191
Cash Balance @ End of Period	<b>2,209,191</b>	<b>1,029,286</b>





# THAMESWEY MAINTENANCE SERVICES LIMITED

## BUSINESS PLAN 2018 - 20

Address: Unit 16-17 Wintonlea, Monument Way West, Woking, Surrey GU21 5EN

Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 05637552

VAT Number: 876 8471 63

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## Executive Summary

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### Introduction

---

- 1.1. This business plan sets out the proposed strategies for delivering the Thameswey Group companies' activities for the next year and seeks to define their strategic direction for the period up to 2020.
- 1.2. The strategic plan ensures that the focus of activity within each company is clearly aligned with those of Thameswey Limited, and ultimately with Woking Borough Council's strategic objectives for the Thameswey Group. This plan reflects the Board's views on the medium and long term objectives set out in the proposed strategic plans.

### Mission

---

- 1.3. Thameswey Maintenance Services Ltd (TMSL) was acquired to drive the cost effectiveness of operating and maintaining the Thameswey Group's low carbon power and heat systems. TMSL's mission is to assist the Thameswey Group in the provision of a long term strategy of infrastructure investment, renewal and effective operation of some WBC and the Thameswey Groups assets, including those primary energy production facilities acquired originally from WBC, those in Milton Keynes and to progress with other parties the installation and maintenance of low carbon power and heat systems.

### Financial Requirements

---

- 1.4. This business plan sets out the financial requirements of TMSL during the business plan period.
- 1.5. TMSL will operate in support for the group's activities and supply its services at a fair price to keep the group costs as low as possible. TMSL will continue to operate in the private sector and seek to achieve a profit to support its own operation and business activities.

### Current Business Position

---

- 1.6. During 2016 and 2017 TMSL continued operating and maintaining a number of gas-fired CHP engines, absorption chillers and boilers located throughout the Borough as well as in the energy station in Milton Keynes (ES1) which houses two 3 MWe CHP engines, a gas boiler and a thermal store. The largest energy station in Woking is situated in the Victoria Way carpark, Woking Town Centre. It has a 1.3 MWe gas-fired CHP engine with two 1.5 MW gas boilers and a thermal store, it also has two absorption chillers that provide cooling.
- 1.7. TMSL is working with TEL and TCMK to optimise the efficient operation, monitoring, managing consumption and production of the energy stations.
- 1.8. TMSL has a contract with Mears Group PLC for communal boiler reactive call outs for sites across the Borough. The sites provide heating and hot water to vulnerable Woking residents.
- 1.9. TMSL has an annual contract with Woking Borough Council to deliver Planned Preventative Maintenance to the domestic communal boiler sites across the borough.
- 1.10. TMSL are working with TSL to continue a programme of annual solar panel cleaning to their current stock. TMSL are also working with TSL to identify faulty equipment and remediate any issues found.
- 1.11. In July 2017 the company had a staff compliment of 12 (2016 14) permanent employees. Many of the employees have a range of engineering skills and specialisations. Staff training and accreditation is emphasised within the business operations, with particular regard to health and

safety. Staff levels are being reviewed over the next business plan period to ensure TMSL has the capacity to expand while generating sufficient income to maintain the business so no apprentices are planned for 2018 and the company will consider taking on short term apprentices from local colleges in 2019.

- 1.12. TMSL requires a number of core staff with flexibility to allow staffing resources to vary in response to operational workload. Additional resources have historically been provided by either employees under temporary contracts or contractors. As the work load builds over 2018/19 we will look to increase our permanent establishment at the same time as diversifying our skill set.

**Appendix 1 shows the Company Organisation Chart.**

#### Achievements since last business plan

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- 1.13. TMSL has been successful in renewing the maintenance contract for the 73 communal plant rooms to carry out a regular maintenance regime for WBC.
- 1.14. 2017 has seen the continued consolidation of the business with overheads having been reduced to a lower cost position; work in this area is ongoing with further streamlining where possible.
- 1.15. TMSL secured and completed a refurbishment project to the water heating plant at the Ambassadors theatre in Woking following the previous success of replacing the main heating plant in 2016.
- 1.16. TMSL has secured a planned maintenance contract to carry out regular servicing of the main plant equipment at the Ambassadors theatre in Woking.
- 1.17. TMSL has been successful in renewing the maintenance contract with London Residential Management for the regular servicing of the primary plant at Enterprise place residential block in Woking.
- 1.18. TMSL has carried out an installation of a waste converter machine at The Cribbs Causeway shopping complex in Bristol in partnership with a private sector company. TMSL have also secured a 3 month maintenance contract for the trial period at the CBRE site.

### General Company Description

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#### Board of Directors

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- 2.1. The current board of Directors is set out below:

- |                        |                                 |
|------------------------|---------------------------------|
| • Barry Maunders       | Independent Director (Chairman) |
| • Cllr. John Kingsbury | Councillor Director             |
| • Ray Morgan           | Officer Director                |
| • Peter Bryant         | Officer Director                |

The above board composition meets the requirements of the Thameswey Group Protocols as approved by the Council on 8<sup>th</sup> December 2011. In order to be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance. A Director may appoint an Alternate in his place and the Alternate must be of the same class as the Director being replaced.

#### Significant Assets

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- 2.2. TMSL's most significant asset is the cost of the office refurbishment which took place in 2012. The current liability at the end of 2017 is £41,145.
- 2.3. The other assets held by the company are split into four main categories, vehicles, tools and engineering equipment, and office and computer equipment. TMSL has adopted a new Computer Aided Facilities Management (CAFM) system in 2016.
- 2.4. The company has transport resources for its current requirements, and also does foresee an increase in number as the business plan objectives are realised.

### Goals and Objectives

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- 2.5. TMSL aims to install, maintain and operate sustainable and renewable energy generation equipment for the Thameswey Group, Woking Borough Council and third parties and is looking to expand its work within the Thameswey and WBC group.
- 2.6. The company will develop resources to install and maintain solar photovoltaic panels and solar thermal to support Thameswey Ltd and its objectives, and will consider any opportunities to expand into this area if it is considered profitable to do so. An agreed training fund of £25k is in place to cover the set up cost for training to support this activity and also to cover upskilling costs for High voltage training for TMSL operatives to support the HV networks in Woking.
- 2.7. During 2018 to 2020 TMSL will actively seek to secure additional customer base and will assist other Thameswey Group companies in expanding their customer bases.

### The Opportunity

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#### The Opportunity

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- 3.1 Recent improvements in the economy have resulted in a number of planning applications for new development in Woking that offer business opportunities for TMSL including:
  - Proposals for new office and residential developments in the Chertsey Road area that are seeking connection to the town centre heat, cooling and power networks. This will require extension of these networks and installation of new TEL-owned plant within customer buildings.
  - Refurbishment of existing buildings including connection to the existing networks; and
  - New networks to serve major new developments e.g. Victoria Square Development and Sheerwater regeneration.
- 3.2 TMSL is in a good position to assist with engineering input into new connections, whilst assisting WBC, the Thameswey Group and developers in meeting local planning requirements.
- 3.3 TMSL is also expected to be contracted to TCMK to carry out extensions of the network to new developments in Milton Keynes. New developments are currently expected to start in 2018 or early 2019, the establishment of Milton Keynes Development Partnership to promote development of a number of strategic sites in central Milton Keynes will help to stimulate opportunities for new connections to Thameswey energy network
- 3.4 Recent government funding to encourage the development of heat networks will result in new schemes being developed by local authorities and housing associations. TMSL's experience in maintaining CHP and district heat networks could provide further opportunities for the company to provide operations and maintenance services outside the Borough.

- 3.5 During 2018/19 TMSL will support TEL in making cost savings, carbon savings and consequently the Council's carbon reduction commitment on cost savings for the following Council owned sites: St Marys/Stream Close; Bunyard Drive; Malloy Court; Nightingale Court; Priors Croft; Rokeby Court; Sunnyside; and Wesco Court. This will be an opportunity for TMSL to contract to TEL for provision of the works.
- 3.6 Thameswey Energy Ltd has a substantial portfolio of energy metering and automatic metering equipment. The need has been identified to have a robust regime to keep these meters online and serviceable for accurate recording and monitoring. TMSL will be the supplier of choice to provide a maintenance and replacement plan to ensure the reliability and longevity of the metering portfolio.
- 3.7 The WBC communal boiler replacement scheme is expected to continue in 2018 and future years.
- 3.8 Thameswey Housing Limited has stated in its business plan that it will improve the energy performance of its own residential stock. This will include upgrading boilers and installing solar thermal and PV. TMSL will be the supplier of choice for this upgrade and TMSL will look to ensure it has an appropriate supply chain and operative skill set built up within the term of this business plan.
- 3.9 Thameswey Solar Ltd has a portfolio of solar equipment across the borough and has appointed TMSL to maintain the equipment.
- 3.10 TMSL will seek other opportunities to provide general engineering services including electrical, mechanical and thermal installations to the Thameswey Group, WBC and to third parties and train its staff appropriately. This should reduce the need for TMSL to rely on expensive third party sub-contractors. This will include looking at providing a wider facilities management service to Thameswey Housing if it is economic for both parties. The company will also consider opportunities available in the market and where necessary train staff in new skills (i.e. provision of renewable energy services) or recruit/subcontract the work.
- 3.11 TEL now has planning permission to construct a new energy centre to the west of the town in Poole Road. This development will provide an opportunity for TMSL to maintain the assets under a PPM contract as with existing energy centres.
- 3.12 The Government has announced its intention to make changes in the delivery of its energy efficiency policies. This will include a re-focusing support to provide more help for people in fuel poverty. Energy Company Obligation (ECO) funding will close in 2017 to be replaced by the Fuel Poverty Obligation (FPO). The detail of this new scheme will be subject to a public consultation.
- 3.13 The potential implications of Brexit have yet to be fully identified. A heavy reliance on parts and equipment supplied by manufacturers based in continental Europe may impact on costs and charges. Where possible, UK-sourced components and equipment are now being used to reduce exposure to future price uncertainties.
- 3.14 Recent consultations by the government have provided a broad level of support for further development of CHP and other forms of district heating, notwithstanding potential changes in financial support. The Government has committed to provide £320 million grant aid to stimulate investment in new heat networks. This is to be awarded by the Department for Business, Energy and Industrial Strategy (BEIS) over the next five years, with priority in the first years for local authority-led bids.

- 3.15 There is a significant 'pipeline' of new projects in Woking and Milton Keynes emerging through a combination of planning-led requirements and recovery in the property development sector. TMSL will support where required to help deliver the Woking 2050 strategy.
- 3.16 The adoption in 2015 of the first industry-wide Code of Practice for the design, construction and operation of district heating networks is a major milestone towards establishing district energy as the 'third energy utility' (alongside gas and electricity networks). This will help support industry growth through setting minimum standards, and in turn developing both industry reputation and investor confidence.
- 3.17 The company expects that the combination of national and local policy support and low carbon energy (especially through district heat), combined with evidence of a recovery in the development industry resulting in a number of major new connections to Thameswey's existing networks will provide significant new business opportunities for TMSL.
- 3.18 With the completion of the Poole road project TMSL will relocate to be accommodated with the main group for its future activities.

## The Business Model

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### Sources of Revenue

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- 4.1 From 2016 TMSL committed to receive at least 80% of its revenue from WBC and group companies, and the remainder from other public and private contracts. TMSL will be working with WBC and the Thameswey group companies to deliver a range of works to their communal boiler, CHP installations and other group activities and have been confirmed as supplier of choice.
- Appendix 2 shows the revenue breakdown until 2020.**

### Major Operational Costs

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- 4.2 The most significant costs that the company incurs are direct project costs. These consist of the cost of subcontracted work on the CHP engines and other subcontractor activities across other contracts.
- 4.3 Employment costs are also significant for TMSL (as only one of two companies in the Thameswey Group of companies with employees). Staff numbers fluctuate depending on work load, so resource needs are continually reviewed in order to balance the business needs and operating costs.

### Operational Plan

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- 4.4 TMSL will continue to support primary energy plants and district energy networks under the ownership of TCMK, TEL, Thameswey Housing Ltd (THL) and WBC.
- 4.5 The operation and maintenance for the TEL Town Centre Energy Station, Woking Park and the TCMK Energy Station are under rolling contracts and underpin the company's trade.
- 4.6 The company will undertake the following activities:

#### Metering

- 4.7 During 2018/19 TMSL will plan to carry out the maintenance and replacement of meters across the groups portfolios in Woking and Milton Keynes, also ensuring that a constant stable link to Thameswey's automatic meter reading system is in place to enable remote energy monitoring and

meter readings to be made for all meters. TMSL will look to upskill its current resources to complete the work but may recruit if there is a need in the future.

- 4.8 The installation of new meters to the council communal heating plant rooms as part of the ongoing refurbishment project.

Project Engineer Management – New Installations and/or Network Extensions

- 4.9 Project management of subcontractors on site for new installations and/or network extensions.
- 4.10 Project management of subcontractors for upgrades and optimisation schemes to the main energy centres and HV networks.
- 4.11 TMSL are upskilling to be able to provide pipe fitting and welding activities to support new installations and extensions.
- 4.12 During 2018 to 2020 TMSL will assist TCMK on the connection of any developments in Milton Keynes to the energy station.

Distributed Energy Networks:

High Voltage (HV) Network

- 4.13 Developing the TEL and TCMK infrastructure to allow for growth and stability.
- 4.14 Ensuring that the Thameswey Group companies HV infrastructure continues to meet current regulatory requirements.
- 4.15 Develop our HV skill base to fulfil the need for two Senior Authorised Persons (SAP) to oversee the running of the HV liability in Woking and Milton Keynes.
- 4.16 Reduce the cost of network supplies with the implementation of equipment and operational activities maximising efficiencies.

District Heat (DH) Network

- 4.17 Ensuring all Thameswey heat networks comply with heat meter regulations.
- 4.18 Maintenance of TEL and TCMKs DH networks.

Energy Stations and CHP Engines

- 4.19 Design modular small scale communal heating plant.
- 4.20 Improve operational efficiency of the Thameswey Groups engines with a view to optimising the savings of all associated gases, equivalent emissions and operational costs.
- 4.21 Uniformity of installations and equipment to allow for “off the shelf” parts and minimum stock levels where possible in order to minimise down time.
- 4.22 Management of the running of the Thameswey Groups large CHP engines in collaboration with TEL, TCMK and their appointed energy management company.

4.23 Operating, maintaining, major servicing, refurbishing and monitoring the Thamesway Group's CHPs. In 2017 TMSL with a specialist carried out a 30,000-hour service on engine 2 at TCMK, the service interval for the TCMK engines is every 2000 hrs. These are carried out by TMSL staff; the major services will occur every 10,000 hrs and are carried out by specialists. It is estimated that the 30,000 hrs service will be due on engine 1 in April 2018.

4.24 The two engines located in Woking at the Energy centre in the town centre car park and the Leisure centre at Woking park are both subject to regular service intervals. The smaller interim services are carried out by TMSL staff and the larger services are carried out by specialists. The leisure centre engine is serviced every 1000 to 2000 hours internally and every 10,000 hrs by Clarke energy, the Engine had a 10,000 hrs service in 2017 at approximately 64,000 hrs. The town centre engine has similar service intervals and had a major service in 2017 by Edina UK at approximately 80,000 hours.

#### Domestic Mechanical & Electrical services

4.25 TMSL will provide Mechanical and electrical services to the Thamesway Group portfolio this will include reactive and planned maintenance to its current and future stock of domestic housing and properties. TMSL will provide engineering support and maintenance to other group projects such as Action Surrey. TMSL will look to provide these services from its current and future planned resources from other projects.

#### **Appendix 3 shows the current group operated sites maintained by TMSL.**

#### Photovoltaic & Solar Thermal Panels

4.26 During 2018/19 TMSL will commence the installation and maintenance of photovoltaic and Solar thermal panels on THL housing stock with expectation to be carrying out on council homes also. There will be a need for further resources to meet this demand so we plan to recruit and upskill as necessary.

4.27 TMSL will provide the maintenance for the stock of Solar PV equipment on contract from TSL, TMSL will plan to carry this out using existing skill sets from other Solar contracts within the group.

4.28 TMSL will work as Principle Contractor for TSCL on the Pirbright project to upgrade the EPC on THL properties.

#### WBC Domestic Communal Heating Plant rooms

4.29 TMSL currently provide planned programmed maintenance to 73 communal boiler sites to WBC. This contract renewed in April 2017 and currently is in the third quarter of delivery. TMSL will continue the contract for a third year in 2018.

#### Waste management machinery

4.30 TMSL have been appointed approved contractor by X-Met to provide assisted installs and maintenance packages for a range of waste converter machines nationally.

#### Capital Investment

4.31 As TMSL is a service orientated company it has a relatively low requirement for capital expenditure.

4.32 TMSL are currently looking to consolidate its Health & Safety (H&S) processes and procedures in 2017/18. The intention is to move to a web based solution with an access portal, which will allow more accurate recording, reporting and filing of its documentation. This will include real time reporting of accidents and incidents by its staff whilst on the job. This will also it is hoped incorporate consolidated Risk assessments and method statements creation, and also facilitate H&S e-learning for its staff to improve compliance for accreditation. This is currently still in the research phase looking at potential providers and the estimated initial Capex budgetary figure is £7K – £10K with an ongoing support cost. Any new system will be implemented as a group investment and will be rolled out across the wider business to support all group activities.

4.33 The vehicle fleet will be replaced when required & the vehicles become uneconomical. During 2018 to 2020 there are additional vehicles being purchased to support the workload expected from Thameswey.

#### Assumptions and Critical Factors in the Budget

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4.34 The budget for TMSL has been drawn up on a conservative basis and takes account of services that the company is contracted or certain to provide. There may be considerable scope to improve upon the level of activity subject to the economic and investment climate.

### Financial Plan

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#### Finance Structure

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5.1 TMSL is financed by share capital of £660,000 from Thameswey Limited.

5.2 This business plan does not require any additional loans or finance.

#### Shareholder Return on Investment

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5.3 No specific return on investment has been set for the company. No shareholder distributions are forecast within the business plan period.

5.4 Over the business plan period shareholder funds are expected to increase by £191K, an improvement of 31%

**Appendix 4 shows the other benefits to the ultimate shareholder, WBC.**

#### Profit & Loss Account

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5.5 During 2018 to 2020 it is anticipated that the business will continue to generate a net profit in excess of £55K per year.

5.6 The results of TMSL are being closely monitored and efforts are being made to make cost savings where possible by re-assessing all contracts.

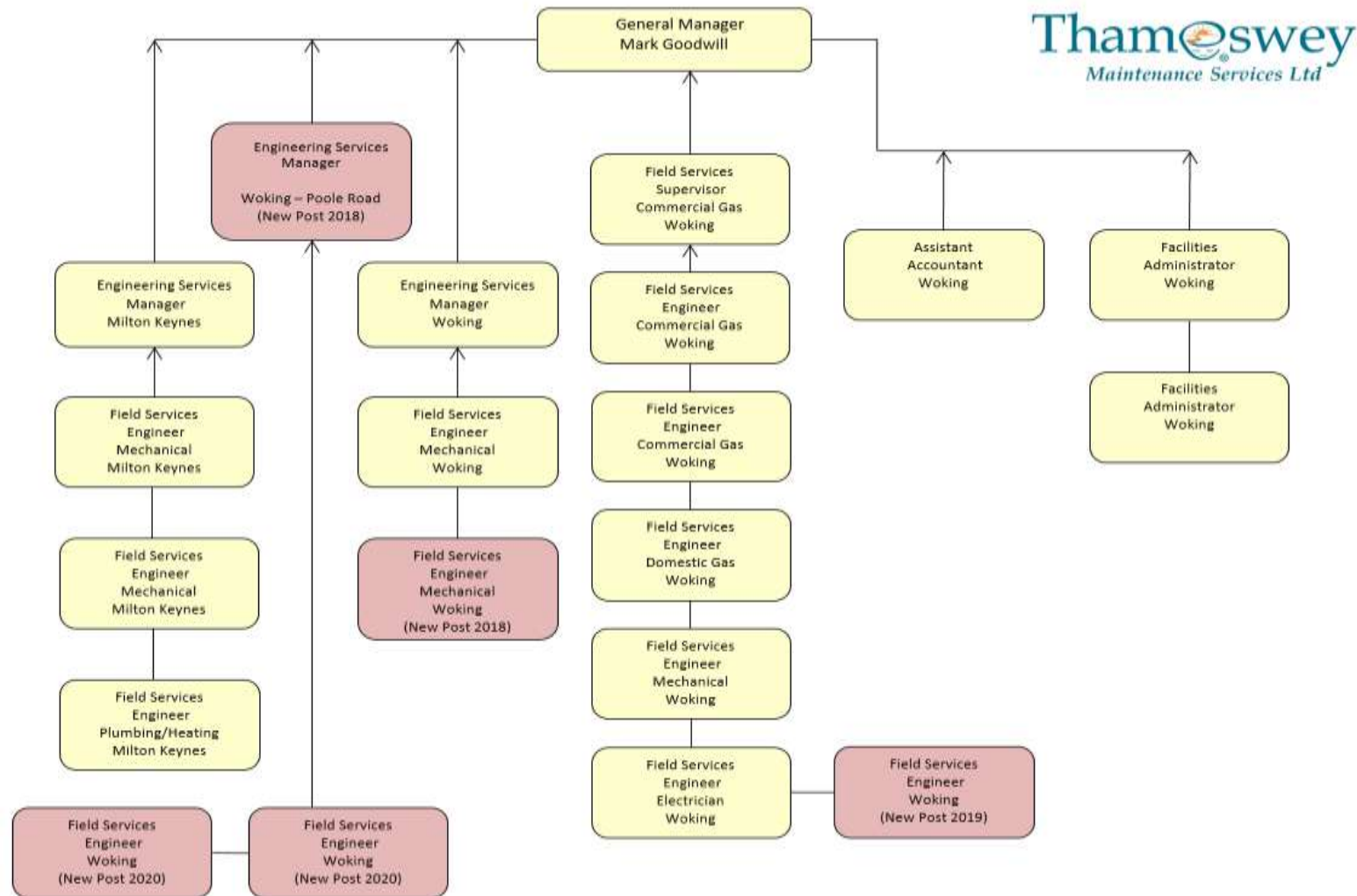
**Appendix 5 shows the forecast Profit & Loss until 2020.**

#### Balance Sheet & Cash Flow

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**Appendix 6 & 7 shows the forecast Balance Sheet and Cashflow for 2016-2020.**

Appendix 1: Organisation Chart



Appendix 2: Sales Budget 2016 – 2020

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
TEL	328,209	710,302	953,104	1,020,042	1,179,423
	18.7%	36.2%	40.8%	41.2%	44.0%
TCMK	559,967	482,820	900,746	927,768	955,601
	32.0%	24.6%	38.6%	37.4%	35.6%
TW GROUP OTHER	47,312	66,536	49,079	85,552	88,118
	2.7%	3.4%	2.1%	3.5%	3.3%
WBC	531,214	479,602	239,600	246,788	254,192
	30.3%	24.5%	10.3%	10.0%	9.5%
Public Sector Customers	225,885	173,997	174,000	179,220	184,597
	12.9%	8.9%	7.5%	7.2%	6.9%
Private Sector Customers	58,379	47,835	18,000	18,540	19,096
	3.3%	2.4%	0.8%	0.7%	0.7%
<b>TOTAL</b>	<b>1,750,966</b>	<b>1,961,093</b>	<b>2,334,529</b>	<b>2,477,910</b>	<b>2,681,027</b>
YOY Increase in Revenue	8%	12%	19%	6%	8%
WBC Group revenue	84%	89%	92%	92%	92%



**Appendix 3: Group Sites Operated by TMSL**

1. Plant rooms owned or operated by Thamesway Energy Limited with primary energy installations within Woking:

Location	Facilities
Victoria Way Energy Centre	CHP, Boilers & Energy Distribution Network
Woking Leisure Centre	CHP & Boilers
Pool in the Park	CHP
Community Building	Connected to Leisure Centre
Brockhill	CHP & Boiler
Woodlands House	CHP & Boiler
Priors Croft	CHP & Boiler
Stream Close/St Mary's	CHP & Boiler
Broadway House/The Vyne	CHP & Boiler
Tudor Court	CHP & Boiler
Cranmer & Wolseley Court	CHP & Boiler

2. Sites owned by Thamesway Housing Ltd with primary energy installations within Woking:

Location	Facilities
Raynes Close	Boilers, Heat Recovery Systems & Rainwater Harvesting Equipment
Greenwood House	Boilers, CWST, Pumps & Motors, Solar

3. Sites owned by Thamesway Guest Housing Ltd with primary energy installations within Woking:

Location	Facilities
Maybury Lodge	Boilers, Water heater

4. Sites owned by Thamesway Central Milton Keynes Ltd outside Woking:

Location	Facilities
Milton Keynes	CHP, Boilers & Energy Distribution Network

**Appendix 4: TMSL Benefits to WBC**

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<b>Financial</b>					
TMSL rents its offices / workshop from WBC at commercial open rents					£26,000
Payment of NNDR					£19,104
<b>Non Financial</b>					
Establishment of Long Term maintenance contracts for the extensive range of CHP and boiler assets owned by Thameswey Group & WBC					
In house expertise and low cost supplier contracts to support the broader Thameswey group, and ultimately WBC					
Assist WBC in achievement of its Climate Change strategy					

Appendix 5: Business Plan Profit & Loss 2016-2020

	2016	2017	2018	2019	2020
	Actual	Forecast	Budget	Budget	Budget
<b>Turnover</b>	1,750,966	1,961,093	2,334,529	2,477,910	2,681,027
	-			-	-
<b>Direct Project Costs</b>	786,816	1,152,444	1,404,265	1,446,393	1,489,785
<b>Direct Labour Costs</b>	411,029	409,059	513,323	592,722	734,504
<b>Cost of Sales</b>	1,197,845	1,561,503	1,917,588	2,039,116	2,224,289
<b>Gross profit/(loss)</b>	553,121	399,590	416,941	438,795	456,738
<i>GP% of Turnover</i>	31.6%	20.4%	17.9%	17.7%	17.0%
<b>Indirect Costs</b>					
Vehicles & Travel	41,937	35,419	36,000	37,080	38,192
Advertising	81	0	0	0	0
Indirect Labour Costs	123,864	112,593	145,139	149,494	153,978
Recruitment Fees	7,860	600	5,200	5,356	10,000
Other Staff Costs	9,688	13,185	13,000	13,390	13,792
Tools and Equipment	6,778	2,592	3,000	3,090	3,183
Telecommunications	16,820	11,991	12,000	12,360	12,731
Printing/Stationery/Post	5,843	3,299	3,600	3,708	3,819
Computer Costs	14,425	15,038	14,400	14,832	15,277
Rent / Rates / Utilities	51,409	53,107	54,151	55,776	57,449
Insurance	19,612	20,520	20,930	21,558	22,205
Group Admin Exp	17,295	583	600	618	637
Non-exec Directors Remunerati	4,295	4,305	4,320	4,450	4,583
Audit Fees	7,250	10,276	9,988	10,287	10,596
Legal Fees	886	0	3,600	3,708	3,819
Other Prof Fees	3,681	3,568	3,600	3,708	3,819
Doubtful Debts Prov.	(12,000)	0	0	0	0
Bad Debts	113	0	0	0	0
Bank Charges	367	379	480	494	509
Subscriptions/ Registrations	6,209	6,294	6,181	6,367	6,558
<b>Total</b>	326,413	293,749	336,190	346,276	361,147
<b>EBITDA</b>	226,708	105,841	80,751	92,519	95,590
Depreciation	27,392	25,095	25,188	25,944	26,722
Finance Income	658	35	36	37	38
Taxation	41,424	0			
<b>Profit/(Loss) After Tax</b>	158,550	80,781	55,599	66,613	68,907

Appendix 6: TMSL Balance Sheet 2016-2020

		2016	2017	2018	2019	2020
		Actual	Forecast	Budget	Budget	Budget
		£	£	£	£	£
<b>FIXED ASSETS</b>						
	Motor Vehicles	15,412	16,337	26,337	29,337	29,337
	Office Refurbishment	49,123	41,145	33,167	25,189	17,211
	Tools & Equipment	16,016	8,640	9,188	9,736	10,284
		80,551	66,122	68,692	64,262	56,832
<b>CURRENT ASSETS</b>						
	Trade Debtors	392,676	179,366	389,088	412,985	446,838
	Accrued Income	54,281	101,066	106,119	111,425	116,997
	Prepayments	50,095	45,682	45,682	45,682	45,682
	Parts in Stock	51,784	47,779	48,735	49,709	50,703
	3rd Party Stock	117,907	84,009	85,689	87,403	89,151
	Bank Account / Cash in Hand	182,415	368,777	297,730	346,983	378,582
	Petty Cash	25	25	25	25	25
		849,183	826,704	973,068	1,054,213	1,127,978
<b>CURRENT LIABILITIES</b>						
	Trade Creditors	169,794	94,175	187,815	198,783	198,783
	Accrued Expenses	29,721	71,916	65,000	60,000	55,000
	3rd Party Stock	127,941	94,646	96,539	98,470	100,439
	VAT Payable	57,371	6,402	11,120	13,323	13,781
		384,827	267,139	360,474	370,575	368,003
	<b>NET CURRENT ASSETS</b>	<b>464,356</b>	<b>559,565</b>	<b>612,594</b>	<b>683,638</b>	<b>759,975</b>
	<b>NET TOTAL ASSETS</b>	<b>544,907</b>	<b>625,688</b>	<b>681,287</b>	<b>747,900</b>	<b>816,807</b>
<b>CAPITAL &amp; RESERVES</b>						
	Share Capital	660,000	660,000	660,000	660,000	660,000
	P&L Account brought fwd	(273,643)	(115,093)	(34,312)	21,287	87,900
	Profit	158,550	80,781	55,599	66,613	68,907
		<b>544,907</b>	<b>625,688</b>	<b>681,287</b>	<b>747,900</b>	<b>816,807</b>

Appendix 7: Forecast TMSL Cash Flow Forecast 2016-2020

	2017	2018	2019	2020
<b>Operating Activities</b>				
Operating Profit/(Loss)	105841	55,599	66,613	68,907
(Increase)/Decrease in Debtors	208,841	(217,411)	(31,891)	(42,166)
Increase/(Decrease) in Creditors	(120,748)	93,299	10,065	(2,610)
Add Back: Depreciation / Less Amortisation	25,095	25,188	25,944	26,722
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>219,029</b>	<b>(43,325)</b>	<b>70,730</b>	<b>50,852</b>
<b>Investing Activities</b>				
(Purchase)/Disposal of fixed assets	(11,000)	(27,758)	(21,514)	(19,292)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(11,000)</b>	<b>(27,758)</b>	<b>(21,514)</b>	<b>(19,292)</b>
<b>Financing Activities</b>				
Increase in Share Capital	0	0	0	0
Interest Received	35	36	37	38
Loans	0	0	0	0
Increase/(Decrease) in Loans	0	0	0	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>35</b>	<b>36</b>	<b>37</b>	<b>38</b>
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>208,064</b>	<b>(71,047)</b>	<b>49,253</b>	<b>31,599</b>
Cash Balance @ Beginning of Period	160,713	368,777	297,730	346,983
Cash Balance @ End of Period	368,777	297,730	346,983	378,582



# **THAMESWEY SUSTAINABLE COMMUNITIES LIMITED**

## **BUSINESS PLAN 2018-20**

Address: 2<sup>nd</sup> Floor, Gloucester Chambers, Jubilee Square, Woking, Surrey GU21 6GA  
Registered Address: The St Botolph Building, 138 Houndsditch, London, EC3A 7AR

Company Registration No.: 03835131  
VAT Number: 917 9263 93

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## Company Overview

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### Introduction

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- 1.1 This business plan sets out the proposed priorities for Thameswey Sustainable Communities Ltd (TSCL) to deliver the Thameswey Group companies' activities for the period up to 2020.
- 1.2 The business plan ensures that the focus of activity within this company is clearly aligned with those of Thameswey Limited, and ultimately with Woking Borough Council's strategic objectives for the Thameswey Group.
- 1.3 The plan refreshes the 2017 to 2019 business plan approved by Council on the 8<sup>th</sup> December 2016. It sets out the business opportunities and priorities for the near future.

### Purpose

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- 1.4 Thameswey Sustainable Communities Limited is a service company that supports delivery by the Thameswey group companies. This includes providing project management, administrative support and a finance function to the Thameswey group companies and assisting Thameswey in providing efficiently run energy services for its existing and future customers. The company also provides a research and market development role for the Group and local communities. Its mission is also to deliver environmental projects and achieve carbon dioxide-equivalent emission reductions within the Borough of Woking and neighbouring areas through providing advice, demonstrating new environmental technologies, grant funding and assistance to the community.

### Financial Requirements

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- 1.5 TSCL has minimal capital investment and is financed through share capital, project fees and profits. There are no loans to the company and most of its costs are passed on to the rest of the Thameswey group. No specific target has been set for return on shareholder investment for TSCL.
- 1.6 TSCL has the use of intellectual property owned by Thameswey Limited (TL) and is required to pay an annual licence fee of £1,000.

### Current Business Position

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- 1.7 Principal business activities comprise:
  - Financial and business administration for all Thameswey group companies (excluding Thameswey Maintenance Services TMSL).
  - Customer services including metering, billing and credit control for Thameswey Energy, Thameswey Central Milton Keynes and Thameswey Solar plus within this business plan period; billing and marketing of Thameswey Housing Ltd (THL) properties.
  - Operational management for the Thameswey companies.
  - Providing the domestic energy advice services for local authorities, delivering the Low Carbon Communities Project and researching and promoting environmental technologies.
  - Providing property management services for THL.
  - Providing specialist consultancy and advice services relating to sustainable development and energy.
  - Working with the Council to address waste management issues.

- 1.8 TSCL employs a full complement of 19 staff (17 FTE), plus an additional 8 proposed during the next three years.
- 1.9 Additional posts are summarised below

2017	Development Manager
2018	Data Manager Housing System Implementation Manager Accounts Assistant Trainee Environmental Projects Assistant* Residential services Manager
2019	Accounts Assistant Customer Services Assistant Residential services Manager

\*This is an existing role which has been redefined to such an extent it is considered a new role even though it doesn't add to head count.

#### Major Achievements since the last Business Plan

- 1.10 The Action Surrey programme entered its fourth year of operation within TSCL. Action Surrey is partly funded by local authorities and Thameswey Ltd to deliver carbon dioxide (CO<sub>2</sub>) emission reductions within the domestic and community sectors across Woking and Surrey. During the period April 2015-April 2017 Action Surrey advised over 5,400 residents on improving the energy efficiency of their homes and arranged for 1,363 energy efficiency measures to be installed.

#### Company Ownership, Governance and Assets

- 1.11 Thameswey Sustainable Communities Ltd is a private Limited Company registered in the United Kingdom and is a 100% subsidiary of Thameswey Ltd (TL). TL is the holding company of the Thameswey Group and is a 100% subsidiary of Woking Borough Council.

- 1.12 The current board of Directors is set out below:

Barry Maunders	Independent Director (Chairman)
Cllr. Beryl Hunwicks	Councillor Director
Cllr. John Kingsbury	Councillor Director
Douglas Spinks	Officer Director
Peter Bryant	Officer Director

- 1.13 The above board composition meets the requirements of the Thameswey Group Protocols as approved by the Council on 8th December 2011. To be quorate a board meeting must have at least one independent, one Councillor and one officer Director in attendance.

#### Significant Assets

- 1.14 TSCL's tangible assets are limited to office and computer equipment.

## Industry Outlook and Business Opportunity

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### Industry Outlook

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- 2.1 TSCL's business activities are influenced by a number of external factors that include Government and local authority policy, regulatory changes and economic changes.
- 2.2 Achieving a national reduction in greenhouse gas emissions remains a core obligation for the UK Government as a result of the Climate Change Act. However, Government's domestic energy policies are changing in focus with a greater emphasis on targeted action to address fuel poverty and support economic growth. This will be influential in determining the opportunities for Action Surrey to access project funding. The Clean Growth Strategy published in October 2017 includes commitments for all fuel-poor homes to achieve EPC Band C by 2030, to help all homes reach Band C by 2035 where practical and continue support for ECO funding to 2028.
- 2.3 Government support for the growth in decentralised energy is set to continue with the launch of a new £320m fund to stimulate growth in heat networks (through the Heat Networks Investment Project). Whilst the final details of this are to be confirmed, the scheme will be open to bids over the next five years, with networks owned and operated by public sector organisations prioritised for investment. Following a pilot round of funding in 2016, the first full round of funding is expected to open in 2018.
- 2.4 From 2018 onwards it is proposed that all private rented accommodation must be rated as EPC (Energy Performance Certificate) level E or higher and housing stock will require improvements in energy efficiency to achieve this (although at the time of writing this requirement has not been enacted by Parliament). This is relevant to TSCL's role in supporting the Thameswey housing business and providing advice and services to private landlords. The Government's Clean Growth Strategy proposes consultation on further improvements in mandatory levels of energy efficiency of rented domestic and commercial properties.

### The Business Opportunity

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- 2.5 The demand for new energy connections in Woking and Milton Keynes present a major business opportunity for TSCL to co-ordinate new commercial supply agreements with developers and deliver the connection projects. Securing new connections for TEL and TCMK shall be a key business priority for TSCL. The company shall represent TEL and TCMK in negotiating with developers, existing commercial landlords and local authority planners to provide a strong commercial offer and well-designed extensions to connect new buildings.
- 2.6 The growth in the Thameswey housing portfolio will present opportunities to expand the services offered by TSCL to support THL through self-delivery of tenant services. There is the opportunity to co-ordinate these services with energy billing and energy efficiency and fuel poverty advice through a single integrated customer services team in TSCL. The company will bring these activities together to reduce its dependence on externally provided tenant services and provide a more cohesive and efficient service to a greater number of Thameswey customers and tenants. This is tied into the THL 'PEX' system implementation which will be delivered through 2018.
- 2.7 Replacement of the energy customer billing system operated by TSCL for TEL and TCMK will enable improved standards of customer service and should offer long term improvements in the cost to serve customers. This will also provide a more robust platform on which a growth in customer

- numbers can be accommodated as new developments come forward, including the St Dunstan's development and others being taken forward by THL.
- 2.8 The company will look for opportunities to extend the existing Action Surrey programme beyond the current agreements for funding by Surrey local authorities that expire in March 2018. However, with the potential for Action Surrey work reducing, as other Surrey authorities pursue other commercial partnerships, the team that delivered Action Surrey within TSCL will split their activity. TSCL will continue to deliver the existing Action Surrey work for those local authorities that continue to support the scheme but will also focus on a Sustainability Agenda for the Woking area. This greater focus will cover promoting environmental projects and technology, including renewable, to Woking residents, community organisations and businesses. This will involve a greater level of research and demonstration projects using funding raised through development profit from TDL and project funding from investment in the energy companies (TEL/TCMK). As part of the re-branding work for Thameswey this new Woking-centric focus on sustainability will be rebranded to differentiate the work from the previous Action Surrey activity. Further opportunities include reviewing emerging renewable and low carbon energy technologies, developing business intelligence around future energy demand and consumption, and providing enhanced carbon reporting across all Thameswey group activities.
- 2.9 New opportunities will also arise for TSCL to co-ordinate energy efficiency initiatives on behalf of THL, through a programme of planned improvements to its existing stock, including solar energy and improved insulation. Other related opportunities relate to promoting energy saving measures among THL tenants. TSCL will deliver this programme using its existing staff and knowledge acquired through the Action Surrey projects.
- 2.10 The Council's new adopted Climate Change strategy (Woking 2050) identifies Action Surrey as a delivery partner to co-ordinate a number of initiatives, and in addition to these TSCL will actively seek to broaden the scope of projects it can deliver on behalf of the Council. This may include assisting with waste management activity through the Council's other arms length company, Victoria Square (Woking) Limited, and assisting in the delivery of other environmental objectives including biodiversity and green and blue infrastructure.
- 2.11 There are a number of opportunities to provide improved marketing and communications across the Thameswey group and the development of this capacity within TSCL will be a priority over the planned period. This will involve a repositioning of the Thameswey brand and the development of a communication strategy to effectively communicate to Thameswey existing stakeholders including improvements to the website of the group.

## Business Model

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### Sources of Revenue

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- 3.1 TSCL's main sources of revenue are as follows:
- Inter-company charges for project management, customer services, administrative and accounts work;
  - TEL/TCMK developer margin for new connections via TL;
  - Fees for provision of energy statements and advice to developers and architects; Project/grant income for installation of energy efficiency measures within the Borough and the County and
  - Development profit from TDL via TL.

- 3.2 Where possible the company will seek to increase customer revenue and expand other sources of revenue so that the company will cover its cost base.

### Major Operational Costs

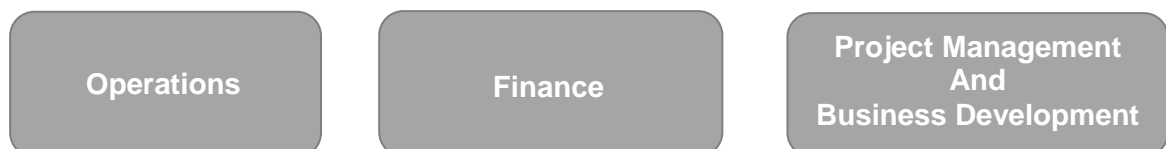
- 3.3 The most significant costs that the company incurs are employment costs. As the services company for the Group the staff numbers fluctuate depending on specific project work and resource needs, and are continually reviewed in order to balance the business needs and operating costs. TSCL Board approval is sought for changes in the overall staff establishment and budget although day to day staff recruitment and management is delegated to the company within the budget except for the COO and CFO whose terms are covered by the remit of the Remuneration Committee.

**Appendix 1 shows the proposed organisation structure for the business plan period.**

- 3.4 Other major operating costs relate to specific projects such as the PEX and ISTA database implementation projects. Where these arise they are generally managed within the individual project delivery budget and additional staff employed for the duration of the project only. Wherever possible, the opportunity will be taken to leverage benefits for other parts of the company from this expenditure (for example the development of an e-tendering system for the Streets Ahead project that will also assist in improving the service for all Action Surrey customers).
- 3.5 The company will consider any opportunities that arise to reduce the costs to the business and Group and increase operating efficiencies.

### Operational Plan

- 3.6 The business units within the company are shown below (some employees, especially the management team have roles which cover multiple units)



- 3.7 Each business unit outlined above delivers specific services and/or projects both within TSCL and on behalf of other Thameswey Group companies. A summary of each business unit follows.

### Operations

- 3.8 This business unit provides administrative and operational support to companies in the Thameswey Group. The Group companies are charged for the services provided.
- 3.9 Operational and management support is provided by this business unit to most Thameswey Group Companies. The main operational responsibilities are:
- Operation and Management of the TEL and TCMK Energy Stations and other TEL assets;
  - Meter data management, customer services and energy billing;
  - Operation and Management of the Thameswey Solar Ltd (TSL) photovoltaic panels.

- 3.10 During the next three years the company propose to develop its in-house services for THL including providing tenant services.
- 3.11 Operational and management support for the TEL, TCMK Energy Stations and energy generating assets involves arranging energy supply contracts with Thameswey customers, purchasing of gas and sale of electricity to the grid, compliance and reporting, managing the maintenance and upgrade schedules and setting engine optimisation running strategies.
- 3.12 The customer service and billing function for both TCMK and TEL provides operation and management of all electricity, heat and cooling meters, billing of energy supply, revenue collection, credit control and frontline customer communications for maintenance call outs.
- 3.13 This business unit has operational and management responsibility for the 1.871 MWp of solar photovoltaic panels owned by TSL and TEL and acts on behalf of TSL and TEL in arranging maintenance, monitoring the output from the panels and other ad hoc duties.

#### Finance

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- 3.14 This business unit provides financial administrative support to all companies in the Thameswey Group and prepares the management accounts, business plans and financial information required by the companies and shareholders. The business unit is also responsible for all administration of the Group's Board meetings.
- 3.15 The Finance business unit collates and analyses the financial information for each of the Thameswey Group companies and Joint Ventures. This includes, invoice preparation, payment of purchase invoices, data entry onto the Sage 200 accounting system, cash flow management, Government returns, preparation of management accounts, business plans and both financial and production (i.e. kWh data) information and statistics. The group has a system of delegation of authority to improve efficiency and controls over expenditure. The Finance team also provides other ad hoc services to the group including co-ordinating insurance and staff payroll and assists THL in acquisitions of properties.
- 3.16 The Finance business unit is organised into two specific functions: financial control and financial modelling.

#### Project Management and Business Development

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- 3.17 This unit manages Thameswey Group's internal projects and customer facing external projects. The major current projects are:
- New network extensions and large customer connections;
  - Engineering optimisation of assets;
  - Delivery of major additions to THL stock including new housing developments starting with the St. Dunstan's scheme;
  - Sheerwater Regeneration Scheme;
  - Action Surrey;
  - Low Carbon Communities (LCC).

- 3.18 The Project Management business unit assists Thameswey Group Companies in project managing new connections to the energy networks and assessing the feasibility of new energy projects. During the Business Plan period the company will build its in-house capacity for project managing the delivery of new housing developments for THL. With a pipeline of major projects coming forward including Sheerwater and the St. Dunstan's scheme, TSCL will seek to limit its reliance on externally-provided consultants and retain value within the group.
- 3.19 Business development and tendering for funding is an ongoing activity undertaken by TSCL for the Thameswey Group of Companies and where appropriate WBC. It is currently covered in-house with external consultants used for specific tasks and projects.
- 3.20 Delivery of the Action Surrey/Woking programme and energy project advocacy rests within this business unit. This affords the flexibility to launch campaigns and deal with phone enquiries after marketing promotions.
- 3.21 Thameswey Ltd will provide funding towards sustainability projects benefiting the Borough's residents, businesses and community organisations by building on work initiated over the last three years through the Low Carbon Communities programme, as well as contributing to the delivery of the Council's 2050 Strategy, county-wide and national initiatives.

#### Capital Investment Priorities

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- 3.22 TSCL will be considering where it can achieve cost and operating efficiencies through convergence of IT systems with other Thameswey Group companies (currently TMSL systems are separate from those of TSCL). Once identified, the costs for this will be brought forward for further consideration.
- 3.23 Thameswey website will be developed in 2018, to facilitate self delivery of housing, and self service for customers. It is expected tenants and energy customers will be able to log into the website and access information relating to the service provided by Thameswey, and pay invoices.
- 3.24 No major capital expenditure is anticipated on the existing premises or office equipment in the short term. However, the proposed development of a new energy station at Poole Road as part of new mixed use building will provide the opportunity to bring together all Thameswey staff (TSCL and TMSL) under one roof within a single centre of operations. The re-location of TSCL from its current offices in Gloucester Chambers to the new centre of operations will incur expenditure on the new premises during the business plan period. In the interim new meeting space will be provided by Griffin House until it is re-developed by TDL.

#### Assumptions and Critical Factors in the Budget

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- 3.25 The budget for TSCL has been drawn up on a prudent basis and takes account of services that the company is contracted or certain to provide. There is considerable scope to improve upon the level of activity as the economic recovery continues, especially through project fees from new connections and consultancy fees. The Sheerwater project will also lead to an expansion of TSCL activity and project management staff with appropriate margin once the construction phase of the project commences in February 2018. If the Council chooses to stop this project at any time a significant medium term return for the company will be removed.
- 3.26 Action Surrey initially operated to a 5 year plan running from April 2013-March 2018. During this period significant proportion of its funding has been self-generated through fees charges to installers. Whilst seeking to secure the continuation of local authorities' support beyond March

2018, the continued participation and funding by all local Surrey authorities is uncertain, and therefore, as set out in para 4.8, a greater focus of activity will be on Sustainability for Woking residents and demonstration projects of relevance to the Borough.

- 3.27 TSCL will continue to apply for Government funding for projects to support Thameswey business activities as and when suitable opportunities arise. No additional funding has been budgeted in this business plan because Government initiatives and funding cannot be foreseen.

### Risk Management

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- 3.28 The main areas of business that have been identified as high to medium risk within the business plan are as follows:
- 3.29 Action Surrey: The generation of referral fees since Action Surrey was launched has continued to increase modestly, but has not yet reached a level needed to sustain the project in the short to medium term. The team will continue to seek opportunities and grants to grow the project and as set out above will focus activity within Woking and the neighbouring areas.
- 3.30 Business continuity risk has been reduced through an IT hardware and software replacement programme. Insurance cover is provided for increased costs in working due to business disruption.
- 3.31 TSCL has a high dependency on a relatively small number of staff with knowledge and experience in the diversity of business activities undertaken by TL. Loss of key members of staff and/or loss of revenue-generating business activity to support the retention of staff could have severe adverse impacts on the ability to deliver existing or remaining services. Control measures available that are in place include developing robust knowledge and information storage systems and seeking to retain experienced staff through providing development opportunities

### Financial Plan

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#### Finance Structure

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- 4.1 TSCL is financed by share capital and profits. TL (ultimately WBC) has a total of £250,000 invested in the share capital of TSCL.

#### Shareholder Return on Investment

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- 4.2 No specific target has been set for return on shareholder investment for TSCL. Any profit that is accumulated in future business plan periods will be used to finance the capital investment, then business development and finally, if dividends are appropriate, to be paid to TL to support environmental improvements in the Borough.

**Appendix 2 shows the benefits to WBC and the community of TSCL.**

#### Profit & Loss Account

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- 4.3 TSCL continues to aim to generate a small annual profit. The budget has been based on historical costs, expected inflation and contracted revenue and costs. TSCL has a good level of confidence in the budget.



- 4.4 The process for recharges to group companies will continue, with the amended approach created in 2017. Each entity budget has been set at the start of the year & fixed recharges will be apportioned each month. Incremental staffing levels will be agreed by TSCL board. The table below summarises the roles undertaken and recharged to individual business units. TGHL is charged £10K per quarter recharge, as opposed to a staff allocation recharge.

	THL	TCMK	TEL	TDL	TSL	TSCL	Total
COO	10.0%	10.0%	10.0%	55.0%		15.0%	100.0%
CFO	15.0%	15.0%	15.0%	25.0%		30.0%	100.0%
Head of Operations		35.0%	35.0%		5.0%	25.0%	100.0%
Project Engineer		45.0%	45.0%		10.0%		100.0%
Customer Services Manager	30.0%	30.0%	30.0%			10.0%	100.0%
Customer Services	30.0%	30.0%	30.0%			10.0%	100.0%
Customer Services Admin	80.0%					20.0%	100.0%
Action Surrey						100%	100.0%
Financial Controller	20.0%	20.0%	20.0%			40.0%	100.0%
Project Accountant		12.5%	5.0%	70.0%		12.5%	100.0%
Accounts Assistant	30.0%		30.0%			40.0%	100.0%
Head of Housing	75.0%			25.0%			100.0%
Housing Manager	100.0%						100.0%
Residential Services Manager	100%						100.0%
Data Manager	25.0%	25.0%				50.0%	100.0%
Development Manager				100.0%			100.0%
Implementation Manager	100%						100.0%

Note: there may be more than one post in each role type

- 4.5 During the plan period, it is expected the staff will relocate to Poole Road offices. Associated costs are currently excluded until firm costs can be identified.

**Appendix 3 shows the Summary and Forecast Profit & Loss for 2016-2020**

**Balance Sheet**

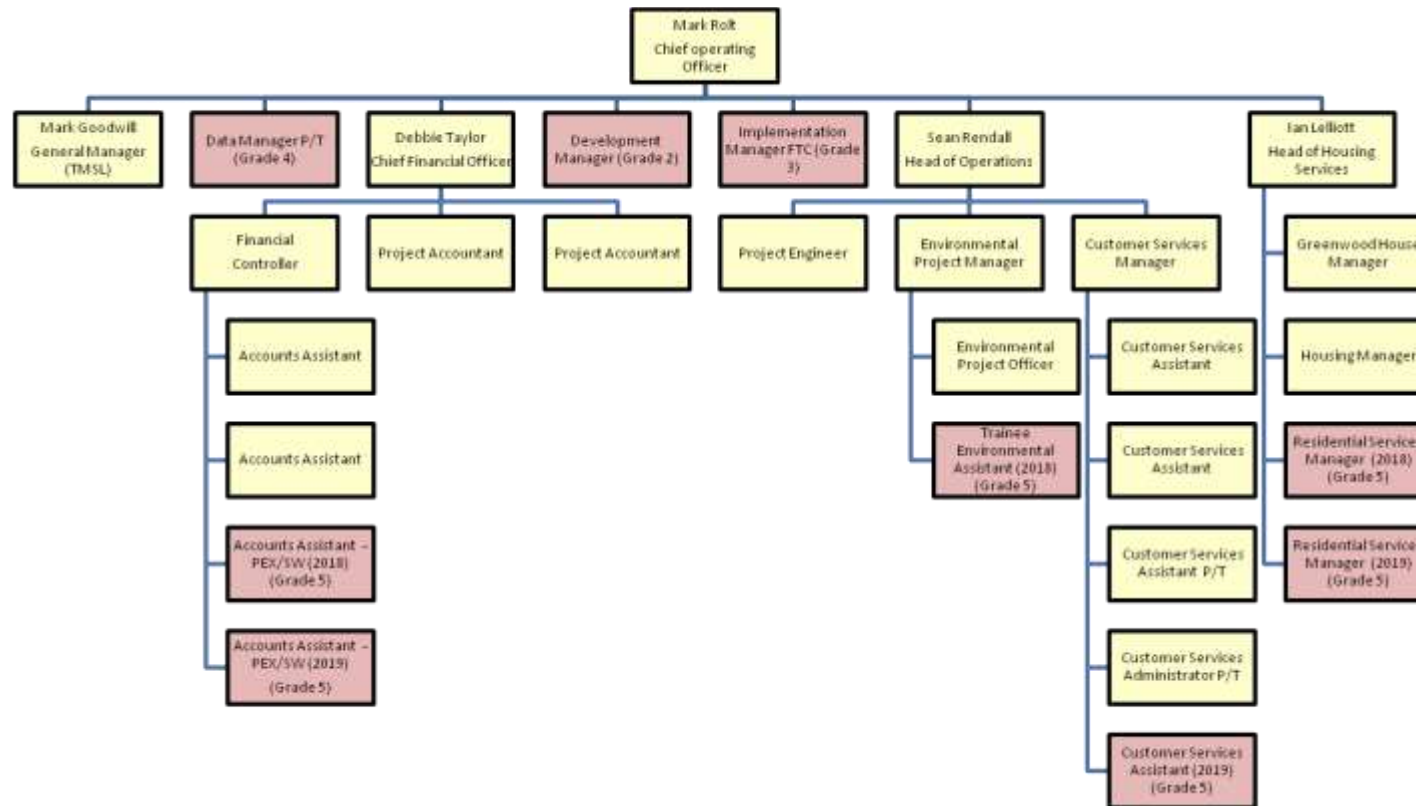
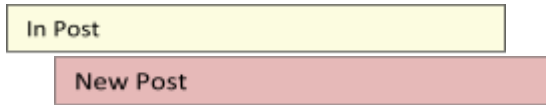
- 4.6 The Balance Sheet is stable throughout the business plan period.
- 4.7 Shareholder reserves increase during the business plan period, due to a small profit being made annually.

**Appendix 4 shows the balance sheet for 2016-2020**

**Cash Flow**

**Appendix 5 shows the forecast Cash Flow forecast for 2017 -2020**

Appendix 1: TSCL Organisation Chart - Operations



## Appendix 2: Benefits to WBC

Description	2017	2018	2019	2020
<b>Financial benefits</b>				
Local authority contribution to Action Surrey	33,000	TBC	TBC	TBC
Low carbon Community initiatives in Woking	250,000	150,000	150,000	150,000
TSCL rents its office from WBC at commercial open market rents	22,920	22,920	22,920	22,920
Payment of NNDR to WBC	12,226	12,349	12,658	12,974
<b>TOTAL</b>	<b>318,146</b>	<b>185,269</b>	<b>185,578</b>	<b>185,894</b>
<b>Other Benefits</b>				
Promotion of the Thameswey group and WBC environmental and energy activities				
Carbon dioxide Emission Savings				
Provision of Consultancy Services to the Council				
Assist WBC in achievement of its Climate Change Strategy				

Appendix 3: Profit and Loss Account 2016-2020

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	Actual £	Forecast £	Plan £	Plan £	Plan £
<b>Turnover</b>	941,910	1,465,639	1,754,304	1,929,471	1,943,060
<b>Cost of Sales</b>					
Direct Project Costs	126,136	393,790	236,586	260,209	277,042
Direct Labour Costs	483,491	660,021	1,121,221	1,264,170	1,246,860
<b>Gross profit/(loss)</b>	<b>332,283</b>	<b>411,828</b>	<b>396,497</b>	<b>405,092</b>	<b>419,158</b>
<i>GP% of Turnover</i>	35%	28%	23%	21%	22%
<b>Overheads</b>					
Indirect Labour Costs	174,920	235,780	203,442	207,511	221,661
Staff Recruitment Costs	28,485	11,920	19,870	22,000	18,000
Administration Charges	4,960	3,195	4,000	4,080	4,162
Rent, Rates & Utilities	50,060	48,799	47,760	48,715	49,690
Repairs & Maintenance	2,999	3,600	3,600	3,672	3,745
Computer Equip/Software	10,973	14,094	27,300	27,846	28,403
Insurance	10,006	8,534	10,543	10,754	10,969
Post, Printing & Phones	22,503	34,000	28,000	28,560	29,131
Promotion & Marketing	4,021	0	0	0	0
Travel & Subsistence	6,153	10,000	10,000	10,200	10,404
Legal & Professional Fees	0	200	900	918	936
Audit & Tax Advice	7,375	10,915	15,200	15,504	15,814
Subscriptions	2,963	3,852	2,800	2,856	2,913
Non Execs Remuneration	4,295	4,294	4,382	4,470	4,559
Bank Charges	944	644	1,400	1,428	1,457
Doubtful Debt Provision	-2,088	0	0	0	0
Total Costs	328,569	389,827	379,197	388,513	401,844
<b>EBITDA*</b>	<b>3,714</b>	<b>22,001</b>	<b>17,300</b>	<b>16,578</b>	<b>17,315</b>
Loss on assets W/off	0	0	0	0	0
Depreciation	7,534	8,508	8,290	10,342	9,007
<b>Operating Profit</b>	<b>(3,820)</b>	<b>13,493</b>	<b>9,010</b>	<b>6,236</b>	<b>8,308</b>
Finance Income	846	24	24	24	24
Group Relief Tax Charge	912		0	0	0
<b>Profit Before Tax</b>	<b>(3,886)</b>	<b>13,517</b>	<b>9,034</b>	<b>6,260</b>	<b>8,332</b>

Appendix 4 : Balance Sheet 2016-2020

	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020
	Actual	Forecast	Budget	Budget	Budget
	£	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible Assets - C-Plan	0	0	0	0	0
Tangible Assets	33,545	33,547	41,757	36,415	32,408
	33,545	33,547	41,757	36,415	32,408
<b>CURRENT ASSETS</b>					
Trade Debtors	288,687	213,130	213,130	226,179	239,228
Sundry Debtors	3,581	3,581	3,581	3,581	3,581
Accrued Income	60,000	60,000	60,000	60,000	60,000
Prepayments	16,096	16,096	16,096	16,096	16,096
Bank Account	60,942	152,015	152,839	151,392	150,682
	429,306	444,822	445,646	457,248	469,587
<b>CURRENT LIABILITIES</b>					
Trade Creditors	12,050	12,050	12,050	12,050	12,050
Sundry Creditors	10,020	10,020	10,020	10,020	10,020
Accrued Expenses	67,103	67,103	67,103	67,103	67,103
Deferred Income	55,172	57,172	57,172	57,172	57,172
Corporation Tax	10,991	10,991	10,991	10,991	10,991
PAYE / NI / Pension	20,295	20,295	20,295	20,295	20,295
VAT Payable	17,489	17,489	17,489	17,489	17,489
	193,121	195,121	195,121	195,121	195,121
<b>NET CURRENT ASSETS</b>	<b>236,185</b>	<b>249,701</b>	<b>250,526</b>	<b>262,128</b>	<b>274,466</b>
<b>LONG TERM LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET TOTAL ASSETS</b>	<b>269,731</b>	<b>283,248</b>	<b>292,282</b>	<b>298,542</b>	<b>306,874</b>
<b>CAPITAL &amp; RESERVES</b>					
Share Capital	250,000	250,000	250,000	250,000	250,000
P&L Account Brought fwd	23,616	19,731	33,248	42,282	48,542
Profit/(Loss) YTD	(3,885)	13,517	9,034	6,260	8,332
	<b>269,731</b>	<b>283,248</b>	<b>292,282</b>	<b>298,542</b>	<b>306,874</b>

Appendix 5: Cash Flow for 2017 to 2020

	2017	2018	2019	2020
	£	£	£	£
<b>Operating Activities</b>				
Profit/(Loss) Before Financing	13,493	9,010	6,236	8,308
(Increase)/Decrease in Debtors	75,556	0	(13,049)	(13,049)
Increase/(Decrease) in Creditors	2,000	0	0	0
Add back Depreciation	8,386	8,290	10,342	9,007
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>99,435</b>	<b>17,300</b>	<b>3,529</b>	<b>4,266</b>
<b>Investing Activities</b>				
(Purchase)/Disposal of fixed assets	(8,000)	(16,500)	(5,000)	(5,000)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(8,386)</b>	<b>(16,500)</b>	<b>(5,000)</b>	<b>(5,000)</b>
<b>Financing Activities</b>				
Increase in Share Capital	0	0	0	0
Interest Received	24	24	24	24
Finance Costs	0	0	0	0
Dividends Paid	0	0	0	0
Loans Received	0	0	0	0
Repayment of Loans	0	0	0	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>
<b>NET CASH INFLOW/(OUTFLOW) OF CASH</b>	<b>91,073</b>	<b>824</b>	<b>(1,447)</b>	<b>(710)</b>
Cash Balance @ Beginning of Period	60,942	152,015	152,839	151,392
Cash Balance @ End of Period	152,015	152,839	151,392	150,682

End of Business Plan

EXECUTIVE - 23 NOVEMBER 2017

## WOKING GATEWAY

### Executive Summary

This report recommends that the Executive make a recommendation to Council to enter into a Development Agreement with Coplan Estates Limited.

The proposed development will continue the transformation of Woking and through it significantly contribute to the growth in the town centre required to meet the Local Development Framework Core Strategy for Woking.

The Executive at its meeting on 21 July 2016 supported the concept of undertaking a market testing exercise to enable the redevelopment of the area previously referred to as Woking Gateway, a site bounded by Commercial Way, Chapel Street and High Street.

Following an OJEU Competitive Dialogue process a final tender has now been received from Coplan Estates Limited (Coplan).

The indicative submission from Coplan is for a development comprising 476 residential units accommodated in three towers. This will sit above circa 4,412 m<sup>2</sup> (47,500, sq. ft.) of new commercial space (including the re-provision of community uses) predominantly facing Commercial Way with ancillary servicing and parking accessed from the High Street. The scheme will provide on-site car parking of 188 spaces.

The junction of Commercial Way with Chapel Street will be splayed in design to create a more prominent junction. An exciting new landscaped podium above the shops with public access will provide an area to relax. This may also provide a new direct access to the railway station if an agreement can be reached with Network Rail and South Western Railway to provide a bridge link from the scheme to platform 1 of the station. However, this link is not a requirement of the Council.

The developer has identified a number of potential funding partners who will provide the necessary finance to undertake the development.

Due to the significant amount of work already undertaken in preparing their submission, the developer could start planning discussions early next year with construction anticipated to start on site in early 2021 if planning consent is forthcoming. However it should be noted that the indicative scheme is likely to change during the planning process and the final details of any proposal will be considered on their merits by the Planning Committee.

After the completion of Victoria Square this proposal will deliver, if approved, the next significant step in the regeneration of the town centre.

As part of the proposed agreement there would be a pre-emption right for the Council to acquire the ground floor shops and restaurants within the scheme thereby retaining its investments in the area and maintaining influence over the mix of occupiers to complement the overall town centre offer.

## Reasons for Decision

To enable the development proposals for the Woking Gateway, to be prepared for consideration by the Planning Committee.

## Recommendations

The Executive is requested to:

### **RCOMMEND to Council That**

- i) a Development Agreement be entered into with Coplan Estates Limited; and
- ii) the Executive be authorised to consider whether to exercise the option to acquire the commercial space to be provided by the development. In the event that it does decide to exercise the option, the Executive be authorised to approve the terms for the acquisition of the commercial space to be provided by the development.

**This item will need to be dealt with by way of a recommendation to the Council.**

## Background Papers:

Sustainability Impact Assessment  
Equalities Impact Assessment

## Reporting Person:

Douglas Spinks, Deputy Chief Executive  
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## Contact Person:

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## Portfolio Holder:

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## Shadow Portfolio Holder:

Cllr Ann-Marie Barker  
E Mail: CllrAnn-Marie.Barker@woking.gov.uk

## Date Published:

17 November 2017



### 1.0 Introduction

- 1.1 The Executive, at its meeting on 21 July 2016, authorised a market testing exercise to enable the selection of a developer to seek to redevelop this area, bounded by High Street, Commercial Way, Chapel Street and Sparrow Park (Woking Gateway) in accordance with the Council's approved Local Development Framework.
- 1.2 The site was marketed following an OJEU (Official Journal of the European Union) competitive dialogue procedure to ensure transparency and an output that would be compliant with the Council's objectives. This has resulted in a recommendation that enables the Executive to recommend to Council that the Council enters into a development agreement with Coplan, who achieved the highest scores at the end of both the outline and detailed submission stages and they were invited to continue and submit a final tender.

### 2.0 Submission by Coplan Estates Ltd.

- 2.1 A copy of the Final Tender Executive Summary is attached as Appendix A setting out details of the bidder's experience, track record and proposed scheme.
- 2.2 In addition to the attached submission, Coplan also submitted a variant scheme which included a 106 room hotel situated at 3<sup>rd</sup> and 4<sup>th</sup> floors. This scheme was not considered as attractive as the base scheme because the Developer did not have a specific occupier identified for the hotel but rather suggested possible occupiers, ranging from Premier Inn to Malmasion. Moreover it represented a higher risk due to the possibility of not securing a suitable occupier and was a more expensive development to undertake, resulting in a reduced viability.
- 2.3 Coplan will undertake the main developer role and will be backed by a funding partner who will provide the finance to undertake the development. Coplan has demonstrated that there is strong interest from a range of funding organisations, including Institutions and a number of large urban residential investors.
- 2.4 Members will note that the scheme submitted by Coplan is not prepared to the level of detail that would be required for a planning application. Therefore, if the Council is minded to appoint Coplan as the developer for this scheme, Coplan will still be required to submit a planning application in the normal manner. The final decision of the acceptability, or otherwise of the scheme will rest with the Planning Committee.

### 3.0 Benefits accruing to Woking from the proposal

#### 3.1 Environmental

- The construction of modern, energy-efficient buildings meeting current building and sustainability standards.
- The demolition of existing low density buildings some of which are in a poor state of repair and are of limited economic use.
- Elimination of poorly managed and chaotic rear servicing.
- The new development will be professionally managed as a single entity for the benefit of all occupiers and users thereby overcoming its current problems due to fragmented ownership.

- The continuation of the high quality public realm established elsewhere in the town centre.
- Improving the “building line” at the junction of Chapel Street and Commercial Way.
- The introduction of high quality, landmark buildings that will be maintained as a single asset.
- The introduction of an innovative, elevated public open space above the ground floor uses, introducing high quality “green space” thereby enhancing the merits of the town centre.
- The provision of high quality public art to be created in conjunction with stakeholders.
- The introduction of a comprehensive range of sustainable transport initiatives.
- It is intended that the development will connect to the Thamesway local energy network.

### 3.2 Social

- The provision of circa 476 residential units in Woking town centre to help meet the Council’s housing targets, including the potential for affordable housing. Coplan is aware of the Borough’s policies for affordable housing which need to be met subject to the usual viability tests.
- Introduction of more than 1,000 people living in the town centre, resulting in a more vibrant and active town.
- The elimination of unmanaged and potentially unsafe rear areas to the existing premises.
- Additional revenue to the Council to fund improved local services.
- The opportunity to include new and replacement community space.

### 3.3 Economic

- Significant anticipated improvement in GVA for the local economy.
- Increased spending in the town centre supporting convenience and comparison retailers, bars, cafes etc. as a result of more people living in the town centre.
- Creation of ground floor shops with units suitable for aspirational retailers and occupiers aligned to the mix being created at Victoria Square thereby increasing the critical mass of the overall town centre offer.
- Enhancement of Woking’s overall retail offer.
- Creation of jobs during both the construction phase, the management and maintenance of the completed schemes.
- A further catalyst for additional development in Woking town centre.
- The provision of an option for the Council to acquire the commercial interests in the development so assisting the control and management of the occupier mix and also

providing the Council with a long-term income, to replace the potential loss by demolishing of existing Council assets in the area.

#### 4.0 Programme

##### 4.1 Significant milestone dates:-

<u>Task</u>	<u>Date</u>
Completion of Development Agreement	January 2018
Submission of Planning Application	Mid - July 2018
Resolution to grant planning consent	February 2019
Confirmation of CPO (if required)	April 2020
Start Construction on site	Early 2021
Completion	Late 2023

#### 5.0 Next steps

##### 5.1 If the Executive supports the recommendations in the report the next steps are:-

- 7 December 2017: Full Council
- Mid December 2017: Issue formal OJEU Contract award.
- Late January 2018: Completion of Development Agreement

#### 6.0 Implications

##### Financial

- 6.1 If the Council supports the scheme, an annual rental income of £350,000 would be foregone during the development.
- 6.2 The proposal seeks to retain the Council's current assets in the area of £6m.
- 6.3 As part of this proposed development agreement, there is a pre-emption right for the Council to acquire the ground floor commercial space within the scheme therefore retaining its current and increasing its investments in the area. Therefore the options are to either receive a capital sum from the Council's existing investment or to increase the capital investment depending on relative values.
- 6.4 Development Agreement - This requires Coplan to use reasonable endeavours to obtain a satisfactory planning permission for the development. If and when, this is obtained, the Council and Coplan will enter into a Compulsory Purchase Order Indemnity agreement.
- 6.5 CPO Indemnity Agreement – This provides for the Council to consider using its compulsory purchase powers to assist Coplan in achieving possession of the Woking Gateway site. All costs incurred by the Council under a CPO will be met by Coplan

Estates. This agreement also sets out the procedure for dealing with the transfer, to Coplan Estates, of property owned by the Council. Additionally, the Agreement provides for the completion of the CPO Account Agreement.

- 6.6 CPO Account Agreement – This requires Coplan's solicitors to set up an escrow account into which Coplan is obligated to pay funds to meet the Council's costs under the CPO (in advance of the Council incurring those costs). The Council can then draw down these funds when the costs are incurred.

#### Human Resource/Training and Development

- 6.7 There are no Human Resource implications arising from this report.

#### Community Safety

- 6.8 There are no community safety issues arising directly from this report.

#### Risk Management

- 6.9 By not entering into a development agreement with Coplan will delay the development of the Woking Gateway site and therefore will delay the overall regeneration of the town centre. There is not another option available to the Council at this stage and thus the process will in effect need to start again and that would delay the development by approximately 12-16 months and adversely affect the Council's reputation.

- 6.10 There is a risk that the public may perceive the need for more medical and school provision in the town centre. This will be mitigated, as far as possible, subject to Government funding.

#### Sustainability

- 6.11 This report brings forward proposals that will support the Council's strategy of environmental, social and economic sustainability of the Borough (Woking 2050) and in particular make a vital economic contribution to the town centre. It is envisaged that the redevelopment of this area will further enhance the vitality of the town centre.

- 6.12 Concerns were raised by Members in the briefing on 6 November whether there would be enough GPs and school places available due to an increase in the town centre population. Victoria Square includes the provision of a medical facility and it is considered that the schools could cope with the increase in numbers and it is not envisaged that this proposed scheme would put pressure on that infrastructure.

- 6.13 Members were also concerned that the proposed parking provision in the scheme would result in an increase of traffic on the High Street and whether this increase would cause congestion at the junction of Victoria Way and the High Street. The transport modelling work which was undertaken for the Victoria Square development included future committed and planned development for the town centre, so the traffic generated by the proposed Gateway development will be not effect the operation of the High Street or the new junction at Victoria Way.

#### Equalities

- 6.14 There are no equality issues arising directly from this report.

## 7.0 Consultations

7.1 There have been no public consultations in the preparation of this report, but there will be as part of the planning application process.

7.2 Members have been briefed at each stage of the competition.

REPORT ENDS

EXE17-070

**APPENDICES**

Appendix A – Final Tender Executive Summary – Coplan Estates

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
Page 159	Gender	Men				x	
		Women				x	
<b>Gender Reassignment</b>						x	
Race	White					x	
	Mixed/Multiple ethnic groups					x	
	Asian/Asian British					x	
	Black/African/Caribbean/Black British					x	
	Gypsies / travellers					x	
	Other ethnic group					x	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					x	
	Sensory					x	
	Learning Difficulties					x	
	Mental Health					x	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					x	
<b>Age</b>	Older people (50+)					x	
	Younger people (16 - 25)					x	
<b>Religion or Belief</b>	Faith Groups					x	
<b>Pregnancy &amp; maternity</b>						x	
<b>Marriage &amp; Civil Partnership</b>						x	
<b>Socio-economic Background</b>						x	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).



## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

<b>Theme (Potential impacts of the project)</b>	<b>Positive Impact</b>	<b>Negative Impact</b>	<b>No specific impact</b>	<b>What will the impact be? If the impact is negative, how can it be mitigated? (action)</b>
Use of energy, water, minerals and materials			x	
Waste generation / sustainable waste management			x	
Pollution to air, land and water			x	
Factors that contribute to Climate Change			x	
Protection of and access to the natural environment			x	
Travel choices that do not rely on the car			x	
A strong, diverse and sustainable local economy	x			
Meet local needs locally	x			
Opportunities for education and information			x	
Provision of appropriate and sustainable housing	x			
Personal safety and reduced fear of crime			x	
Equality in health and good health			x	
Access to cultural and leisure facilities			x	
Social inclusion / engage and consult communities			x	
Equal opportunities for the whole community			x	
Contribute to Woking's pride of place	x			



# Woking Gateway Regeneration Project

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FINAL TENDER  
EXECUTIVE SUMMARY

COPLAN ESTATES

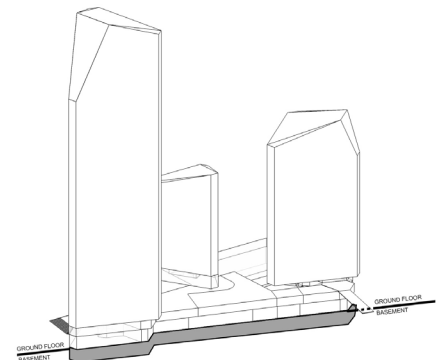




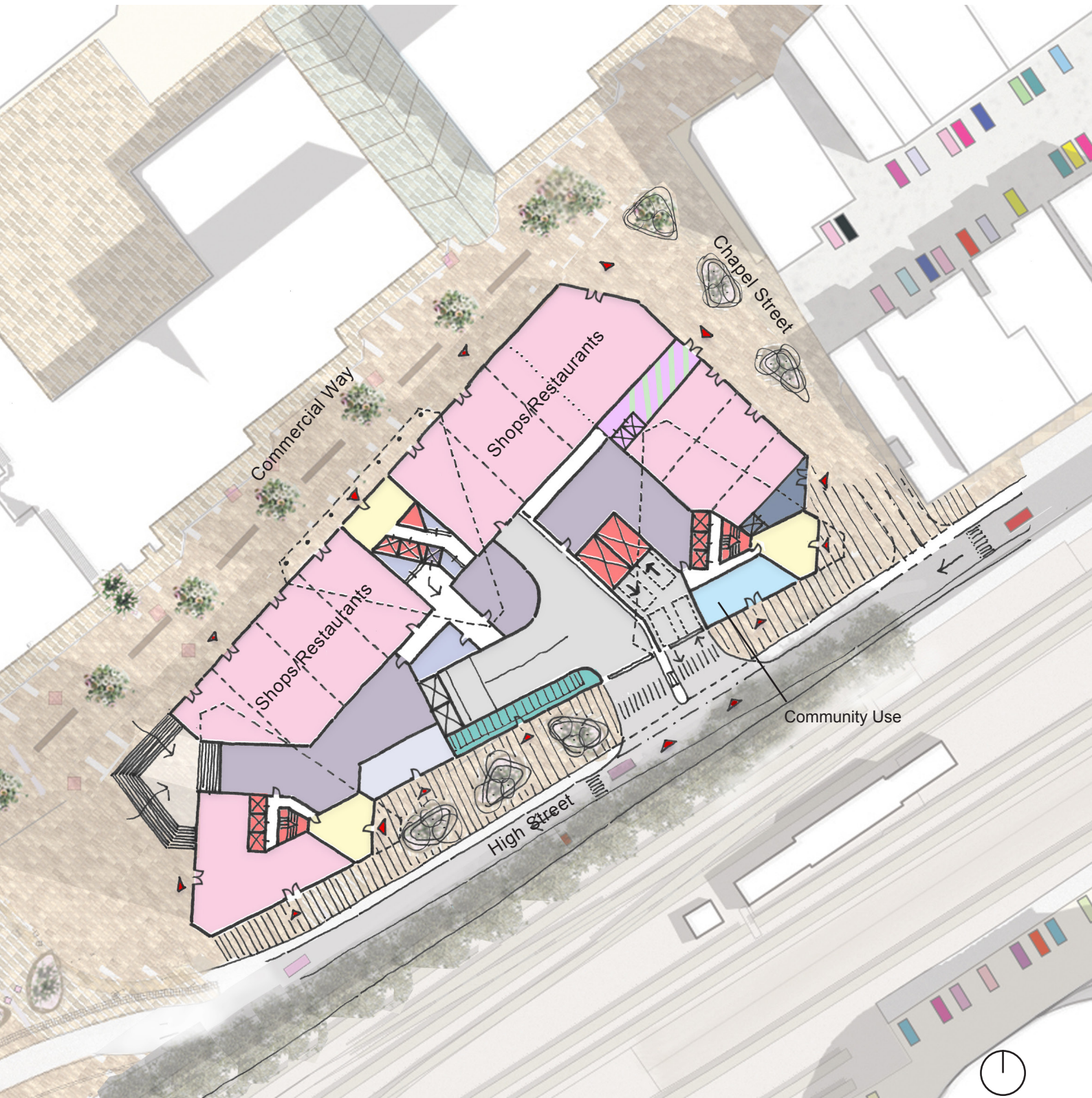
# Basement Plan



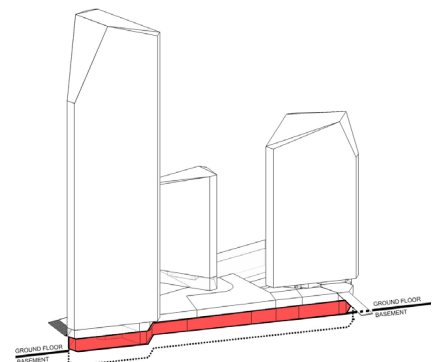
- Plant
- Servicing and Parking
- Core/Lift



# Ground Floor plan



- |   |   |
|---|---|
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #f08080; border: 1px solid black;"></span> Retail/Restaurant           | <span style="display: inline-block; width: 15px; height: 15px; background-color: #90ee90; border: 1px solid black;"></span> Commercial and Office Lobby |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #add8e6; border: 1px solid black;"></span> Community Use/ Flexible Use | <span style="display: inline-block; width: 15px; height: 15px; background-color: #4682b4; border: 1px solid black;"></span> Podium Public Access        |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #ffff00; border: 1px solid black;"></span> Residential Lobby           |   |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #3cb371; border: 1px solid black;"></span> Cycle storage               |   |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #808080; border: 1px solid black;"></span> Bins                        |   |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #6666b3; border: 1px solid black;"></span> Plant                       |   |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #cccccc; border: 1px solid black;"></span> Servicing and Parking       |   |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #ff0000; border: 1px solid black;"></span> Core/Lift                   |   |

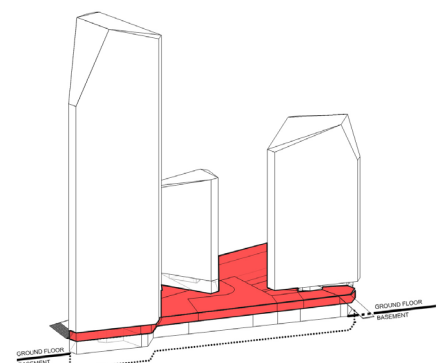


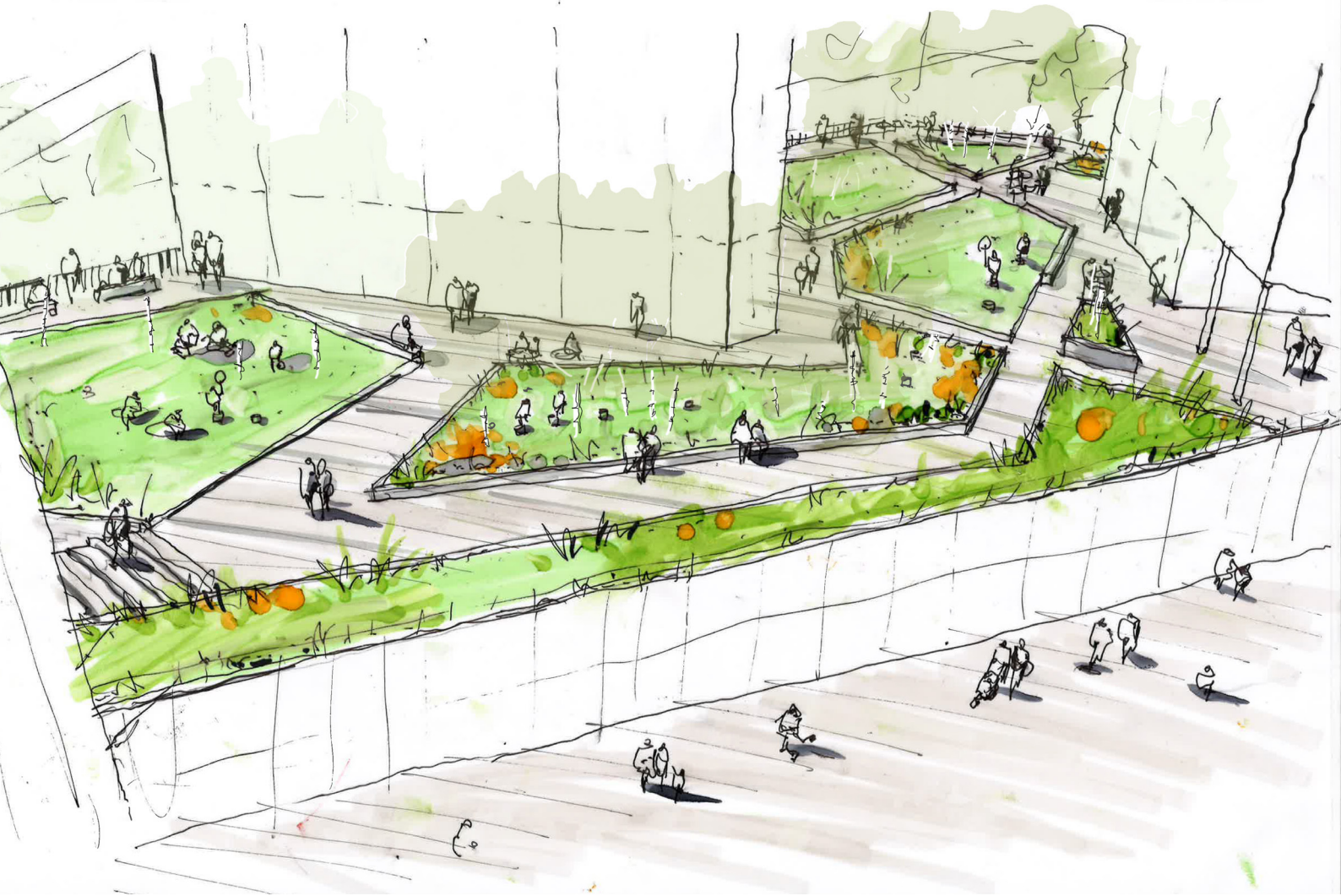
# First Floor Plan



- Office
- Commercial
- Retail/Restaurant
- Community Use/ Flexible Use
- Plant
- Core/Lift
- Commercial and Office Lobby
- Podium Public Access

Note. The office/co-worker space has flexibility and can be distributed as required.





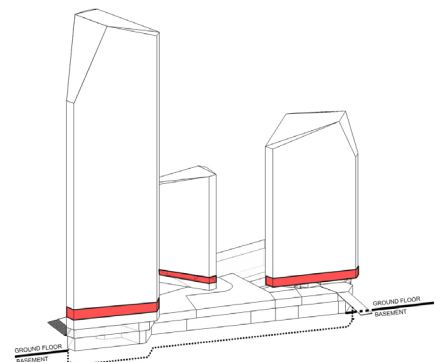
Sketch with trees faded out for ease of reading and clarity.



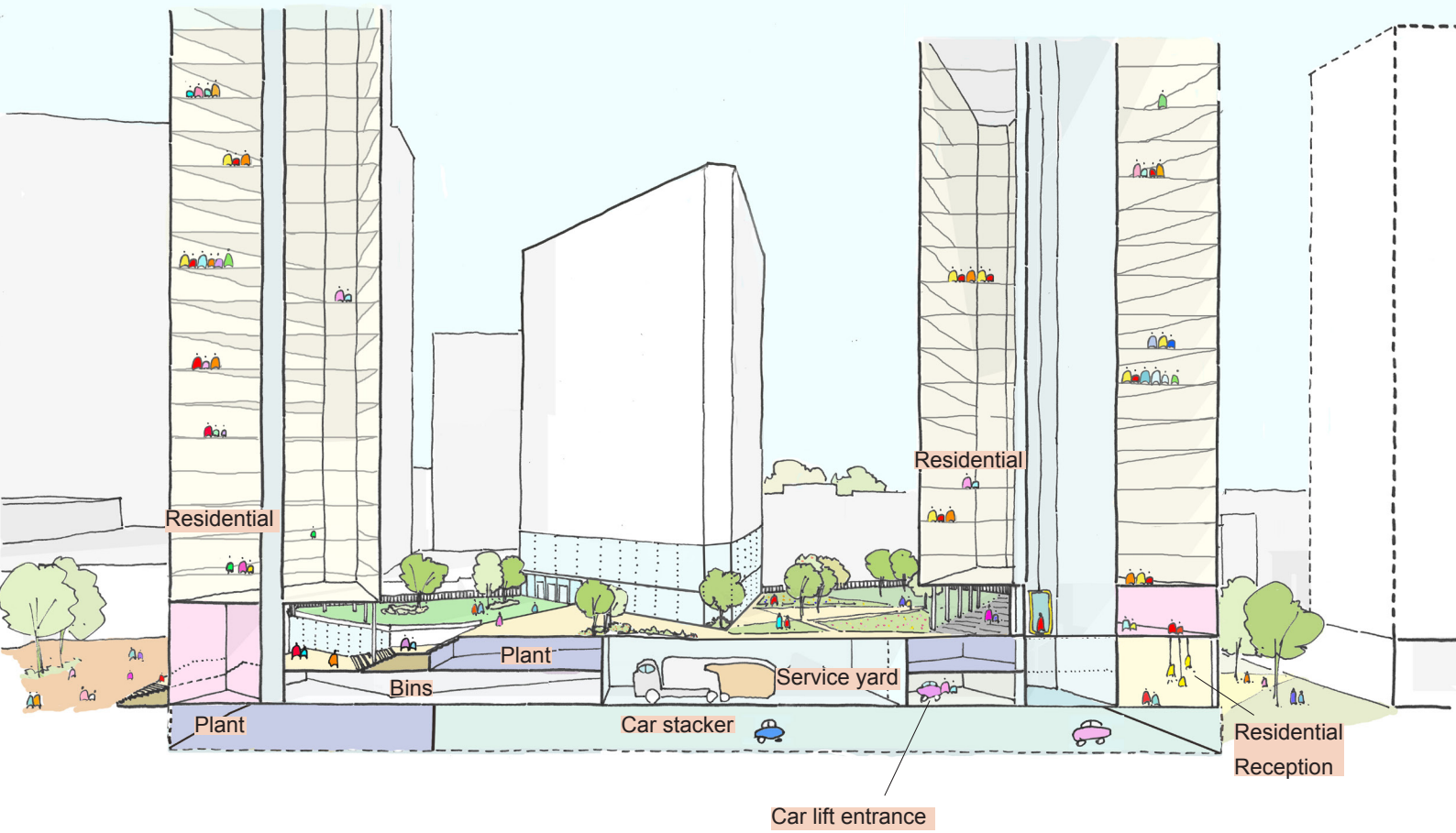
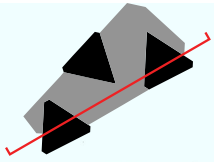
Second Floor Plan



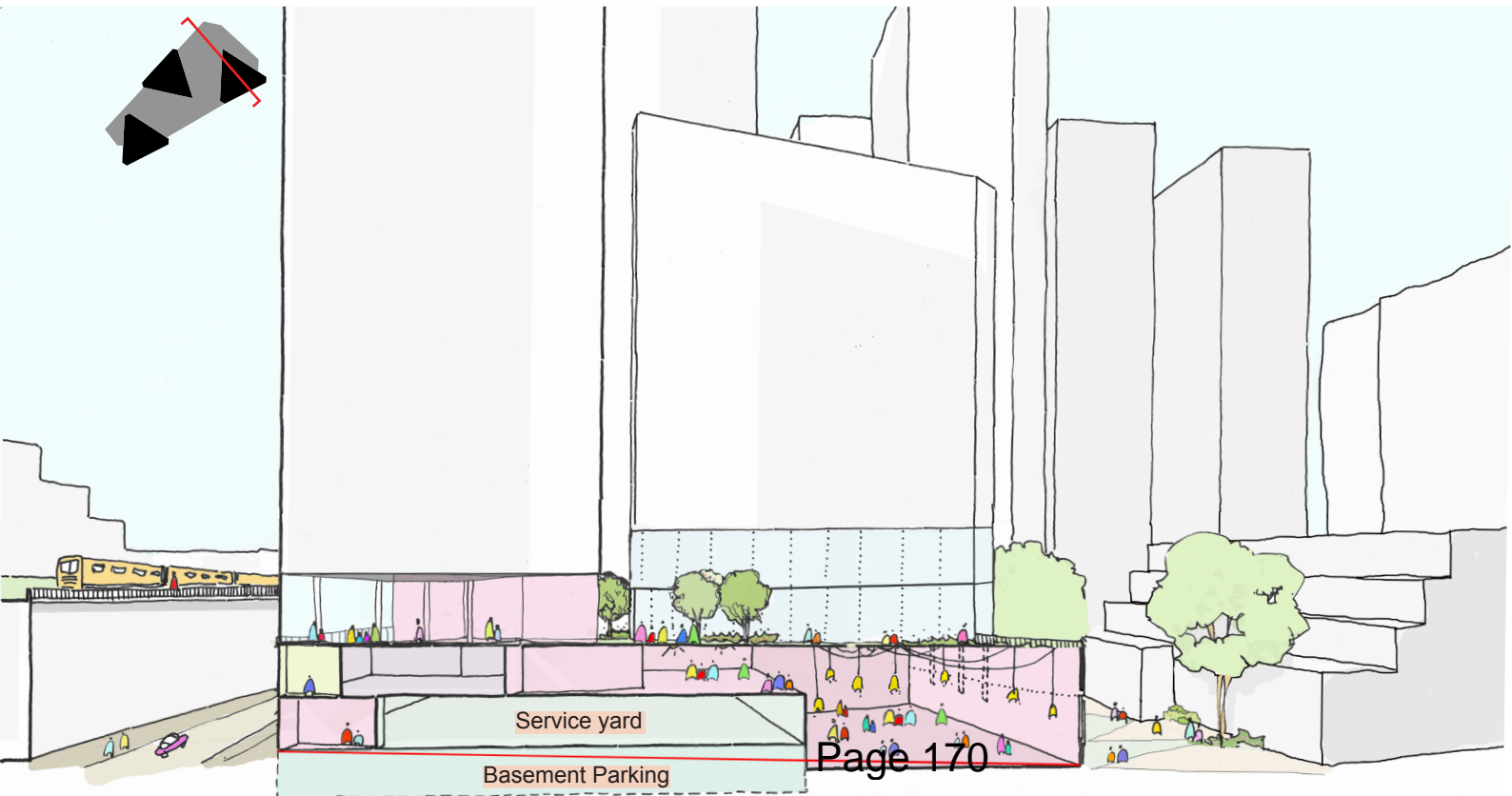
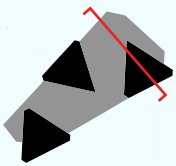
- Community Use/ Flexible Use
- 1B Flat
- 2B Flat
- Podium Public Access



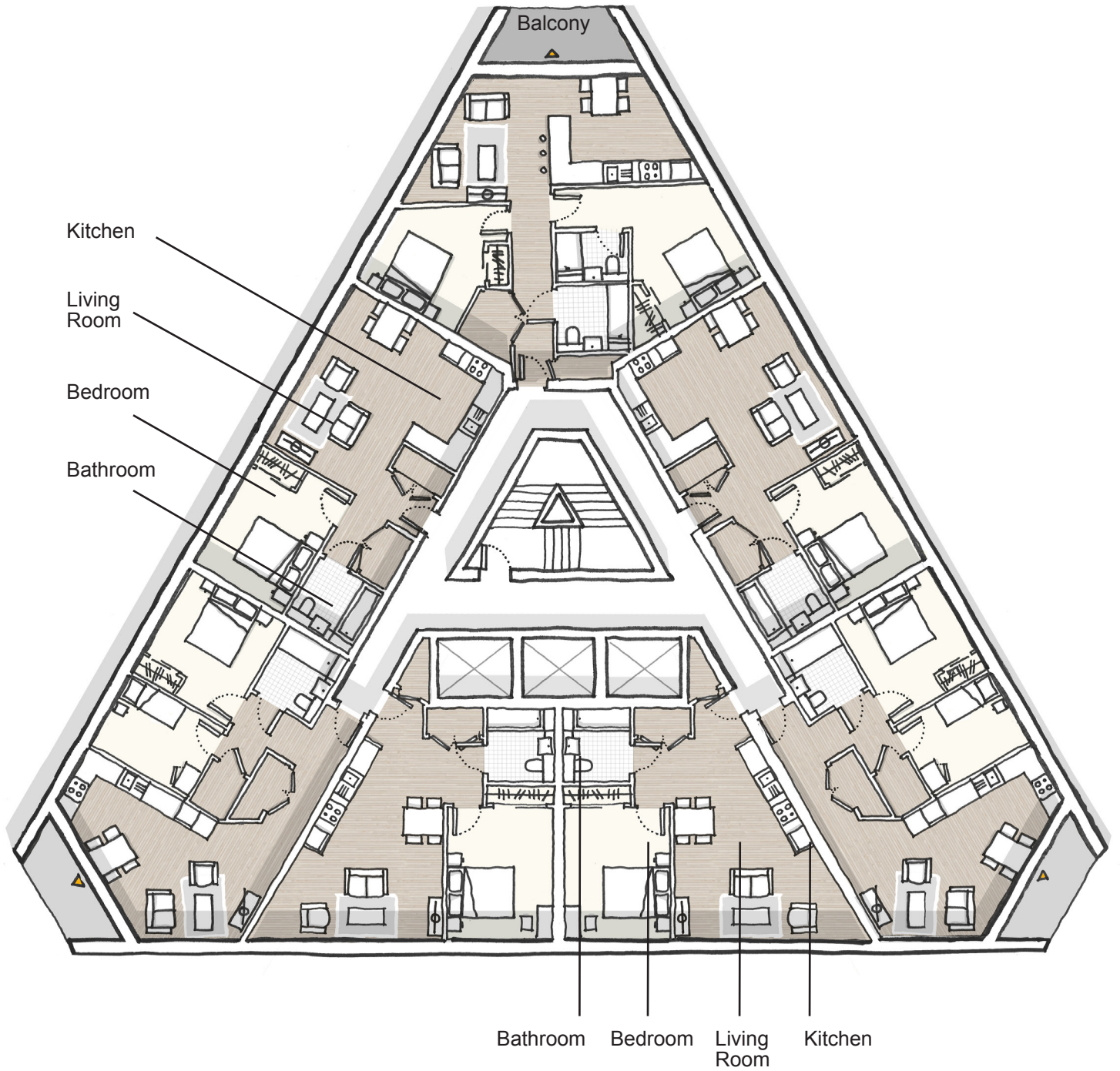
Section 1



Section 2



# Typical Tower Floor Plan



## Summary Area Schedule

Residential	NIA m <sup>2</sup> - Residential Only		26,968
	GIA m <sup>2</sup> - Residential Only*		35,401
	GIA m <sup>2</sup> - Residential (Basement)	473	
	GIA m <sup>2</sup> - Residential All**		37,790
Retail and Restaurant	GIA m <sup>2</sup> - Ground Floor	1,735	1,941
	GIA m <sup>2</sup> - First Floor	206	
Commercial	GIA m <sup>2</sup> - First Floor	1,115	1,115
Office	GIA m <sup>2</sup> - First Floor	607	607
Community Use	GIA m <sup>2</sup> -Ground	39	163
	GIA m <sup>2</sup> -First Floor	124	
Flexible Use (community/commercial/residential facility/GYM/management office)	GIA m <sup>2</sup> - Second Floor	586	586
Servicing (service yard/commercial bins/circulation)	GIA m <sup>2</sup>		529
Plant	GIA m <sup>2</sup>	63	580
	GIA m <sup>2</sup> (Basement)	517	
Parking	GIA m <sup>2</sup>	155	2,665
	GIA m <sup>2</sup> (Basement)	2,510	
<b>TOTAL</b>	<b>GIA m<sup>2</sup></b>	<b>42,476</b>	<b>45,976</b>
	<b>GIA m<sup>2</sup> (Basement)</b>	<b>3,500</b>	

\* Residential Only -bins/cycle/plants/ground floor reception/parking/plant NOT included

\*\* Residential All - bins/cycle/plants/ground floor reception included; parking NOT included

## Parking Schedule

	Number	%
Parking*	94 to 188	20% to 39%
Cycle Parking	96	20%

\* Parking numbers range from 94 spaces to 188 spaces, depending on the number of Car Stackers

## Residential Mix

Unit Type	Unit No	%
Studio	50	10.5%
1B2P	197	41.4%
2B3P	108	46.0%
2B4P	111	
3B5P	10	2.1%
<b>Total</b>	<b>476</b>	<b>100%</b>

Coplan Estates is a private limited company established over 10 years ago. The company has now built a successful track record of delivering development projects with an expanding pipeline of future schemes. The principal area of business is mixed-use investment and development within the M25 and regional towns in the South East.

We adopt a consistent approach to working with the public sector. Understanding the brief and expectations of our partners is paramount and by working in an open and transparent manner we believe this ethos ensures that the ultimate goals of both parties can be achieved. In addition to other Development opportunities we have a committed strategy to working with Local authorities and our existing relationships include:



Coplan Estates is able to devise true mixed-use schemes and funding structures that are proven but flexible enough to cope with the multitude of challenges that inevitably arise during the development process.

### **Commercial Approach**

Most Coplan Estates schemes start ground up in terms of designing realistic commercial uses at street level that adds to viability particularly in town centre locations where occupier demand has been identified.

### **Residential Approach**

Coplan Estates is not a house builder but has now established a formidable reputation for delivering homes in to the market in mixed-use environments. Maximising the returns from the upper parts of the scheme are often key and typically residential and hotel uses will drive positive values in target towns. Coplan Estates' exit is driven by best value and therefore through the viability period it explores the optimum route whether this is either a forward sale to housebuilders/ investors for sale or to large scale PRS investors/operators.

### **Design and Delivery Architect - PRP Architects**



PRP is a long-established architectural firm with over 100 awards to its name. An interdisciplinary practice, it offers a full range of design and building services including master planning, urban design, sustainability, landscape, planning, interior design and building consultancy.

Few know as much about housing design as PRP. With over 50 years' experience to draw on, it has established an exemplary track record in the design and delivery of homes and places of varying scale, complexity and diversity.

### **Cost Consultants - ABC Construction Consultants**



ABC Construction Consultants Ltd is a firm of Cost Management and Project Management professionals, providing expert advice and support to a wide range of Clients across a variety of sectors in the construction industry. ABC was formed in 2011.

## Contacts and lead personnel

### **Nick Doyle, Managing Director of Coplan Estates**

0207 016 6190; nickdoyle@coplanestates.com

Nick combines over 25 years' experience in the property investment and development industry with the proven ability to anticipate future trends, as proved by his pioneering work within the town centre regeneration sector. Formerly a Regional Director at St Modwen Properties PLC . Nick will lead the development process.

### **Paul Stanley, Head of Investment at Coplan Estates**

0207 016 6190; paulstanley@coplanestates.com

Prior to setting up Coplan Estates, Paul was founding director of a niche corporate property consultancy where he established a successful £2m business. Paul managed thousands of properties for PLCs, investors, Third Sector organisations and occupiers. As a management consultant working in the property sector, Paul had a good understanding of how a robust consultancy process works and this will help with the engagement process. Paul will assist all commercial negotiations.

### **Barry Goode, Construction Director at Coplan Estates**

0207 016 6190; barrygoode@coplanestates.com

Barry's responsibility is to deliver the construction phases of Coplan Estates' development portfolio. Barry joined Coplan Estates from South Central Management, the development arm of Oakmayne Properties where he developed residential led mixed-use schemes, including Oakmayne Plaza, which is now under construction and has a GDV of over £200M.

### **Steve Fidgett, Planning Director at Coplan Estates**

0207 016 6190 stevenfidgett@coplanestates.com

Steven has over 28 years' experience in the planning and development industry. Formerly head of planning for the UK at WYG, he grew the planning business to be a top 5 planning employer with over 130 planners and 20 designers. Prior to this, Steven founded and led Alliance Planning from their head office in Guildford to become a top national planning consultancy, working for many of the country's leading developers, before he led their acquisition by WYG. Steve will be responsible for the planning process.

### **Craig Sheach, Director at PRP**

0207 653 1203; C.Sheach@prp-co.uk

Craig's experience gained in both the UK and internationally, spans a number of residential led brownfield regeneration schemes, large mixed-use town centre sites, high-profile international masterplans, as well as visions and frameworks for new city-scale insertions.

His focus is to develop the narrative for a place with a view to creating a unique identity generated from the site's context, brief and stakeholder aspirations. Currently, Craig is leading a number of PRP teams on schemes in London and the South including the Lewisham Gateway masterplan, a new urban quarter in Reading and the revitalisation of Redhill town centre.

### **Robert High, Associate at PRP**

020 7653 3503; R.High@prp-co.uk

Robert has been involved in the design and delivery of projects at a range of scales and at all stages from inception to completion. He was part of the design and delivery team of Kings Cross Central's first residential building. His focus is on complex, large scale mixed use developments. His experience on Bedford Riverside North, Lewisham Gateway & Marketfield Way, projects which deliver cinemas, hotels and retail/ food and beverage units, have provided him with a broad knowledge of mixed use residential schemes.

**Andrew Bish, Director of ABC Construction Consultants**

0771 4720454; andrew.bish@abc-consult.co.uk

In 1995, Andrew joined McBains Cooper, ultimately being promoted to Director in charge of the London Office's Quantity Surveying and Health & Safety divisions. Andrew set up ABC Construction Consultants in 2011. Andrew will be responsible for construction cost advice.

**Oliver Maury, Director of Planning, Development and Regeneration at GVA**

0207 911 2746; oliver.maury@gva.co.uk

Oliver joined the development consultancy team in Manchester in 2006 as an Assistant Development Surveyor. In January 2011 he relocated to the firm's London development consultancy team as an Associate Surveyor, and in November 2013 was promoted to Director. Prior to joining GVA, Oliver worked both for a national housebuilder and a leading Housing Association. Oliver's area of specialism is in advising both public and private sector clients on promoting and delivering strategic and complex sites, with a particular focus on development appraisal, market assessment, financial modelling, partner/JV procurement and commercial negotiations.

**Alastair Carmichael, Director at GVA Financial Consulting**

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Alastair trained as a Chartered Accountant with PwC. He then moved to join the rapidly expanding Global Restructuring Group at RBS. There he managed the unwinding of a number of complex real estate finance transactions, including Santander's headquarters in Spain, RBS regional headquarters in Manchester, and a number of listed developers. Alastair joined GVA to focus on structuring finance for real estate transactions. Alastair's clients range from small developers looking for debt, through to institutional funds and central government looking to deliver large scale regeneration. Alastair specialises in the financial structuring of joint ventures, forward funding and portfolio appraisal. Alastair is authorised by the Financial Conduct Authority to give real estate investment advice.

**Andrew Thomson, Director at GVA Financial Consulting**

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Andrew previously worked for Bank of Scotland (now part of Lloyds Bank) and RBS therefore he has real-life experience of dealing with market facing finance structures, including the security, cross-collateralisation, default and inter-creditor issues related to these. In his current role at GVA he sources debt and equity for property investment and development. Over the past year he has spoken to a large number of lenders and investors who are active in the U.K. real estate market. He has an in depth knowledge of the lending market and works closely with equity providers therefore understanding their approach to risk / reward.

**David Hooper, Retail Director at GVA**

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As a Director in the Retail, Hotels and Leisure team, David focuses on retail and leisure leasing, development and regeneration consulting across the whole of the UK. He has built up a client base providing a full range of agency services to landlords and tenants alike, incorporating the letting, acquisition and development of retail, leisure and mixed-use property.

**Virginia Blackshaw, CPO Adviser at GVA**

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Virginia heads the Compulsory Purchase team at GVA and has more than 17 years' of experience advising on land assembly including the use of compulsory purchase for a variety of development, regeneration and infrastructure projects across the UK. Clients include local planning authorities, developers, infrastructure providers and regeneration agencies, ensuring timely cost-efficient site assembly to deliver project objectives. Her experience spans the entire land assembly process.



**Simon Morris, Agency Director at Gooch Cuncliffe Whale**

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Simon is an equity member of Gooch Cuncliffe Whale LLP heading their high street agency team. Simon has over 17 years retail property expertise and is responsible for the retailer acquisition and portfolio management advice provided to the likes of Fat Face, Crew Clothing, JoJo Maman Bebe, Farrow & Ball, Loaf and Vinegar Hill. For a number of these clients, Simon's remit extends to an out of house property director function.

**Neil Rowe, Director of Highways and Transport at RGP**

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Neil has been a Director of RGP for over 2 years and has made a valuable contribution to the growth of the business through a well-established and respected client base during his 12 years at RGP. Neil has over 16 years' experience in the transport planning and highway consultancy industry and has been involved in some significant development schemes in the UK, with particular experience of working on constrained city centre development proposals. Such proposals often come with operational challenges to end users with a specific focus on parking issues, transport logistics and servicing strategies.

**Steve Bainbridge, Director M & E adviser**

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Stephen joined Cudd Bentley in 1986 and has been a Director of the business since 2005. As a Director Stephen is responsible for a team of engineers and technicians procuring design and project management for a variety of projects and clients. He has, and continues to be actively involved on selected major projects undertaken by the business which includes Woolwich Phases 3 & 4, Leegate Town Centre and Marketfield Way Redhill. Stephen maintains a hands on approach throughout any project with which he is involved.

**David Frankland, Partner at DWF**

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David is a partner at DWF, specialising in providing commercial real estate advice covering a full range of transactions for developers, investors and occupiers. David fully understands the OJEU and CPO process and will deal directly with all parties. David covers the full range of real estate transactions for developers, investors and occupiers. He has a particular focus on mixed-use development and acts for local authorities together with listed and private developers such as Henry Boot plc, Cabot Properties and Reigate & Banstead Council.

## Proposed funders and funding structure

To date, ourselves and GVA have provided interested partners with relevant information and fully briefed them, this has resulted in a number of them expressing interest as you will see from the letters attached in the CFT. There are a range of potential funding structures available, with four expressions of interest on a full Joint Venture basis to support the pre-construction and land assembly/CPO process. We are confident of securing an appropriate funding partner that meets with Woking Council's and Coplan's delivery ambitions. Should we be successful in our bid, and given the level of interest expressed, we will run a competitive funding raising process to secure the most appropriate funding deal.

## General Description

Coplan Estates and PRP's proposals for the gateway site seek to create a distinctive and vibrant new landmark destination for Woking. The design creates a legible series of forms consisting of three triangular residential towers, linked and enlivened at lower levels with stepped landscaping. The rotation of each tower allows sunlight and views to penetrate through the site into Commercial Way, the public realm and the forthcoming Victoria Square development. Although self-similar in form, the towers vary in height from 39 to 28 to 18 storeys in order to respond to their differing context at each corner of the site.

The podium consists of double height commercial with flexible uses on the third floor, servicing, entrances, back of house and car park lifts. Podia has a publicly accessible park on the roof and potential bridge access to Woking Station platforms, should an agreement with Network Rail be secured.

The parking is proposed as a set of car lifts down to a basement level where, through the provision of car stackers where necessary, parking levels of around 94-188 spaces (20-41% of units) can be achieved. We recognise that there is a balance to be had between reducing trip rates and ensuring sufficient parking for residents, to avoid 'parking in street' and will work with the various departments within the council to achieve the appropriate percentage. We propose 96 fixed and secure cycle parking spaces with the remaining residents being provided with a folding style bicycle with each unit, to meet policy.

The top of the podia is a publicly accessible park with cascading stepped access from Victoria Square and lift access from two point for disabled users. The soft landscaping clusters around a perambulating pathway, creating variety, places to rest and points of interest.

The elevations have been broken down to two main characters. A solid, stone like base, expressed horizontally, that provides the feeling of a raised ground level for the public park to sit on. The residential towers are glassy dynamic forms resting lightly on the podia and reaching up to the sky. These are wrapped in fins that provide articulation and shade from the sun at various times of day.

The distribution of uses, quality of public realm and the servicing and parking for the scheme have all be carefully considered and are described in the more detailed CFT document.

In addition Coplan will promote the Council's link with Enterprise Car Club, an innovative way of providing car hire to businesses and residents that is convenient, affordable and good for the environment.

We are always happy to work with the Community and recognize that Woking Gateway is a significant site. We understand that a specific community user is located at 19 High Street (Marjorie Richardson Centre) which provides a low cost lunch centre cafe in Woking providing a comfortable and relaxing environment for people over 50, elderly or disabled. Based on our PCE research we have assumed that this 1,200 sq ft centre will be re provided for within the Gateway scheme.

GVA are supporting the technical CPO process, planning and strategy. Their full report includes strategy, timescales and a first stage property cost estimate for site assembly. The recent purchase of 13 High St compares well with the PCE which gives a real sense of robustness to the current PCE figures.

## Legal

Coplan Estates and DWF are well versed in Development Agreement structures, Coplan Estates is currently working on at least five similar DA structures at this moment in time. It is confident that a Development agreement and CPO framework can be agreed. Specific questions have been answered within the CFT.

### Affordable Housing

We have suggested a Viability model solution that works within the current and emerging Government policy including a wide range of possible tenure types including discounted market rent, more traditional social rent as well as starter homes and intermediate or various forms of shared equity housing.





EXECUTIVE - 23 NOVEMBER 2017

## LEISURE MANAGEMENT CONTRACT - EXTENSION AND VARIATIONS

### Executive Summary

This report recommends that the Executive make a recommendation to Council to extend the existing Leisure Management Contract by the full extension period possible of four years and agree to the inclusion of various variations to the contract including: Scenario B (a range of investments), Scenario C (addition of Hoe Valley Leisure facilities) and investment to refurbish the Dry-side Changing Rooms at the Woking Leisure Centre.

In accordance with OJEU provisions when the Leisure Management Contract was originally let in 2011, the Council has now invited GLL/FL to submit tendered proposals for extending the existing Leisure Management contract for the maximum period (to 30 November 2025) and for inclusion of a number of variations. In seeking tendered rates from GLL/FL, various Scenarios were required, such that the best value option to the Council could be evaluated clearly. This has concluded that whilst the largest increase in the Management Fee payable to the Council (excluding any costs incurred for any loan provision arrangements) would be to go with Scenario B, this would not include provision of a suitably qualified and experienced Leisure Operator to manage the new Hoe Valley Leisure facilities. A combination of Scenario B&C is therefore the best option for the Council in achieving its operational requirements. Having the same Leisure Operator to manage both the existing Woking Leisure Centre and Pool in the Park together with the Hoe Valley Leisure facilities will ensure that residents will be able to access either site by use of a single Key Card / Membership facility, and will enable the programming at both facilities to be complimentary to each other, thus ensuring greatest choice and opportunities for income generation.

Scenario B allows for significant investment in the Pool in the Park to specifically address replacement of the Flumes which are currently out of commission due to them being obsolete (replacement planned by June 2018), and also for much needed refurbishment of the Changing Rooms which would be completed by April 2019. Additionally in GLL/Freedom's return, they identified that refurbishment of the Dry-side Changing Rooms at the Leisure Centre was key, if they were to retain Members / stop Members drifting across to the new Hoe Valley Leisure facilities (due to open by September 2018). It is therefore proposed that investment in the Dry-side Change facilities is included in the investment proposals, with completion due by October 2018.

The £1,855,000 borrowing to fund these schemes will be done by the Council to take advantage of beneficial interest rates. The cost of servicing and repaying this borrowing, currently estimated at £132,000 p.a., will fall on the Council's General Fund either directly or through an adjustment to the Management Fee if a loan is provided to GLL/Freedom to undertake the works.

The Leisure Partnership Board (LPB) has been involved in the procurement process, from initial discussions on how best to package the initial invitation, to evaluation of the tendered return. Following a presentation at the last LPB meeting, the Board were supportive of the proposals in full.

## Reasons for Decision

To secure a Leisure Operator for the managing of Hoe Valley Leisure facilities together with necessary investment in existing facilities in a manner that offers the council best value and secures improvements to meet customer and resident expectations.

## Recommendations

The Executive is requested to:

### **RECOMMEND to Council That**

- (i) the existing Leisure Management Contract with Greenwich Leisure Limited be amended to include the agreed variations (Scenario B & C) together with investment in Leisure Centre Changing Room facilities and subsequently extended until 30 November 2025;
- (ii) loans of up to £1,855,000 be taken out by the Council to cover the Flumes and associated water features at Woking Pool in the Park, the Pool in the Park Changing Room facilities, and the Leisure Centre Changing Room facilities;
- (iii) if the Finance Director considers it beneficial for tax purposes, a loan facility of up to £1,855,000, attracting a 2% margin above the relevant PWLB rate on the date of drawdown, to be made available to Greenwich Leisure Limited/Freedom Leisure for the Flumes and associated water features at Woking Pool in the Park, the Pool in the Park Changing Room facilities, and the Leisure Centre Changing Room facilities; and
- (iv) all necessary consents be entered into and contract variations made to the existing Leisure Management Contract to accommodate the extension and investments.

<p><b>This item will need to be dealt with by way of a recommendation to the Council.</b></p>
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## Background Papers:

Invitation Document for Contract Extension and Variations - dated 8 August 2017.  
Sustainability Impact Assessment  
Equalities Impact Assessment

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**Date Published:**

17 November 2017

### 1.0 Introduction

- 1.1 The Sports Consultancy was appointed by the Council to negotiate the variation and extension of the current Leisure Management Contract with leisure management operators Greenwich Leisure Limited (GLL).
- 1.2 A 10-year management contract, with the option for up to two 2-year extensions, was awarded by the Council to GLL in 2011. GLL subcontract the day-to-day running of the leisure facilities to Freedom Leisure Limited (Freedom).
- 1.3 The current management contract contains the following facilities and services:
  - Woking Leisure Centre;
  - Woking Pool in the Park;
  - Management of sports pitch lettings;
  - Booking, cleaning and maintenance of sports pavilions; and
  - Management and delivery of a holiday and summer camp programme.
- 1.4 The Council, under the existing OJEU provisions for the contract, has invited GLL to submit a proposal on the basis of extending the existing contract by the additional two plus 2 year period (4 years in total) and add in variations to the contract as listed below. The reason for including the investment at Pool in the Park is as a direct result of the flumes now being obsolete, and the changing rooms requiring significant refurbishment:
  - Addition of the new Hoe Valley Leisure Centre;
  - Replacement of the flumes at Woking Pool in the Park; and
  - Refurbishment of the changing rooms at Woking Pool in the Park.
- 1.5 Existing positive partnership relationships with GLL/Freedom and their overall performance on the contract to date were instrumental factors in reaching a decision to issue the invitation to GLL/Freedom for the Contract Extension and Variations in the first place. Since the contract began in 2011, the leisure offer at the Leisure Centre and Pool in the Park has seen significant investment both in terms of built facilities (Leisure Centre – New Café/Reception, Gym and 3G pitches) and programme offer, with new and innovative activities being introduced as well as increased targeted sports development work to meet the Council's over-arching objectives relating to wider resident health and wellbeing.
- 1.6 That said, the Council is aware of areas of activity which require improvement across the existing contract, and these issues have been picked up in discussions with GLL/Freedom as part of the negotiations that have taken place.
- 1.7 This report summarises GLL/Freedom's response to the potential extension and variation of the current leisure contract and recommends that the overall best value option to the Council is to go with the full extension with inclusion of all variations.
- 1.8 In GLL/Freedom's response, they also made recommendation for refurbishment of the Dry Change facilities at the Leisure Centre. This is due to the current age and state of the changing rooms, and the need to ensure that this offer is uplifted such that existing Members will continue to utilise these facilities, and not substantially drift off to using the new Hoe Valley site when it opens. The recommendations therefore include for this investment to be made. The proposed amount of up to £350,000 allows for the total project cost, with such works to be completed by October 2018.



### 2.0 Bidding Requirements and Assumptions

#### Invitation to Tender Requirements

- 2.1 GLL/Freedom were invited to submit new technical and financial proposals on the basis of the following scenarios:

**Scenario A** – Extension of the existing management contract by four years to 2025. This scenario does not include the addition of any other variations to the contract.

**Scenario B** – Investment in Woking Pool in the Park. This involves replacement of the flumes (June 2018) and refurbishment of the changing rooms (April 2019).

**Scenario C** – Addition of Hoe Valley Leisure Centre to the Woking leisure portfolio, operational from September 2018, and an extension of the leisure management contract by four years to 2025.

**Scenario D** – Addition of Hoe Valley Leisure Centre to the Woking leisure portfolio without an extension to the contract, terminating in 2021.

- 2.2 As part of their submission, GLL/Freedom provided updated technical method statements which specifically address the inclusion of Hoe Valley Leisure Centre into the contract.

#### Hoe Valley Leisure Centre

- 2.3 The most significant proposed change to the existing Leisure Management Contract is the addition of Hoe Valley Leisure Centre to Woking's leisure portfolio. Located at Hoe Valley School, on Egley Road, it will be operated in accordance with a Management Agreement between the Council and the School that will see much of the facility being operated on a dual-use basis during the school time, whilst the remaining facilities will be available for community use both during the day and at evenings and weekends. Due to open from September 2018 following construction of the new build, the leisure facilities on site include:

- 80-station health and fitness gym;
- 5-court sports hall;
- 2 x dance studios;
- 8-lane athletics track;
- 2 x multi use games areas;
- 3 x 3G artificial turf pitches; and
- 2 x grass pitches.

#### Woking Pool in the Park Investment

- 2.4 The refurbished changing rooms and the new flumes will provide a necessary improvement to the overall customer experience.
- 2.5 The replacement of the flumes, which it is proposed would be in place and operational by June 2018, will improve the leisure offer of the centre and increase income. The refurbished changing rooms are to be completed by April 2019.

### Negotiation process

2.6 GLL / Freedom submitted their final proposal in response to the information requests detailed in the invitation to tender, as well as interim feedback and clarifications from the Evaluation team following their initial submission. This process is summarised below:

- August 2017 – Council issued invitation to submit tender
- September 2017 – GLL / Freedom submitted initial submission
- October 2017 – Submission of Final Tender following period of clarification and negotiation
- November / December 2017 – Present findings and recommendation to the Executive / Council for formal approval.

### **3.0 Overview of Written proposal**

3.1 GLL / Freedom have provided detailed addendums to the original 13 technical Method Statements stating how they will approach a new contract and operate Hoe Valley School alongside the existing leisure portfolio. These new Method Statements will be included as a schedule to the existing management contract, replacing the current versions. A summary of their proposals is set out below:

#### MS 1: Usage and Participation

- a. Commitment to work with the Council and Hoe Valley School to operate the facility on a dual-use basis in accordance with the Management Agreement whilst maximising community usage and income.
- b. Pro-active response to the loss of income at Woking Leisure Centre incurred from school usage of Hoe Valley Leisure Centre.

#### MS 2: Staffing

- a. Detailed staffing schedule for Hoe Valley Leisure Centre.
- b. Implementation of a Travel Plan to comply with planning restrictions whilst hosting events such as athletic meets. It has been agreed that Woking Borough Council will pay for this in year 1 to minimise costs.
- c. Provision of additional staffing resource for the Contract – including an additional dedicated Woking Contract Manager role.
- d. In response to current operational challenges with being able to secure and retain sufficient lifeguarding resources to meet pool programming needs, GLL/Freedom have increased the salary level for lifeguards inline with local competitors, along with putting in place other retention measures.

#### MS 3: Assets and Sustainability

- a. A detailed asset management plan has been received.
- b. A Computer Aided Facilities Management data reporting system will be installed across the contract.

#### MS4: Pricing

- a. Sensible pricing has been agreed for Hoe Valley Leisure Centre. Access will be included in connected Woking leisure memberships.
- b. Casual access to the athletics track will be included in membership.

#### MS5: Marketing

- a. Enhanced marketing and promotional offer including the introduction of 'Brief Your Market' tool which will be implemented across the portfolio to send email marketing campaigns and engage in customer relationship management.

## Leisure Management Contract - Extension and Variations

### MS6: Quality

- a. Customer insight reports, surveys and National Benchmarking Service will be undertaken for Hoe Valley Leisure Centre.

### MS7: Partnership Working

- a. GLL / Freedom will work closely with the School to operate Hoe Valley Leisure Centre. A sub-partnership board will be created to ensure regular communication.
- b. The Active Communities Manager will develop club and school links.

### MS8: Innovation

- a. GLL / Freedom have agreed to work with the Council to pursue open reporting and open data platforms in the future.

### MS9: Health & Safety

- a. Whilst acknowledging there will be new activities within the contract – such as managing of an Athletics Track which has been provided for, there were no other significant changes proposed.

### MS10: Catering and Retail

- a. Costa Coffee concession to be included at the new Hoe Valley Leisure Centre and Woking Pool in the Park.
- b. Meeting room kitchenette to be used to facilitate room bookings, and not used as a public servery.
- c. In order to manage the communities access to facilities during the school day, the café area and vending services will not be accessible to school pupils during the day.

### MS11: Cleaning

- a. Issues with the current quality of cleaning and maintenance, particularly at Woking Pool in the Park were highlighted as concerns during discussions. GLL / Freedom have agreed to increase the amount of resource available on site and also to increase the cleaning wage to £8.41 per hour to improve the recruitment and retention of cleaners.

### MS12: Financial Management / ICT

- a. Fast-track access Kiosks will be installed in all leisure centre sites.

### MS13: Mobilisation

- a. The new Woking Contract Manager will be in place by April 2018.
- b. All operational staff for Hoe Valley Leisure to be in place by mid-August 2018.
- c. Detailed FF&E schedule has been agreed by GLL / Freedom and Woking Borough Council. This details fit-out responsibilities. GLL / Freedom will pay for the installation of new health and fitness equipment at Hoe Valley Leisure Centre. GLL / Freedom have costed £238,763 for FF&E responsibilities.

3.2 A detailed project plan for the refurbishment of Woking Pool in the Park changing rooms has been submitted. This is based on Sport England guidance. Works will be completed by April 2019.

3.3 GLL / Freedom have proposed additional changes to the contract which they suggest will add significant value to the contract:

1. Refurbishment of dry-side changing at Woking Leisure Centre by October 2018 – predicted cost £233,676;
2. Woking specific Contract Manager;

## Leisure Management Contract - Extension and Variations

3. Meeting the full cost of the Active Communities Assistant post (currently part funded by the Leisure Surplus on the contract); and
4. Costa Coffee concession in Woking Pool in the Park.

### 4.0 Financial Responses

- 4.1 GLL / Freedom provided financial responses on the basis of the four scenarios detailed previously.

Scenario A – Current contract with 4-year extension to 2025.

Scenario B – Investment in Woking Pool in the Park: flumes (complete by June 2018) and changing room refurbishment (complete by April 2019).

Scenario C – Addition of Hoe Valley with 4-year extension.

Scenario D – Addition of Hoe Valley without extension.

- 4.2 The financial templates created for this process allowed the evaluation team to interrogate the income and expenditure assumptions for each option. The Management Fee payable to the Council is calculated and, from this the best option going forward can be identified.
- 4.3 Table 1 below shows the average Management Fee (payable to the Council) for each option, excluding any loan repayments for the investments proposed.

Option	Management Fee	Difference from Current Fee
Scenario A	£652,343	£0
Scenario B	£737,202	+£84,858
Scenario C	£629,937	(£22,407)
Scenario D	£545,678	(£106,666)
Full Extension and Variation	£714,795	+£62,451

- 4.4 A detailed breakdown of the management fees is included in the Part II Item which is later on the Executives Agenda.

#### Scenario A – Current Contract Extended to 2025

- 4.5 The extension of the current management contract by four years represents no improvement on the management fee currently being paid to Woking Borough Council. This is because the response is based on a continuation of the status quo. This was used as a benchmark from which to compare the other scenarios.

#### Scenario B – Investment in Flumes and Pool Changing Rooms Only

- 4.6 Investment in the flumes and changing rooms at Woking Pool in the Park only represent the biggest improvement to the management fee, at £84,858 per annum. This is due to the projected income benefits of the capital investment.
- 4.7 However, the financial response does not include the cost of work on the changing rooms or the cost of borrowing.

#### Scenario C – Extension of Contract (2025) plus Hoe Valley Leisure

- 4.8 The addition of Hoe Valley and extension of the contract by four years represents a decrease in the current average annual management fee paid to the Council of -£22,407.

## Leisure Management Contract - Extension and Variations

- 4.9 At maturity, the addition of Hoe Valley Leisure Centre will represent an additional £36,823 payment to the Council per annum through an increased management fee. It may therefore be misleading to evaluate this option on the basis of an average management fee alone as the new facility will take two years to mature and there are also mobilisation and fit-out costs priced into GLL/Freedom's financial model.

### Scenario D – No Extension to Contract (2021) plus Hoe Valley

- 4.10 The addition of Hoe Valley without an extension to the contract has a significant negative effect on the current management fee payable to the Council; an average annual decrease of £106,666 over the three and a half years of this contract term.
- 4.11 As GLL / Freedom are purchasing the health and fitness equipment, the cost of equipment loan repayments is also higher in this scenario due to its shorter term.

### Financial Bid Assumptions

- 4.12 The financial responses have been submitted on the basis of a series of assumptions. Some agreed costs have been excluded. Therefore, although the above information is useful in highlighting the most financially advantageous contract variation option, the figures do not represent the changes to the management fee in real terms. Key assumptions and exclusions are outlined below.
- a) Indexation has not been assumed in the financial responses going forward.
  - b) NNDR and Utilities costs for Hoe Valley Leisure Centre are retained by the Council.
  - c) Loss of income during capital works at Woking Pool in the Park is included as £100,000 in Scenario B financial response. This is a provisional amount which will be calculated on a day to day basis dependent on necessary closures.

### Operator Profit and GLL Fee

- 4.13 Leisure operators typically price in to their financial proposals an allowance for target profit and head office recharges. The market rate is currently around 10% of the contract's operating income. Freedom/GLL offer good value here, with a combined target profit and head office recharge rate of around 5.5%.
- 4.14 The Sports Consultancy noted however, that the rate factored into the Hoe Valley proposal is higher than the rest of the portfolio, at 10%. This is due to an apparent fixed £15,000 per annum payable to GLL.
- 4.15 The GLL fee was initially £20,000 for Hoe Valley but has been reduced through the negotiation process.

### Benchmarking

- 4.16 A benchmarking exercise has been undertaken to compare the financial assumptions against The Sports Consultancy's operational database. This database contains financial information from 1,200 records.
- 4.17 A summary of the benchmarking is included as Appendix B in the Part II report later on the Executive's Agenda. The conclusions from such do give confidence that GLL / Freedom's assumptions for Hoe Valley are generally in-line with The Sports Consultancy's benchmarked data from similar leisure centres across the country and consequently offer good value.

## 5.0 Implications

### Financial

#### Full Contract Extension and Variation

- 5.1 The full extension and variation option includes the investment in Woking Pool in the Park, the addition of Hoe Valley Leisure Centre and an extension of the leisure management contract by four years. This option represents the biggest improvement to the management fee. In this scenario, Woking Borough Council will be paid an average management fee of £714,795 per annum. This represents an average annual improvement of £62,451 compared with the current contract.
- 5.2 At maturity the revised contract will improve the current annual management fee payable to Woking Borough Council by £143,414.
- 5.3 The initial financial responses were interrogated and, through negotiation, the average management fee for a full extension and variation of the contract has improved from the £37,294 GLL/Freedom initially proposed to £62,451.
- 5.4 However it should be noted that the Council will incur additional operating costs for Hoe Valley based on the similar contractual arrangements for the management of Woking Leisure Centre and Pool in the Park. i.e. payment of utilities, certain specific asset management responsibilities, grounds maintenance and in particular for Hoe Valley the cost of complying with Planning requirements regarding the introduction and operation of a Travel Plan for the site.

### Investments

- 5.5 Options are currently being explored with the Council's tax advisors to ensure that the cost of these capital projects are funded in the most tax efficient manner for Woking.
- 5.6 The borrowing to fund these schemes will be done by the Council to take advantage of beneficial interest rates.
- 5.7 The interest and repayment costs of this borrowing will be a cost to the Council. Indicative costs are set out below, based on rates prevailing at the time of writing. The rates / costs will vary dependant on the final cost of the works, and the timing of the associated borrowing.

SCHEME	ESTIMATED COST (£)	ESTIMATED LIFE	ESTIMATED ANNUAL COST TO WBC (£)
Pool in the Park Flumes	800,000	20 years	50,000
Pool in the Park Changing Rooms	705,000	15 years	55,000
Leisure Centre Changing Rooms	350,000	15 years	27,000
<b>TOTAL</b>	<b>1,855,000</b>	<b>-</b>	<b>132,000</b>

- 5.8 It may be beneficial to provide a loan facility to GLL/Freedom to undertake the investment works. The interest and principle repayment would be an adjustment to the Management Fee so would remain a net cost to the Council.
- 5.9 The loan facility would be provided at a margin of 2% over the relevant PWLB rate on the date of drawdown.

## Leisure Management Contract - Extension and Variations

### Human Resource/Training and Development

- 5.10 With a new facility such as Hoe Valley Leisure Centre being incorporated into the contract, there will be a need for additional staff, some of which will need specific skills to cover new areas of activity not contained within the contract previously – such as the Athletics Track.
- 5.11 GLL/Freedom have included detailed staffing resource schedules, together with a mobilisation plan to identify when staff will be recruited and the lead-in time required for appropriate training to be undertaken to ensure a smooth opening of the facilities.
- 5.12 A key appointment will be a new Woking Contract Manager which is likely to be appointed earlier than the mobilisation plan indicated of April 2018, in recognition of the work that will be required to mobilise the new facility. As the role will be so key going forward, the Council has requested to be involved in the recruitment of the role.

### Community Safety

- 5.13 Whilst there are no new community safety issues related to the extension of the existing contract or the Woking Pool in the Park investments, there are added safeguarding issues related to operating Hoe Valley Leisure facilities, simply by the fact that the facilities are on a school site.
- 5.14 Whilst the design of the new build will address the school's requirements for a designated safeguarding zone on site, it will be imperative that Freedom as the on-site operator has a close working relationship with the school to address any concerns. Freedom has extensive experience of operating on other dual-use school sites which will be invaluable.

### Risk Management

- 5.15 Currently Freedom do operate with shared resources for a number of activities across both the Woking and Guildford contracts, with such economies being built into Woking's extension costs. There is therefore some minor risk that should Guildford Borough Council not extend their contract with Freedom Leisure, that there may need to be an adjustment at that time – although the impact of such is considered to be minimal.

### Sustainability

- 5.16 The design of the flumes and changing rooms will seek to mirror industry best practise regarding sustainability.

### Equalities

- 5.17 There are no specific equality issues arising from this report.

## **6.0 Consultations**

- 6.1 The initial tender returns were discussed with the Leisure Partnership Board at their meeting on 11 October 2017, at which they were supportive of the decision to recommend extension of the contract with all the variations included (Scenarios B&C).
- 6.2 The Portfolio Holder has been consulted.

REPORT ENDS

EXE17-074

# Leisure Management Contract - Extension and Variations

## APPENDICES



## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

Page 19	Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
	Eliminate discrimination	Advance equality	Good relations			
<b>Gender</b>	Men				X	
	Women				X	
<b>Gender Reassignment</b>					X	
<b>Race</b>	White				X	
	Mixed/Multiple ethnic groups					
	Asian/Asian British		X			Investment in the Changing Rooms at both Pool in the Park and Leisure Centre will allow us to address any access issues for specific groups at the design stage – thus enabling individuals to enjoy a greater opportunity to actively participate in health and wellbeing activity.
	Black/African/Caribbean/Black British		X			
	Gypsies / travellers		X			
	Other ethnic group		X			

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical		X				Investment in the Changing Rooms at Pool in the Park and the Leisure Centre will look to address any particular operational concerns about disability access.  With the new Hoe Valley Leisure Centre being opened – this will offer increased opportunities for wellbeing activities to be undertaken (as prescribed in GLL/FL Contract Extension), and will also facilitate increased use of the new Athletics Track by Surrey Wheels for All – a disability cycling group.
	Sensory		X				
	Learning Difficulties		X				
	Mental Health		X				
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			X	
Waste generation / sustainable waste management			X	
Pollution to air, land and water			X	
Factors that contribute to Climate Change			X	
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy	x			Extending the Leisure Management Contract will give those employees who are employed by the Leisure Operator a greater degree of certainty that they will continue to be based in Woking until 2025 should they so wish. Additionally, local businesses who currently supply the Leisure Operator will have increased security.
Meet local needs locally	X			The investments proposed at Woking LC&PitP will address local need about the quality of service provision, and will bring the facilities up to modern day expectations.
Opportunities for education and information	X			Additional facilities at HV Leisure facilities will enable further opportunities for individuals to learn new sports and health and wellbeing skills.

Provision of appropriate and sustainable housing			X	
Personal safety and reduced fear of crime			X	
Equality in health and good health	X			Additional and improved facilities will enable a wider cohort of individuals to participate in health and wellbeing activities in a more engaging environment.
Access to cultural and leisure facilities	X			The extension of the Leisure Management Contract to include the variation of incorporating HV Leisure facilities under one Leisure Operator will enable the Operator to manage the facilities through one membership scheme / Key Card – which will ensure wider opportunities are provided to access the increasing portfolio of leisure facilities.
Social inclusion / engage and consult communities			x	
Equal opportunities for the whole community	x			The new Athletics Track in particular at HV Leisure – will enable such disability clubs as ‘Surrey Wheels for All’ cycling club will be able to expand to meet local demand – giving greater opportunities for the local community to access appropriate facilities.
Contribute to Woking’s pride of place	X			Investment in facilities contributes to the overall ambition of the council with regards Health and Wellbeing of its residents and gives a clear signal about the importance that the council places on investment in cultural and leisure in making Woking a place in which people want to live, work and play.



EXECUTIVE - 23 NOVEMBER 2017

## REVIEW OF FEES AND CHARGES 2018-19

### Executive Summary

It is the Council's policy to review its discretionary fees and charges at least once a year.

Schedules of proposed charges for 2018/19 are attached at Appendix 1 (People), Appendix 2 (Place), Appendix 3 (Us) and Appendix 4 (Rhoda McGaw Theatre).

### Reasons for Decision

The regular review of discretionary charges ensures that the Council maintains its income base and generates additional resources for the provision of services.

### Recommendations

The Executive is requested to:

#### **RECOMMEND to Council That**

- (i) the discretionary fees and charges, as set out in Appendices 1 – 4 of the report, be approved;**
- (ii) delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, to agree county-wide partnership pricing structure for Telecare Sensors and 6 week discharge / distraction burglary service offer;**
- (iii) delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, to agree fees and charges for the Homesafe Service should it become necessary to do so; and**
- (iv) delegated authority be given to the Strategic Director, in consultation with the relevant Portfolio Holder, for making minor amendments to fees and charges for Hoe Valley Leisure Facilities.**

**This item will need to be dealt with by way of a recommendation to Council.**

### Background Papers:

None.

Sustainability Impact Assessment  
Equalities Impact Assessment

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**Date Published:**

17 November 2017



### 1.0 Introduction

- 1.1 In accordance with Council policy, fees and charges which are at the discretion of the Council are reviewed at least annually.
- 1.2 The fees and charges for 2017/18 were approved by the Council on 8 December 2016 and the forecast yields were incorporated in the budget approved by the Council on 9 February 2017.
- 1.3 As was the case when the 2017/18 fees and charges were agreed, business areas have been asked to look at ways of increasing yield through increased activity, revised charging or new charging opportunities.
- 1.4 Schedules of proposed charges for 2018/19 are attached at Appendix 1 (People), Appendix 2 (Place), Appendix 3 (Us) and Appendix 4 (Rhoda McGaw Theatre).
- 1.5 The Council's "Strategy for Applying and Setting Fees and Charges for Services" sets out a broad and transparent approach to setting fees and charges. All charges are reviewed against this strategy and charges will be set in line with the framework outlined.
- 1.6 A commentary on any specific service issues arising from the review follows. The name of the relevant Officer contact has also been provided.

### 2.0 People

#### Community Transport (Sue Barham) (Appendix 1: Page 2)

- 2.1 Woking Community Transport (WCT) is due to consider at their December Board meeting the charges that are to apply to their service from 1 June 2018. Current proposals allow for an increase of 10p on a single journey / 20p on a return journey. The Council's strategic positioning on charges for Centre Transport is that it endeavours to at least match the same increases applied to Dial-A-Ride charges (albeit that Centre Charges are at a lower base charge). After due consideration the proposal is to increase the return journey cost for Centres Transport by 20p (£5.00 to £5.20 return) and to tie such increase in with the implementation date that WCT adopt - i.e. 1 June 2018 as opposed to 1 April 2018.

#### Centres for the Community (Stephen Petford) (Appendix 1: Pages 22-33 & 40-42)

- 2.2 The simplified pricing structure that was introduced 3 years ago is still received by hirers and staff alike in a positive manner and therefore remains unchanged going forward. Appropriate benchmarking of hire charges for like type venues has been undertaken this year with proposed fees and charges only being uplifted where it is considered that the market can bear the increase without adversely affecting levels of activity.
- 2.3 During the year Lakeview Community Centre opened and after discussion with Lakeview Community Action Group (LCAG), the Council was invited to oversee the management and operation of the Centre. Whilst the building is currently being used by a number of regular hirers as well as one-off hirers, there is still much to be done to maximise the use of the centre for the benefit of the local community. It is therefore proposed that the existing charges (approved under delegated authority to allow the facility to be operational from 15 April 2017) not be increased at this time.

Community Meals Service (Stephen Petford) (Appendix 1: Page 37)

Meals on Wheels

- 2.4 The approach from last year to alter the price such that irrespective of what day of the week one accessed the service you would pay the same rate, has been well received by Service Users and referrers alike. With increased marketing and promotion of the service the service continues to grow, and with proposed charging levels remaining at the same level for next year (taking into account benchmarking comparisons), it is anticipated that yield will increase by year end by 9%. Other opportunities to expand the service offer will be considered throughout the year.

Tea Time Meals

Following a benchmarking exercise with other Surrey District and Boroughs it is clear that take-up of this type of service is very price sensitive. Whilst demand for our service continues to grow, it is considered that we are at an optimum price-point currently and therefore no change to the charges are proposed.

Community Centre Meals

- 2.5 The take-up of Centre Meals has decreased recently due to a number of reasons, not least due to lack of referrals from partners. It is also recognised however that in some of the Community Centres the Meal Offer is not necessarily what the customer now expects. It is therefore proposed to keep the prices at the same level whilst a review of the offer is undertaken to reflect customer expectation.

Home Independence (Julie Meme) (Appendix 1: Pages 35-36)

Homelink

- 2.6 In April 2017 Astral Advisory Service produced a draft "Foundations Report" commissioned by all Surrey District and Borough Councils, with input from District and Borough councils (D&B's), Surrey County Council (SCC) and Clinical Commissioning Groups (CCGs), to examine current practices within the eleven D&Bs Home Improvement Agencies (HIAs). At Woking the HIA is called Homelink. The Report examined the county strategic approach, and explored ways to ease the burden on capital and revenue expenditure. The report made 20 recommendations to D&Bs and was presented to Chief Executives alongside an action plan in July 2017.
- 2.7 One of the recommendations was to identify HIA hubs to ensure consistency in service within CCG areas and potentially create economies in scale. Woking, Spelthorne and Runnymede Borough Councils have formed the North West Surrey HIA Hub. Woking is taking the lead in this Hub.
- 2.8 The report also recommended the introduction of a countywide fee income structure. To start working towards this, it is recommended that all members of the NW Surrey HIA Hub have the same management fee. Currently Woking charge 14% which has not been increased for the past 10 years. Both Spelthorne and Runnymede currently charge 15%. It is therefore recommended that from April 2018 Woking increases its management fee to 15%. This could generate an increase of £7,000 which could contribute to the cost of running the service.
- 2.9 The Handyperson service is in great demand but there is a threat that the £21,000 revenue contribution from SCC may be reduced or even removed. In light of this, and in

order to increase revenue income it is recommended that all hourly charges are increased whilst retaining the distinction between those on means tested benefits and those that are not. The chargeable DIY work is only undertaken when there are no jobs required to keep residents safe and secure or to assist with hospital discharge which are the priorities for the service. As a result, in the last 6 months there has only been 73 DIY chargeable jobs completed (average 12 per month). The hourly charge increase also recognises the importance of considering our position within the DIY provision within the local business market.

### Careline

- 2.10 The higher rate Careline charge has not increased for 4 years to enable us to compete with commercial companies. Having undertaken a review of the market and competitors for 2017/18 our charges remain competitive and in line with other District & Borough alarm providers. Careline continues to have a unique visiting service which enables all the Living Well Services to be promoted in one holistic approach.
- 2.11 However, we are beginning to see a rise in the number of residents who do not have landlines but who require the emergency alarm. On these occasions specialist alarm equipment has been installed but at an additional cost to the service. There is scope to increase the higher rate without adversely affecting the service and it is recommended that the charge increases by 10p per week to £4.20.
- 2.12 Woking is the only Surrey authority that offers a lower rate for residents on means tested benefits – a position which is well received by our clients. It is recommended that this lower level is retained but that the charge increases by 16p per week to £2.66 (equating to just 38p per day).
- 2.13 Surrey Adult Social Care withdrew funding for Telecare sensors in April 2017. Whilst District & Borough alarm providers are continuing to provide the equipment for a small monthly charge a partnership approach to having a consistent pricing structure for this service element is currently under discussion. (Indication to date from such discussions is that such rates will not vary significantly from those currently charged). It is therefore proposed that the Strategic Director (People) in consultation with the relevant Portfolio Holder be given delegated authority to agree such rates.
- 2.14 Surrey Adult Social Care also withdrew funding in April 2017 for the free 12 week trial of the Careline alarm to assist people who have been discharged from hospital or who had been victims of distraction burglary. Following consultation Surrey District & Boroughs agreed to continue to fund the offer but reduce the time scale to 6 weeks. Discussion is also in progress for agreeing a consistent county wide pricing structure for this service offer albeit that such discussions have not yet concluded. (It is worth noting that the majority of people who have the alarm for the trial, decide to continue with the service once it becomes chargeable). To enable wider partnership working, it is proposed that the Strategic Director (People) in consultation with the relevant Portfolio Holder be delegated authority to agree such rates.
- 2.15 In partnership with Elmbridge, Runnymede and Spelthorne the 'Homesafe' service (a free service offering Council Support Services in a box to take home on hospital discharge at week-ends or out of hours) seeks to facilitate emergency discharges from hospital wards, community hospitals, A&E and the Acute Hub. The service enables discharging patients to immediate access to any elements of the following services for up to an initial 48 hour period (Community alarm / pendant; temporary key safe to facilitate other home support care, Community Meals and a daily wellbeing call).

- 2.16 Initial funding for the project was received from the System Resilience Group for one year up to 31 March 2017 and Surrey County Council Adult Social Care have extended funding for a further year. Longer-term it is hoped that this service will be funded by North West Surrey Clinical Commissioning Group (NWS CCG) from savings arising from reduction in bed-blocking at the hospitals although this is unknown currently. Should funding not be forthcoming and it becomes necessary to consider the introduction of charges then delegated authority should be given to the relevant Strategic Director in consultation with the relevant Portfolio Holder to set an appropriate pricing structure and fees and charges.

Open Spaces / Outdoor Sports (Sue Barham) (Appendix 2: Pages 49-53)

- 2.17 Freedom Leisure (FL) has been consulted on those outdoor activities managed by them under the Leisure Management Contract. Following their representation as well as local benchmarking, it is proposed that fees increase on average by just under 2.0%.
- 2.18 Since the Bandstand was relocated to Woking Park the Council has increased its 'Summer Sounds' programme to allow local bands to play on Saturday afternoons throughout the Summer. As the use of the Bandstand has been growing in popularity, a few requests have been received from a variety of potential users to hire the space. As there is currently no fee structure for hiring out the Bandstand, it is proposed that the following rates will apply from next April, subject to all potential hirers adhering to the Terms and Conditions of hire for use of the space, which will include amongst other issues: the days and times of use and restrictions related to use of amplification.

Basic hire fee (per occasion)	£30.00
Electricity fees and lights:	£10.00
PRS:	£10.00
Access to Chairs / Key deposit (refundable):	£100.00

The Key Deposit is set at a higher rate than might be expected, such that the Hirer is more likely to appropriately use the Council's assets and ensure their safe return after use.

Fishing Permits (Sue Barham)

- 2.19 The Goldsworth Park Angling Club continues to provide management services at both Goldsworth Park Lake and Brookwood Ponds with positive feedback from users. In consultation with the Angling Club it is proposed that there is no increase in charges for 2018/19 as arrangements are working well currently. It should be noted however that in last year's schedules the price for Disabled Fishing Permits was incorrect in that it should have been at the same rate as the Concession/OAP season ticket at £26.00 for the season as opposed to £13.00. The schedule has been updated to reflect this previous error.

Woking Leisure Centre/Pool in the Park & Holiday Camps (Sue Barham) (Appendix 1: Pages 3-8; 12-20)

- 2.20 Under the Leisure Management Contract arrangement with Freedom Leisure (FL), provision has been made for what is termed 'core' and 'non-core' charges.
- 2.21 Core charges are those fees and charges for sports and leisure activities which the Council has reserved the right to continue to set and include such activities as: badminton, squash, health referral, facility hire, casual gym use, public swimming, swim tuition, outdoor pitches, pavilions and memberships. Non-core charges are all other fees and charges which the Leisure Operator has the right to set having given due regard to:

- the Council's corporate and strategic objectives for the Service as notified to the Leisure Operator as part of the Annual Service Planning Process and otherwise from time to time;
- the Hard to Reach Groups set out in the Service Specification and as otherwise notified to the Leisure Operator by the Council as part of the Annual Service Planning Process;
- the needs of the local community;
- the requirement to develop a balanced programme;
- the prevailing market conditions; and
- where appropriate, any specific pricing requirements of third parties in relation to special events to be held at the Facilities.

2.22 'Core Charge' proposals contained in the attached Appendices accommodate an increase in charge on average of 1.96% where it is considered that the market rate can bear an increase and where it is considered that as a result of the increase in charge participation levels will not be adversely affected. In reviewing the charges Freedom Leisure have taken into consideration local bench-marking of like type activity and facilities as well as referencing to the South East Leisure Contractors Organisation. With the requested increases and the continual plan to grow the usage and range of activities across the contract, Freedom Leisure believe that next year the facility income will continue to grow and that a Surplus will be generated whilst still being able to suitably resource the facilities.

2.23 The proposed charges were considered by the Leisure Partnership Board at their meeting on 11 October 2017, and whilst there were some minor amendments and suggestions, which have been addressed subsequently, the Leisure Partnership Board was supportive of the proposals before them.

2.24 It is however worth noting, that Freedom Leisure raised with the Leisure Partnership Board that the pricing structure currently in place of: Standard / Status / Concession would benefit from review since it has been in place for a number of years and may not necessarily reflect current market approach to pricing. It was acknowledged that such review would also address the current eligibility criteria for each category i.e. potentially removing concessions based solely on age. (i.e. Over 60). The Leisure Partnership Board agreed to consider a scope of any potential Review at their next meeting for implementation at the earliest from April 2019.

### Hoe Valley Leisure Facilities (Sue Barham) (Appendix 1: Pages 3-11)

2.25 The new Hoe Valley School and Leisure Facilities which are currently under construction are due to be operational for the Academy's Use for the autumn term, with the wider leisure facilities being made available for community use from 1 September 2018.

2.26 Whilst negotiations are currently taking place with the Council's current Leisure Operator to manage the new facilities, the pricing structure will mirror the same arrangements that currently exist within the Leisure Management Contract (Standard / Status / Concession). Members and Key Card holders will be able to use one card across all sites, with the existing Key Fitness Membership being extended to allow access to the Athletics Track for any public casual sessions.

2.27 Hoe Valley School itself, in accordance with the existing signed Management Agreement in place between the Council and the Academy, will be able to use the leisure facilities according to an agreed schedule at prescribed times. The hire rates to be levied for the Academy's use will depend on the time of day and actual facility area.

- 2.28 Where the activity is the same as in the Leisure Management Contract the same principle has been applied in terms of 'Core' and 'Non-Core' charges and therefore the previous Leisure Centre and Pool in the Park schedules have been amended where appropriate to incorporate the Hoe Valley Leisure Facilities. For any new charges such as Athletics Track and Hoe Valley School use, new schedules have been included.
- 2.29 It is worth noting that public rates for use of the new facilities will run from April each year, so that the Leisure Operator can have a consistent approach to fees and charges across all sites. However in respect of the Academy's Use, the rates set in April each year, will not apply until the start of the following Academic Year – i.e. September, and will then run for a full 12 month period.
- 2.30 The School has originally been consulted on the proposed Fees and Charges applicable to their use, and the Leisure Partnership Board considered the proposals at their meeting on 11 October 2017, where there were no significant issues raised.
- 2.31 As this is a new facility however, it is considered prudent to delegate authority to the Strategic Director in consultation with the relevant Portfolio Holder to make minor amendments to the pricing schedules should it become necessary to ensure the successful opening of the new facilities.

### Arts Development (Sue Barham) (Appendix 4: Page 89)

- 2.32 Under the existing partnership agreement with the Ambassadors Theatre Group (ATG), they currently manage and operate the Rhoda McGaw Theatre on the Council's behalf, with all operating costs being met by them, and respective income generated from hires of the Theatre remaining with ATG. The current agreement does however provide for the Council to retain the control over the setting of hire rates for the Rhoda McGaw Theatre in consultation with the ATG and Woking Drama Association (WDA).
- 2.33 Due to bookings for the Theatre being taken up to two years in advance, hire rates for the period up to and including 31 August 2020 are attached at Appendix 4 for approval. Consultation has been undertaken with both ATG and the WDA on these proposed rates, with neither party raising any issues of concern.

### Regulation – Housing Standards (Neil Coles) (Appendix 1: Page 34)

- 2.34 This year the fees and charges relating to the Housing Standards service have been detailed separately having previously formed part of the wider licensing fees and charges. This is to reflect that not all fees and charges relate to a licensing task and to support robust recovery where debts are passed to legal services.
- 2.35 It is proposed that the charge for undertaking certain enforcement action under the Housing Act 2004 increase to £460 from £450 to reflect changes in officer costs and the associated process.
- 2.36 It is proposed that the Mandatory HMO Licence application fee remains set at £610 and the Mandatory Licence renewal fee remains at £440. These charges have also been reviewed to reflect changes in officer costs and the associated processes.
- 2.37 It is proposed to retain the current reduced charges proposed for Mandatory HMO Licensing applications (£200) and renewals (£200) for landlords who are accredited landlords within the Woking Private Landlord Accreditation Scheme launched in September 2016. These reduced charges aim to encourage private landlords to join the Council's Private Landlord Accreditation Scheme.

- 2.38 There are new fees proposed that relate to the introduction of a new so-called Selective Licensing scheme to be implemented in part of Canalside Ward from April 2018/19. The scheme includes a zero fee for applications received prior to its commencement with a fee of £560 where applications are received after the commencement of the scheme. It is proposed that a licence renewal fee of £420 apply. These charges have been set by considering the costs associated with processing the individual applications and formed part of the public consultation for the scheme.

### 3.0 Place

Environmental Services (Geoff McManus)

Waste and Recycling (Appendix 2: Page 54)

- 3.1 The new joint waste collection contract with Amey is now operating in Elmbridge and Woking and will roll out to Surrey Heath and Mole Valley in 2018. No changes to fees and charges are proposed at this stage. The additional charge to book an appointment for bulky waste collection will be removed, due to the improved ICT solution incorporating am or pm bookings as standard.

Garden Waste (Appendix 2: Page 54)

- 3.2 No changes are proposed. The subscription numbers have continued to increase steadily from 14,200 to 14,600 over the previous year.

Containers (Appendix 2: Page 54)

- 3.3 No changes are proposed. The 140 litre food bins and 1,100 litre communal waste and recycling bins are now fitted with lockable lids, removing the need for separate food housing units and lockdown units for communal bins.

Car Parks (Geoff McManus) (Appendix 2: Page 65 - 73)

- 3.4 Increases for daily car parking became effective from Monday 2<sup>nd</sup> October 2017 and Parking Services will monitor the impact of these changes for the remainder of the 2017/2018 financial year.

The increasing trend at this time is for season ticket parking which is reflected through Green Book reporting and although no specific season ticket increases are proposed at this time this situation will continue to be monitored.

Food Hygiene Rating Scheme (Geoff McManus) (Appendix 2: Page 61)

- 3.5 It is proposed that a charge is introduced for requests for food hygiene re-inspections. Once a programmed food hygiene inspection has been carried out and a food hygiene rating given, the food business operator may request a revisit in order to gain a new food hygiene rating score where they believe they have improved compliance. A fee of £150 will be charged to cover officer time, travel and administration which is in line with other Surrey Local Authorities. The fee will not be charged where a revisit is required under our statutory duty to carry out official controls to check identified non-compliances with food hygiene legislation in order to protect public health.

Assisted Funeral Arrangement Fee (Geoff McManus) (Appendix 2: Page 62)

3.6 Councils have a duty under the Public Health (Control of Disease) Act 1984 to bury or cremate deceased persons who have died in their area if no other suitable arrangements are being made. These were referred to as pauper funerals as they often involved a person who had no living relatives, dying without sufficient funds to provide a decent funeral. Where a funeral is arranged under this Act, and funds are held in the estate of the deceased person, the Council are entitled to recover the expenses incurred in carrying out this duty. In the past, no charge has been made for officer time as typically, no money was available. There is, however, an increasing number of referrals to Environmental Health for a public health funeral where relatives of the deceased are known but who, for a variety of personal reasons, do not want to or are unable to take responsibility for the funeral, and there are sufficient funds available in the deceased's estate to cover the cost. A person is not legally responsible to act unless there is a valid will and they are a named executor. Therefore, the Council has to step in and make the necessary arrangements. In doing so, the Council is able to use the services of a local Funeral Director at favourable rates, as a result of a tendering process, to keep the burden on tax payers to a minimum. However, where funds are available, any relatives benefit from the surplus left in the estate after the funeral costs have been met and so unfairly benefit from the lower than market rates in addition to having the funeral arranged for them. In cases where there is a surplus of funds but no next of kin, the matter is referred to the Government Legal Department (Bona Vacantia) who will accept an administration charge of £350 from the local authority. In line with this, it is recommended that a charge of £350 is introduced where there are known relatives and sufficient funds held in the estate to further reduce the burden on taxpayers and increase the amount recovered by the Council.

**4.0 Us**

Local Land Charges (David Ripley) (Appendix 3: Page 79)

4.1 It is proposed to increase charges as shown in Appendix 3 (Us) in accordance with the increase in fees levied by Surrey County Council.

**5.0 Implications**

Financial

5.1 The changes in fees and charges considered in this report are summarised in the following table:

	Budget	Estimated Yield	Change in Yield	
	2017/18 £'000	2018/19 £'000	£'000	%
People	£754,117	£899,182	£145,065	19.2%
Place	£9,687,312	£9,931,378	£244,066	2.5%
Us	£490,602	£498,102	£7,500	1.5%
<b>Total</b>	<b>£10,932,031</b>	<b>£11,328,662</b>	<b>£396,631</b>	<b>3.6%</b>

5.2 Not all of the fees and charges income in the table above will directly affect the overall position in the Council's General Fund budget also on this agenda.



Human Resource/Training and Development

- 5.3 This review forms part of the annual work plan of staff in the Council's Business Areas. No specific training and development issues have arisen as a result of the review.

Community Safety

- 5.4 There are no Community Safety implications as a result of this report.

Risk Management

- 5.5 Where there is a risk that the levels of income proposed by this review will not be achieved, this will be identified in the 2018/19 budget reports and monitored during the year in the Green Book.

Sustainability

- 5.6 There are no sustainability implications in the report.

Equalities

- 5.7 There are no equalities implications in the report.

**6.0 Consultations**

- 6.1 Consultation has been undertaken with Woking Community Transport on the proposed rates and implementation date.
- 6.2 The Goldsworth Park Angling Club has been consulted on the proposed charges for Fishing.
- 6.3 Consultation has been undertaken with Freedom Leisure and the Leisure Partnership Board on the 'core' and 'non-core' charges for the Leisure Management Contract.
- 6.4 Consultation has taken place with the Woking Drama Association and Ambassadors Theatre Group in respect of the proposed charges for the Rhoda McGaw Theatre.

REPORT ENDS

EXE17-059

**APPENDICES**

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

Page 219	Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
	Eliminate discrimination	Advance equality	Good relations			
<b>Gender</b>	Men				X	
	Women				X	
<b>Gender Reassignment</b>					X	
<b>Race</b>	White				X	
	Mixed/Multiple ethnic groups				X	
	Asian/Asian British				X	
	Black/African/Caribbean/Black British				X	
	Gypsies / travellers				X	
	Other ethnic group				X	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					X	
	Sensory					X	
	Learning Difficulties					X	
	Mental Health					X	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			X	
Waste generation / sustainable waste management			X	
Pollution to air, land and water			X	
Factors that contribute to Climate Change			X	
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy			X	
Meet local needs locally			X	
Opportunities for education and information			X	
Provision of appropriate and sustainable housing			X	
Personal safety and reduced fear of crime			X	
Equality in health and good health			X	
Access to cultural and leisure facilities			X	
Social inclusion / engage and consult communities			X	
Equal opportunities for the whole community			X	
Contribute to Woking's pride of place			X	



**PEOPLE FEES AND CHARGES**  
**SUMMARY OF ESTIMATED YIELDS 2018/19**

	<b>BUDGET 2017/18 £</b>	<b>BUDGET 2018/19 £</b>
<b><u>Health &amp; Wellbeing and Cultural Development</u></b>		
Community Transport	0	0
Leisure Centre		
Hoe Valley Leisure Centre - Outdoor		
Pool In The Park		
Leisure Centre & Pool In The Park Memberships		
		} Part of Leisure Management Contract
<b><u>Community Support</u></b>		
C.C.T.V.	540	540
The Vyne	40,768	47,809
St Marys	14,178	15,774
Moorcroft	15,945	16,968
Parkview	42,198	43,594
Tubs	7,824	7,824
<b><u>Housing</u></b>		
Housing Standards	12,050	113,370
<b><u>Independent Living</u></b>		
Homelink	107,000	120,000
Careline	217,724	224,734
Community Meals	289,250	287,903
Brockhill	3,656	3,477
<b><u>Council Housing Services</u></b>		
Sheltered Housing Guest Rooms (HRA)	2,849	3,600
Lakeview Social Centre (HRA)	0	13,454
References For Lenders (HRA)	135	135
<b>PEOPLE - TOTAL FEES AND CHARGES</b>	<b><u>754,117</u></b>	<b><u>899,182</u></b>

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
5.00	Return trip charge	14,580	5.20	0.00	5.20	0

Notes:

This income is collected on behalf of Woking Community Transport and paid back to them quarterly.



CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b><u>Fitness Suite</u></b>			
	<b>Gym Induction</b>			
0.00	Induction - Member Fitness DD/Annual	0.00	0.00	0.00
	* Key Fitness membership includes free induction			
	<b>Gym casual price per visit</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
7.50	Standard	6.33	1.27	7.60
5.00	Status	4.33	0.87	5.20
3.00	Concession	2.67	0.53	3.20
2.50	Member Surcharge for Status and Concession @ Peak Usage (Mon-Fri 6-9pm)	2.08	0.42	2.50
	<b><u>Health related activities</u></b>			
	<b>Wellness / Bravehearts / GP Referrals / lung rehab</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
4.00	Standard *	3.42	0.68	4.10
4.00	Status	3.42	0.68	4.10
2.00	Concession	1.75	0.35	2.10
2.00	Bolt on gym up to 15 minutes in addition to Lung, Wellness, Bravehearts sessions (supervised)	2.10	0.00	2.10
	* Standard rate only applicable for first 3 months - then revert to casual gym price			

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>WLC - Health Suite</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
	<b>Specialist Fitness classes (any/all durations)</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
	<b>General Fitness classes (any/all durations)</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
	<b>Ladies Recreation Morning</b>			
0.00	Memberships (Fitness DD/Annual)	0.00	0.00	0.00
	<b>50+ Club per session</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
	<b>WLC - Sensations</b>			
14.50	Contributing Partner Groups (Cranstock, Linkable, Welmede)	12.08	2.42	14.50
24.50	Other Disabled Groups (in or out of Borough)	20.83	4.17	25.00
29.00	Other Organisations	24.58	4.92	29.50
	<b>WLC - Individual (incl. carer)</b>			
5.50	Standard	4.58	0.92	5.50
3.40	Status	2.83	0.57	3.40
1.70	Concession	1.50	0.30	1.80
	<i>Notes: Maximum of 12 people. No staffing supplied, but induction on how to use provided free of charge to groups/carers.</i>			

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Badminton - 1 hr per head</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
3.80	Standard	3.25	0.65	3.90
3.30	Status	2.83	0.57	3.40
1.70	Concession	1.50	0.30	1.80
	<b>Short tennis - 1 hr per head</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
3.80	Standard	3.25	0.65	3.90
3.30	Status	2.83	0.57	3.40
1.70	Concession	1.50	0.30	1.80
	<b>LC Badminton Club</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
	<b>Basketball - 1 hr, single hoop practice (3 courts min)</b>			
24.00	Standard	20.83	4.17	25.00
17.50	Status	15.42	3.08	18.50
12.00	Concession	10.83	2.17	13.00
	<b>Table tennis - 1 hr per head</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
3.60	Standard	3.08	0.62	3.70
2.90	Status	2.50	0.50	3.00
1.90	Concession	1.67	0.33	2.00

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Table tennis - 45 mins per head</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
2.70	Standard	2.33	0.47	2.80
2.20	Status	1.92	0.38	2.30
1.50	Concession	1.33	0.27	1.60
	<b>WLC - Squash - 45 minutes per head</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
4.40	Standard	3.75	0.75	4.50
3.70	Status	3.17	0.63	3.80
1.80	Concession	1.67	0.33	2.00
	<b>WLC - Woking Squash Club night</b>			
0.00	Membership (Fitness DD/Annual)	0.00	0.00	0.00
	<b>Facility Charge per hour</b>			
183.00	WLC Main Hall (full) - Level 1: Commercial Trader	155.00	31.00	186.00
152.00	WLC Main Hall (full) - Level 2: Commercial Sport	129.17	25.83	155.00
122.00	WLC Main Hall (full) - Level 3: Standard Leisure	103.33	20.67	124.00
91.50	WLC Main Hall (full) - Level 4: Community Leisure	77.50	15.50	93.00
91.50	Main Hall (half) - Level 1: Commercial Trader	77.50	15.50	93.00
76.25	Main Hall (half) - Level 2: Commercial Sport	64.58	12.92	77.50
61.00	Main Hall (half) - Level 3: Standard Leisure (casual)	51.67	10.33	62.00
61.00	Main Hall (half) - Level 3: Standard Leisure	51.67	10.33	62.00
45.75	Main Hall (half) - Level 4: Community Leisure	38.75	7.75	46.50

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Facility Charge per hour (cont.)</b>			
48.00	WLC Studio 3 (First floor) - Level 1: Commercial Trader	41.25	8.25	49.50
40.00	WLC Studio 3 (First floor) - Level 2: Commercial Sport	34.38	6.88	41.25
32.00	WLC Studio 3 (First floor) - Level 3: Standard Leisure	27.50	5.50	33.00
24.00	WLC Studio 3 (First floor) - Level 4: Community Leisure	20.63	4.13	24.75
73.00	WLC Studio 1 or 2 (Second floor) / HVLC Studios - Level 1: Commercial Trader	62.50	12.50	75.00
61.25	WLC Studio 1 or 2 (second floor) / HVLC Studios - Level 2: Commercial Sport	52.08	10.42	62.50
49.00	WLC Studio 1 or 2 (Second floor) / HVLC Studios - Level 3: Standard Leisure	41.67	8.33	50.00
36.75	WLC Studio 1 or 2 (Second floor) / HVLC Studios - Level 4: Community Leisure	31.25	6.25	37.50
80.00	WLC Wurlitzer Hall - Level 1: Commercial Trader	67.50	13.50	81.00
66.50	WLC Wurlitzer Hall - Level 2: Commercial Sport	56.25	11.25	67.50
53.20	WLC Wurlitzer Hall - Level 3: Standard Leisure	45.00	9.00	54.00
40.00	WLC Wurlitzer Hall - Level 4: Community Leisure	33.75	6.75	40.50
22.50	Badminton - Level 1: Commercial Trader	19.38	3.88	23.25
18.75	Badminton - Level 2: Commercial Sport	16.25	3.25	19.50
15.00	Badminton - Level 3: Standard Leisure	12.92	2.58	15.50
11.25	Badminton - Level 4: Community Leisure	9.79	1.96	11.75

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>LEISURE CENTRES (Woking (WLC) and Hoe Valley (HVLC))</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Facility Charge per hour (cont.)</b>			
78.00	3G 7a side - Level 1: Commercial Trader	67.50	13.50	81.00
65.00	3G 7a side - Level 2: Commercial Sport	56.25	11.25	67.50
52.00	3G 7a side - Level 3: Standard Leisure	45.00	9.00	54.00
39.00	3G 7a side - Level 4: Community Leisure	33.75	6.75	40.50
30.00	3G 7a side - Level 5: Off Peak / Education Use	25.83	5.17	31.00
12.30	WLC Squash - Level 1: Commercial Trader	10.42	2.08	12.50
10.25	WLC Squash - Level 2: Commercial Sport	8.58	1.72	10.30
8.20	WLC Squash - Level 3: Standard Leisure	6.88	1.38	8.25
6.15	WLC Squash - Level 4: Community Leisure	5.17	1.03	6.20

**NOTES**

Standard = Full Rate

Status = Pre-school, Individuals in Full-Time Education (incl. on government training schemes), people with disabilities, and people 60 and over

Concession = Woking Residents in receipt of: Income Support, Job Seekers Allowance (income based), Employment Support Allowance (income related), Guaranteed Pensions Credit, Working Tax Credit and Child Tax Credit (where household income is £16,105 (2017-18 value) or less) and Universal Credit (income related).

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
Not Applicable	<b>HOE VALLEY - OUTDOOR / SCHOOL USE</b>  All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
Facility due to be operational from 1 Sept 2018	<b>ATHLETICS TRACK (Public &amp; School Access)</b> Events - per hour (minimum charge 4 hours) 45.83 Events - each additional hour 54.17 Events - Floodlights - per hour 18.75 Training - p/hr (minimum charge 1 hours) 35.00 Training - Floodlights per hour 18.75	9.17 10.83 3.75 7.00 3.75	55.00 65.00 22.50 42.00 22.50	
	<b>3G Pitches (Public Use)</b> - see Leisure Centres Schedule			
	<b>Football / Grass Pitches (Public Use)</b> - see Outdoor Sports Schedule			
	<b>HOE VALLEY SCHOOL / ACADEMY USE</b> <b>Main Sports Hall</b> Academy Core Time (& Enrichment) - Service Charge paid instead of Hire Rate 0.00  <u>Academy Use : Non-Core Time</u> Court per head / per hour ( Status 16-18yrs) 2.75 Court per head / per hour ( Concession Under 16yrs) 1.42 Entire Hall per hour 38.13	0.00	0.00	0.00
	<b>Changing Rooms 1 &amp; 2 (Indoor) - per session</b> Academy Core Time (& Enrichment) - Service Charge paid instead of Hire Rate 0.00 Academy Use : Non-Core Time 11.25	0.00 2.25	0.00 2.25	0.00 13.50
	<b>Changing Rooms 3 to 8 - per session</b> Academy Core Time (& Enrichment) 8.75 Academy Use : Non-Core Time 11.25	1.75 2.25	10.50 13.50	

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
Not Applicable	<b>HOE VALLEY - OUTDOOR / SCHOOL USE</b>  All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>3G Pitches - per hour</b>			
	Per court - Academy Core Time (& Enrichment)	20.83	4.17	25.00
	Per court - Academy Non Core Time	25.00	5.00	30.00
	Per court with Floodlights - Academy Core Time (& Enrichment)	25.00	5.00	30.00
	Per court with Floodlights - Academy Non Core Time	29.17	5.83	35.00
	<b>Fitness Gym - per hour / per session</b>			
	<u>Academy Core Time &amp; Enrichment</u>			
	Induction	12.50	2.50	15.00
	Status (16-18 yrs)	4.17	0.83	5.00
	Concession (Under 16)	2.50	0.50	3.00
	<u>Academy Non Core Time</u>			
	Induction	25.00	5.00	30.00
	Status (16-18 yrs)	4.17	0.83	5.00
	Concession (Under 16)	2.50	0.50	3.00
	<b>Studios - per hour</b>			
	Academy Core Time & Enrichment	25.00	5.00	30.00
	Academy Non Core Time	29.17	5.83	35.00
	<b>Outdoor Use of Pitches - General Activity</b>			
	Academy Core Time (& Enrichment) - Service Charge paid instead of Hire Rate	0.00	0.00	0.00
	Academy Use : Non-Core Time			n/a





CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>POOL IN THE PARK</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Casual Swimming</b>			
	Carers attending swimming with the person/people they care for gain access to the pools free of charge.			
	<b>Casual Swim (All pools) Off Peak</b>			
4.10	Standard	3.58	0.72	4.30
3.30	Status	2.83	0.57	3.40
1.70	Concession	1.46	0.29	1.75
0.90	Pre-school under 4	0.83	0.17	1.00
	<b>Casual Swim (All pools) Peak</b>			
4.80	Standard	4.17	0.83	5.00
3.70	Status	3.21	0.64	3.85
2.10	Concession	1.79	0.36	2.15
0.80	Pre-school under 4	0.83	0.17	1.00
	<b>Water based fitness sessions</b>			
0.00	Memberships (DD/Annual)	0.00	0.00	0.00

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>POOL IN THE PARK</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Contract Bookings per hour</b>			
	<b>Main Pool</b>			
190.50	Level 1: Commercial Hire	162.50	32.50	195.00
158.75	Level 2: Commercial Sport	135.42	27.08	162.50
127.00	Level 3: Standard Leisure	108.33	21.67	130.00
95.25	Level 4: Community Leisure	81.25	16.25	97.50
	<b>Main Pool Lane Hire</b>			
47.50	Lane Hire - Level 1: Commercial Hire	40.63	8.13	48.75
39.50	Lane Hire - Level 2: Commercial Sport	33.75	6.75	40.50
31.50	Lane Hire - Level 3: Standard Leisure	27.08	5.42	32.50
23.50	Lane Hire - Level 4: Community Leisure	20.42	4.08	24.50
	<b>Teaching Pool</b>			
100.50	Level 1: Commercial Hire	85.00	17.00	102.00
83.75	Level 2: Commercial Sport	70.83	14.17	85.00
67.00	Level 3: Standard Leisure	56.67	11.33	68.00
50.25	Level 4: Community Leisure	42.50	8.50	51.00
	<b>Leisure Lagoon</b>			
382.50	Level 1: Commercial Hire	325.00	65.00	390.00
318.75	Level 2: Commercial Sport	270.83	54.17	325.00
255.00	Level 3: Standard Leisure	216.67	43.33	260.00
191.25	Level 4: Community Leisure	162.50	32.50	195.00

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	CHARGE 2018/19		
		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
	<b>POOL IN THE PARK</b>			
	All charges detailed below are deemed to be 'Core Charges' which the Council has reserved to set itself annually. All income generated will be returned to the Council via the Management Fee arrangements.			
	<b>Key Swim School - Pay as you go</b>			
7.85	Standard - 30 minutes	7.90	0.00	7.90
6.85	Status - 30 minutes	7.00	0.00	7.00
3.95	Concession - 30 minutes	4.20	0.00	4.20
11.40	Standard - 45 minutes	11.85	0.00	11.85
9.90	Status - 45 minutes	10.50	0.00	10.50
5.50	Concession - 45 minutes	6.30	0.00	6.30
2.20	Education swim admission	2.20	0.00	2.20

**NOTES**

Standard = Full Rate

Status = Pre-school, Individuals in Full-Time Education (incl. on government training schemes), people with disabilities, and people 60 and over  
 Concession = Working Residents in receipt of: Income Support, Job Seekers Allowance (income based), Employment Support Allowance (income based), Guaranteed pensions Credit and Working Tax Credit and Child Tax Credit (where household income is £16,105 (2017-18 value) or less) and Universal Credit (income related).

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LEISURE CENTRES AND POOL IN THE PARK MEMBERSHIPS</b>					
	ALL Memberships are 'Core' Charges - WBC to set fee after consultation with Leisure Operator. Estimated Yield - activity (with exception of basic Key Card) is within Leisure Contract so income will be received via Management Fee					
	<b>Key Card</b>					
8.00	Standard		6.67	1.33	8.00	0
8.00	Status		6.67	1.33	8.00	0
5.00	Concession		4.58	0.92	5.50	0
5.00	Replacement Key Card - all categories		4.58	0.92	5.50	0
	<b>NOTE : LAC (under the age of 19 yrs) will be provided FOC with a Key Card offering discount 'status' rates, as well as a free gym induction (if over 13 yrs) and an Aqua Swim Consultation (if over 8 yrs).</b>					
	<b>Joining Fee</b>					
30.00	For Key Connected, Aqua and Fitness Memberships (excludes Senior Swim & FL/WBC Staff memberships)	n/a	25.00	5.00	30.00	n/a
10.00	Administraion Fee - Membership Freeze	n/a	8.33	1.67	10.00	n/a
	<b>Key Aqua Plus Memberships</b>					
	<b>Annual memberships (12 mths for price of 11 mths)</b>					
330.00	Single - Standard	n/a	284.17	56.83	341.00	n/a
225.50	Single - Status / Concession	n/a	192.50	38.50	231.00	n/a
588.50	Joint	n/a	504.17	100.83	605.00	n/a
	<b>Direct Debit memberships</b>					
360.00	Single - Standard (£31 per month)	n/a	310.00	62.00	372.00	n/a
£30.00 p/m						
246.00	Single - Status / Concession (£21.00 per month)	n/a	210.00	42.00	252.00	n/a
£20.50 p/m						
642.00	Joint (£55.00 per month)	n/a	550.00	110.00	660.00	n/a
£53.50 p/m						

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LEISURE CENTRES AND POOL IN THE PARK MEMBERSHIPS</b>					
	<b>Key Senior Swim Membership</b>					
61.50	Annual memberships (12 mths for price of 10 mths)	n/a	54.17	10.83	65.00	n/a
30.75	Single - Status	n/a	27.08	5.42	32.50	n/a
	Single - Concession					
67.00	<b>Direct Debit memberships</b>					
£5.55 p/m	Single - Status (£6.50 per month)	n/a	65.00	13.00	78.00	n/a
33.50						
£2.80 p/m	Single - Concession (£3.25 per month)	n/a	32.50	6.50	39.00	n/a
	<b>Key Fitness Memberships</b>					
473.00	Annual memberships (12 mths for price of 11 mths)	n/a	403.33	80.67	484.00	n/a
308.00	Single - Standard	n/a	265.83	53.17	319.00	n/a
880.00	Single - Status / Concession	n/a	751.67	150.33	902.00	n/a
	Joint					
516.00	<b>Direct Debit memberships</b>					
£43.00 p/m	Single - Standard (£44 per month)	n/a	440.00	88.00	528.00	n/a
336.00						
£28.00 p/m	Single - Status / Concession (£29 per month)	n/a	290.00	58.00	348.00	n/a
960.00	Joint (£82 per month)	n/a	820.00	164.00	984.00	n/a
3.00	Member (status/conc) surcharge for use of Gym at Peak times (Monday-Friday 6-9pm)	n/a	2.50	0.50	3.00	n/a
220.00	<b>Key Fitness Junior Membership (2-16 years)</b>					
	Annual memberships (12 mths for price of 11 mths)	n/a	201.67	40.33	242.00	n/a
	Single - Status					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LEISURE CENTRES AND POOL IN THE PARK MEMBERSHIPS</b>					
165.00	Single - Concession	n/a	155.83	31.17	187.00	n/a
240.00	<b>Direct Debit memberships</b>					
£20.00 p/m	Single - Status (£22 per month)	n/a	220.00	44.00	264.00	n/a
180.00						
£15.00 p/m	Single - Concession (£17 per month)	n/a	170.00	34.00	204.00	n/a





CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LEISURE CENTRES AND POOL IN THE PARK MEMBERSHIPS</b>					
	<b>Key Swim School - tuition</b>					
	<b>Annual memberships (50 wks for 44 wk price)</b> (includes free access to public swimming sessions)					
345.40	Standard - 30 mins	n/a	347.60	0.00	347.60	n/a
301.40	Status - 30 mins	n/a	308.00	0.00	308.00	n/a
172.70	Concession - 30 mins	n/a	184.80	0.00	184.80	n/a
501.60	Standard - 45 mins	n/a	506.00	0.00	506.00	n/a
435.60	Status - 45 mins	n/a	444.00	0.00	444.00	n/a
242.00	Concession - 45 mins	n/a	257.00	0.00	257.00	n/a
	<b>Direct Debit memberships (50 wks for 48 wk price)</b> (includes free access to public swimming sessions)					
376.80	Standard - 30 mins (£31.60 p/mth)	n/a	379.20	0.00	379.20	n/a
328.80	Status - 30 mins (£28.00 p/mth)	n/a	336.00	0.00	336.00	n/a
188.40	Concession - 30 mins (£16.80 p/mth)	n/a	201.60	0.00	201.60	n/a
547.20	Standard - 45 mins (£46.00 p/mth)	n/a	552.00	0.00	552.00	n/a
475.20	Status - 45 mins (£40.40 p/mth)	n/a	484.80	0.00	484.80	n/a
264.00	Concession - 45 mins (£23.40 p/mth)	n/a	280.80	0.00	280.80	n/a
	<b>Monday Classes</b>					
	<b>Annual memberships (includes free access to public swimming sessions)</b>					
314.00	Standard - Monday 30 mins	n/a	316.00	0.00	316.00	n/a
274.00	Status - Monday 30 mins	n/a	280.00	0.00	280.00	n/a
157.00	Concession - Monday 30 mins	n/a	168.00	0.00	168.00	n/a
456.00	Standard - Monday 45 mins	n/a	460.00	0.00	460.00	n/a
396.00	Status - Monday 45 mins	n/a	404.00	0.00	404.00	n/a
220.00	Concession - Monday 45 mins	n/a	234.00	0.00	234.00	n/a
	<i>As no classes run on Bank Holiday Mondays cost is based on 46 wks for 40 wk price)</i>					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LEISURE CENTRES AND POOL IN THE PARK MEMBERSHIPS</b>					
	<b>Direct Debit memberships</b> (includes free access to public swimming sessions)					
345.40	Standard - Monday 30 mins (£28.97 p/mth)	n/a	347.60	0.00	347.60	n/a
301.40	Status - Monday 30 mins (£25.67 p/mth)	n/a	308.00	0.00	308.00	n/a
172.70	Concession - Monday 30 mins (£15.40 p/mth)	n/a	184.80	0.00	184.80	n/a
501.60	Standard - Monday 45 mins (£42.17 p/mth)	n/a	506.00	0.00	506.00	n/a
435.60	Status - Monday 45 mins (£37.03 p/mth)	n/a	444.40	0.00	444.40	n/a
242.00	Concession - Monday 45 mins (£21.45 p/mth)	n/a	257.40	0.00	257.40	n/a
	<i>As no classes run on Bank Holiday Mondays cost is based on 46 wks for 44 wk price)</i>					
	<i>Note: Monday Classes - the direct debit will be adjusted from the standard DD rates above for the period April to August to account for no classes taking place on Bank Holidays.</i>					
2.00	Arrears Fee, activity cost plus £2.00	n/a	1.67	0.33	2.00	n/a

**NOTES**

Standard = Full Rate

Status = Pre-school, Individuals in Full-Time Education (incl. on government training schemes), people with disabilities, and people 60 and over  
 Concession = Working Residents in receipt of: Income Support, Job Seekers Allowance (income based), Employment Support Allowance (income related), Guaranteed pensions Credit and Working Tax Credit and Child Tax Credit (where household income is £16,105 (2017-18 value) or less) and Universal Credit (income related).

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	CCTV					
90.00	<b>INVESTIGATION AND SUPPLY OF CCTV DATA</b> first hour includes disc costs and delivery	6	75.00	15.00	90.00	540
90.00	per additional hour or part thereof	minimal	75.00	15.00	90.00	minimal

CCTV data total yield 2018/19  
CCTV data total yield 2017/18

540  
540

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>THE VYNE</b>					
	<b><u>Community Centres Membership</u></b>					
10.00	Standard / Status	400	8.33	1.67	10.00	3,332
5.00	Means Tested (Concession)	380	4.17	0.83	5.00	1,585
3.00	Surcharge for Non-Members going on Trips/Events	100	2.50	0.50	3.00	250
	<b><u>Salon</u></b>					
37.50	Daily Rate (per practitioner)	0	38.00	0.00	38.00	0
21.00	Half Day (per practitioner)	420	22.00	0.00	22.00	9,240
7.50	Additional Hour (per practitioner)	0	8.00	0.00	8.00	0
	<b><u>Laundry</u></b>					
3.00	Laundry per load	420	3.50	0.58	3.50	1,470
	<b><u>Health Rooms</u></b>					
37.50	Daily Rate (per practitioner)	88	38.00	0.00	38.00	3,344
20.50	Half Day (per practitioner)	40	21.00	0.00	21.00	840
7.50	Additional Hour (per practitioner)	5	8.00	0.00	8.00	40
	<b><u>Rose Room</u></b>					
22.00	Hourly Monday to Friday 9.00 a.m. to 5.00 p.m.]	128	22.00	0.00	22.00	2,816
22.00	Hourly Monday to Friday 5.00 p.m. to 11.00 p.m	490	23.00	0.00	23.00	11,270
22.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	120	23.00	0.00	23.00	2,760
26.00	Hourly Saturday & Sunday 5.00 p.m. to 11.00 p.m	40	26.00	0.00	26.00	1,040
	<b><u>The Vyne Café</u></b>					
23.00	Hourly Monday to Friday 5.00 p.m. - 11.00 p.m	0	23.00	0.00	23.00	0
23.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	20	24.00	0.00	24.00	480
24.00	Hourly Saturday & Sunday 5.00 p.m. to 11.00 p.m	0	25.00	0.00	25.00	0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>THE VYNE</b>					
	<b><u>Orchard Room</u></b>					
20.00	Hourly Monday to Friday 9.00 a.m. to 5.00 p.m	45	20.00	0.00	20.00	900
20.00	Hourly Monday to Friday 5.00 p.m. - 11.00 p.m	87	20.00	0.00	20.00	1,740
20.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	32	20.00	0.00	20.00	640
25.00	Hourly Saturday to Sunday 5.00 p.m. to 11.00 p.m	22	26.00	0.00	26.00	572
	<b><u>Well Being Centre</u></b>					
new	Hourly Monday to Friday 9.00 a.m. to 5.00 p.m	100	20.00	0.00	20.00	2,000
20.00	Hourly Monday to Thursday 5.00 p.m. - 11.00 p.m	100	20.00	0.00	20.00	2,000
20.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	0	20.00	0.00	20.00	0
25.00	Hourly Friday to Sunday 5.00 p.m. to 11.00 p.m	0	26.00	0.00	26.00	0
	<b><u>Lloyd Room</u></b>					
10.50	Hourly Monday to Friday 9.00 a.m. to 5.00 p.m	40	10.00	0.00	10.00	400
10.50	Hourly Monday to Friday 5.00 p.m. to 11.00 p.m	5	10.00	0.00	10.00	50
10.50	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m.	0	10.00	0.00	10.00	0
10.50	Hourly Saturday & Sunday 5.00 p.m. to 11.00 p.m	0	11.00	0.00	11.00	0
	<b><u>Building (excluding managed areas)</u></b>					
56.00	Hourly Monday to Friday 5.00 p.m. - 11.00 p.m	0	56.00	0.00	56.00	0
56.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	0	56.00	0.00	56.00	0
75.00	Hourly Saturday to Sunday 5.00 p.m. to 11.00 p.m	0	75.00	0.00	75.00	0
600.00	Saturday & Sunday 9.00 a.m. to 11.00 p.m.inclusive	0	600.00	0.00	600.00	0
	<i>When more than one area is hired the second (cheaper) room is charged at half price</i>					
	<i>Non-profit making organisations are offered a discretionary 20% discount on the standard rates above</i>					
	<i>Commercial organisations are charged 50% on top of these standard rates</i>					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>THE VYNE</b>					
	<u>Online</u>					
	<u>Use of PCs (Instructor Led Sessions)</u>					
3.60	Per computer per hour [Monday to Friday 9 a.m. to 5 p.m.]	260	4.00	0.00	4.00	1,040
	<u>Kitchen (min booking 2 hours)</u>					
26.00	Hourly Monday to Friday 5.00 p.m. - 11.00 p.m	0	26.00	0.00	26.00	minimal
26.00	Hourly Saturday & Sunday 9.00 a.m. to 5.00 p.m	0	26.00	0.00	26.00	minimal
32.00	Hourly Saturday to Sunday 5.00 p.m. to 11.00 p.m	0	32.00	0.00	32.00	minimal

Note: Additional keyholders required for facilitating hirings equate to approx £80 p/month = £960 pa - to be offset against increased yield.

The Vyne total yield 2018/19  
The Vyne total yield 2017/18

47,809  
40,768

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>ST. MARY'S</b>					
	<b><u>Community Centres Memberships</u></b>					
10.00	Standard / Status	30	10.00	1.67	10.00	300
5.00	Means Tested (Concession)	75	5.00	0.83	5.00	375
3.00	Surcharge for Non-Members going on Trips/Events	20	3.00	0.50	3.00	60
	<b><u>Salon</u></b>					
37.50	Daily Rate (per practitioner)	0	38.00	0.00	38.00	0
21.00	Half Day (per practitioner)	150	22.00	0.00	22.00	3,300
7.50	Additional Hour (per practitioner)	5	8.00	0.00	8.00	40
	<b><u>Laundry</u></b>					
3.00	Laundry per load	150	3.50	0.58	3.50	525
	<b><u>Health Rooms</u></b>					
37.50	Daily Rate (per practitioner)	12	38.00	0.00	38.00	456
21.00	Half Day (per practitioner)	48	22.00	0.00	22.00	1,056
7.50	Additional Hour (per practitioner)	5	8.00	0.00	8.00	40
	<b><u>Inkwell Room</u></b>					
16.50	Hourly [Monday to Friday 9.00 a.m. to 5.00 p.m.]	40	16.50	0.00	16.50	660
18.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	115	18.00	0.00	18.00	2,070
22.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	35	22.00	0.00	22.00	770
27.00	Hourly [Saturday to Sunday 5.00 p.m. to 11.00 p.m.]	20	27.00	0.00	27.00	540
	<b><u>Main Hall Only</u></b>					
22.00	Hourly [Monday to Friday 9.00 a.m. to 5.00 p.m.]	0	23.00	0.00	23.00	0
22.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	70	22.00	0.00	22.00	1,540
25.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	40	25.00	0.00	25.00	1,000
29.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	30	29.00	0.00	29.00	870

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>ST. MARY'S</b>					
	<b>Coffee Bar</b>					
18.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	15	18.00	0.00	18.00	270
18.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	15	18.00	0.00	18.00	270
22.00	Hourly [Saturday to Sunday 5.00 p.m. to 11.00 p.m.]	15	22.00	0.00	22.00	330
	<b>Graduate Lounge</b>					
19.50	Hourly [Monday to Friday 9.00 a.m. to 5.00 p.m.]	42	22.00	0.00	20.00	924
19.50	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	0	20.00	0.00	20.00	0
19.50	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	18	21.00	0.00	21.00	378
22.00	Hourly [Saturday to Sunday 5.00 p.m. to 11.00 p.m.]	0	21.00	0.00	21.00	0
	<b>Building (excluding managed areas)</b>					
51.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	0	51.00	0.00	51.00	0
51.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	0	51.00	0.00	51.00	0
70.00	Hourly [Saturday to Sunday 5.00 p.m. to 11.00 p.m.]	0	70.00	0.00	70.00	0
560.00	[Saturday & Sunday 9.00 a.m. to 11.00 p.m. inclusive]	0	560.00	0.00	560.00	0
	<i>When more than one area is hired the second (cheaper) room is charged at half price</i>					
	<i>Non profit making organisations are offered a discretionary 20% discount on the standard rates above</i>					
	<i>Commercial organisations are charged 50% on top of these standard rates</i>					
	<b>Kitchen (minimum booking 2 hours)</b>					
26.00	Hourly [Monday to Thursday 5.00 p.m. to 11.00 p.m.]	0	26.00	0.00	26.00	0
26.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	0	26.00	0.00	26.00	0
32.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	0	32.00	0.00	32.00	0

Note: Additional keyholders required for facilitating hirings equate to approx £70 p/month = £840 pa - to be offset against increased yield.

St Mary's total yield 2018/19

St Mary's total yield 2017/18

15,774

14,178



CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOORCROFT</b>					
	<b><u>Community Centres Membership</u></b>					
10.00	Standard / Status	40	10.00	1.67	10.00	400
5.00	Means Tested (Concession)	100	5.00	0.83	5.00	500
3.00	Surcharge for Non-Members going on Trips/Events	2	3.00	0.50	3.00	6
	<b><u>Salon</u></b>					
37.50	Daily Rate (per practitioner)	0	38.00	0.00	38.00	0
21.00	Half Day (per practitioner)	150	22.00	0.00	22.00	3,300
7.50	Additional Hour (per practitioner)	0	8.00	0.00	8.00	0
	<b><u>Laundry</u></b>					
3.00	Laundry per load	150	3.50	0.58	3.50	525
	<b><u>Health Rooms</u></b>					
37.50	Daily Rate (per practitioner)	0	38.00	0.00	38.00	0
21.00	Half Day (per practitioner)	56	21.00	0.00	22.00	1,176
7.50	Additional Hour (per practitioner)	0	7.50	0.00	8.00	0
	<b><u>Main Hall</u></b>					
20.50	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	150	21.00	0.00	21.00	3,150
20.50	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	100	21.00	0.00	21.00	2,100
26.00	Hourly [Saturday to Sunday 5.00 p.m. to 11.00 p.m.]	15	26.00	0.00	26.00	390
	<b><u>Coffee Bar Hire</u></b>					
15.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	6	15.00	0.00	15.00	90
15.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	2	15.00	0.00	15.00	30
17.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	0	17.00	0.00	17.00	0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOORCROFT</b>					
	<b>Lounge</b>					
15.00	Hourly [Monday to Friday 9.00 a.m. to 5.00 p.m.]	12	15.00	0.00	16.00	180
17.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	30	17.50	0.00	17.50	525
17.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	100	17.50	0.00	17.50	1,750
26.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	1	26.00	0.00	26.00	26
	<b>Building (excluding managed areas)</b>					
48.00	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	0	48.00	0.00	48.00	0
48.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	0	48.00	0.00	48.00	0
48.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	0	48.00	0.00	48.00	0
400.00	[Saturday & Sunday 9.00 a.m. to 11.00 p.m. inclusive]	0	400.00	0.00	400.00	0
	<i>When more than one area is hired the second (cheaper) room is charged at half price</i>					
	<i>Non-profit making organisations are offered a discretionary 20% discount on the standard rates above</i>					
	<i>Commercial organisations are charged 50% on top of these standard rates</i>					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOORCROFT</b>					
26.00	<b><u>Kitchen (minimum booking 2 hours)</u></b>					
	Hourly [Monday to Friday 5.00 p.m. to 11.00 p.m.]	0	26.00	0.00	26.00	} minimal
26.00	Hourly [Saturday & Sunday 9.00 a.m. to 5.00 p.m.]	0	26.00	0.00		
32.00	Hourly [Saturday & Sunday 5.00 p.m. to 11.00 p.m.]	0	32.00	0.00		
	<b><u>Online</u></b>					
3.60	<b><u>Use of PCs (Instructor Led Sessions)</u></b>					
	Per computer per hour [Monday to Friday 9 a.m. to 5 p.m.]	75	4.00	0.00	4.00	300
	<b><u>Moorcroft Suite</u></b>					
14.00	Hourly [Monday to Friday 9.00 a.m. to 5.00 p.m.]	60	14.50	0.00	14.50	870
14.00	Hourly [Saturday & Sunday 9.00am to 11.00 p.m.]	110	15.00	0.00	15.00	1,650

Moorcroft total yield 2018/19  
Moorcroft total yield 2017/18

16,968  
15,945

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>PARKVIEW</b>					
	<b><u>Community Centres Membership</u></b>					
10.00	Standard / Status	0	10.00	1.67	10.00	0
5.00	Means Tested (Concession)	0	5.00	0.83	5.00	0
3.00	Surcharge for Non-Members going on Trips/Events	0	3.00	0.50	3.00	0
	<b><u>Function Room or Training Room</u></b>					
14.00	Hourly Monday - Friday up to 5pm	400	12.50	2.50	15.00	5,000
19.00	Hourly Monday - Friday 5pm-11pm	340	16.67	3.33	20.00	5,668
19.00	Hourly Saturday or Sunday - up to 5pm	275	16.67	3.33	20.00	4,584
19.00	Hourly Saturday or Sunday 5pm -11pm	275	16.67	3.33	20.00	4,584
	<b><u>The Studio</u></b>					
12.50	Hourly Monday - Friday up to 5pm	140	10.83	2.17	13.00	1,516
14.50	Hourly Monday - Friday 5pm-11pm	42	12.50	2.50	15.00	525
14.50	Hourly Saturday or Sunday - up to 5pm	22	12.50	2.50	15.00	275
18.50	Hourly Saturday or Sunday 5pm -11pm	22	15.42	3.08	18.50	339
	<b><u>The Parkview Café</u></b>					
23.00	Hourly Monday - Friday up to 5pm	0	19.17	3.83	23.00	0
23.00	Hourly Monday - Friday 5pm-11pm	6	19.17	3.83	23.00	115
23.00	Hourly Saturday or Sunday - up to 5pm	0	19.17	3.83	23.00	0
30.00	Hourly Saturday or Sunday 5pm -11pm	0	27.50	5.50	33.00	0

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>PARKVIEW</b>					
	<b>Hall</b>					
21.00	Hourly Monday - Friday up to 5pm	160	18.33	3.67	22.00	2,933
27.00	Hourly Monday - Friday 5pm-11pm	66	22.50	4.50	27.00	1,485
26.00	Hourly Saturday or Sunday - up to 5pm	80	22.50	4.50	27.00	1,800
34.00	Hourly Saturday or Sunday 5pm -11pm	56	28.33	5.67	34.00	1,586
	<b>Half Hall</b>					
14.00	Hourly Monday - Friday up to 5pm	25	12.50	2.50	15.00	313
18.00	Hourly Monday - Friday 5pm-11pm	40	15.42	3.08	18.50	617
14.00	Hourly Saturday or Sunday - up to 5pm	11	12.50	2.50	15.00	138
18.00	Hourly Saturday or Sunday 5pm -11pm	11	15.42	3.08	18.50	170
	<b>Whole Centre</b>					
53.00	Hourly Monday - Friday up to 5pm	0	44.17	8.83	53.00	0
53.00	Hourly Monday - Friday 5pm-11pm	0	44.17	8.83	53.00	0
55.00	Hourly Saturday or Sunday - up to 5pm	52	45.83	9.17	55.00	2,383
70.00	Hourly Saturday or Sunday 5pm -11pm	0	58.33	11.67	70.00	0
560.00	Day (Saturday & Sunday 9.00am to 11.00pm inclusive)	0	466.67	93.33	560.00	0
	<b>Small Kitchen When Hiring Function Room</b>					
22.00	Preparation Only	20	19.17	3.83	23.00	383

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>PARKVIEW</b>					
	<b>Salon</b>					
37.50	Daily rate (per practitioner)	0	38.00	6.33	38.00	0
21.00	Half daily rate (per practitioner)	75	22.00	3.67	22.00	1,650
7.50	Additional hour (per practitioner)	0	8.00	1.33	8.00	0
	<b>Laundry</b>					
3.00	Laundry per load	75	3.50	0.58	3.50	263
	<b>Well Being 1</b>					
35.00	Daily Rate (per practitioner)	12	29.17	5.83	35.00	350
19.00	Half Day (per practitioner)	130	16.67	3.33	20.00	2,167
7.00	Additional Hour (per practitioner)	0	5.83	1.17	7.00	0
	<b>Well Being 2</b>					
35.00	Daily Rate (per practitioner)	120	29.17	5.83	35.00	3,500
19.00	Half Day (per practitioner)	75	16.67	3.33	20.00	1,250
7.00	Additional Hour (per practitioner)	0	5.83	1.17	7.00	0

When more than one area is hired the second (cheaper) room is charged at half price  
Non-profit making organisations are offered a discretionary 20% discount on the standard rates above  
Commercial organisations are charged 50% on top of these standard rates

Parkview total yield 2018/19

Parkview total yield 2017/18

43,594

42,198

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	TUBS					
8.00	Assisted Bathing service at The Vyne, Moorcroft, Brockhill and St. Mary's	960	8.00	0.00	8.00	7,680
6.00	Non Assisted Bathing service at The Vyne, Moorcroft, Brockhill and St. Mary's	24	6.00	0.00	6.00	144

TUBS total yield 2018/19

TUBS total yield 2017/18

7,824

7,824

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>HOUSING STANDARDS</b>					
	<b>ENFORCEMENT</b>					
450.00	Service of Housing Act Enforcement Notice (landlords / owners / occupiers)	30	460.00	0.00	460.00	13,800
n/a	Administration charge where the Council completes works in default of legal notices or takes emergency remedial action	0	20% of cost of works			0
n/a	Interest payable on debts resulting from the completion of works in default of legal notices	0	Bank of England base rate plus 2%			0
n/a	Late Payment Costs (where works are carried out in default of legal notices)	0	20% of charge			0
	<b>HOUSES IN MULTIPLE OCCUPATION LICENSING</b>					
610.00	Licence application (valid for 3 years)	5	610.00	0.00	610.00	3,050
200.00	Licence application (Accredited landlord)	0	200.00	0.00	200.00	0
440.00	Licence renewal	0	440.00	0.00	440.00	0
200.00	Licence renewal (Accredited landlord)	0	200.00	0.00	200.00	0
	<b>SELECTIVE LICENSING</b>					
n/a	Licence application received during amnesty period	400	0.00	0.00	0.00	0
n/a	Licence application (valid for 1 year)	197	560.00	0.00	560.00	110,320
n/a	Licence application (Accredited landlord)	0	200.00	0.00	200.00	0
n/a	Licence renewal	0	420.00	0.00	420.00	0
n/a	Licence renewal (Accredited landlord)	0	200.00	0.00	200.00	0

Licensing total yield 2018/19  
Licensing total yield 2017/18

113,370  
12,050



CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>HOMELINK</b>					
15%	<b>Building Works Fee</b> Works costing more than £1500		15% of finished cost of works, excluding V.A.T.			} 110,000
50.00	Works costing between £200 and £1499		50.00	0.00		
	Works costing less than £200		0.00	0.00		
10.00	<b>Handyperson Labour Fee (material costs also charged)</b> Hourly charge of £10 for routine DIY type works where resident is in receipt of a means-tested benefit		15.00	0.00		} 10,000
20.00	Hourly charge of £20 for routine DIY type works where resident is not in receipt of a means-tested benefit		25.00	0.00		
18.00	Hourly charge of £15 plus VAT for skilled plumbing and electrical type works where resident is in receipt of a means- tested benefit		15.00	3.00	18.00	
24.00	Hourly charge of £20 plus VAT for skilled plumbing works where resident is not in receipt of a means-tested benefit		20.00	4.00	24.00	
18.00	Hourly charge of £15 plus VAT for electrical works where resident is in receipt of a means-tested benefit		15.00	3.00	18.00	
45.00	Hourly charge of £32 plus VAT for electrical works where resident is not in receipt of a means-tested benefit		36.00	9.00	45.00	
40.00	Hourly charge of £32 plus VAT for assisting voluntary organisations or corporate work		32.00	8.00	40.00	

Homelink total yield 2018/19  
Homelink total yield 2017/18

120,000  
107,000

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CARELINE</b>					
4.10	Weekly charge for full paying service users (£4.20/wk or 60p per day)	820	4.20	0.00	4.20	179,088
2.50	Weekly charge for service users on income support or benefits (£2.66 p/wk or 38p per day)	330	2.66	0.00	2.66	45,646
	Tenants in supported and sheltered housing (Weekly charge)		No charge			
0.00	Sensors (Weekly charge)	0	0.00	0.00	0.00	0

Careline total yield 2018/19  
Careline total yield 2017/18

224,734  
217,724

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£-p)	V.A.T (£-p)	TOTAL CHARGE (£-p)	
	<b>COMMUNITY MEALS</b>					
	<b>Meals on Wheels</b>					
4.00	Monday - Friday	35,000	4.00	0.00	4.00	140,000
4.00	Saturday & Sunday	12,000	4.00	0.00	4.00	48,000
1.40	Tea Time Service Sandwich	7,000	1.40	0.00	1.40	9,800
0.60	Tea Time Service Sundry Item	7,000	0.60	0.00	0.60	4,200
	<b>Centre Meals</b>					
6.00	Non Member / Visitor - 2 course meal		5.00	0.00	6.00	0
5.30	Non Member / Visitor - 1 course meal		4.42	0.00	5.30	0
1.50	Non Member / Visitor - pudding		1.25	0.00	1.50	0
5.00	Standard / Status - 2 course meal		4.17	0.00	5.00	0
4.20	Standard / Status - 1 course meal	4,900	3.50	0.00	4.20	17,150
0.80	Standard / Status - pudding		0.67	0.00	0.80	0
4.20	Keycard Concession - 2 course meal (VAT Charged)	11,000	3.50	0.00	4.20	38,500
4.20	Social Care Client Group Concession - 2 course meal (Provided as part of package of care - Non VAT)	6,000	4.20	0.00	4.20	25,200
4.20	Transported Centre Meals	1,203	4.20	0.00	4.20	5,053

Community Meals total yield 2018/19  
Community Meals total yield 2017/18

287,903  
289,250

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>BROCKHILL</b>					
	<b>Salon</b>					
37.50	Daily Rate	0	38.00	0.00	38.00	0
21.00	Half Day	57	22.00	0.00	22.00	1,254
7.50	Additional Hour	7	8.00	0.00	8.00	56
	<b>Health Room</b>					
37.50	Daily Rate	0	38.00	0.00	38.00	0
21.00	Half Day	0	22.00	0.00	22.00	0
7.50	Additional Hour	0	8.00	0.00	8.00	0
	<b>Hourly rates - Conservatory</b>					
17.50	Monday to Friday (9.00 a.m. to 5.00 p.m.)	0	17.50	0.00	17.50	0
10.50	Monday to Friday (5.00 p.m. to 10.00 p.m.)	0	17.50	0.00	17.50	0
13.00	Saturday & Sunday (9.00 a.m. to 5.00 p.m.)	0	17.50	0.00	17.50	0
13.00	Saturday & Sunday (5.00 p.m. to 10.00 p.m.)	0	17.50	0.00	17.50	0
	<b>Daily rates</b>					
20.00	Guest room in Brockhill	130	16.67	3.33	20.00	2,167

Brockhill total yield 2018/19  
Brockhill total yield 2017/18

3,477  
3,656

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>SHELTERED HOUSING GUEST ROOMS</b>					
19.00	Guest rooms in Sheltered Housing schemes – Daily rate (except Brockhill)	180	20.00	3.33	20.00	3,600

Sheltered Housing Guest Rooms total yield 2018/19  
Sheltered Housing Guest Rooms total yield 2017/18

3,600  
2,849

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LAKEVIEW</b>					
	<b><u>Ground Floor Hall</u></b>					
21.00	Hourly Monday - Friday up to 5pm	200	17.50	3.50	21.00	3,500
23.00	Hourly Monday - Friday 5pm-10pm	20	19.17	3.83	23.00	383
25.00	Hourly Saturday or Sunday - up to 5pm	48	20.83	4.17	25.00	1,000
28.00	Hourly Saturday -5pm-10pm	0	23.33	4.67	28.00	0
28.00	Hourly Sunday & Bank Holiday 5pm -9pm	0	23.33	4.67	28.00	0
	<b><u>Ground Floor Small Kitchen with Ground Floor Hall</u></b>					
10.50	Hourly Monday - Friday up to 5pm	24	8.75	1.75	10.50	210
11.50	Hourly Monday - Friday 5pm-10pm	0	9.58	1.92	11.50	0
12.50	Hourly Saturday or Sunday - up to 5pm	0	10.42	2.08	12.50	0
14.00	Hourly Saturday up 5pm-10pm	0	11.67	2.33	14.00	0
14.00	Hourly Sunday & Bank Holiday 5pm -9pm	0	11.67	2.33	14.00	0
	<b><u>1st Floor Hall</u></b>					
14.00	Hourly Monday - Friday up to 5pm	360	11.67	2.33	14.00	4,201
18.00	Hourly Monday - Friday 5pm-10pm	120	15.00	3.00	18.00	1,800
19.00	Hourly Saturday or Sunday - up to 5pm	96	15.83	3.17	19.00	1,520
21.00	Hourly Saturday 5pm -10pm	24	17.50	3.50	21.00	420
21.00	Hourly Sunday & Bank Holiday 5pm -9pm	24	17.50	3.50	21.00	420

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
Delegate Approval wef 15/04/17	<b>LAKEVIEW</b>					
	<b><u>1st Floor Small Kitchen with 1st Floor hall / or 1st floor Meeting Room</u></b>					
7.00	Hourly Monday - Friday up to 5pm	0	5.83	1.17	7.00	0
9.00	Hourly Monday - Friday 5pm-10pm	0	7.50	1.50	9.00	0
9.50	Hourly Saturday or Sunday - up to 5pm	0	7.92	1.58	9.50	0
10.50	Hourly Saturday- 5pm -10pm	0	8.75	1.75	10.50	0
10.50	Hourly Sunday&Bank Holidays - 5pm-9pm	0	8.75	1.75	10.50	0
	<b><u>1st Floor Meeting room</u></b>					
9.00	Hourly Monday - Friday up to 5pm	0	7.50	1.50	9.00	0
10.00	Hourly Monday - Friday 5pm-10pm	0	8.33	1.67	10.00	0
11.00	Hourly Saturday or Sunday - up to 5pm	0	9.17	1.83	11.00	0
12.00	Hourly Saturday -5pm-10pm	0	10.00	2.00	12.00	0
12.00	Hourly Sunday&Bank Holidays - 5pm-9pm	0	10.00	2.00	12.00	0
	<b><u>Whole Centre</u></b>					
50.00	Hourly Monday - Friday up to 5pm	0	41.67	8.33	50.00	0
55.00	Hourly Monday - Friday 5pm-10pm	0	45.83	9.17	55.00	0
55.00	Hourly Saturday or Sunday - up to 5pm	0	45.83	9.17	55.00	0
60.00	Hourly Saturday 5pm-10pm	0	50.00	10.00	60.00	0
60.00	Hourly Sunday & Bank Holidays 5pm -9pm	0	50.00	10.00	60.00	0
500.00	Day (Saturday & Sunday 7.00am to 9pm/10pm inclusive)	0	416.67	83.33	500.00	0

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19		ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)
Delegate Approval wef 15/04/17	LAKEVIEW				

Non-profit making organisations are offered a discretionary 20% discount on the standard rates above  
Commercial organisations are charged 50% on top of these standard rates  
Planning Restrictions on Opening Hours: Monday-Saturday 7.00am-10.00pm Sundays & Bank Holidays:7.00am-9.00pm  
Lakeview Community Action Group - receive 50% discount on Hire Rates

Lakeview total yield 2018/19  
Lakeview total yield 2017/18

13,454  
0



CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	REFERENCES FOR LENDERS					
81.00	Reference	2	67.50	13.50	81.00	135

References for Lenders total yield 2018/19  
References for Lenders total yield 2017/18

135  
135

**PLACE FEES AND CHARGES**  
**SUMMARY OF ESTIMATED YIELDS 2018/19**

	<b>BUDGET 2017/18 £</b>	<b>BUDGET 2018/19 £</b>
<b><u>Place Making</u></b>		
Supplementary Planning Fees And Charges	19,768	23,055
Green Infrastructure		
High Hedges	0	0
Climate Change Strategy - Woking 2050	0	0
Open Spaces/Outdoor Sports	6,000	6,650
Multi-Use Games Areas (MUGAs)	0	0
<b><u>Environment Quality</u></b>		
<b>Environmental Services</b>		
Trade Waste	0	0
Household Waste	713,655	733,305
Special Refuse	18,425	35,000
Food Waste	5,160	2,270
WEEE	1,075	3,225
Textiles	575	1,725
Wheeled Bins	21,190	47,450
Prescribed Household Waste Schedule 2	0	0
Cesspool Emptying	0	0
	<u>760,080</u>	<u>822,975</u>
<b>Licensing</b>		
Animals	1,936	1,936
Town Centre Management Agreement	8,628	8,628
	<u>10,564</u>	<u>10,564</u>
<b>Pest Control</b>		
Dog Control/Animal Welfare	3,360	3,360
Food Safety & Communicable Diseases	0	1,500
Environmental Health Administration	105	105
Private Water Supplies	1,960	1,960
Scrap Metal	3,252	3,252
<b><u>Sustaining the Local Economy</u></b>		
<b>Car Parks</b>		
Parking Fees	5,943,016	6,168,750
Season Tickets	1,339,780	1,339,780
	<u>7,282,796</u>	<u>7,508,530</u>
<b>Controlled Parking Zones</b>		
Parking Fees	428,820	428,820
Parking Vouchers	61,600	61,600
Residents Permits	176,400	176,400
	<u>666,820</u>	<u>666,820</u>
H G Wells	900,000	850,000
<b>PLACE - TOTAL FEES AND CHARGES</b>	<u><b>9,687,312</b></u>	<u><b>9,931,378</b></u>

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>SUPPLEMENTARY PLANNING FEES AND CHARGES</b>					
Requests for up to 20 copies (A3 or A4 pages) of environmental information - no charge	Decision Notices Plans A1 / A3 / A4 Letters of Representation TPO's (except exceptionally long TPO nos. 132, 423 & 426)		Requests for up to 20 copies (A3 or A4 pages) of environmental information - no charge			
Requests for 21 copies or over to be charged at a rate of 10p per A4 sheet, with a charge of 20p per A3 sheet	TPO's 132, 423 & 426 General Documents and Copying Section 106 (Copies) per side Specific Research	Minimal	Requests for 21 copies or over to be charged at a rate of 10p per A4 sheet, with a charge of 20p per A3 sheet			Minimal
(the exception to this is the LDF - see below)	Monitoring of legal agreements and planning benefits The Heritage of Woking (Historic Conservation Compendium 2001) Supplementary Planning Guidance (per publication)		Multiple requests for documents will be charged at a rate of 10p per A4 sheet, with a charge of 20p per A3 sheet where the total number of sheets exceeds 20 copies  (the exception to this are the LDD - see below)			

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>SUPPLEMENTARY PLANNING FEES AND CHARGES</b>					
	<b><u>Pre-application advice fees</u></b>					
	<b>Residential - written enquiry</b>					
715.00	50+ dwellings	4	608.33	121.67	730.00	2,433
360.00	10-49 dwellings	2	306.67	61.33	368.00	613
155.00	1-9 dwellings	52	131.67	26.33	158.00	6,847
55.00	Householder	80	46.67	9.33	56.00	3,734
	<b>Residential - meeting</b>					
1,225.00	50+ dwellings	0	1,041.67	208.33	1,250.00	0
615.00	10-49 dwellings	2	523.33	104.67	628.00	1,047
305.00	1-9 dwellings	14	259.17	51.83	311.00	3,628
	<b>Non-residential - written enquiry</b>					
715.00	5,000 sq m+	2	608.33	121.67	730.00	1,217
360.00	1,000-4,999 sq m	0	306.67	61.33	368.00	0
155.00	50-999 sq m	1	131.67	26.33	158.00	132
55.00	up to 50 sq m	6	46.67	9.33	56.00	280
	<b>Non-residential - meeting</b>					
1,225.00	5,000 sq m+	2	1,041.67	208.33	1,250.00	2,083
615.00	1,000-4,999 sq m	1	523.33	104.67	628.00	523
305.00	50-999 sq m	2	259.17	51.83	311.00	518

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>SUPPLEMENTARY PLANNING FEES AND CHARGES</b>					
	<u>Local Development Documents</u>					
30.00	Development Management DPD	Minimal	30.00	0.00	30.00	Minimal
30.00	Core Strategy		30.00	0.00	30.00	
20.00	Core Strategy Proposals Map		20.00	0.00	20.00	
5.00	Social and Communities Facilities Audit		5.00	0.00	5.00	
5.00	5 Year Housing Land Supply Position Statement		5.00	0.00	5.00	
20.00	Standard charge for all other evidence based documents		20.00	0.00	20.00	
	<i>(Any documents which are exceptionally expensive to produce will be the subject of a specific report recommending a higher charge)</i>					
17.00	Green Belt Boundary Review report		0.00	17.00		
90.00	Draft Site Allocation DPD		0.00	90.00		

Supplementary Planning Fees total yield 2018/19

23,055

Supplementary Planning Fees total yield 2017/18

19,768

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>GREEN INFRASTRUCTURE FEES AND CHARGES</b>					
	<u>High hedges complaint fee</u>					
500.00	Non concessionary charge	0	500.00	0.00	500.00	0
250.00	Concessionary charge	0	250.00	0.00	250.00	0
	<u>Climate Change Strategy - Woking 2050</u>					
25.00	Woking 2050 strategy document	0	25.00	0.00	25.00	0
10.00	Woking 2050 summary document	0	10.00	0.00	10.00	0
20.00	Natural Woking strategy document	0	20.00	0.00	20.00	0
30.00	Natural Woking supporting information	0	30.00	0.00	30.00	0
	<u>Other documents</u>					
0.00	Size A4 1 to 20 pages	0	0.00	0.00	0.00	0
0.10	Size A4 21+ pages (per page)	0	0.10	0.00	0.10	0
0.00	Size A3 1 to 20 pages	0	0.00	0.00	0.00	0
0.20	Size A3 21+ pages (per page)	0	0.20	0.00	0.20	0

Green Infrastructure total yield 2018/19

Green Infrastructure total yield 2017/18

0

0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>OPEN SPACES AND OUTDOOR SPORTS</b>					
	<b>PARKS &amp; OPEN SPACES (per Day)</b>					
325.00	Above 3 acre sites - Level 1: Commercial	7	350.00	0.00	350.00	2,450
275.00	Above 3 acre sites - Level 2: Commercial Sport & Leisure	0	300.00	0.00	300.00	0
200.00	Above 3 acre sites - Level 3: Standard Leisure	0	225.00	0.00	225.00	0
100.00	Above 3 acre sites - Level 4: Community Sport & Leisure	0	125.00	0.00	125.00	0
175.00	Under 3 acre sites - Level 1: Commercial	5	200.00	0.00	200.00	1,000
150.00	Under 3 acre sites - Level 2: Commercial Sport & Leisure	0	175.00	0.00	175.00	0
100.00	Under 3 acre sites - Level 3: Standard Leisure	0	125.00	0.00	125.00	0
50.00	Under 3 acre sites - Level 4: Community Sport & Leisure	0	50.00	0.00	50.00	0
	Hourly charge based on appropriate rate / 8 hrs					
	<b>FOOTBALL / HOCKEY / RUGBY PITCHES (per Match)</b>					
	Leisure Contract Core					
77.00	Pavilion with showers - Adult (inc £28.00 for pavilion use)		65.83	13.17	79.00	n/a
37.50	- Junior (includes £13.50 for pavilion use)		31.67	6.33	38.00	n/a
25.50	- Junior '7s' pitch (inc £10.50 for pavilion use)		23.33	4.67	28.00	n/a
28.50	- Adult Training		23.75	4.75	28.50	n/a
14.25	- Junior Training		11.88	2.38	14.25	n/a
105.00	Respect Line Charge / per season		87.50	17.50	105.00	0
	<b>FOOTBALL PITCHES (per week)</b>					
12.00	Westfield Training Pitch (excluding line marking)		10.00	2.00	12.00	n/a

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>OPEN SPACES AND OUTDOOR SPORTS</b>					
	<b>CRICKET (per Match)</b>		Activity within Leisure Contract - Income will be received via Management Fee - WBC to set fee after consultation with Leisure Operator.			
79.00	Pavilion with showers - Adult (incl £30.00 for pavilion use)		67.50	13.50	81.00	n/a
39.50	- Junior (incl £13.50 for pavilion use)		32.92	6.58	39.50	n/a
	<b>HIRE PAVILION ONLY (non-match use)</b>					
28.00	minimum 2hr booking		25.00	5.00	30.00	n/a
10.00	per hour		8.33	1.67	10.00	n/a
65.00	Day Rate (5-10 hours)		54.17	10.83	65.00	n/a
45.00	Half-Day Rate (0-4 hours)		37.50	7.50	45.00	n/a
20.00	Key Deposit (returnable)		16.67	3.33	20.00	n/a
10.00	Pre school day charge per hr		8.33	1.67	10.00	n/a
	Hire of pitches for tournaments will be on the basis of a single pavilion charge plus a charge for the number of pitches marked out.					
	<b>BOWLING GREENS</b>		Activity excluded from Leisure Contract - WBC to set charge			
95.00	Season Tickets Standard (public)		79.17	15.83	95.00	0
7.00	Adult Session Tickets (per rink per hour)		5.83	1.17	7.00	0
3.50	Key Status Card		2.92	0.58	3.50	0
2.00	Key Concession Card		1.67	0.33	2.00	0
	<b>TENNIS - Licence Agreements</b>		Activity excluded from Leisure Contract - WBC to set charge			
1,050.00	Horsell Club (2 Court) (Based on 1.5ct value of £700 p/ct)	1	1,050.00	0.00	1,050.00	1,050
2,000.00	Woking Park	1	2,000.00	0.00	2,000.00	2,000



CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
	OPEN SPACES AND OUTDOOR SPORTS		NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>FISHING</b> (Managed by Goldsworth Park Angling Club)					
	<u>Goldsworth Park Lake</u>					
52.00	Season Ticket - Adult		43.33	8.67	52.00	
26.00	Season Ticket - Adult - OAP / Disabled		21.67	4.33	26.00	
26.00	Season Ticket - Junior (12-18yrs)		21.67	4.33	26.00	
13.00	Season Ticket - Junior (12-18yrs Disabled)		10.83	2.17	13.00	
0.00	Season Ticket - Junior (Under 12yrs)		0.00	0.00	0.00	
48.00	Night Permit		40.00	8.00	48.00	
	Season Ticket - Half price from 1st Oct to 31 Mar (excludes Night Permits)					
8.00	Day Ticket - Adult		6.67	1.33	8.00	Income retained by the Angling Club
4.00	Day Ticket - Adult Concession (OAP/Disabled)		3.33	0.67	4.00	
4.00	Day Ticket - Junior (12 to 18yrs)		3.33	0.67	4.00	
2.00	Day Ticket - Junior (12 to 18yrs Disabled)		1.67	0.33	2.00	
0.00	Day Ticket - Junior (Under 12yrs)		0.00	0.00	0.00	
	Half price tickets for evening visitors will be available from 1st April to 30th September, from 6pm till dusk.					

Activity excluded from Leisure Contract and managed by GWPk Angling Club who keep income to offset bailiff responsibilities. WBC retain right to set charges in consultation with club.

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>OPEN SPACES AND OUTDOOR SPORTS</b>					
	<u>Brookwood Ponds</u>					
4.00	Day Ticket - Adult		3.33	0.67	4.00	Income retained by the Angling Club
2.00	Day Ticket - Adult / (OAP/Disabled)		1.67	0.33	2.00	
2.00	Day Ticket - Junior (12 to 18yrs)		1.67	0.33	2.00	
2.00	Day Ticket - Junior (12 to 18yrs Disabled)		1.67	0.33	2.00	
0.00	Day Ticket - Junior under 12		0.00	0.00	0.00	
	<b>PRIVATE HIRE OF RECREATION GROUND / SPACES FOR COMMERCIAL GAIN</b>					
30.00	Per month - based on 1 session per week		25.00	5.00	30.00	25
60.00	Per month - based on 2 sessions per week	1	50.00	10.00	60.00	50
90.00	Per month - based on 3 or more sessions per week	1	75.00	15.00	90.00	75
	Last year's yield was £125 but potential exists for small increase based on enquiries received.					

Activity Income excluded from Leisure Contract:

Open Spaces and Outdoor Sports total yield 2018/19

Open Spaces and Outdoor Sports total yield 2017/18

6,650

6,000

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MULTI-USE GAMES AREAS (MUGA's)</b> Charges per hour					
15.00	<b>SHEERWATER MUGA</b> Adults, juniors : with lights	minimal	12.50	2.50	15.00	minimal
10.00	Adults, juniors : without lights	minimal	8.33	1.67	10.00	minimal
15.00	<b>OMEGA ROAD / VYNE FIELD MUGA</b> Adults & juniors with lights	minimal	12.50	2.50	15.00	minimal
10.00	Adults & juniors without lights	minimal	8.33	1.67	10.00	minimal

Charges are set for organised group use, but no yield forecast as facilities are usually "casually" hired.

MUGA total yield 2018/19

MUGA total yield 2017/18

0

0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>ENVIRONMENTAL SERVICES</b>					
	<b>TRADE WASTE</b>					
	Eurobin (Emptied once a week for 52 weeks) per annum					
	Trade Refuse Sacks - each					
	Trade Refuse Sacks - 25 collected					
	<b>PRESCRIBED HOUSEHOLD WASTE</b>					
45.00	Garden Refuse Subscription - 1 bin/sack - non-concessionary charge	13,912	45.00	0.00	45.00	626,040
22.50	Garden Refuse Subscription - 1 bin/sack - concessionary charge	888	22.50	0.00	22.50	19,980
30.00	Garden Refuse Subscription - additional bin/sack - non-concessionary charge	2,782	30.00	0.00	30.00	83,460
15.00	Garden Refuse Subscription - additional bin/sack - concessionary charge	175	15.00	0.00	15.00	2,625
30.00	Cancelled subscription renewed within 6 months (extra on top of subscription charge)	25	30.00	0.00	30.00	750
45.00	Replacement of wheeled bin container (damaged/lost/stolen/swap size)	10	45.00	0.00	45.00	450
0.00	Provide replacement reusable sacks (per sack)	5	0.00	0.00	0.00	0
30.00	Special Collection - 1st item - non-concessionary charge	650	30.00	0.00	30.00	19,500
15.00	Special Collection - 1st item - concessionary charge	300	15.00	0.00	15.00	4,500
10.00	Special Collection - additional items - non-concessionary charge	1,000	10.00	0.00	10.00	10,000
5.00	Special Collection - additional items - concessionary charge	200	5.00	0.00	5.00	1,000
	<b>ANY INCOME IS RECEIVED DIRECTLY BY THE CONTRACTOR</b>					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>ENVIRONMENTAL SERVICES</b>					
	<b>PRESCRIBED HOUSEHOLD WASTE (cont.)</b>					
20.00	New Development - Provision set of indoor and outdoor caddies	20	20.00	0.00	20.00	400
17.00	New Development - indoor silver food waste caddy (inc. delivery)	10	17.00	0.00	17.00	170
2.00	New Development - additional silver food waste caddies	200	2.00	0.00	2.00	400
65.00	New Development - food 2 wheeled bin (inc. delivery)	20	65.00	0.00	65.00	1,300
215.00	New Development - WEEE cage (inc. delivery)	15	215.00	0.00	215.00	3,225
115.00	New Development - textile cage (inc. delivery)	15	115.00	0.00	115.00	1,725
200.00	New Development - recycling signage	10	200.00	0.00	200.00	2,000
45.00	Replacement recycling 2 wheeled bin (resident misuse)	5	45.00	0.00	45.00	225
45.00	Replacement/swap/additional residual 2 Wheeled Bin - New - non-concessionary charge	100	45.00	0.00	45.00	4,500
22.50	Replacement/swap/additional residual 2 Wheeled Bin - New - concessionary charge	50	22.50	0.00	22.50	1,125
30.00	Replacement/swap residual 2 Wheeled Bin - Used	20	30.00	0.00	30.00	600
300.00	Replacement/swap residual 660 litre Wheeled Bin - New / Used	5	300.00	0.00	300.00	1,500
300.00	Recycling 660 litre Wheeled Bin for new development - New / Used	5	300.00	0.00	300.00	1,500
300.00	Replacement residual 1,100 litre Wheeled Bin - New / Used	60	300.00	0.00	300.00	18,000
300.00	Recycling 1,100 litre wheeled bin for new development - New / Used	60	300.00	0.00	300.00	18,000
10.00	Empty contaminated recycling/food 2 wheeled bin (collection only)	0	10.00	0.00	10.00	0
14.00	Empty contaminated recycling 4 wheeled bin (collection only)	0	14.00	0.00	14.00	0



CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LICENSING</b>					
	<b>ANIMAL LICENSING</b>					
351.00	Dangerous Wild Animals *	0	351.00	0.00	351.00	0
75.00	Dog Breeder (initial / vet inspection recommended) *	0	75.00	0.00	75.00	0
70.00	Dog breeder (renewal)	0	70.00	0.00	70.00	0
100.00	Pet Shop Licence	7	100.00	0.00	100.00	700
100.00	Animal Boarding Establishment	6	100.00	0.00	100.00	600
318.00	Riding Establishment *	2	318.00	0.00	318.00	636
	* includes initial veterinary inspection only					
100.00	Additional veterinary inspection (hourly rate)	0	100.00	0.00	100.00	0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LICENSING</b>					
	<b>TOWN CENTRE MANAGEMENT AGREEMENT</b>					
73.00	Place building materials on the highway (Valid for 28 days)	1	73.00	0.00	73.00	73
73.00	Place building materials on the highway (Extension)	1	73.00	0.00	73.00	73
102.00	Place scaffolding/hoarding on the highway (Valid for 28 days)	5	102.00	0.00	102.00	510
102.00	Place scaffolding/hoarding on the highway (Extension)	1	102.00	0.00	102.00	102
145.00	Place a crane on the highway (No limit)	2	145.00	0.00	145.00	290
70.00	Skips placed on the highway (Maximum of two weeks)	2	70.00	0.00	70.00	140
95.00	Skips placed on the highway (Maximum of 28 days)	0	95.00	0.00	95.00	0
	Pavement Café annual fee - Setting out private furniture on the highway:					
0.00	- Under 3sqm (application must be submitted.)	5	0.00	0.00	0.00	0
104.00	- 3sqm - 10sqm	7	104.00	0.00	104.00	728
52.00	- Additional sqm	3	52.00	0.00	52.00	156
725.00	Traffic Regulations (Temporary notice (Emergency) section 14 (3) and 5, Day notice section 14(2))	5	725.00 - 734.00	0.00	725.00	3,650
734.00	Traffic Regulations (Temporary traffic order, section 14(1))	2	734.00	0.00	734.00	1,468
719.00	Traffic Regulations (Recovery of administrative costs)	2	719.00	0.00	719.00	1,438
120.00	Bus stop suspensions (Per day, max charge £240)	0	120.00	0.00	120.00	0
181.00	Application to create a vehicle crossover / dropped kerb	0	181.00	0.00	181.00	0
75.00	Initial assessment of suitability for a crossover	0	75.00	0.00	75.00	0
342.00	Planting a tree on the highway	0	342.00	0.00	342.00	0
347.00	Damage to Council Property (administrative costs)	0	347.00	0.00	347.00	0

Licensing total yield 2018/19  
Licensing total yield 2017/18

10,564  
10,564



CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>PEST CONTROL</b>					
94.50	Disinfestation (domestic)*	45	78.75	15.75	94.50	3,544
58.50	Wasps nest destruction (domestic)*	350	48.75	9.75	58.50	17,063
10.00	Wasps - additional nest as same address (at same time)*		8.33	1.67	10.00	0
36.00	Mice*	85	30.00	6.00	36.00	2,550
36.00	Rats*	310	30.00	6.00	36.00	9,300
0.00	Squirrels (inside premises - domestic)	0	0.00	0.00	0.00	0
90.00	Squirrels (baiting inside premises - domestic)	2	75.00	15.00	90.00	150

\* Half price treatments are provided for those on means tested benefits

Pest Control total yield 2018/19

Pest Control total yield 2017/18

32,607

32,607

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>DOG CONTROL/ANIMAL WELFARE</b>					
40.00	<b>STRAY DOGS - KENNELLING</b> Collection Fee	18	40.00	0.00	40.00	720
70.00	First night - includes delivery and £25 statutory fine	32	70.00	0.00	70.00	2,240
20.00	Each additional night	20	20.00	0.00	20.00	400

Dog Control and Animal Welfare total yield 2018/19

3,360

Dog Control and Animal Welfare total yield 2017/18

3,360

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>FOOD SAFETY &amp; COMMUNICABLE DISEASES</b>					
51.00	Food Export Licence	0	51.00	0.00	51.00	0
0.00	Food Hygiene Re-visit Inspection Fee	10	150.00	0.00	150.00	1,500

Food Safety & Communicable Diseases total yield 2018/19

Food Safety & Communicable Diseases total yield 2017/18

1,500

0

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>ENVIRONMENTAL HEALTH ADMINISTRATION</b>					
10.00	Copy of Food Register Entry	0	10.00	0.00	10.00	0
24.00	Copy of Authorisation of Specified Industrial Processes	0	24.00	0.00	24.00	0
12.00	Certified copy of entry in register of motor salvage operators	0	12.00	0.00	12.00	0
79.70	Environmental Health Search (per hour)	0	66.42	13.28	79.70	0
126.00	Contaminated Land Search (per hour)	1	105.00	21.00	126.00	105
NEW	Assisted Funeral Arrangement Fee (charge will only apply where funds are available within the estate)	minimal	350.00	0.00	350.00	0

Environmental Health total yield 2018/19  
Environmental Health total yield 2017/18

105  
105

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>PRIVATE WATER SUPPLIES</b>					
500.00	Risk assessment (each assessment)	2	416.67	83.33	500.00	833
100.00	Sampling (each visit)	2	83.33	16.67	100.00	167
100.00	Investigation (each investigation)	2	83.33	16.67	100.00	167
100.00	Granting an authorisation (each authorisation)	2	83.33	16.67	100.00	167
	Analysing a sample –					
25.00	Taken under regulation 10	2	20.83	4.17	25.00	42
100.00	Taken during check monitoring	2	83.33	16.67	100.00	167
500.00	Taken during audit monitoring	1	416.67	83.33	500.00	417

Private Water Supplies total yield 2018/19

1,960

Private Water Supplies total yield 2017/18

1,960

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>SCRAP METAL</b>					
446.00	<b>Scrap Metal Licences</b> Site Licence	2	446.00	0.00	446.00	892
236.00	Collector licence	10	236.00	0.00	236.00	2,360

total yield 2018/19  
total yield 2017/18

3,252  
3,252

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	VICTORIA WAY, PEACOCKS, TOYS R US, WOLSEY PLACE, HEATHSIDE CRESCENT AND BREWERY ROAD CAR PARKS					
1.40	Up to one hour	760,000	1.17	0.23	1.40	889,200
2.80	Up to two hours	720,300	2.33	0.47	2.80	1,678,299
4.20	Up to three hours	300,200	3.50	0.70	4.20	1,050,700
5.60	Up to four hours	120,100	4.67	0.93	5.60	560,867
6.50	Up to five hours	42,000	5.42	1.08	6.50	227,640
6.50	Up to six hours	42,000	5.42	1.08	6.50	227,640
10.00	Up to seven hours	21,200	8.33	1.67	10.00	176,596
11.00	Seven to twenty four hours	96,500	9.17	1.83	11.00	884,905
1.40	Any period - 19.00 to 05.59 next day	21,500	1.17	0.23	1.40	25,155
	<b>WEEKDAYS, SATURDAYS AND BANK HOLIDAYS (EXCEPT CHRISTMAS DAY = FREE)</b>					
1.40	Up to one hour	84,000	1.17	0.23	1.40	98,280
2.80	Up to two hours	62,000	2.33	0.47	2.80	144,460
3.00	Over two hours	45,000	2.50	0.50	3.00	112,500
1.40	Any period - 19.00 to 05.59 next day	6,500	1.17	0.23	1.40	7,605
	<b>SUNDAYS (EXCEPT CHRISTMAS DAY = FREE)</b>					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>OTHER CAR PARKS</b>					
	<b>WEEKDAY (8.00 - 18.00)</b>					
	<b>SHEER HOUSE</b>					
0.50	Up to one hour	52,000	0.42	0.08	0.50	21,840
1.00	Up to two hours	18,000	0.83	0.17	1.00	14,940
1.50	Up to three hours	8,700	1.25	0.25	1.50	10,875
2.50	Up to four hours (maximum stay)	2,100	2.08	0.42	2.50	4,368
	<b>WOODLANDS AVENUE</b>					
0.70	Up to four hours	1,100	0.58	0.12	0.70	638
1.00	Up to six hours	2,300	0.83	0.17	1.00	1,909
1.80	All day from 9.30am	1,100	1.50	0.30	1.80	1,650
	<b>SATURDAYS, SUNDAYS AND BANK HOLIDAYS</b>					
	<b>SHEER HOUSE AND WOODLANDS AVENUE</b>					
free	Charge per visit			free		



CHARGE 2017/18 (Inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>WOKING PARK</b>					
	<b>WEEKDAYS, SATURDAYS AND BANK HOLIDAY MONDAYS</b>					
free	Up to three hours	7,000	free			
1.30	Up to four hours	1,700	0.22	1.30	7,560	
6.00	Up to six hours	620	1.00	6.00	8,500	
9.00	Up to seven hours	620	1.50	9.00	4,650	
10.00	Seven to twenty four hours	400	1.67	10.00	5,165	
1.30	Any period - 19.00 to 05.59 next day		0.22	1.30	432	
	<b>SUNDAYS (EXCEPT CHRISTMAS DAY = FREE)</b>					
free	Up to three hours	1,200	free			
1.30	Over three hours	1,000	0.22	1.30	1,296	
1.30	Any period - 19.00 to 05.59 next day		0.22	1.30	1,080	
	<b>WOKING PARK COACH PARKING (Monday to Sunday)</b>					
free	Mini-buses/coaches using Woking Park / LC&PitP / Community Building facilities		free			
free	Mini-buses/coaches where re-directed by Parking Services from Town Centre		free			
20.00	Mini-buses/coaches not using Woking Park / LC&PitP / Community Building facilities	0	3.33	20.00	0	
2.50	<b>EVENT PARKING</b> Daily charge for exhibitors		0.42	2.50	0	

Part year effect

Year year effect  
6,168,750  
5,943,016  
6,168,750

Parking Fees total yield 2018/19  
6,168,750  
Parking Fees total yield 2017/18  
5,943,016

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CAR PARK SEASON TICKETS</b>					
	<b>VICTORIA WAY</b>					
1,800.00	Annual Season Ticket	233	1,500.00	300.00	1,800.00	349,507
1,800.00	Annual Season Ticket Direct Debit	110	1,500.00	300.00	1,800.00	165,000
550.00	Quarterly Season Ticket	212	458.33	91.67	550.00	97,166
200.00	Monthly Season Ticket	27	166.67	33.33	200.00	4,500
170.00	Off Peak Area 1 Residents Permit	4	141.67	28.33	170.00	567
260.00	WCPZ Residents Car Park Permit	22	216.67	43.33	260.00	4,767
70.00	Quarterly WCPZ Residents Car Park Permit	5	58.33	11.67	70.00	292
	<b>TOYS R US</b>					
1,800.00	Annual Season Ticket	114	1,500.00	300.00	1,800.00	171,000
1,800.00	Annual Season Ticket Direct Debit	30	1,500.00	300.00	1,800.00	45,000
550.00	Quarterly Season Ticket	84	458.33	91.67	550.00	38,500
200.00	Monthly Season Ticket	58	166.67	33.33	200.00	9,667
170.00	Off Peak Area 1 Residents Permit	1	141.67	28.33	170.00	142
260.00	WCPZ Residents Car Park Permit	10	216.67	43.33	260.00	2,167
70.00	Quarterly WCPZ Residents Car Park Permit	6	58.33	11.67	70.00	350
	<b>WOLSEY PLACE</b>					
1,800.00	Annual Season Ticket	55	1,500.00	300.00	1,800.00	82,500
1,800.00	Annual Season Ticket Direct Debit	48	1,500.00	300.00	1,800.00	72,000
550.00	Quarterly Season Ticket	8	458.33	91.67	550.00	3,667
200.00	Monthly Season Ticket	2	166.67	33.33	200.00	333
170.00	Off Peak Area 1 Residents Permit	10	141.67	28.33	170.00	1,417
260.00	WCPZ Residents Car Park Permit	21	216.67	43.33	260.00	4,550
70.00	Quarterly WCPZ Residents Car Park Permit	5	58.33	11.67	70.00	292
	DISCOUNTS ARE AVAILABLE FOR VEHICLES WITH LOW CO2 EMISSIONS AND SURCHARGES WILL BE APPLIED TO VEHICLES WITH HIGH CO2 EMISSIONS					

CHARGE 2017/18 (Inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CAR PARK SEASON TICKETS</b>					
1,800.00	<b>BREWERY ROAD</b> (Season tickets not available in this car park)					
	Annual Season Ticket	0	1,500.00	300.00	1,800.00	0
550.00	Quarterly Season Ticket	0	458.33	91.67	550.00	0
200.00	Monthly Season Ticket	0	166.67	33.33	200.00	0
	<b>HEATHSIDE CRESCENT</b>					
1,800.00	Annual Season Ticket	57	1,500.00	300.00	1,800.00	85,500
1,800.00	Annual Season Ticket Direct Debit	35	1,500.00	300.00	1,800.00	52,500
550.00	Quarterly Season Ticket	16	458.33	91.67	550.00	7,333
200.00	Monthly Season Ticket	2	166.67	33.33	200.00	333
170.00	Off Peak Area 1 Residents Permit	17	141.67	28.33	170.00	2,408
260.00	WCPZ Residents Car Park Permit	25	216.67	43.33	260.00	5,417
70.00	Quarterly WCPZ Residents Car Park Permit	5	58.33	11.67	70.00	292
	<b>WOODLANDS AVENUE</b>					
240.00	Annual Season Ticket	10	200.00	40.00	240.00	2,000
70.00	Quarterly Season Ticket	12	58.33	11.67	70.00	700
	DISCOUNTS ARE AVAILABLE FOR VEHICLES WITH LOW CO2 EMISSIONS AND SURCHARGES WILL BE APPLIED TO VEHICLES WITH HIGH CO2 EMISSIONS					

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CAR PARK SEASON TICKETS</b>					
	<b>WOKING PARK</b>					
750.00	Annual Season Ticket	49	625.00	125.00	750.00	30,750
750.00	Annual Season Ticket Direct Debit	54	625.00	125.00	750.00	33,750
200.00	Quarterly Season Ticket	3	166.67	33.33	200.00	500
75.00	Monthly Season Ticket	9	62.50	12.50	75.00	563
	<b>PUBLIC SERVICE CAR PARK</b>					
780.00	Public Service Car Park	99	650.00	130.00	780.00	64,350
	DISCOUNTS ARE AVAILABLE FOR VEHICLES WITH LOW CO2 EMISSIONS AND SURCHARGES WILL BE APPLIED TO VEHICLES WITH HIGH CO2 EMISSIONS					

Season Ticket total yield 2018/19

Season Ticket total yield 2017/18

1,339,780

1,339,780

**EXTENSION OF VARIABLE RATE CHARGES**

Comparisons	2016/17 Annual	2015/16 Annual	2016/17 Quarterly	2015/16 Quarterly	2016/17 Monthly	2015/16 Monthly	WBC Band	
A	-100	-25%	£1,425.00	£900.00	£450.00	£275.00	£100.00	A
B	101-110	-20%	£1,520.00	£1,350.00	£480.00	£413.00	£150.00	B
C	111-120	-15%	£1,615.00	£1,350.00	£510.00	£413.00	£150.00	
D	121-130	-10%	£1,710.00	£1,800.00	£540.00	£550.00	£200.00	C
E	131-140	-5%	£1,805.00	£1,800.00	£570.00	£550.00	£200.00	
F	141-150	0	£1,900.00	£1,800.00	£600.00	£550.00	£200.00	
G	151-165	5%	£1,995.00	£1,980.00	£630.00	£605.00	£220.00	D
H	166-175	10%	£2,090.00	£2,070.00	£660.00	£633.00	£230.00	E
I	176-185	15%	£2,185.00	£2,070.00	£690.00	£633.00	£230.00	
J	186-200	20%	£2,280.00	£2,160.00	£720.00	£660.00	£240.00	F
K	201-225	25%	£2,375.00	£2,160.00	£750.00	£660.00	£240.00	
L	226-255	30%	£2,470.00	£2,250.00	£780.00	£688.00	£250.00	G
M	255-	40%	£2,660.00	£2,250.00	£840.00	£688.00	£250.00	

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CONTROLLED PARKING ZONES</b>					
	<b>WOKING: Mon - Sat 8.30am to 6.00pm, excl Bank Hols</b>					
	<b>WOKING Zone 1 operational Sundays &amp; Bank Holidays</b>					
	<b>WEST BYFLEET: Mon - Fri 8.30am to 6.00pm, excl Bank Hols</b>					
	<b>WOKING</b>					
0.80	Up to half an hour	31,000	0.80	0.00	0.80	24,800
1.20	Up to 45 minutes	51,000	1.20	0.00	1.20	61,200
1.60	Up to one hour	174,700	1.60	0.00	1.60	279,520
	<b>WOKING PARKING VOUCHERS - ZONE 1</b>					
0.80	Up to half an hour	12,000	0.80	0.00	0.80	9,600
1.60	Up to one hour	22,000	1.60	0.00	1.60	35,200
	<b>WOKING PARKING VOUCHERS - ZONES 2-5</b>					
0.40	Up to half an hour	8,000	0.40	0.00	0.40	3,200
0.80	Up to one hour	17,000	0.80	0.00	0.80	13,600
	<b>WEST BYFLEET</b>					
0.20	Up to half an hour	8,000	0.20	0.00	0.20	1,600
0.40	Up to one hour	17,000	0.40	0.00	0.40	6,800
0.60	Up to one and a half hours	4,000	0.60	0.00	0.60	2,400
0.80	Up to two hours	7,500	0.80	0.00	0.80	6,000
1.20	Up to three hours	14,000	1.20	0.00	1.20	16,800
2.70	Up to four hours	11,000	2.70	0.00	2.70	29,700

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>CONTROLLED PARKING ZONES</b>					
	WOKING: Mon - Sat 8.30am to 6.00pm, excl Bank Hols					
	WOKING Zone 1 operational Sundays & Bank Holidays					
	WEST BYFLEET: Mon - Fri 8.30am to 6.00pm, excl Bank Hols					
	<b>WOKING CPZ RESIDENTS PARKING PERMITS</b>					
50.00	1st Permit	1,815	50.00	0.00	50.00	90,750
75.00	Areas 2 & 3 : 2nd Permit	60	75.00	0.00	75.00	4,500
75.00	Areas 4 & 5 : 2nd Permit	60	75.00	0.00	75.00	4,500
75.00	Areas 2 & 3 : 3rd and Subsequent Permits	60	75.00	0.00	75.00	4,500
75.00	Areas 4 & 5 : 3rd and Subsequent Permits	60	75.00	0.00	75.00	4,500
50.00	<b>BROOKWOOD CPZ RESIDENTS PARKING PERMITS</b>	90	50.00	0.00	50.00	4,500
50.00	<b>WEST BYFLEET CPZ RESIDENTS PARKING PERMITS</b>	700	50.00	0.00	50.00	35,000
15.00	Transfer/Change a Permit	10	15.00	0.00	15.00	150
2.00	<b>RESIDENTS VISITORS VOUCHERS</b>	14,000	2.00	0.00	2.00	28,000

CPZ total yield 2018/19

CPZ total yield 2017/18

666,820  
666,820

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>H G WELLS</b> Accredited Rate Room Hire Charges					
	<b>Wells:</b>					
75.60	Hourly (Sunday to Thursday)		63.00	12.60	75.60	
115.20	Hourly (Friday to Saturday)		96.00	19.20	115.20	
590.40	Day (Sunday to Thursday)		492.00	98.40	590.40	
922.80	Day (Friday to Saturday)		769.00	153.80	922.80	
4,620.00	Week		3,850.00	770.00	4,620.00	
	<b>Kemp:</b>					
60.00	Hourly (Sunday to Thursday)		50.00	10.00	60.00	
96.00	Hourly (Friday to Saturday)		80.00	16.00	96.00	
492.00	Day (Sunday to Thursday)		410.00	82.00	492.00	
744.00	Day (Friday to Saturday)		620.00	124.00	744.00	
3,720.00	Week		3,100.00	620.00	3,720.00	
	<b>Ogilvy:</b>					
28.80	Hourly (Sunday to Thursday)		24.00	4.80	28.80	
28.80	Hourly (Friday to Saturday)		24.00	4.80	28.80	
196.80	Day (Sunday to Thursday)		164.00	32.80	196.80	
196.80	Day (Friday to Saturday)		164.00	32.80	196.80	
984.00	Week		820.00	164.00	984.00	



CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>H G WELLS</b> Accredited Rate Room Hire Charges					
	<b>Elphinstone:</b>					
14.40	Hourly (Sunday to Thursday)		12.00	2.40	14.40	
14.40	Hourly (Friday to Saturday)		12.00	2.40	14.40	
108.00	Day (Sunday to Thursday)		90.00	18.00	108.00	
108.00	Day (Friday to Saturday)		90.00	18.00	108.00	
528.00	Week		440.00	88.00	528.00	
	<b>Henderson:</b>					
14.40	Hourly (Sunday to Thursday)		12.00	2.40	14.40	
14.40	Hourly (Friday to Saturday)		12.00	2.40	14.40	
108.00	Day (Sunday to Thursday)		90.00	18.00	108.00	
108.00	Day (Friday to Saturday)		90.00	18.00	108.00	
528.00	Week		440.00	88.00	528.00	
	<b>Griffin:</b>					
60.00	Hourly (Sunday to Thursday)		50.00	10.00	60.00	
96.00	Hourly (Friday to Saturday)		80.00	16.00	96.00	
492.00	Day (Sunday to Thursday)		410.00	82.00	492.00	
744.00	Day (Friday to Saturday)		620.00	124.00	744.00	
3,720.00	Week		3,100.00	620.00	3,720.00	

**Notes**

Basic hourly cost is approximately 90% - 80% discount on the prevailing commercial rate. Minimum booking is 4 hours.

Hours before 9.00am and after 11.00pm will be charged at 1.5 times the hrly rate.

Charges include the basic setting out of the room to the hirer's requirements.

Charges do not include charges for equipment, additional lighting, publicity, ticket sales, front of house staff and technicians.

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>H G WELLS</b> Commercial Rate Room Hire Charges					
63.60	<b>Day Delegate Rate</b>		53.00	10.60	63.60	
	<b>Wells:</b>					
372.00	Hourly		310.00	62.00	372.00	
3,000.00	Full Day		2,500.00	500.00	3,000.00	
1,800.00	Half Day		1,500.00	300.00	1,800.00	
	<b>Kemp:</b>					
300.00	Hourly		250.00	50.00	300.00	
1,800.00	Full Day		1,500.00	300.00	1,800.00	
1,140.00	Half Day		950.00	190.00	1,140.00	
	<b>Griffin:</b>					
300.00	Hourly		250.00	50.00	300.00	
1,800.00	Full Day		1,500.00	300.00	1,800.00	
1,140.00	Half Day		950.00	190.00	1,140.00	
	<b>Ogilvy:</b>					
180.00	Hourly		150.00	30.00	180.00	
1,200.00	Full Day		1,000.00	200.00	1,200.00	
780.00	Half Day		650.00	130.00	780.00	

CHARGE 2017/18 (Inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>H G WELLS</b>					
	Commercial Rate Room Hire Charges					
	<b>Elphinstone / Henderson:</b>					
78.00	Hourly		65.00	13.00	78.00	}
516.00	Full Day		430.00	86.00	516.00	
300.00	Half Day		250.00	50.00	300.00	
8,400.00	<b>Exclusive Use</b>		7,000.00	1,400.00	8,400.00	

Yield estimate: total for venue £900,000 of which hirings = £550,000 & equipment/security/bar/catering = £300,000

HG Wells total yield 2018/19

HG Wells total yield 2017/18

850,000  
900,000

**US FEES AND CHARGES**  
**SUMMARY OF ESTIMATED YIELDS 2018/19**

	BUDGET 2017/18 £	BUDGET 2018/19 £
<u>Customer Support Services</u>		
Local Land Charges	259,365	266,865
Taxis And Private Hire	221,987	221,987
Mobile Homes	0	0
<u>Licensing</u>		
Personal Services	1,170	1,170
Sex Establishment	0	0
Motor Salvage	0	0
Gambling Act	8,080	8,080
	<u>9,250</u>	<u>9,250</u>
<b>US - TOTAL FEES AND CHARGES</b>	<b><u>490,602</u></b>	<b><u>498,102</u></b>

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>LOCAL LAND CHARGES</b>					
21.63	LLC1 *	1,250	21.63	0.00	21.63	27,038
135.00	Con 29 Part 1 *	1,250	137.50	27.50	165.00	171,875
31.50	SCC Fee *	1,250	35.00	7.00	42.00	43,750
15.00	Con 29 Part 1 - Question 3.7 (5 sub questions)	175	15.00	3.00	18.00	2,625
35.00	Con 29 Part 1 - Question 3.9 (14 sub questions)	0	35.00	7.00	42.00	0
2.50	Con 29 Part 1 - Any single sub question	220	2.50	0.50	3.00	550
1.15	LLC1 Additional parcel fee	110	1.15	0.00	1.15	127
65.00	Con 29 Additional parcel fee	100	65.00	13.00	78.00	6,500
14.00	Con 29 Part 2 (printed question)	1,000	14.00	2.80	16.80	14,000
20.00	Con 29 Part 3 (own question)	20	20.00	4.00	24.00	400

\*The cost for a standard search fee is calculated as follows:

LLC1	£21.63
Con 29 Part 1	£165.00
Fee Payable to Surrey County Council	£42.00
	<u>£228.63</u>

Local Land Charges total yield 2018/19  
Local Land Charges total yield 2017/18

266,865  
259,365

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>TAXIS AND PRIVATE HIRE VEHICLES</b>					
	<b>TAXIS/HACKNEY CARRIAGES</b>					
190.00	Vehicle Licences	150	190.00	0.00	190.00	28,500
260.00	Drivers Licence - Valid for 3 years	197	260.00	0.00	260.00	51,220
	<b>PRIVATE HIRE</b>					
280.00	Operator's Licence	50	280.00	0.00	280.00	14,000
190.00	Vehicle Licences	350	190.00	0.00	190.00	66,500
260.00	Drivers Licence - Valid for 3 years	200	260.00	0.00	260.00	52,000
	<b>TRANSFER TO VEHICLE ALREADY LICENSED BY WBC</b>					
60.00	Change/transfer to vehicle already licensed with WBC	125	60.00	0.00	60.00	7,500
	<b>GENERAL</b>					
50.00	New Licence Application Charge (not renewals) (This is in addition to the cost of CRB, medical and driving licence checks)	40	41.67	8.33	50.00	1,667
30.00	Replacement Plate	10	30.00	0.00	30.00	300
20.00	Replacement Badge / Upgrade from Private Hire	15	20.00	0.00	20.00	300
15.00	Additional Knowledge Test Fees	0	12.86	2.14	15.00	0

Taxis and Private Hire Licences total yield 2018/19 (excluding Vehicles)  
Estimated Yield from Vehicles 2018/19

126,987  
95,000  
221,987

Taxis and Private Hire Licences total yield 2017/18  
Estimated Yield from Vehicles 2017/18

126,987  
95,000  
221,987

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOBILE HOMES</b>					
	<b>Licensing Fees for Mobile Home Sites Application for New Site Licence, and Time (Mins) Licensing, and Officer Allocation: per hour Admin £34/Officer £41av/Manager £51</b>					
8.50	Enquiry received and service request entered on computer system. 15 (A)				8.50	
5.70	Make up new file and attach above documentation. 10 (A)				5.70	
5.70	Send out site application form with covering letter or email with link and enter action on computer worksheet. 10 (A)				5.70	
5.70	Contact applicant and make appointment to carry out initial site inspection. 10 (A)				5.70	
11.30	Enter particulars on application form on computer system. Scan and save application form to computer system. 20 (A)				11.30	
27.30	Check application valid e.g. all compulsory questions completed and correct fee included. Check all particulars entered on computer premises record correctly. 40 (O)				27.30	
10.20	Carry out LRS to verify applicant is owner of land. 15 (O)				10.20	
20.50	Examine electrical certificate and any other documentation submitted with licence for validity. Enter action on computer worksheet. 30 (O)				20.50	
20.50	Carry out fit and proper person checks with other council services e.g. council tax, housing benefit, and external agencies e.g. other local authorities. 30 (O)				20.50	

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOBILE HOMES</b>					
47.80	Prepare draft site licence and send to applicant/Planning and Fire Service. In covering letter to applicant, include any recommendations and works required resulting from initial site inspection. 70 (O)				47.80	
20.50	Discuss any feedback with applicant on proposed site licence conditions. 30 (O)				20.50	
20.50	Upon expiry of consultation period amend site licence if required . Print out two copies of site licence and proof read. 30 (O)				20.50	
8.50	Site licence to be checked and signed by line manager. 10 (M)				8.50	
6.80	Send out site licence to applicant with covering letter. 10 (O)				6.80	
8.50	Scan and save signed copy of site licence to system and add hard copy of licence to file. 15 (A)				8.50	
5.70	Update public register of licensed sites. 10 (A)				5.70	
6.80	Upon occupation of site, contact site owner to make appointment for licensing inspection. 10 (O)				6.80	
10.20	Complete risk assessment to determine next routine visit. 15 (O)				10.20	
41.00	Travel time x 2. 60 (O)				41.00	
20.50	Record details of visit on computer worksheet, download Send letter to applicant notifying them of outcome of licensing visit.photos etc. 30 (O)				20.50	
41.00	60 (O)				41.00	
353.20	Base Cost				353.20	



CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOBILE HOMES</b>					
	Carry out full site inspection. Make note of any breaches of site licence conditions/ works required:					
31.00	1 - 5 pitches 45 (O)				31.00	
41.00	6 - 24 pitches 60 (O)				41.00	
61.00	25 - 100 pitches 90 (O)				61.00	
	Carry out revisit to check on completion of works:					
10.00	1 - 5 pitches 15(O)				10.00	
21.00	6 - 24 pitches 30(O)				21.00	
41.00	25 - 100 pitches 60(O)				41.00	
	Total Cost:					
394.20	1 - 5 pitches 45 (O)	Minimal	394.20	0.00	394.20	Minimal
415.20	6 - 24 pitches 60 (O)	Minimal	415.20	0.00	415.20	Minimal
455.20	25 - 100 pitches 90 (O)	Minimal	455.20	0.00	455.20	Minimal
	<b>Application to vary a site licence</b>					
8.50	Enquiry received and service request entered on computer system. 15 (A)				8.50	
5.70	Send out application form and covering letter detailing fee required. 10 (A)				5.70	
8.50	Upon receipt of application form, scan and save to computer system. Attach hard copy to paper file. Generate acknowledgement letter and send to applicant. 15 (A)				8.50	
5.70	Enter particulars on application form on to on computer system. 10 (A)				5.70	

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - P)	V.A.T. (£ - P)	TOTAL CHARGE (£ - P)	
	<b>MOBILE HOMES</b>					
27.30	Check application valid e.g. all compulsory questions completed and correct fee included, computer record correct. 40(O)				27.30	
6.80	Contact applicant to arrange site visit. 10 (O)				6.80	
20.50	Travel time. 30 (O)				20.50	
20.50	Record details of visit on computer, download photos. 30 (O)				20.50	
47.80	Prepare draft site licence and send to applicant with covering letter/Planning/Fire Service. 70 (O)				47.80	
20.50	Discuss any feedback with applicant. 30 (O)				20.50	
20.50	Amend if necessary and print ready for signing. 30 (O)				20.50	
8.50	Site licence checked and signed by manager. 10 (M)				8.50	
10.20	Look up records of outstanding historic breaches, outstanding notices etc. 15 (O)				10.20	
6.80	Send amended site licence to site owner with covering letter. Send written notification of outstanding historic breaches and outstanding notices to new site owner. Add to actions to electronic worksheet. 10 (O)				6.80	
5.70	Scan and attached signed copy of site licence to electronic worksheet and attached signed hard copy to paper file. 10 (A)				5.70	
8.50	Attach hard copy of covering letter and notification of outstanding historic breaches and outstanding notices etc to electronic and paper file. 15 (A)				8.50	
5.70	Amend public register of park home site licences. 10 (A)				5.70	
237.70	Base Time / Cost 365 mins (6hr 5min)				237.70	

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOBILE HOMES</b>					
31.00	Carry out full site inspection and make note of any works required: 1 - 5 pitches 45 (O)				31.00	
41.00	6 - 24 pitches 60 (O)				41.00	
61.00	25 - 100 pitches 90 (O)				61.00	
	Total Cost:					
268.70	1 - 5 pitches 45 (O)	Minimal	268.70	0.00	268.70	Minimal
278.70	6 - 24 pitches 60 (O)	Minimal	278.70	0.00	278.70	Minimal
298.70	25 - 100 pitches 90 (O)	Minimal	298.70	0.00	298.70	Minimal
	<b>Application to Transfer Licence</b>					
8.50	Enquiry received and service request entered on computer system. 15 (A)				8.50	
5.70	Send out application form and covering letter detailing fee required. 10 (A)				5.70	
8.50	Upon receipt of application form, scan and save to computer system. Attach hard copy to paper file. Generate acknowledgement letter and send to applicant. 15 (A)				8.50	
8.50	Enter particulars on application form on to on computer system. 15 (A)				8.50	
27.30	Check application valid e.g. all compulsory questions completed and correct fee included, computer record correct. 40 (O)				27.30	
20.50	Carry out fit and proper person checks with other council services e.g. council tax, housing benefit, and external agencies e.g. other local authorities. 30 (O)				20.50	

CHARGE 2017/18 (inc. VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>MOBILE HOMES</b>					
8.50	Carry Out Land Registry Search. 15 (A)				8.50	
20.50	Amend site licence and print out ready for signing. 30 (O)				20.50	
8.50	Site licence checked and signed by Manager. 10 (M)				8.50	
5.70	Send out licence with covering letter. 10 (A)				5.70	
5.70	Scan and save signed copy of site licence to computer record and add hard copy to file. 10 (A)				5.70	
5.70	Update public register of licensed sites. 10 (A)				5.70	
133.60	Total Cost 210 mins (3hrs 30min)	Minimal	133.60	0.00	133.60	Minimal
	<b>Annual Fee</b>					
	<b>Number of Pitches / Inspection Interval Years (Officer £41p/h)</b>					
20.50	1 - 5 pitches / 4 / 120 (O)	Minimal	20.50	0.00	20.50	Minimal
54.67	6 - 24 pitches / 3 / 240 (O)	Minimal	54.67	0.00	54.67	Minimal
123.00	25 - 100 pitches / 2 / 360 (O)	Minimal	123.00	0.00	123.00	Minimal

Total yield 2018/19

Total yield 2017/18

0  
0

CHARGE 2017/18 (inc.VAT) (£ - P)	ITEM	FORECAST ACTIVITY LEVEL 2018/19	CHARGE 2018/19			ESTIMATED YIELD 2018/19 (£)
			NET CHARGE (£ - p)	V.A.T. (£ - p)	TOTAL CHARGE (£ - p)	
	<b>LICENSING</b>					
	<b>PERSONAL SERVICES</b>					
130.00	Skin Piercing Registration - operator	4	130.00	0.00	130.00	520
295.00	Skin Piercing Registration - premises	2	295.00	0.00	295.00	590
15.00	Replacement Certificate	4	15.00	0.00	15.00	60
	<b>SEX ESTABLISHMENTS</b>					
12,790.00	Licence application	0	12,790.00	0.00	12,790.00	0
12,790.00	Annual renewal of licence	0	12,790.00	0.00	12,790.00	0
	<b>GAMBLING ESTABLISHMENTS (inc machine permits)</b>					
			FEES SHOWN ON SEPARATE SCHEDULE			8,080
	<b>MOTOR SALVAGE OPERATORS</b>					
135.00	Initial Registration Fee (valid for 3 years)	0	135.00	0.00	135.00	n/a
135.00	Renewal Fee (valid for 3 years)	0	135.00	0.00	135.00	n/a
	<b>LOADING CONTROL AREA CONSENT</b>					
200.00	Consent	0	200.00	0.00	200.00	0

Licensing total yield 2018/19  
Licensing total yield 2017/18

9,250  
9,250

Gambling Act 2005

Fees for the application for a gambling premises licence in the Borough of Woking from 1st April 2016 until further notice

	Current numbers of premises	Annual Fee £	New Application £	Application to Vary £	Application to Transfer £	Application for Reinstatement £	Application for Provisional statement £	Convert Provisional Statement to Full Licence £	Copy of Licence £	Notification of Change £
Betting Premises excl Tracks	14	475	2,250	1,250	950	950	2,250	950	25	50
Bingo Club	1	600	2,750	1,400	950	950	2,750	950	25	50
Tracks	0	850	3,000	1,600	1,250	1,250	3,000	1,250	25	50
Family Entertainment Centre	0	600	1,600	850	950	950	1,600	950	25	50
Adult Gaming Centre (AGC)	1	830	1,600	850	950	950	1,600	950	25	50
Casino (Small)	0	4,000	6,500	2,250	1,500	1,500	6,500	1,500	25	50
Casino (Large)	0	7,000	7,500	3,750	1,800	1,800	7,500	1,800	25	50

Projected yield

8,080

**Rhoda McGaw Theatre - Hire Charges**

	Accredited User		Negotiated Rate		Commercial Rate	
	ex vat	inc vat	ex vat	inc vat	ex vat	inc vat
<b>1 September 2017 - 31 August 2018</b> (Price Freeze - Approved December Council 2015)						
Week Hire (Sun-Sat) 9am - 11pm	954.17	1,145.00	1,431.25	1,717.50		2,290.00
Day Hire 9am - 11pm	383.33	460.00	572.50	687.00		920.00
Hourly Hire Between 9am - 11pm	38.33	46.00	57.25	68.70		230.00
Outside normal hours (per hr subject to agreement)	76.67	92.00	114.50	137.40		460.00

	Accredited User		Negotiated Rate		Commercial Rate	
	ex vat	inc vat	ex vat	inc vat	ex vat	inc vat
<b>1 September 2018 - 31 August 2019</b> (3% increase - Approved December Council 2016)						
Week Hire (Sun-Sat) 9am - 11pm	983.33	1,180.00	1,475.00	1,770.00		2,360.00
Day Hire 9am - 11pm	391.67	470.00	591.67	710.00		950.00
Hourly Hire Between 9am - 11pm	39.17	47.00	59.17	71.00		240.00
Outside normal hours (per hr subject to agreement)	78.33	94.00	118.33	142.00		480.00

	Accredited User		Negotiated Rate		Commercial Rate	
	ex vat	inc vat	ex vat	inc vat	ex vat	inc vat
<b>1 September 2019 - 31 August 2020</b> (Proposed 2% increase)						
Week Hire (Sun-Sat) 9am - 11pm	1,008.33	1,210.00	1,508.33	1,810.00		2,410.00
Day Hire 9am - 11pm	400.00	480.00	600.00	720.00		960.00
Hourly Hire Between 9am - 11pm	40.00	48.00	60.00	72.00		240.00
Outside normal hours (per hr subject to agreement)	80.00	96.00	120.00	144.00		480.00





EXECUTIVE - 23 NOVEMBER 2017

## CALENDAR OF MEETINGS 2018-19

### Executive Summary

The proposed Calendar of Meetings for 2018/19 is attached as Appendix 1. In preparing the Calendar, consideration has been given to Bank Holidays, school holidays, annual conferences and party conferences, as far as possible. The Calendar for 2018/19 has been prepared on the same basis as in past years.

From the 2018/19 Municipal Year, local authorities are required to have published their Statement of Accounts by the end of July each year. Accordingly the meeting of Council to approve the accounts has been brought forward from the end of September 2018 to the end of July 2018, and has been combined with the usual meeting of Council held in July of each year. A meeting of the Standards and Audit Committee has been scheduled a week before to receive the annual External Audit Report to those Charged with Governance (ISA 260), prior to being approved by Council alongside the Statement of Accounts.

As in previous years the Group Leaders, Deputy Group Leaders along with the Chairman and Vice-Chairman of the Overview and Scrutiny Committee have been consulted on the proposed Calendar.

### Reasons for Decision

In accordance with Standing Order 1.2 of the Constitution, which states that “The date of the annual (Council) meeting and those of ordinary meetings shall be fixed by the Council in or about December of the preceding municipal year”.

### Recommendations

The Executive is requested to:

#### **RECOMMEND to Council That**

**the Calendar of Meetings 2018/19 be approved as set out in Appendix 1 to the report.**

**This item will need to be dealt with by way of a recommendation to the Council.**

### Background Papers:

Sustainability Impact Assessment  
Equalities Impact Assessment

### Reporting Person:

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**Shadow Portfolio Holder:**

Cllr Ann-Marie Barker  
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**Date Published:**

17 November 2017

APPENDICES

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
Gender	Men					X	
	Women					X	
Gender Reassignment						X	
Race	White					X	
	Mixed/Multiple ethnic groups					X	
	Asian/Asian British					X	
	Black/African/Caribbean/Black British					X	
	Gypsies / travellers					X	
	Other ethnic group					X	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					X	
	Sensory					X	
	Learning Difficulties					X	
	Mental Health					X	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			X	
Waste generation / sustainable waste management			X	
Pollution to air, land and water			X	
Factors that contribute to Climate Change			X	
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy			X	
Meet local needs locally			X	
Opportunities for education and information			X	
Provision of appropriate and sustainable housing			X	
Personal safety and reduced fear of crime			X	
Equality in health and good health			X	
Access to cultural and leisure facilities			X	
Social inclusion / engage and consult communities			X	
Equal opportunities for the whole community			X	
Contribute to Woking's pride of place			X	

**CALENDAR OF MEETINGS 2018/19****All Meetings start at 7pm unless otherwise stated****COUNCIL**

Meetings on Thursday unless otherwise stated.

17 May 2018 (Mayor Making)  
 21 May 2018 (Monday)  
 26 July 2018 (Special – includes Accounts)  
 18 October 2018  
 6 December 2018  
 13 February 2019 (Wednesday)  
 4 April 2019  
 16 May 2019 (Mayor Making)  
 20 May 2019 (Monday)

**EXECUTIVE**

Meetings on Thursday.

7 June 2018  
 28 June 2018  
 12 July 2018  
 13 September 2018  
 11 October 2018  
 22 November 2018 at 7.30pm (due to Christmas Lights Switch-On)  
 13 December 2018 (Special – Grants)  
 17 January 2019  
 7 February 2019  
 28 March 2019

**PLANNING COMMITTEE**

Meetings on Tuesday.

5 June 2018  
 26 June 2018  
 24 July 2018  
 4 September 2018  
 25 September 2018  
 16 October 2018  
 13 November 2018  
 11 December 2018  
 15 January 2019  
 5 February 2019  
 26 February 2019  
 19 March 2019  
 9 April 2019

**OVERVIEW & SCRUTINY COMMITTEE**

Meetings on Monday.

18 June 2018  
 16 July 2018  
 17 September 2018  
 26 November 2018  
 21 January 2019  
 25 February 2019  
 25 March 2019

**LICENSING COMMITTEE**

Meetings on Tuesday at 6.30pm.

12 June 2018  
 9 October 2018  
 22 January 2019  
 12 March 2019

**STANDARDS & AUDIT COMMITTEE**

Meetings on Thursday.

19 July 2018  
 20 September 2018  
 29 November 2018  
 7 March 2019

Selection Panel: 15 May 2018 and 14 May 2019 at 7.00pm.

Members Induction (CMG &amp; Member Services): 9 &amp; 10 May 2018 and 8 &amp; 9 May 2019 at 6.30pm.

Planning Committee Induction: 22 May 2018 and 21 May 2019 at 6.30pm.





EXECUTIVE - 23 NOVEMBER 2017

## DRAFT GENERAL FUND BUDGET 2018-19

### Executive Summary

This report represents an interim stage in the business planning process of the Council.

The report incorporates known service variations for 2018/19, indicates budget risks and pressures both for 2018/19 and over the period of the Medium Term Financial Strategy.

The summary shows that strategic investments acquired by the Council have generated sufficient income to offset the 2018/19 cost pressures. However, as has previously been identified, there continues to be significant cost pressures to manage the financial position over the period to 2021/22.

The budget and medium term forecasts will continue to be refined, assumptions challenged and more detailed assessments made where further information is required. Any updates as a result of the Chancellor's budget and the Provisional Local Government Finance Settlement will also be incorporated in the projections.

The draft budget will form the basis for consideration by Managers, Corporate Management Group and Portfolio Holders to identify proposals to meet the medium term savings requirement. This may be through cost reductions from transformational savings and efficiencies, or new income streams including Invest to Save proposals. The aim will be to achieve these with the minimum impact on citizen outcomes over this period.

### Reasons for Decision

Consideration of these proposals will enable the preparation of the Council's budgets for 2018/19 to proceed.

### Recommendations

The Executive is requested to:

#### **RESOLVE That**

- (i) the draft General Fund Budget for 2018/19 be received; and
- (ii) Managers, Corporate Management Group and Portfolio Holders be asked to review the draft budget to identify cost reductions from transformational savings and efficiencies, or new income streams including Invest to Save proposals. The aim will be to achieve these with the minimum impact on citizen outcomes.

<b>The Executive has authority to determine the above recommendations.</b>
--

**Background Papers:**

None.

Sustainability Impact Assessment  
Equalities Impact Assessment

**Reporting Person:**

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**Date Published:**

17 November 2017

## 1.0 Introduction

1.1 This report represents an interim stage in the business planning process of the Council's draft General Fund budget for 2018/19.

1.2 The Council's financial strategy is to achieve a balanced budget over the MTFS period that is consistent with:

- maintaining the level of Council services;
- ensuring value for money in all of the Council's services; and
- maintaining the Council's assets in a good state of repair.

1.3 The draft revenue budget has been prepared in accordance with this strategic approach and provides for:

- inflationary increases limited to those elements which carry a contractual/unavoidable obligation to adjust by inflation;
- the revenue impact of new investments be limited to a sustainable increase in accordance with the provisions of the Prudential Code;
- additional spend agreed by the Executive for inclusion in the draft budget;
- no other increase in net revenue expenditure, unless unavoidably necessary, is likely to be approved for 2018/19;
- review of the Investment Programme to continue;
- the programme to identify further efficiency savings to continue; and
- to propose fees and charges to optimise the income yield.

1.4 This report considers the following:

- General Economic Environment
- Government funding and policy
- Budget approach
- Management and Administration 2018/19
- Fees and Charges 2018/19
- Contractual Inflation
- Service Plans
- Pension Costs
- Service issues, budget pressures and risks
- Revenue Reserves
- Investment Programme and Treasury Management
- Medium Term Financial Strategy (MTFS)

## 2.0 General Economic Environment

2.1 After the UK surprised on the upside with strong economic growth in 2016, growth in 2017 has been disappointingly weak; quarter 1 came in at only +0.2% (+2.0% y/y), quarter 2 was +0.3% (+1.7% y/y) and quarter 3 was +0.4% (+1.6% y/y). The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the EU referendum, feeding increases in the cost of imports into the economy.

2.2 The Bank of England Inflation Reports during 2017 have clearly flagged up that it expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. The Bank revised its forecast for the peak to just over

3% at the 14 September meeting MPC. Inflation actually came in at 3.0% in September 2017 and is expected to rise slightly in the coming months.

- 2.3 As expected, the Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank Rate at its meeting on 2 November. This removed the emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expected to increase Bank rate only twice more by 0.25% by 2020 to end at 1.00%. The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently.
- 2.4 Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts (and MPC decisions) will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

### **3.0 Government Funding and policy**

- 3.1 The election in June 2017 delayed the progress of local government finance reforms and the Local Government Finance Bill was not reintroduced in the Queen's Speech which sets out the proposed legislation for the Parliament.
- 3.2 Despite this, the government has indicated their intention to continue with reforms, however there have been no announcements on a revised timetable, process or direction since the election.
- 3.3 The only recent announcement has been the invitation to bid to take part in a 100% business rates retention pilot. Woking has submitted a bid in response to this invitation as part of the proposed Surrey-wide pilot.
- 3.4 Further details may be included within the Chancellor's budget in Parliament on 22nd November. Any relevant announcements will be reported to the Executive at the meeting. For the purposes of this draft budget the assumptions around the various funding sources are considered in the following paragraphs.

#### Revenue Support Grant (RSG)

- 3.5 2018/19 is the third year of the four year settlement offer announced by the government in February 2016. The Council accepted the offer which, despite not being very attractive, has provided some certainty for budget setting for the last two years and removed the risk of further reductions over this period.
- 3.6 The 2019/20 figures included a Tariff adjustment or 'negative RSG' a reduction in funding of almost £1m. In accepting the offer, the Council made it clear that the tariff adjustment was not acceptable and not considered part of the multi-year agreement. The government had intended that the negative RSG would be superseded by the introduction of the new funding arrangements in 2019/20. This is now unlikely. If the tariff adjustment remains in the provisional figures announced in December the Council should again respond that the introduction of negative RSG remains wholly unacceptable.

**Government Funding**

Final Settlement - 8 February 2016

Business Rates

RSG

Transition Grant

Tariff adjustment

Reductions in funding

4 year settlement - February 2016			
2016/17	2017/18	2018/19	2019/20
£'000	£'000	£'000	£'000
1,954	1,992	2,051	2,116
588			
137	112		
			- 991
2,679	2,104	2,051	1,125
- 730	- 575	- 53	- 926

- 3.7 The technical consultation for the 2018/19 settlement proposed that funding for those authorities who accepted the multi year settlement would be as previously announced. This will be confirmed in the provisional settlement to be announced in December.
- 3.8 Despite the stability the multi-year settlement provided, the Council's Medium Term Financial Strategy (MTFS) extends to 2 years post this settlement period and there is no indication of what future funding levels might be.

**Business Rates**

- 3.9 The government proposed the introduction of 100% retention of business rates by local government by the end of the Parliament. It is now not expected to be 2019/20, but more likely to be 2020/21.
- 3.10 The new system will require baseline income and needs to be assessed. Once determined these levels will be used for the redistributive model within the scheme. This is a significant risk as it will ultimately determine the financial impact of the transition to the new system.
- 3.11 As the total national income from business rates exceeds the amounts currently distributed, a number of different grants will be assumed covered by rates income and no longer separately funded by the government. There will also be a transfer of some responsibilities from central to local government to be funded from the business rate income.
- 3.12 The latest consultation, in February 2017, provided some details of the proposed approach to the new arrangements. However, no further detail has been provided since then, and no direction on the fair funding review which will determine how the resources are allocated.
- 3.13 Currently the government operates a system of 50% localisation of Business Rates. The government receives 50% of the total income with Woking and Surrey County Council sharing the remaining income 40%/10% respectively. Woking is required to pay a tariff out of its allocation. If income is at the baseline level, as assumed by the government, just 4.4% is retained locally. This is equivalent to the £2m funding from business rates shown in the table above.
- 3.14 In 2015/16 and 2016/17 the Council signed up to be part of a Surrey Business Rate pool. Pooling allows a greater proportion of the funds, in excess of the assumed baseline, to be retained in Surrey rather than being shared with central government. The benefit is shared between Surrey County Council (50%) and the pooling Districts (remaining 50% pro-rata).

- 3.15 Woking is not in the pool in 2017/18. This was partly due to the uncertainty around business rates income following the revaluation for 2017/18, and the proposed level of town centre redevelopment, but also the Surrey Pool approach to share the pooling benefits by rotating membership where possible.
- 3.16 The benefits achieved in 2016/17 were sufficient to provide the annual £200k contribution from pooling to support the base budget for 2017/18.
- 3.17 In September the government issued an invitation to bid to be a pilot area for 100% Business Rates Retention. As a county area Surrey prepared a bid, and the approach was supported by the Executive at its meeting in October. The bid was submitted for consideration by the government by the 27<sup>th</sup> October deadline and feedback is awaited. The final announcement of pilot areas is expected alongside the provisional settlement figures for 2018/19 in December.
- 3.18 In reality 100% retention does not mean that all the business rates collected in Surrey remain in Surrey but refers to the growth over baseline income levels. This could still be a significant amount of additional income for the Council if the pilot is successful.
- 3.19 The pilot would be for 2018/19 only so any additional income raised cannot be assumed as ongoing in future years. The invitation to bid set out the areas that the government would like to see any additional funds allocated to. For Districts and Boroughs this was economic development so some of the benefit would need to be used to support these activities.
- 3.20 If the Surrey pilot is not accepted, Woking will be part of the Surrey Business Rates pool for 2018/19 with the same arrangements as in previous years. Assuming Woking remains above its baseline Business Rates income, this would still provide some additional funding.
- 3.21 As well as Business Rates collected, the Council also pays Business Rates on its own properties. The Chancellor has been under some pressure in recent weeks to consider the impact of Business Rates on businesses and provide some relief in the budget, particularly to mitigate the inflationary impact. A number of reliefs and assistance have been introduced within previous budgets and statements by the Chancellor. The Council's draft budgets have been adjusted for assumed inflation and will be further reviewed for the final budget in February.

#### New Homes Bonus (NHB)

- 3.1 The New Homes Bonus (NHB) scheme has previously match funded the additional Council tax for each new home and property in the Borough brought back into use for each of the six years after that home is built or brought back into use.
- 3.2 In 2016 the government introduced changes to save money from New Homes Bonus. From 2018/19 the NHB will only be paid for 4 years. There is a transitional arrangement in place for 2017/18 with the equivalent of 5 years being retained. The table below illustrates how the scheme now works.

## Draft General Fund Budget 2018-19

Year of Delivery	Year of Payment											
	Cumulative Payments	2011 / 12	2012 / 13	2013 / 14	2014 / 15	2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20	2020 / 21	2021 / 22
↓	Payments for Year 1	£310,360	£310,360	£310,360	£310,360	£310,360	£310,360					
	Payments for Year 2		£303,783	£303,783	£303,783	£303,783	£303,783					
	Payments for Year 3			£254,189	£254,189	£254,189	£254,189	£254,189				
	Payments for Year 4				£441,162	£441,162	£441,162	£441,162				
	Payments for Year 5					£219,020	£219,020	£219,020	£219,020			
	Payments for Year 6						£514,578	£514,578	£514,578	£514,578		
	Payments for Year 7							£391,535	£391,535	£391,535	£391,535	
	Payments for Year 8								£150,000	£150,000	£150,000	£150,000
	<b>Total Payments</b>	<b>£310,360</b>	<b>£614,143</b>	<b>£868,332</b>	<b>£1,309,494</b>	<b>£1,528,514</b>	<b>£2,043,092</b>	<b>£1,820,484</b>	<b>£1,275,133</b>			

- 3.3 The scheme now has a baseline below which additional properties will not be rewarded. This baseline was a 0.4% increase in properties for 2017/18 but this may change from year to year. It is therefore not possible to calculate a reliable estimate of funding for 2018/19.
- 3.4 If the baseline were retained at 0.4% of the existing Council Tax base an increase of 300 Band D equivalents each year would generate approximately £150,000 of grant. By 2021/22 the funding would be £150,000 x 4 years = £600,000. The MTFs assumed this level of annual income. Until arrangements for 2018/19 are announced this assumption remains in the draft budget.
- 3.5 Previous levels of this grant and the amounts used and transferred into reserves are shown in the table below, together with the forecast based on the new scheme.

Year	Receipt £ million	Use of New Homes Bonus £ million	Transferred to NHB Reserve £ million
2011/12 Actual	0.310	-	0.310
2012/13 Actual	0.614	-	0.614
2013/14 Actual	0.868	0.614	0.254
2014/15 Actual	1.309	0.804	0.505
2015/16 Actual	1.529	0.504	1.025
2016/17 Actual	2.043	1.200	0.843
2017/18 Actual	1.820	1.200	0.620
2018/19 Forecast	1.275	1.000	0.275
2019/20 Forecast	1.206	0.800	0.406
2020/21 Forecast	0.842	0.600	0.242
2021/22 Forecast	0.600	0.600	0.000

- 3.6 The November draft budget assumes a £1m in-year use of NHB, with £275,000 credited to the NHB reserve. This starts the reduction in reliance on NHB to support the annual budget as shown in the table above, recognising that NHB as a funding source is at risk. It may be necessary to accelerate the reduction in NHB taken to support the in-year budget. It is considered that any replacement funding arrangements would remain variable and therefore would continue to be a risk if used to support the in-year budget.

- 3.7 The Executive has agreed that surplus New Homes Bonus will be transferred into the New Homes Bonus reserve (See Appendix 3). These funds have been used to repay the funds loaned by Enterprise M3 towards the Sheerwater Access Road project, support investment in Brookwood Cemetery and may be used for funding of infrastructure as agreed.

#### Council Tax

- 3.8 In the final funding settlement for 2016/17 the government introduced flexibility for district councils to increase Council Tax by the higher of £5 or the previous referendum limit of 2%. This was maintained as the limit for 2017/18.
- 3.9 The government has recently consulted on Council Tax increases for 2018/19 and have indicated that the limits will be the same as the last 2 years, that is the higher of £5 or 2%.
- 3.10 The draft budget assumes an increase in Council Tax of £4.95, which equates to 2.18%. In calculating settlement allocations the government include the resources available to each Council assuming that this increase is taken irrespective of the actual Council Tax decision. It is therefore critical that the Council continues to maintain its Council Tax base income.
- 3.11 There has been an increase in the Tax Base for 2018/19 which reflects new properties being included in the calculation.

#### Council Tax Support Scheme

- 3.12 The Council Tax Support scheme was agreed by the Council in January 2013 and introduced in 2013/14. The scheme was aimed at not causing severe financial hardship on Council Tax charge payers on low incomes and to not cause an adverse effect on the Council's income from unpaid charges.
- 3.13 The scheme has not impacted on collection rates and there have been minimal issues caused to claimants. The scheme will be kept under review and a consultation exercise will be undertaken if it is considered that any revisions are required.

### **4.0 Approach to preparing the draft 2018/19 budget**

#### Monitoring 2017/18 Budget

- 4.1 As can be seen from the Green Book monitoring, a saving is currently forecast against revenue budgets for 2017/18. Within the 2017/18 budget there is a £100,000 savings target. Whilst savings have not yet been identified to achieve this target, this is offset by the £250,000 risk contingency against which only £110,000 of costs had been allocated to September 2017.
- 4.2 Permanent variations to budgets identified through in year monitoring of the 2017/18 position have been incorporated in the draft 2018/19 budget where appropriate. The position will continue to be reviewed and the 2018/19 budget adjusted as appropriate.

#### 2018/19 Draft Budget

- 4.3 The draft revenue budget for 2018/19 is based on the 2017/18 approved budget adjusted for changes in accordance with the guidelines set out in 1.3 and against the background and performance set out above.



- 4.4 The summary 2018/19 Budget position is shown in Appendix 1, with an analysis of the changes compared to the 2017/18 budget provided in Appendix 2.
- 4.5 The overall position at this stage is that new strategic commercial properties provide sufficient additional income to offset the in year cost pressures. It has also been possible to remove the 'one-off' use of reserves for 2018/19.
- 4.6 Detailed work still needs to be completed in several areas where estimated figures have been included and there will need to be a comprehensive review of budget assumptions in particular around the timing and rates of interest costs and income. Further commentary on the key budget assumptions at this stage is provided in following sections.

**5.0 Management and Administration**

- 5.1 Staffing is currently controlled through two measures – the number of Full Time Equivalent (FTE) staff employed and the cost including overheads of employing them. The levels were set for 2017/18 at 335 FTE and £13,000,000.
- 5.2 The Council's pay scheme rewards performance and determines how the available budget for pay progression is allocated to staff.
- 5.3 The management structure has identified a number of areas where additional resource is required in order to progress the Council's aspirations. Only some of these posts have been recruited to whilst the financial position continues to be assessed.
- 5.4 The MTFs assumed increases of £300,000 each year over the period. For the draft budget it has been assumed that an additional £415,000 is allowed. This provides funding for the tax changes to salary sacrifice schemes which affects the Council's leased car scheme as well as the baseline increase, and equates to a 3.2% increase.
- 5.5 The budget tracks those posts which are funded by Council Tax and the Housing Revenue Account. It is net of any posts which are funded externally or by Investment Programme projects. Direct Staffing costs and numbers have fallen over the last 10 years, from a high of £17.7m, 511 Full Time Equivalents (FTEs) in 2008/09 to £13m, 335 FTE in 2017/18. During the period between 2014/15 and 2016/17 only minimal increases were allowed to the control total. More recently, and in the MTFs, it is recognised that it is necessary to more fully provide for a greater proportion of the identified cost pressures.

Year	Budget (in cash terms) £m	Average Number of FTE Staff
2014/15	12.400	345
2015/16	12.500	345
2016/17	12.600	335
2017/18	13.000	335
2018/19 (Assumed increase)	13.415	345

- 5.6 The known pressures on the staffing budgets, before any pay award for 2018/19, are summarised in the following table. Allowing growth of only £415,000 at this stage generates a savings target of £371,000 (2.8%) to be met from within the total £13.4m employee budget.

Pressures on staffing budgets	£'000
2017/18 savings target built into base budget	370
Further cost of pay progression and allowances 2017/18	79
New posts and structure changes 2017/18	345
Remove joint waste contract posts – moved to service cost	-170
Add posts transferred from WAVS	115
Add new posts externally funded	160
Changes in funding	-228
Increased cost of Salary Sacrifice scheme	115
Pressure on staffing budget (before control total increase)	786
Assumed increase in control total (November 17 draft budget)	-415
Pressure on staffing control total	371

- 5.7 Assuming a £400,000 cost of pay progression in 2017/18 would require £771,000 to be found from the £13.4m control total, equating to a 5.7% scaling back/vacancy factor across the total staffing budget.
- 5.8 Those posts which are capitalised or funded from Investment Programme budgets are categorised as externally funded. Only posts directly working on projects are allocated, this position will continue to be reviewed including the opportunity to fund wider staffing costs from project budgets.
- 5.9 As the overall position is further refined, it may be that additional allowance needs to be included in the budget for 2018/19 to reflect the above pressures which are not fully incorporated in the base to date.
- 5.10 Consideration of the cash control total for 2018/19 will form part of the work prior to agreeing the budget in February 2018.
- 5.11 Accounting rules require that these costs are allocated out to individual services to show the full cost of the service. Allocations have not been substantially reviewed for a number of years so this year the basis of all allocations are being considered by service managers. It is possible that this will result in more significant changes in the services to which staffing and overhead costs are charged, in particular the balance between the General Fund and Housing Revenue Account may change. Once this process is complete any implications will be reported in the final draft budgets.
- 5.12 The staffing budgets will continue to be monitored in the Green Book.

## 6.0 Fees and Charges 2018/19

- 6.1 Elsewhere on this agenda is a report on the proposed Fees and Charges for 2018/19. The General Fund base budget for 2018/19 in Appendix 1 incorporates the forecast changes in charges and activity in this report.
- 6.2 Not all the income from Fees and Charges has a direct impact on the General Fund budget. Additional yield from Controlled Parking Zones for example would be credited to the Parking Account.
- 6.3 Fees and Charges are expected to contribute an increase in income of £375,000 to the 2018/19 budget.

## 7.0 Contractual Inflation

- 7.1 Negotiations, supported by the Commercial Unit, are undertaken with suppliers to minimise the impact of inflation on the Council's costs. Provision has been included in the draft budget allowing for instances where it is impossible to avoid an increase.
- 7.2 Where contracts are under negotiation an estimate of the forecast implications is included in the draft budget.
- 7.3 The new joint waste contract agreed by Council in October 2016 started in September 2017. The £100,000 saving guarantee agreed with the Council's partners in the joint contract has been included in the base budget for 2018/19.
- 7.4 The draft budget includes a £100,000 allowance for the operating costs of the new leisure facilities at Egley Road in line with the estimate in the June 2016 project report.

## 8.0 Service Plans

- 8.1 Draft Service Plans have been prepared (Appendix 4) to reflect the aims and objectives of the Council's services and these will be combined with the detailed service budgets when they are presented to the Executive in February.
- 8.2 No reductions in services are currently proposed. The Service Plans may need to be amended to reflect any changes in services or their priorities between the draft and final budget.
- 8.3 Performance management and financial monitoring information continues to be reported in the Green Book on a monthly basis.

## 9.0 Pension Costs

- 9.1 The triennial actuarial review of the pension fund was completed for the position of the fund at 31 March 2016. The result set the employer's on going pension costs, and annual lump sum payment towards the pension fund deficit, for 2017/18 to 2019/20. The results showed a positive movement in the fund and it has been possible to maintain deficit funding and ongoing contributions at previous levels.

## 10.0 Service issues, Budget Pressures and Risks

### Commercial Income

- 10.1 Included in the base is income from two strategic properties acquired by the Council to further economic regeneration objectives since the 2017/18 budget was set in February. The purchase of Orion Gate was to be part funded by the capital receipt derived from the sale of part of Wolsey Place to Victoria Square Woking Ltd (VSWL). The rental income generated from the new asset offsets the reduction in retail rentals from the site now under redevelopment.

### Civic Offices income

- 10.2 Increased income is expected due to the provision of space within the Civic Offices for Surrey Police and Job Centre plus. Income from the Police was included in the 2017/18 budget but the move has been delayed and it is unlikely that this income will be received in year. It is assumed that a full year of income from both areas is achieved in 2018/19.

HG Wells

- 10.3 The HG Wells centre is experiencing business pressures to both income and expenditure, as reported in the Green Book in recent months. The 2018/19 budget assumes a £50,000 reduction in expected income, together with a £20,000 increase in costs, resulting in an additional £70,000 net cost.

Surrey County Council funded services

- 10.4 Surrey County Council has an ongoing program to review service provision with the target to generate substantial savings. The County is experiencing significant pressures, in particular around social care and supporting adults and children with learning disabilities. As a result a number of grants and contributions currently allocated to Woking to support services are at risk. These include grants for care services at the Council's centres, Meals service and Home Improvements Agency. In addition the Surrey authorities are working on revised financial mechanisms around waste collection and disposal which will reduce the costs to the County. An assessment has been made of the likely reduction in support for 2018/19 and this is included in the base budget. The MTFS assumes further reductions.

Risk Contingency

- 10.5 The risk contingency has been retained at £250,000 in the draft Budget. This will be reviewed before the final budget is presented in the light of the risks associated with the budget, any savings target, the level of general and specific reserves and in the context of the Council's planned business.

**11.0 Revenue Reserves**

- 11.1 Some items in the General Fund Summary (Appendix 1) are covered by the Council's revenue reserves. These tend to be variable items which would otherwise cause the Council Tax requirement to vary significantly year on year. Transfers out of the reserve cover Management of Change costs and Investment Programme items.
- 11.2 The Council has a target to manage the Investment Strategy reserve to a level of £3 million. Other reserves have been established to enable the Council to manage and develop its ambitions. For example, the reserve held for Wolsey Place and Export House provides on going support to rental income as well as a source of funds for refurbishment of units.
- 11.3 Transfers are made from the Investment Strategy reserve to a number of specific reserves, for example the Group Company reserve, Community Fund and Wolsey Place reserves as shown in Appendix 3.
- 11.4 In 2016/17 and 2017/18 a transfer from reserves was used to supplement the budget pending review of the Medium Term Financial Strategy (MTFS). It has been possible to remove this for 2018/19 and the current figures suggest that £25,000 could be used to replace those funds used in the previous two years.

**12.0 Investment Programme and Treasury Management**

- 12.1 In addition to revenue projects which are directly funded by reserves as described above, the Investment Programme also affects revenue budgets through the cost of borrowing decisions.

- 12.2 A draft Investment Programme (IP) is elsewhere on the agenda. The draft IP has been considered by the Finance Task Group. Any changes to the programme and funding requirements agreed before February will be reflected in the final budgeted interest costs.
- 12.3 Lending to group companies generates income to support the Council's budget. The business plans for all of the group companies are also on this agenda. The Investment Programme and treasury estimates will be updated to reflect any changes in these once approved.
- 12.4 The interest estimates will be further reviewed in the period to preparing the final 2018/19 budget:
- To incorporate any changes to the Investment Programme including project timing, new projects approved and any impacts of the Victoria Square and Sheerwater regeneration proposals as appropriate.
  - To reflect updated timing of Thamesway Housing Ltd advances, which are currently based on the Thamesway business plan.
  - To reflect the latest interest rate forecasts provided by the Capita Asset Services, the Council's treasury management consultants.
  - To review the Minimum Revenue Provision (MRP) assumptions and the allocation of interest between the General Fund and Housing Revenue Account.
- 12.5 The Investment Strategy reserve is currently forecast to be in line with the target £3m balance for the next 3 years. The level of this reserve will be reviewed together with the consequences of other budget variations and decisions in assessing the position for setting the final 2018/19 budget.

### **13.0 Medium Term Financial Strategy (MTFS)**

- 13.1 The MTFS was last updated in March 2017 and identified £3.5m of savings to be identified over the period to 2021/22. The analysis has been updated to reflect the changes now incorporated in the draft budget for 2018/19.
- 13.2 The MTFS has not been extended for an additional year at this stage due to the uncertainties around government funding post 2019/20. Otherwise assumptions have been kept consistent with the March 2017 version.

	2018/19	2019/20	2020/21	2021/22	TOTAL
<b><u>In year pressures</u></b>					
Remove use of reserves					-
Remove Business Rates pooling/CF surplus		337			337
Reduce reliance on NHB		200	200		400
General Service Pressures		548	551	549	1,648
Specific Service Variances		216	476	-	692
Investment Programme projects		1,379	533	421	2,333
Government Funding reductions		918	436	434	1,788
	-	3,598	2,196	1,404	7,198
<b><u>Funded by:</u></b>					
Reduce contribution to reserves	-	25		-	25
Fees and Charges - Car park income	-	250	- 250	- 250	750
Council Tax income	-	278	- 282	- 285	845
<b>In year savings required</b>	-	3,045	1,665	869	5,579
<b><u>MTFS Strategies</u></b>					
Investment in Housing	-	788	- 788	- 450	2,025
Investment in MTFS Investments	-	300		-	300
Investment in other acquisitions					-
Limiting Investment Programme revenue cost	-	100	- 100	- 100	300
Productivity and Procurement	-	100	- 100	- 100	300
<b>Surplus/deficit after agreed strategy</b>	-	1,758	677	219	2,654

- 13.3 The table shows that whilst the draft 2018/19 budget is now balanced, there continues to be budgetary pressures in future years, in particular in 2019/20 due to the negative RSG.
- 13.4 Some of the variations set out in Appendix 2 had not previously been identified and are therefore generate additional pressure to the earlier MTFS. Surrey County Council reductions in support for waste and environmental maintenance have also been withdrawn more quickly than had been assumed.
- 13.5 This position will be further analysed and refined, and assumptions reviewed alongside further detailed budget work. It will be necessary to consider the impact of any announcements in the Chancellor's budget on 22nd November and in the provisional government settlement in December.
- 13.6 The updated forecast will be included in the final 2018/19 budget report alongside any further actions considered necessary to establish a sustainable medium term position.

## 14.0 Implications

### Financial

- 14.1 The financial implications are explicit in this report.

Human Resource/Training and Development

14.2 No new human resource or training and development implications arise from this report.

Community Safety

14.3 There are no specific community safety implications.

Risk Management

14.4 Risks to budgets are identified through on going monitoring throughout the year with variances reported monthly in the Green Book. Budgets are adjusted as appropriate in the following year. One-off or short term variances are met from the contingency at the end of the financial year.

14.5 Where specific risks have been identified they have been set out in this report and steps will be taken to mitigate against them.

Sustainability

14.6 There are no specific sustainability implications.

Equalities

14.7 There are no specific equalities implications.

**15.0 Consultations**

15.1 No public consultations have been undertaken in preparing this report. Corporate Management Group, Managers and Portfolio Holders have been consulted in the preparation of the draft budgets.

REPORT ENDS

EXE17-071

**APPENDICES**



## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

Page 32	Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
	Eliminate discrimination	Advance equality	Good relations			
Gender	Men				X	
	Women				X	
<b>Gender Reassignment</b>					X	
Race	White				X	
	Mixed/Multiple ethnic groups				X	
	Asian/Asian British				X	
	Black/African/Caribbean/Black British				X	
	Gypsies / travellers				X	
	Other ethnic group				X	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					X	
	Sensory					X	
	Learning Difficulties					X	
	Mental Health					X	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			X	
Waste generation / sustainable waste management			X	
Pollution to air, land and water			X	
Factors that contribute to Climate Change			X	
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy			X	
Meet local needs locally			X	
Opportunities for education and information			X	
Provision of appropriate and sustainable housing			X	
Personal safety and reduced fear of crime			X	
Equality in health and good health			X	
Access to cultural and leisure facilities			X	
Social inclusion / engage and consult communities			X	
Equal opportunities for the whole community			X	
Contribute to Woking's pride of place			X	



**GENERAL FUND SUMMARY**

	ESTIMATE 2017/18 £	ESTIMATE 2018/19 £
<b>TOTAL PROGRAMME REQUIREMENTS</b>	9,187,017	4,556,920
MTFS savings requirement	-100,000	-100,000
<b>PROGRAMME REQUIREMENTS AND SAVINGS TARGETS</b>	9,087,017	4,456,920
Management of Change	250,000	250,000
Risk Contingency	250,000	250,000
New Homes Bonus	-1,820,484	-1,275,000
Business Rates Surrey Pool	-200,000	-200,000
PFI Unitary Charge and management	175,000	175,000
Investment Programme items funded from revenue	394,000	289,000
<b>NET COST OF SERVICES</b>	8,135,533	3,945,920
<b><u>INTEREST AND OTHER ITEMS</u></b>		
- Interest costs	21,154,259	30,481,856
- Interest and Investment Income	-14,499,378	-19,961,547
<b>NET OPERATING EXPENDITURE</b>	14,790,414	14,466,229
<b><u>USE OF RESERVES/BALANCES</u></b>		
- Contribution to Investment Strategy Reserve	1,447,462	1,635,805
- Use of/contribution to MTFS Reserve	-644,217	24,667
- New Homes Bonus transferred to Reserve	620,484	275,000
- Contribution from Wolsley Place reserve	-1,003,347	-1,003,347
- Contribution from Capital Reserves	-3,160,018	-3,160,018
- Contribution from Reserves - Management of Change	-250,000	-250,000
- Contribution from Reserves - IP items funded from revenue	-394,000	-289,000
<b>AMOUNTS TO BE MET FROM LOCAL TAXATION AND GOVERNMENT GRANTS</b>	11,406,778	11,699,336
<b>EXTERNAL FINANCE - SETTLEMENT FUNDING ASSESSMENT</b>	-1,991,997	-2,057,592
- Transition Grant	-112,000	0
<b>PRECEPT ON COLLECTION FUND</b>	9,302,781	9,641,744
<b><u>FORECAST COUNCIL TAX LEVEL</u></b>		
Precept on Collection Fund (from above)	9,302,781	9,641,744
Working share of Collection Fund Surplus(-)/Deficit	-116,265	-136,734
	9,186,516	9,505,010
Council Tax Taxbase	40,521	41,030
Council Tax Requirement (£)	£226.71	£231.66
<b>Year on year increase (£)</b>	<b>£4.95</b>	<b>£4.95</b>
<b>Year on year increase (%)</b>	<b>2.23%</b>	<b>2.18%</b>

<b><u>PROGRAMME REQUIREMENTS - SUMMARY OF VARIATIONS</u></b>	
	<b><u>GENERAL FUND TOTAL</u></b>
	<b>£</b>
<b>ORIGINAL ESTIMATE 2017/18</b>	9,187,017
<u>General Budget Pressures</u>	
Management and Administration	482,860
Contractual Inflation	105,000
Energy	20,000
Business Rates	19,625
Changes in Insurance	8,671
Fees and Charges	-374,926
	261,230
<u>Specific Service Issues</u>	
- Commercial Properties and other Rent Income adjustments	-272,465
- Commercial Properties maintenance new acquisitions	35,000
- Commercial Properties Rent payable	121,750
- Orion Gate	-1,377,410
- Reduction in Wolsey Place rents (VSWL)	700,000
- Town Centre acquisition	-4,364,000
- New Waste Contract savings	-100,000
- Waste posts transfer from M&A (above) to new Joint Waste Solutions	170,000
- Waste reduction in contributions from Surrey County Council	204,848
- Credit Card surcharges no longer recoverable	18,000
- Market costs not rechargeable	40,825
- Environmental Maintenance - reduction in SCC funding	60,000
- Parking card handling and banking fees	10,000
- Borough Elections (Reinstated for 2018/19)	117,070
- Members Allowances	2,500
- Peace Garden Commemorative Service	10,000
- Statutory Adverts - Woking News & Mail & Eagle Radio Community Hub podcast	22,000
- HG Wells adjustment to net costs	20,000
- Hoe Valley community facilities	100,000
- Housing Benefit Admin Subsidy	20,000
- Grants budget reduction to cover WAVS now included in salary costs	-91,000
- Housing Related Support Funding	10,000
- Surrey County Council Social Care Funding	-14,649
- Homelink Surrey County Council Funding	-54,750
- 3rd Handyperson And Additional Activity	22,454
- Lets Rent - Private Rented Sector Access Scheme Policy	105,000
- Selective Licensing Financial Penalties	-216,500
- Homelessness Flexible Support Grant	-238,394
- Homelessness Reduction Act	133,394
- Brockhill Refurbishment Annual Budget	5,000
- Additional Community Meals Vehicle	10,000
- Planned national 20% increase in Planning Fees (delayed from last year)	-100,000
<b>Total Service Variations</b>	<b>-4,891,327</b>
<b>ORIGINAL ESTIMATE FOR 2018/19</b>	<b>4,556,920</b>

INVESTMENT STRATEGY RESERVE

	2017/18 Original £'000	2017/18 Revised £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b>Balance Brought Forward</b>	<b>4,127</b>	<b>4,983</b>	<b>3,838</b>	<b>3,443</b>	<b>2,857</b>
<u>Source of Funds</u>					
Planned contribution from General Fund	1,448	1,448	1,636	1,455	1,455
New Homes Bonus	620	620	275	407	242
Transfer from Town Centre Management Reserve	150	150	150	150	150
2017/18 Forecast savings (September Green Book)		88			
<b>Total Available Funds</b>	<b>6,345</b>	<b>7,289</b>	<b>5,899</b>	<b>5,455</b>	<b>4,704</b>
<u>Use of Funds</u>					
Management of Change (GF only)	-250	-250	-250	-250	-250
Use of Selective Licensing Surplus				-180	
Financing IP Revenue Items	-269	-519	-289	-269	-269
Sheerwater Social Support (now funded from New Homes Bonus)	-125				
Celebrate Working	-125	-151	-150	-150	-150
Community Transport - Replacement Vehicles		-74	-74	-74	-74
Victoria Arch - Network Rail		-650			
Flood Prevention schemes	-750	-489	-750	-600	
Queen Elizabeth Gardens Drainage, Landscaping & Lighting		-30			
<b>Total Use of Funds</b>	<b>-1,519</b>	<b>-2,163</b>	<b>-1,513</b>	<b>-1,523</b>	<b>-743</b>
<u>Transfer to Other Revenue Reserves</u>					
Transfer to Wolsey Place reserve	-300	-300	-300	-300	-300
Transfer to New Homes Bonus Reserve	-620	-620	-275	-407	-242
Transfer to Equipment reserve	-50	-50	-50	-50	-50
Transfer to Town Centre Management Account Reserve	-208	-92	-92	-92	-92
Transfer of On-street Parking to Surrey	-116	-116	-116	-116	-116
Transfer to Community Fund	-100	-100	-100	-100	-100
Transfer to Provision for Flexibility	-10	-10	-10	-10	-10
<b>Total Transfer to Other Revenue Reserves</b>	<b>-1,404</b>	<b>-1,288</b>	<b>-943</b>	<b>-1,075</b>	<b>-910</b>
<b>Balance Carried Forward</b>	<b>3,422</b>	<b>3,838</b>	<b>3,443</b>	<b>2,857</b>	<b>3,051</b>

INVESTMENT STRATEGY RESERVE

APPENDIX 3

	2017/18 Original £'000	2017/18 Revised £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b><u>Group Company reserve</u></b>					
balance b/f	750	750	750	750	750
in year movement	0	0	0	0	0
balance c/f	750	750	750	750	750
<b><u>Wolsey Place reserve</u></b>					
balance b/f	6,270	6,325	5,419	4,582	3,843
Contribution to reserve	300	300	300	300	300
Under-recovery of rents/service charges	-1,003	-1,003	-1,003	-1,003	-1,003
Refurbishments	-200	-433	-330	-200	-200
Subtotal	5,367	5,189	4,386	3,678	2,940
Interest (included in GF Summary - Interest costs)	268	230	196	165	136
	5,635	5,419	4,582	3,843	3,076
<b><u>New Homes Bonus reserve</u></b>					
balance b/f	1,014	1,352	670	-80	-298
In year income (net of GF support, £1.2m assuming 300 properties pa)	620	620	275	407	242
Sheerwater Access Road reserve repayment of loan funding	-400	-400	-400		
Grant to Brookwood Cemetery	-500	-802	-500	-500	-500
West Byfleet Play Area		-35			
Sheerwater Social Support		-25	-125	-125	
Developing a Favourable Conservation Status Licence		-40			
balance c/f	734	670	-80	-298	-556
<b><u>Insurance reserve</u></b>					
balance b/f	450	521	477	477	477
Sheltered Housing Alarms		-20			
Emergency Planning Vehicle		-24			
Corporate Insurance Procurement					
balance c/f	450	477	477	477	477
<b><u>Equipment reserve</u></b>					
balance b/f	260	280	330	360	390
Contribution to reserve	50	50	50	50	50
Planned use of reserve	0	0	-20	-20	-24
balance c/f	310	330	360	390	416



INVESTMENT STRATEGY RESERVE

	2017/18 Original £'000	2017/18 Revised £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b><u>Business Rates Equalisation Reserve</u></b>					
balance b/f	604	2,199	1,999	1,999	1,999
Grant timing adjustments					
Contribution to reserve - pooling benefit		-200			
balance c/f	604	1,999	1,999	1,999	1,999
<b><u>Local Council Tax Support Scheme Hardship Fund</u></b>					
balance b/f	48	48	48	48	48
Contribution to reserve	0	0	0	0	0
Planned use of reserve					
balance c/f	48	48	48	48	48
<b><u>Town Centre Management Account Reserve (TCMA)</u></b>					
balance b/f	338	338	280	222	164
Contribution to reserve	208	92	92	92	92
Planned use of reserve	-150	-150	-150	-150	-150
balance c/f	396	280	222	164	106
<b><u>Medium Term Financial Strategy Reserve (MTFS)</u></b>					
balance b/f	1586	2,700	2,056	2,081	2,081
Use of reserve to support Medium Term Financial Strategy	-644	-644	25	0	0
Planned use of reserve					
balance c/f	942	2,056	2,081	2,081	2,081
<b><u>Victoria Square Reserve</u></b>					
balance b/f	535	459	1,609	2,699	3,799
Contribution to reserve 1% arrangement fee from 1 January 2017	940	1,250	1,190	1,100	
#WeAreWoking		-100	-100		
balance c/f	1475	1,609	2,699	3,799	3,799





# 2018/19 **DRAFT** Service Plans

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## **Towards Tomorrow Today**

## Foreword

Welcome to Woking Borough Council's Service Plans for 2018/19. The aim of this document is to provide clear information about our plans for continuous improvement in the quality and value of our services for the coming year.

This document translates the Council's strategic vision, objectives and priorities into operational plans. Each Service Plan will identify what needs to happen for each area of Council activity to achieve success, what resources will be required for delivery, the outputs and outcomes that are anticipated and any risks that might impact delivery.

The Service Plans are split into three sections relating to the following themes:

People: A Healthy, Inclusive and Engaged Community  
Place: An Enterprising, Vibrant and Sustainable Place  
Us: An Innovative, Proactive and Effective Council

### Monitoring the performance of the Council

This document can be read in conjunction with the Council's Green Book. The Green Book monitors the performance of the Council across a range of service areas. The Green Book also supports the monitoring of contractual relationships the Council has with its outsourced providers. The Council uses a variety of performance indicators to monitor how well our services are performing in meeting the needs of our residents.

We monitor our performance on a monthly basis to ensure that we remain focused on our priorities and to ensure that we can promptly deal with underperformance wherever necessary. The Green Book is circulated to Members, Corporate Management Group, staff and the public and can be accessed from the Council website.

## PEOPLE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Community Support</b>	Sue Barham	Centres for the Community: Area Manager Centres and Community Meals Community Engagement: Senior Community Engagement Officer Community Safety: Community Safety Manager Family Support Programme: Family Support Programme Team Manager Support to Voluntary & Community Organisations: Strategic Director	Cllr Kemp Cllr Kemp / Cllr Pengelly Cllr Hunwicks Cllr Hunwicks Cllr Azad

<b>Service Plan Overview (Key Functions) 2018/19</b>
<p>The Community Support Service Plan is divided into 5 main sections:</p> <p><b>Centres for the Community</b> There are four centres for the community managed directly by the Council, and three other centres across the Borough which are grant-aided. All offer a range of services and programmes of activities to underpin the health and wellbeing of the community – including addressing such issues as social isolation. The venues also facilitate lettings and events that are designed to meet local people’s needs and aspirations across a whole-life age range.</p> <p><b>Community Engagement</b> Community engagement work by the Council provides support to individuals and voluntary sector organisations in the Borough to build ongoing relationships for improved health and wellbeing of all the residents of Woking; examples of such work include our support for interfaith dialogue, military/civilian integration and targeted Asset Based Community Development (ABCD).</p> <p><b>Community Safety</b> This service is responsible for co-ordinating the Council’s response to its statutory duties under the Crime and Disorder Act 1998 and other relevant legislation. Working in partnership with Surrey County Council, Surrey Fire and Rescue Service, Health, Surrey Police, the National Probation Service and Kent, Surrey and Sussex Community Rehabilitation Company, the main aim is to co-operate on strategies to maintain the low level of crime and disorder in the Borough. The service supports multi-agency groups, such as the Community Harm and Risk Management Meeting (CHaRMM) that supports victims of Anti-social Behaviour and targets problem individuals or families and the Joint Action Group (JAG) that targets problem locations and series crime.</p>

**Family Support Programme**

This service is based on working in partnership with families with complex and multiple needs. The focus of the intervention is to improve parenting, education, work and training, relationships, health and mental health needs and to reduce crime and anti-social behaviour. It is expected that in providing intensive family support with a wrap-around multi-agency plan, families referred will be able to make long term sustainable changes. The service also oversees the re-settlement of refugee families within the Borough under the Vulnerable Person Relocation Scheme.

**Support to Voluntary and Community Organisations**

Each year the Council invites local voluntary and community groups to apply for financial assistance for projects and services designed to benefit the local community. The key aim of the service is to contribute to the Community and the Council's key objectives through the provision of grant aid and support. Each application received is assessed and a report and recommendation prepared for consideration by the Executive.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
CC1	To review the service, in conjunction with partners, to ensure that the offer in the Community Centres is 'fit for purpose' into the future.	31/03/19	<ul style="list-style-type: none"> <li>Centralise service provision where appropriate;</li> <li>Services are provided that are relevant and appropriate to the needs of the community going forward.</li> </ul>	<ul style="list-style-type: none"> <li>Clients, staff and partners do not engage in the review process fully;</li> <li>Funding cuts from Health and Adult Social Care impact on the service;</li> <li>The review outcomes are not supported;</li> <li>Capacity to carryout the review.</li> </ul>
CC2	To continue to analyse and monitor the performance of the Centres to enable informed service decisions to be made based on trends and usage.	31/03/19	<ul style="list-style-type: none"> <li>We have the correct information available to make strategic decisions;</li> <li>Use data to attract new customers and identify the best way of delivering services in line with the Corporate Health and Well being Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of resources;</li> <li>Staff / Service Users are resistant to change.</li> </ul>

CE1	To develop, in collaboration with the Sheerwater Community and Surrey County Council, an Action Plan around Asset Based Community Development in Sheerwater.	31/03/19	<ul style="list-style-type: none"> <li>Better engagement with the community and organisations based in Sheerwater;</li> <li>A multi-agency Action Plan;</li> <li>Improved health &amp; wellbeing of residents.</li> </ul>	<ul style="list-style-type: none"> <li>Disengagement / lack of engagement with Sheerwater residents;</li> <li>Lack of resources to enable the Action Plan to be delivered.</li> </ul>
CE2	To plan and implement an end of World War commemoration service and also plan a service at the Muslim Burial Ground Peace Garden.	31/11/18	<ul style="list-style-type: none"> <li>Raising multi-cultural awareness within the community;</li> <li>Improved links with the Armed Forces;</li> <li>Raising the profile of Woking both nationally and internationally.</li> </ul>	<ul style="list-style-type: none"> <li>Having sufficient resources in place to enable the programme to be planned;</li> <li>Availability and attendance of Armed Forces personnel and US / Pakistan embassy representatives.</li> </ul>
CE3	Undertake a review of community asset provision and community integration in Goldsworth Park (including Lakeview).	30/06/18	<ul style="list-style-type: none"> <li>Better engagement with the community and organisations based in the area;</li> <li>A multi-agency Action Plan;</li> <li>Improved wellbeing outcomes for residents.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of engagement;</li> <li>Lack of resources to bring groups together.</li> </ul>
CE4	To develop and implement an annual action plan on interfaith work in collaboration with Woking People of Faith.	30/09/18	<ul style="list-style-type: none"> <li>Faith and cultural engagement with residents and faith institutions in the Borough;</li> <li>Improved resilience and cohesion in the community.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of resource to deliver programmes;</li> <li>Lack of institutional cooperation.</li> </ul>
CS1	Undertake a wide ranging review of the way in which WBC delivers Anti-Social Behaviour activities.	30/09/18	<ul style="list-style-type: none"> <li>Action Plan that will list activities to be completed resulting from the review – e.g. an updated Anti Social Behaviour Strategy, Council website updated.</li> </ul>	<ul style="list-style-type: none"> <li>Review may be delayed if staff resource does not have capacity.</li> </ul>
CS2	Deliver Anti Social Behaviour and Domestic Abuse community safety awareness campaigns.	31/07/18 31/10/18	<ul style="list-style-type: none"> <li>Raise awareness amongst the public and agency staff about Anti Social Behaviour and Domestic Abuse and where help and support are available.</li> </ul>	<ul style="list-style-type: none"> <li>Campaigns may not run if there are insufficient resources.</li> </ul>

CS3	To run a Junior Citizen Scheme for around 1,000 year 6 pupils from primary schools across the Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Practical demonstrations and interactive workshops to show children how to stay safe in everyday situations;</li> <li>• Children better equipped to deal with possible hazardous situations;</li> <li>• Partnership working with other agencies.</li> </ul>	<ul style="list-style-type: none"> <li>• The scheme may not run if one or more agencies withdraw support.</li> </ul>
FS1	Provide intensive support to at least 100 families within the Borough of Woking.	31/03/18	<ul style="list-style-type: none"> <li>• Holistic family Assessments and Action Plans can be implemented;</li> <li>• Improvements in the lives of families regarding parenting, education, employment, crime and anti-social behaviour, health and domestic abuse;</li> <li>• Family progress defined and tracked.</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate number of referrals need to be received;</li> <li>• Referrals need to be eligible for Payment by Results claims;</li> <li>• Unforeseen changes to staffing.</li> </ul>
FS2	To work with Surrey County Early Help Leads to ensure that FSP is fully embedded in the wider Early Help offer and Family Partnership Networks reflect local need.	31/03/19	<ul style="list-style-type: none"> <li>• Families can easily access support services in their local areas;</li> <li>• Woking's Early Help services are closely networked across its key geographical areas;</li> <li>• Professionals in Family Partnership Networks are fully aware of processes and pathways for support;</li> <li>• Families and professionals feedback improved service outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>• Wider Early Help changes may delay progress due to increased pressures;</li> <li>• Ofsted inspections may influence more changes to the Early Help agenda;</li> <li>• Should there be conflicting priorities between partners.</li> </ul>
FS3	To complete high quality Early Help Assessments for families using the new template and for the team to complete a practice development session to share best practice.	30/06/18	<ul style="list-style-type: none"> <li>• Families receive high quality assessments that include all family members and 'significant others' that play a role in family life;</li> <li>• The voice of the child is always captured including professionals' observations when children are too young to share their views;</li> <li>• All assessments are shared with the Early Help Hub;</li> <li>• Assessments are jargon-free, holistic and cogent;</li> <li>• Action Plans include SMART targets so progress is measured.</li> </ul>	<ul style="list-style-type: none"> <li>• Further changes to assessment templates and guidance;</li> <li>• Unforeseen changes to staffing;</li> <li>• Changes to supervisory staff who are qualified to gatekeep assessments;</li> <li>• Prioritising time for local quality assurance.</li> </ul>



<p>FS4</p>	<p>To oversee the management of the Vulnerable Persons Relocation Scheme (VPRS) and resettle 12 families.</p>	<p>31/03/19</p>	<ul style="list-style-type: none"> <li>• Family allocation and accommodation needs (THL and private sector) are now managed via the Family Support Team rather than Housing Options;</li> <li>• Accommodation to be secured that is stable and within LHA rates;</li> <li>• Practice is both targeted and safe;</li> <li>• Refugee families have increased access to support and local services to enhance their integration and are safe, valued and independent;</li> <li>• The Home Office Statement of Requirements is fully adhered to.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of suitable accommodation;</li> <li>• Unforeseen issues with families that create extra work and time, for example anti-social behaviour;</li> <li>• Public backlash and potential hate crime.</li> </ul>
<p>FS5</p>	<p>To create additional English for Speakers of Other Languages (ESOL) provision for families using qualified volunteers.</p>	<p>30/06/18</p>	<ul style="list-style-type: none"> <li>• ESOL levels rise and students pass exams and progress into mainstream ESOL classes;</li> <li>• Mothers with babies have more accessible ESOL support;</li> <li>• ESOL support can commence within one month of arrival rather than waiting for the term to start;</li> <li>• Volunteers are DBS checked and trained in cultural awareness and safeguarding;</li> <li>• Volunteers receive group supervision and support from the Senior Family Coordinator;</li> <li>• ESOL trained volunteers meet with families and individuals weekly;</li> <li>• Practice is safe.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of volunteers who are ESOL trained;</li> <li>• Additional staff time to ensure volunteers are safety checked, trained and matched to a family;</li> <li>• If volunteers start to get too involved with families rather than focussing on ESOL provision.</li> </ul>

FS6	To assess independence of refugee families and tailor support accordingly.	30/06/18	<ul style="list-style-type: none"> <li>• Three checklists will be developed to indicate if families have low / moderate / high independence;</li> <li>• Outcome Star charts with SMART Action Plans will be used with refugee families in months 3, 9 &amp; 12 in year 1 and a minimum of annually in years 2-5;</li> <li>• A clear process and model of support based upon family need will be developed utilising best practice from other Councils running the scheme (e.g. Oxford/Ashford);</li> <li>• Families see progress.</li> </ul>	<ul style="list-style-type: none"> <li>• Complex family needs take up staff time;</li> <li>• Unforeseen changes to staffing;</li> <li>• Language barrier.</li> </ul>
FS7	To commission a jointly funded therapeutic vocational training scheme for refugee families during their first year of arrival.	31/03/19	<ul style="list-style-type: none"> <li>• Families learn new skills and gain confidence;</li> <li>• Vocational ESOL is improved;</li> <li>• Families have an indirectly therapeutic and supportive community to engage with;</li> <li>• Refugees are 'job-ready' within year one of arrival;</li> <li>• Refugees with additional needs are engaged in a positive activity.</li> </ul>	<ul style="list-style-type: none"> <li>• Budget constraints;</li> <li>• Securing suitable premises;</li> <li>• Refugees having too many appointments;</li> <li>• Conflicts between families;</li> <li>• Ensuring the provider works to agreed standards and supports the wider project.</li> </ul>
VC1	Development of a Voluntary, Community and Faith Sector (VCFS) Strategy and Action Plan to strengthen, develop and enhance the VCFS sector within the borough.	30/09/18	<ul style="list-style-type: none"> <li>• VCFS are supported and enabled to respond to commissions;</li> <li>• The Council markets in a co-ordinated manner the support available to VCFS and engages proactively with VCFS;</li> <li>• Commissioners have confidence in the VCFS to deliver requirements;</li> <li>• Networks are put in place which aid communication and awareness;</li> <li>• Improved links across wider health and social care sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity of VCFS to engage.</li> </ul>

VC2	Information and advice – put in place an information depository / directory of VCFS / Community Contacts in order to meet the requirements of the Care Act and wider operational needs.	30/06/18	<ul style="list-style-type: none"> <li>• Single up to date depository of community contacts;</li> <li>• Shared portals are regularly updated on behalf of Council and wider VCFS activity – i.e.: Surrey Information Point (SIP) and Family Information Service (FIS);</li> <li>• Council services use consistent shared messaging / information;</li> <li>• Information from other Health and Social Care providers are shared and relevant services and partners made aware.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtaining up to date information from partners;</li> <li>• Access to shared portals is restricted.</li> </ul>
VC3	Community Matters Partnership Programme – to continue to develop the project in accordance with the overall ambitions of the programme.	31/03/19	<ul style="list-style-type: none"> <li>• Increased number of businesses commit to the programme;</li> <li>• Events are delivered in a professional and timely manner;</li> <li>• Community accesses grants available through the programme for local benefit.</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity issues once the initial Co-ordinated finishes their contract;</li> <li>• Buy-in to the concept by businesses;</li> <li>• Sustainability of the Programme.</li> </ul>
VC4	To develop an internal process, which facilitates the proactive search and identification of grant funding for specific projects.	30/05/18	<ul style="list-style-type: none"> <li>• Grants Officer is able to give advice on grants available (Grantfinder.co.uk &amp; other sources);</li> <li>• Increased applications for external funding are made;</li> <li>• Relevant colleagues are notified of potential funding available;</li> <li>• Opportunities for accessing funding are enhanced.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff capacity to develop applications for external funding.</li> </ul>
VC5	Working Interpretation and Translation Service (WITS) – to explore the opportunity for expansion of the service to meet needs of partners.	31/12/18	<ul style="list-style-type: none"> <li>• Needs of partners are more widely understood;</li> <li>• Service is reviewed and developed to meet needs.</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity of health, social care, education and other partners to engage proactively with review.</li> </ul>

## PEOPLE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Health &amp; Wellbeing and Cultural Development</b>	Sue Barham	Arts, Heritage and Events: Strategic Director Children and Youth Development: Strategic Director Health & Wellbeing (Physical, Mental Health, Safeguarding): Strategic Director Leisure Services: Strategic Director Sports Development: Strategic Director	Cllr Pengelly Cllr Pengelly Cllr Hunwicks Cllr Pengelly Cllr Pengelly

### Service Plan Overview (Key Functions) 2018/19

The Leisure and Cultural Development Service Plan is divided into 5 main sections:

#### **Arts, Heritage and Events**

The strategic management and implementation of arts, heritage and events across the Borough. This service will include the planning and delivery of the Celebrate Woking programme, the development of projects that support the heritage of Woking, and working with partners such as Dance Woking, Ambassadors and the Lightbox to deliver a broad range of cultural activities.

#### **Children and Youth Development**

The strategic management and implementation of children and youth development across the Borough. This will include the delivery of Woking's integrated Youth Strategy and Youth Support Service, as well as increasing involvement with the County's Early Help agenda.

#### **Health & Wellbeing (Physical, Mental Health and Safeguarding)**

To take a strategic approach to improving and sustaining the health and wellbeing of residents in Woking. The service will include working in association with appropriate Health and Social Care partners to deliver and raise awareness of the personal benefits that are designed to encourage and improve overall levels of health and wellbeing participation within the community.

#### **Leisure Services**

The aim of this service is to develop and deliver a wide range of sporting, leisure and recreational activities both on a community and commercial basis which meets community need. Much of this service offer is managed in partnership with Greenwich Leisure Limited and Freedom Leisure (the on-site operator) through the use of numerous venues including the Pool in the Park, Woking Leisure Centre, Woking Park, Sports Pavilions, Hoe Valley Leisure Facilities (due to open 1 September 2018) playing fields and other community facilities.

**Sports Development**

The strategic management and implementation of sports development across the Borough. This service will include supporting Woking's participation in the Surrey Youth Games, the development of sport strategies, and supporting the creation and sustainability of sport clubs in Woking through training, forums and funding advice.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
AHE 1	Deliver a successful Celebrate Woking 2018 programme and pre-plan for 2019 Programme.	31/12/18	<ul style="list-style-type: none"> <li>Appoint Event Management Contractor for Party in the Park and Food Festival;</li> <li>Successful delivery of main/partner events;</li> <li>Reduction in staff resource across the organisation to deliver the programme;</li> <li>2019 theme and outline programme agreed in autumn.</li> </ul>	<ul style="list-style-type: none"> <li>Partners don't deliver agreed input;</li> <li>Sponsorship monies don't come to fruition;</li> <li>Inclement weather adversely impacts;</li> <li>Infrastructure failure.</li> </ul>
AHE 2	Develop and market a Public Art Trail for the Borough.	31/12/18	<ul style="list-style-type: none"> <li>A digital/marketing offer highlighting Woking's Public Art. To include reference where feasible to any future Public Art in Victoria Square Development.</li> </ul>	<ul style="list-style-type: none"> <li>Cost of production is prohibitive;</li> <li>Ability to obtain exact information about art installation and artists.</li> </ul>
AHE 3	Looking at best practice, undertake a programme use review of The Rhoda McGaw Theatre to maximise efficiency of and financial viability of Theatre.	31/03/19	<ul style="list-style-type: none"> <li>Allocation of space for use by Community Arts, Drama and Dance groups is programmed more effectively;</li> <li>A quality standard for Community Productions is established to assist with audience development;</li> <li>Opportunity to promote the Rhoda for use by professional and commercial artistes / touring groups is maximised</li> </ul>	<ul style="list-style-type: none"> <li>Lack of engagement by community arts groups;</li> <li>Insufficient resource is provided by Ambassadors Theatre Group to the review;</li> <li>Outcomes of the review aren't considered viable to introduce.</li> </ul>
AHE 4	Review best practice around having a Cultural Strategy and update the Council's strategy as appropriate.	31/03/19	<ul style="list-style-type: none"> <li>Updated / new Cultural Strategy for the Council.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of best practice sources;</li> <li>Insufficient resources available to proceed.</li> </ul>

CYD 1	In view of SCC reduction in funding and approach to Early Help, review the Integrated Youth Strategy for Woking	31/03/19	<ul style="list-style-type: none"> <li>• Young people and Youth Practitioners understand the Early Help Offer and resultant impacts;</li> <li>• Community Youth Work Service provision is jointly recommissioned.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of clarity about what Early Help Offer is;</li> <li>• Insufficient resources available from all partners to proceed;</li> <li>• Reduction in service offer.</li> </ul>
CYD 2	To work with partners to develop the Woking Early Help Offer including Local Family Partnerships.	31/03/19	<ul style="list-style-type: none"> <li>• Enhanced Integrated Early Help Offer / working is taking place within Woking;</li> <li>• Co-located Early Help Teams are based in Civic Offices;</li> <li>• Improved Early Help outcomes for families;</li> <li>• Local Family Partnerships are established.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of buy-in from partners;</li> <li>• Offer is not seen as being reflective of local Woking need;</li> <li>• Early Help Offer results in unacceptable service impacts.</li> </ul>
HW1	Continue to develop Health & Wellbeing partnerships in order to influence health and social care provision within the Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Positive engagement in discussions on service commissioning;</li> <li>• Appropriate services commissioned at local level according to need;</li> <li>• Enhanced partnerships leads to honest and frank discussions and improved decision making.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of resources negatively impacts relationships;</li> <li>• Local emphasis is lost to county-wide commissions.</li> </ul>
HW2	Development of a Physical Activity Strategy Action Plan to reflect Government Sports Strategy and Sport England Policy.	31/03/19	<ul style="list-style-type: none"> <li>• Action Plan developed;</li> <li>• Better use of resources;</li> <li>• Improved Health &amp; Wellbeing outcomes;</li> <li>• Partners clearer about priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient resource to develop;</li> <li>• Potential duplication of activity with other sport, health and cultural strategy plans.</li> </ul>
HW3	Woking Health & Wellbeing Plan is reviewed, updated and resourced to reflect local need and delivery.	31/12/18	<ul style="list-style-type: none"> <li>• Refreshed Woking Health &amp; Wellbeing Plan;</li> <li>• Partner buy-in to shared actions resulting in co-ordinated outcomes;</li> <li>• Enhanced community wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>• Partners don't engage with updating plan;</li> <li>• Differing priorities result in plan not being agreed;</li> <li>• Insufficient resources to progress.</li> </ul>
HW4	To progress becoming a Dementia Friendly Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Encourage and assist with the creation of business / area based Action Alliances;</li> <li>• Co-ordinate and develop the Woking Borough Dementia Action Alliance to act as the umbrella organisation for all other Action Alliances;</li> </ul>	<ul style="list-style-type: none"> <li>• Alzheimer's project resource is limited;</li> <li>• Businesses / areas do not engage;</li> <li>• Lack of resources;</li> <li>• Competing pressures;</li> <li>• Ward/locality does not engage.</li> </ul>

			<ul style="list-style-type: none"> <li>• Run DFC &amp; Champion training;</li> <li>• Develop Dementia Improvement plan for Council Services.</li> </ul>	
HW5	To carryout Access Audits to include dementia requirements of all corporate buildings.	31/03/19	<ul style="list-style-type: none"> <li>• Improve access to all residents;</li> <li>• Ensure corporate buildings are seen to lead the way in becoming accessible to all.</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient funding to carryout recommendations;</li> <li>• Competing pressures.</li> </ul>
HW6	Wellbeing prescribing is established across the Woking GP Network and subsequently made sustainable.	31/03/19	<ul style="list-style-type: none"> <li>• Wellbeing Prescription is extended to increased number of GP surgeries;</li> <li>• Referrals increase;</li> <li>• North West Surrey Clinical Commissioning Group positively evaluate outcomes;</li> <li>• Sustainable funding is secured.</li> </ul>	<ul style="list-style-type: none"> <li>• Demand exceeds available programme resources;</li> <li>• Insufficient resource to sustain the programme.</li> </ul>
HW7	To introduce the ability for officers to make a Carers Prescription.	01/06/18	<ul style="list-style-type: none"> <li>• Improve health and wellbeing of residents;</li> <li>• Greater staff awareness regarding carer services available;</li> <li>• Improved joint working with health and social care partners;</li> <li>• Increase identification of carers in borough.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of resources;</li> <li>• Lack of capacity to attend relevant training.</li> </ul>
HW8	Further develop a Carers Action Plan to ensure the principles of the Working Together for Carers Memorandum of Understanding are met.	31/03/19	<ul style="list-style-type: none"> <li>• Support the identification, recognition and registration of Carers;</li> <li>• Staff become aware of the needs of carers and of their community value;</li> <li>• Carers will be supported by information sharing.</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity for all partners to actively contribute;</li> <li>• Competing pressures.</li> </ul>
LS1	To develop and implement as agreed investment proposals with the Council's Leisure Operator for service improvements across the Leisure Management Contract.	31/03/19	<ul style="list-style-type: none"> <li>• Refurbished flumes are in place;</li> <li>• Investment schemes for replacement changing room upgrades are agreed and delivered ;</li> <li>• Contractual changes made to accommodate;</li> <li>• Service offer remains fresh and relevant.</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient funding to proceed;</li> <li>• Variation to contract cannot be agreed.</li> </ul>

LS2	Catering Kiosk in Woking Park is installed and a provider is engaged to run the facility.	30/04/18	<ul style="list-style-type: none"> <li>• Catering provision in Woking Park;</li> <li>• Quality provider is sourced to operate facility;</li> <li>• Dwell time in park and Leisure Centre &amp; Pool in the Park increases;</li> <li>• Play Area becomes destination Play Facility for area.</li> </ul>	<ul style="list-style-type: none"> <li>• No suitable provider is secured;</li> <li>• Kiosk provision exceeds budget.</li> </ul>
LS3	Subject to approval, Leisure Provision and Provider for Sheerwater (BDB) project are agreed in principle, with ongoing work to agree contractual terms and operating arrangements between all parties.	30/06/18	<ul style="list-style-type: none"> <li>• Leisure provision is designed to meet need;</li> <li>• Management Agreement agreed between all parties;</li> <li>• Greenwich Leisure Limited / Freedom Leisure are secured as leisure provider.</li> </ul>	<ul style="list-style-type: none"> <li>• Sheerwater Regeneration project does not receive approval / is delayed.</li> </ul>
SD1	Outdoor Facilities Strategy Action Plan is progressed with partners.	31/03/19	<ul style="list-style-type: none"> <li>• Priority actions for Phase 1 of the Action Plan (Yrs. 1 &amp; 2) are delivered;</li> <li>• Plans for Phase 2 are finalised;</li> <li>• External funding resources are secured.</li> </ul>	<ul style="list-style-type: none"> <li>• Resources are unavailable from various sources to progress the Action Plan.</li> </ul>
SD2	Further development and promotion of This Girl Can, GoodGym and associated project funded initiatives.	31/12/18	<ul style="list-style-type: none"> <li>• Further development of priority activity;</li> <li>• Increased used of resources and partners to deliver;</li> <li>• Increased participation by women and girls in sport and physical activity;</li> <li>• Jointly work with partners on related funding bids and initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Target market does not engage;</li> <li>• Same individuals rather than 'non-sporty' individuals take-up offer;</li> <li>• Funding bids are unsuccessful.</li> </ul>
SD3	Surrey Youth Games, including trials, are delivered successfully and have continuing legacy for participants.	30/06/18	<ul style="list-style-type: none"> <li>• Woking enters Teams in all sport categories in Surrey Youth Games;</li> <li>• More children and young people participate in the Surrey Youth Games trials as well as main event;</li> <li>• More participants continue to engage in sport through club environment;</li> <li>• More sport volunteers / coaches and officials are developed.</li> </ul>	<ul style="list-style-type: none"> <li>• Resource constraints result in smaller event being run – reducing opportunities;</li> <li>• Sponsorship for the County event is not forthcoming;</li> <li>• Venues for trials are not available.</li> </ul>



SD4	Facility Development in Tennis and Cycling is progressed for the Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Tennis Development Plan for Woking Park with nominated provider is in place;</li> <li>• Funding bid to Lawn Tennis Association is made for floodlights and subject to approval is installed;</li> <li>• Cycling Plan for Borough is developed.</li> </ul>	<ul style="list-style-type: none"> <li>• Resources for floodlights are not forthcoming;</li> <li>• Tennis provider withdraws;</li> <li>• Cycling partners do not engage.</li> </ul>
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## PEOPLE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Housing</b>	Sue Barham	Housing Needs (Options, Homelessness & Allocations): Housing Needs Manager Housing Standards: Housing Standards Manager Housing Strategy and Enabling: Housing Standards Manager	Cllr Kemp Cllr Kemp Cllr Kemp

### Service Plan Overview (Key Functions) 2018/19

The Housing Service Plan is divided into 3 main sections:

**Housing Needs (Options, Homelessness and Allocations)**

This service provides a comprehensive Housing Advice and Options service. This includes arranging emergency B&B and temporary accommodation for families in need and using a range of housing options to prevent homelessness including mediation, home visits and rent bond schemes. It also deals with Housing Registration and Allocations, which register and allocates houses to applicants.

**Housing Standards**

Poor housing directly affects resident’s health and wellbeing, and improving standards in private housing is key to supporting a healthy community. The service focuses on improving existing housing in the private rented sector and enforcing housing conditions so that private tenants live in decent and safe accommodation.

**Housing Strategy and Enabling**

The service works to maximise the number of affordable homes available for residents in the private rented sector as well as through housing associations. This is achieved by ensuring that affordable housing is delivered through housing developments, and developing a range of schemes to support residents in private rented accommodation.

<b>Focus for the coming year – Service Plan Objectives and Priorities</b>				
<b>Ref</b>	<b>Objective</b>	<b>Target date</b>	<b>Expected outcomes</b>	<b>Risks that might impact outcome</b>
HN1	To work closely with the Sheerwater Regeneration Team to allocate properties through Hometrak to applicants who wish to move early and with those who need to move through the phases of the project, including applicants in temporary accommodation.	31/03/19	<ul style="list-style-type: none"> <li>Families able to be relocated to enable the Sheerwater project to go ahead;</li> <li>Minimal disruption to displaced residents.</li> </ul>	<ul style="list-style-type: none"> <li>Project doesn't go ahead;</li> <li>Project is delayed;</li> <li>Not enough properties to move people into.</li> </ul>
HN2	Implement The Homelessness Reduction Act	31/03/19	<ul style="list-style-type: none"> <li>Ensure additional resources/staff are in place within Housing Options/Housing Needs Teams;</li> <li>Ensure new IT system is in place and fit for purpose including P1E software.</li> </ul>	<ul style="list-style-type: none"> <li>Unable to recruit;</li> <li>Unable to implement new IT in time.</li> </ul>
HN3	Develop a Rents Policy in conjunction with Thamesway Housing Limited (THL).	31/03/19	<ul style="list-style-type: none"> <li>Rents Policy adopted by THL;</li> <li>THL Rents at or below Local Housing Allowance level;</li> <li>More applicants fulfil criteria and housed.</li> </ul>	<ul style="list-style-type: none"> <li>THL unable to reduce rents;</li> <li>Staff workload capacity.</li> </ul>
HN4	Increase Temporary Accommodation for homeless households.	31/03/19	<ul style="list-style-type: none"> <li>Reduction on reliance on B&amp;B's to house homeless households;</li> <li>Homeless duties are discharged;</li> <li>Bring into use additional accommodation to support homeless households.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of Funding;</li> <li>Not enough appropriate accommodation to bring into use.</li> </ul>
HN5	To work with partners to provide the INDIGO Project, which supports new rough sleepers with mental health issues.	31/03/19	<ul style="list-style-type: none"> <li>Additional support for Rough Sleepers;</li> <li>Decrease in number sleeping on streets.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of funding or support for the project.</li> </ul>
HS1	Undertake 100 proactive inspections of private rented dwellings during the year and instigate action to remedy health and safety hazards.	31/03/19	<ul style="list-style-type: none"> <li>Property inspections completed;</li> <li>Enforcement action instigated;</li> <li>Dwellings improved.</li> </ul>	<ul style="list-style-type: none"> <li>Retention of existing staffing resources.</li> </ul>

HS2	Deliver the selective licensing scheme and either license or instigate enforcement action in respect of 400 properties.	31/03/19	<ul style="list-style-type: none"> <li>• Licence applications processed and licence decisions made;</li> <li>• Financial penalty notices served in respect of unlicensed properties.</li> </ul>	<ul style="list-style-type: none"> <li>• Recruitment to newly created posts;</li> <li>• Objections to licensing designation.</li> </ul>
HS3	Deliver the objectives contained within the Council's Empty Homes Plan.	31/03/19	<ul style="list-style-type: none"> <li>• Empty Homes Plan action plan delivered.</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing resources.</li> </ul>
HS4	Deliver 'Let's Talk' events for private sector landlords and letting agents.	31/03/19	<ul style="list-style-type: none"> <li>• Events arranged to coincide with legislative change or Council initiatives;</li> <li>• Two events delivered during the year;</li> <li>• Improved networking opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited support from private sector landlords and letting agents.</li> </ul>
HSE 1	Review and replace the Council's Housing Strategy.	30/06/18	<ul style="list-style-type: none"> <li>• Strategy drafted to reflect current housing needs in the Borough and the current and future housing environment;</li> <li>• Strategy adopted by Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing resources;</li> <li>• Delays in obtaining adoption of the Strategy.</li> </ul>
HSE 2	Deliver 40 private rented sector offers to homeless households to discharge our housing duty (as amended by the Homelessness Reduction Act).	31/03/19	<ul style="list-style-type: none"> <li>• Promotion of schemes to property owners and investor landlords;</li> <li>• 40 new tenancies facilitated.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited support for new schemes by private landlords and property investors.</li> </ul>
HSE 3	Deliver a regular forum between the Council and registered providers operating in the Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Improve the delivery of affordable homes in the Borough despite challenging market conditions;</li> <li>• Forum aims to improve joint working.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited engagement from Registered Providers;</li> <li>• Change in Governmental policy relating to affordable housing;</li> <li>• Change in financial environment for Registered Providers.</li> </ul>
HSE 4	Deliver courses to help residents access and sustain tenancies in the private and social rented housing sectors.	31/03/19	<ul style="list-style-type: none"> <li>• Residents trained around financial hardship issues resulting from the on-going welfare reforms;</li> <li>• Courses delivered in partnership with key organisations.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited engagement from residents wishing to attend course;</li> <li>• Withdrawal of support from partner agencies.</li> </ul>

## PEOPLE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Independent Living</b>	Sue Barham	Brockhill Extra Care: Home Independence Manager Careline: Home Independence Manager Community Meals Service: Area Manager Centres and Community Meals Homelink and Handy Person Service: Home Independence Manager Home Support: Housing Needs Manager	Cllr Kemp Cllr Kemp Cllr Kemp Cllr Kemp Cllr Kemp

Service Plan Overview (Key Functions) 2018/19
<p>The Independent Living Service Plan is divided into 5 main sections:</p> <p><b>Brockhill Extra Care</b> This scheme provides additional support to frail elderly individuals. 49 tenancies are available within the scheme of which 20 tenancies are currently designed as 'extra care' with funding being delivered via Surrey County Council commissioning services. The service provides 24 hour staff support, personal assistance to help individuals maintain their independence and social networks and the delivery of social activities.</p> <p><b>Careline</b> The service provides dispersed alarm units to individuals living independently in the community which are linked to a monitoring centre. Also includes a visiting, monitoring, advice and information service to clients to promote health and wellbeing and personal safety. This service enables older, vulnerable, and disabled people to remain living independently in their own homes with peace of mind in the knowledge that they can summon help 24 hours a day, 365 days a year.</p> <p><b>Community Meals Service</b> Operating 365 days a year, this service maximises people's independence to remain in their own homes, and encourages and supports personal responsibility for healthy ageing, by providing access to affordable balanced meals. The service also provides meals at various venues to support health and wellbeing, malnutrition and social inclusion issues for the elderly.</p> <p><b>Homelink and Handy Person Service</b> Homelink, the Council's home improvement agency, supports elderly vulnerable and disabled residents to remain in their homes through advice and support. Homelink offers a handyperson service which provides low-cost aids and DIY repairs to customers who may otherwise be unable to have the works completed. There is also an agency service for disabled residents who apply for facilities grants.</p>

**Home Support**

This is a service provided to tenants of sheltered and supported housing. The service operates 9am to 5pm, seven days a week. The service includes the creation of support plans for individuals as they take up tenancy to ensure their independence is maintained, and regular home visits to check on the health and wellbeing of tenants and to support them as required.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
BH1	Review service offer in light of changing Adult Social Care funding / commissioning arrangements for care provider on site.	31/03/19	<ul style="list-style-type: none"> <li>Adult Social Care re-commissioning of care provider will have impact on service users as well as staffing structure at Brockhill;</li> <li>Review staffing structure;</li> <li>Review impact on rents.</li> </ul>	<ul style="list-style-type: none"> <li>Service offer is reduced and doesn't meet service user expectation;</li> <li>Tenant confusion;</li> <li>Potential redundancies.</li> </ul>
BH2	Explore the possibility of the Adult Social Care SLIC clinic being based at Brockhill.	31/03/19	<ul style="list-style-type: none"> <li>Relocate clinic from flat in Sutton Avenue freeing up a property for rental;</li> <li>Encourage use of Brockhill;</li> <li>Improve visibility and PR for Brockhill.</li> </ul>	<ul style="list-style-type: none"> <li>Cost of relocating the service;</li> <li>Not suitable premise.</li> </ul>
CL1	Continue to remove hard wired alarm systems in sheltered and supported Council housing and replace with individual property systems.	31/03/19	<ul style="list-style-type: none"> <li>Replace scheme with hard wire alarm systems with individual care lines;</li> <li>Provide flexibility for residents and future use of the properties;</li> <li>Provide consistent approach across all tenure;</li> <li>Capital saving as hard wire systems will not be replaced.</li> </ul>	<ul style="list-style-type: none"> <li>Pressures on Home Support resources to carryout the work;</li> <li>Tenant confusion.</li> </ul>
CL2	Produce a marketing strategy to increase the client base and protect the Careline service from private competition.	31/03/19	<ul style="list-style-type: none"> <li>Improve client offer;</li> <li>Improved technology to be offered;</li> <li>Improve website and marketing literature.</li> </ul>	<ul style="list-style-type: none"> <li>Technology becoming outdated;</li> <li>Costs are prohibitive for clients;</li> <li>Competitors in the private sector.</li> </ul>

CL3	Seek CCG funding to introduce a falls responder service that reduces the need for ambulances to respond when a tenant falls but no medical assistance is required.	01/10/18	<ul style="list-style-type: none"> <li>• Improve speed of response;</li> <li>• Reduce need for ambulance;</li> <li>• Improved client/tenant wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of service;</li> <li>• Not a suitable venue.</li> </ul>
CM1	In light of increasing funding pressures, explore and make recommendations on different business models of operation which continues to deliver a service that meets customer needs but in an increasing sustainable manner.	31/03/19	<ul style="list-style-type: none"> <li>• Recommendations on most appropriate business model of operation;</li> <li>• A clear plan for the future sustainability of the service.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of Capacity to undertake review;</li> <li>• Uncertainty around funding changes;</li> <li>• Possible financial implications;</li> <li>• Any proposed service changes may not be supported by service users.</li> </ul>
CM2	In the light of continuing funding pressures, assess the Centre Meal and Coffee Bar service provision to ensure it is suitable for customer needs.	31/03/19	<ul style="list-style-type: none"> <li>• Recommendations regarding how to deliver a sustainable service;</li> <li>• Centre catering services that are effective and sufficient to meet customer's needs and demand.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of resources.</li> </ul>
CM3	To improve the service offer for customers by expanding provision to include new offers such as breakfast.	30/09/18	<ul style="list-style-type: none"> <li>• Greater choice for customers;</li> <li>• Increased revenue;</li> <li>• Offering a daily full meal provision;</li> <li>• Home delivery services that are effective and sufficient to meet customer needs and demand.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk that the breakfast service is not taken up by customers;</li> <li>• Risk that cost exceeds income.</li> </ul>
CM4	Working with a variety of partners and the council's own services, actively promote and market the service to meet latent demand.	31/03/19	<ul style="list-style-type: none"> <li>• Improved service for customers;</li> <li>• Increased levels of activity during week and weekend;</li> <li>• Additional income.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of resources;</li> <li>• Lack of demand for new rounds;</li> <li>• Costs exceed income.</li> </ul>

HL1	Progress the development of the North West Surrey Home Improvement Agency Hub.	31/03/18	<ul style="list-style-type: none"> <li>• Improve consistency of service across authorities;</li> <li>• Economies due to scale of operations;</li> <li>• Strengthens Homelink service delivery position;</li> <li>• Greater flexibility to cover emergencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Willingness of Authorities to work together;</li> <li>• Reduction or removal of SCC grant funding;</li> <li>• Competing pressures;</li> <li>• Lack of available resources.</li> </ul>
HL2	Work with all Surrey Districts & Boroughs to implement the recommendations of the Foundations Home Improvement Agency Report.	15/09/18	<ul style="list-style-type: none"> <li>• Produce economies in scale;</li> <li>• Speed up adaptation process;</li> <li>• Improve client satisfaction;</li> <li>• Increase ability to spend Better Care Fund grant.</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to share Adult Social Services systems;</li> <li>• Housing Assistance Policy to endorse the change under the Regulatory Reform Order 2002;</li> <li>• Competing pressures;</li> <li>• Lack of resources;</li> <li>• Lack of agreement between all D&amp;Bs;</li> <li>• Reduced or removed SCC grant funding.</li> </ul>
HS1	In light of SCC funding cuts carryout a fundamental review of the Home Support Service, and implement such agreed changes as approved.	31/03/19	<ul style="list-style-type: none"> <li>• Recommendations paper based on findings of review;</li> <li>• Better use of resources;</li> <li>• Enhanced service where possible.</li> </ul>	<ul style="list-style-type: none"> <li>• Funding reductions impacting on the service;</li> <li>• Recommendations not being agreed.</li> </ul>



## PLACE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Environmental Quality</b>	Douglas Spinks	Building Control: Chief Building Control Surveyor Building Services: Building Services Manager Emergency Planning: Assistant Director Environmental Health: Environmental Health Manager Environmental Maintenance: Assistant Director Waste & Recycling: Contracts and Project Support Manager	Cllr Bowes Cllr Azad Cllr Hunwicks Cllr Hunwicks Cllr Hunwicks Cllr Hunwicks

Service Plan Overview (Key Functions) 2018/19
<p>The Environmental Quality Service Plan is divided into 6 main sections:</p> <p><b>Building Control</b>                      Building Control ensures that buildings are constructed to the standards in the Building Regulations to be safe, accessible and healthy. They also deal with dangerous structures and demolitions.</p> <p><b>Building Services</b>                      Building Services is comprised of a surveying and engineering team which designs, specifies and project manages certain Council developments with an emphasis upon budget management and contract management. The team, with the assistance of Skanska Facilities Management, is also responsible for providing Facilities and Engineering Services to a number of Council properties through a combination of reactive engineering maintenance and planned M&amp;E maintenance. The team also provides security at the Civic Offices, with responsibility for access control / CCTV and provides support for Civic Functions and Council meetings.</p> <p><b>Emergency Planning</b>                      The Civil Contingencies Act (2004) places a statutory duty on Woking Borough Council to maintain plans for preventing emergencies, and reducing, controlling or mitigating the effects of emergencies.</p> <p><b>Environmental Health</b>                      The Environmental Health service protects and improves public health and safety, including; food hygiene, health and safety at work, infectious disease, dog control / animal welfare, pest control and environmental pollution.</p>

**Environmental Maintenance**

Management of all Woking Borough Council interest grounds including parks and countryside, street cleansing and environmental maintenance services which are provided in conjunction with our service partner, Serco. The function is supported by the Neighbourhood Services team. Also responsible for the removal of untaxed and abandoned vehicles.

**Waste & Recycling**

Responsible for delivering a range of environmental service contracts and projects including household waste and recycling collections and bus shelter provision.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
BC1	To improve Building Control efficiency through partnership working.	31/01/19	<ul style="list-style-type: none"> <li>Formation of a West Surrey Building Control partnership.</li> </ul>	<ul style="list-style-type: none"> <li>Politics of neighbouring boroughs with differing goals.</li> </ul>
BC2	Maintain a viable Building Control service.	31/01/19	<ul style="list-style-type: none"> <li>Building Control maintains market share against private inspectors for lucrative commercial work.</li> </ul>	<ul style="list-style-type: none"> <li>Increased commercial competition;</li> <li>Retention / recruiting qualified staff.</li> </ul>
BS1	To maximise parking provision at Heathside Crescent car park.	31/03/19	<ul style="list-style-type: none"> <li>Refurbished / extended carpark to provide an increase in spaces and an improved safe environment for users (increased lighting and CCTV coverage);</li> <li>Increased income to the Council from additional parking charges.</li> </ul>	<ul style="list-style-type: none"> <li>Unforeseen costs of the redevelopment (ground conditions);</li> <li>Planning Approval may not be granted.</li> </ul>
BS2	To reduce energy consumption and improve the internal environment (heating / cooling) at Pool in the Park and the Leisure Centre.	30/06/18	<ul style="list-style-type: none"> <li>Reduction in energy consumption whilst providing an improved environment for users and staff at the Pool in the Park and Leisure Centre;</li> <li>Reduction in Carbon Reduction Commitment Payments.</li> </ul>	<ul style="list-style-type: none"> <li>Costs of upgrade measures might be prohibitive with budgets not available.</li> </ul>

EP1	Prepare and deliver specific training for core members of the Emergency Planning Operational Team.	30/09/18	<ul style="list-style-type: none"> <li>Improved resilience and confidence to deal with emergency incidents;</li> <li>Emergency Planning procedures better embedded within the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of staff to attend training.</li> </ul>
EP2	Ensure that the wider organisation has an increased awareness of the Council's Emergency Plans.	31/12/2018	<ul style="list-style-type: none"> <li>Councillors and staff better briefed and more aware of internal Emergency Planning procedures;</li> <li>The profile of Emergency Planning is raised across the Council.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of staff and Councillors to attend training/briefings.</li> </ul>
EH1	Maintain the existing arrangements for the joint management of the Environmental Health Service in Woking and Surrey Heath BC's and continue to seek improvements / other possible areas for further joint working.	31/03/19	<ul style="list-style-type: none"> <li>Recommendations will be reported to Senior Management;</li> <li>Improved efficiencies, resilience and staff motivation.</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations will need Senior Management approval;</li> <li>Working with various stakeholders.</li> </ul>
EH2	Reduce the number of food premises that are rated 0,1 and 2 in the national food hygiene rating scheme by directing resources into visiting and coaching those businesses to seek better compliance.	31/03/19	<ul style="list-style-type: none"> <li>Better compliance with food hygiene legislation will provide safer food establishments for residents and visitors to the Borough;</li> <li>It will also preserve reputation of food businesses and therefore promote positive economic development.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of take up by food business;</li> <li>Increased time resource of staff.</li> </ul>
EH3	Participate in the Surrey Air Quality exercise to determine levels of PM <sub>2.5</sub> across the Borough.	31/03/19	<ul style="list-style-type: none"> <li>Will allow us to get a better measure of air quality in the Borough enabling actions for improvement if necessary.</li> </ul>	<ul style="list-style-type: none"> <li>Resource will be required to employ consultants to complete this modelling.</li> </ul>
EH4	Produce and implement procedure for a new fixed penalty notice to be served on people who have fly tipped, where the amount of waste left constitutes more than litter but is less than that worthy of immediate prosecution.	31/12/18	<ul style="list-style-type: none"> <li>Deterrent to offenders who fly tip waste within the Borough;</li> <li>Increased revenue to assist with paying for clearing fly tipped waste;</li> <li>Improved conditions for residents and better for the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Competing priorities / staff resource.</li> </ul>

WBC Service Plans 2018/19

EM1	Agree new Agency Agreement with Surrey County Council for Environmental Maintenance services from April 2018.	30/04/18	<ul style="list-style-type: none"> <li>• 4 year term providing certainty;</li> <li>• Continued influence regarding Environmental Maintenance service provision in the Borough.</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to agree new agency.</li> </ul>
EM2	Expansion of Annual Tree Planting Programme.	08/02/19	<ul style="list-style-type: none"> <li>• An additional 100 trees planted each year in the Borough;</li> <li>• Longer term environmental benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• In the future the financial implications of an expanded programme may need to be reviewed.</li> </ul>
WR1	Monitor the performance of the Waste Collection service in the first year of operation in order that services are provided to a good standard.	30/09/18	<ul style="list-style-type: none"> <li>• The central Contract Management Office (CMO) will be responsible for contract administration on behalf of the four participating authorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance of new contractor.</li> </ul>
WR2	Implement new contract arrangement for bus shelter provision in the Borough.	30/09/18	<ul style="list-style-type: none"> <li>• Contract to be in place when the current contract expires in August 2018;</li> <li>• Aim to have in place a flexible arrangement which provides value and allows additional bus shelters over the period of the contract.</li> </ul>	<ul style="list-style-type: none"> <li>• Reluctance from tenderers to price for the contract.</li> </ul>

## PLACE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Place Making</b>	Douglas Spinks	Development Management: Development Manager Estate Management: Strategic Asset Manager Green Infrastructure: Green Infrastructure Manager Infrastructure Delivery: Assistant Director Planning Policy: Planning Policy Manager	Cllr Bowes Cllr Azad Cllr Hunwicks / Pengelly Cllr Kemp Cllr Bowes

<b>Service Plan Overview (Key Functions) 2018/19</b>
<p>The Place Making Service Plan is divided into 5 main sections:</p> <p><b>Development Management</b>                      Development Management is responsible for processing planning applications and applications for works to listed buildings and protected trees as well as enforcing against unauthorised development and works.</p> <p><b>Estate Management</b>                      The team manages the Council’s operational and commercial estate with a focus on generating income for the Authority. The team contributes and represents WBC within the Woking Shopping joint venture. Also responsible for new acquisitions, lease renewals, rent reviews, safety inspections, debt recovery, managing the right to buy process and identifying and managing improvements to the commercial estate. Also responsible for the management of contaminated land across the Borough and delivery of key corporate projects as required.</p> <p><b>Green Infrastructure</b>                      Green Infrastructure is responsible for developing and monitoring Woking 2050, the Council’s Climate Change Strategy and coordinating related projects. Key responsibilities include embedding climate change and sustainability practices within Council business and promoting sustainability internally and externally, including through support to Woking Local Action 21. The team is also responsible for developing and implementing the Natural Woking Biodiversity and Green Infrastructure Strategy, managing, developing and promoting the Council’s parks and countryside, providing arboricultural advice to inform development schemes, managing the Local Land &amp; Property Gazetteer and coordinating use of the Council’s Geographic Information (GIS) and UNI-form systems.</p>

**Infrastructure Delivery**

This is comprised of Town Centre Management which is a function that complements the ongoing development of the town centre. Also includes flood risk and alleviation schemes aimed at reducing incidents of flooding and increasing accessibility to green spaces.

**Planning Policy**

Planning Policy develops, interprets and defends planning policy to facilitate the delivery of the aims and objectives of the Council. It assists local communities in preparing Neighbourhood Plans. It undertakes evidence base and community involvement to underpin planning policies. It monitors developer contributions to help provide infrastructure to support development.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
DM1	To engage with external stakeholder groups via targeted workshops, to establish potential areas for service improvements.	31/03/19	<ul style="list-style-type: none"> <li>A service which is more responsive to user requirements;</li> <li>An action plan of possible improvements;</li> <li>Improved efficiency;</li> <li>Better awareness of the needs and expectations of customers.</li> </ul>	<ul style="list-style-type: none"> <li>Service improvements are necessarily constrained by legislative provisions, available resources and national and local policy requirements.</li> </ul>
DM2	To engage with staff via internal workshops, to review existing ways of working and to establish if improvements to service delivery can be made.	31/03/19	<ul style="list-style-type: none"> <li>A service which is more responsive to user requirements;</li> <li>An action plan of possible improvements;</li> <li>Improved efficiency;</li> <li>Possible cost savings;</li> </ul>	<ul style="list-style-type: none"> <li>Current high volume of planning applications means there is limited capacity to divert staff time to service improvements;</li> <li>Limitations of IT infrastructure.</li> </ul>
DM3	To respond to 90% of enforcement enquiries within 10 working days.	31/03/19	<ul style="list-style-type: none"> <li>To contribute towards a responsive Planning Service.</li> </ul>	<ul style="list-style-type: none"> <li>Small team at greater risk of being impacted by periods of staffing absence due to leave, sickness or departure of staff.</li> </ul>
EM1	Debt levels do not increase beyond December 2017 levels.	31/03/19	<ul style="list-style-type: none"> <li>Income security.</li> </ul>	<ul style="list-style-type: none"> <li>Staff resources;</li> <li>Competing priorities.</li> </ul>
EM2	Void properties maintained at less than 5% of total income.	31/03/19	<ul style="list-style-type: none"> <li>Securing income and reducing liabilities for void properties.</li> </ul>	<ul style="list-style-type: none"> <li>State of the economy;</li> <li>External market forces;</li> <li>Condition of asset.</li> </ul>

EM3	Hoe Valley School on target to open in September 2018	31/08/18	<ul style="list-style-type: none"> <li>School places provided in September 18;</li> <li>New Leisure facilities in place to enable the Sheerwater project to commence.</li> </ul>	<ul style="list-style-type: none"> <li>Unforeseen delays on site;</li> <li>Staff time;</li> <li>Consistency of external resource.</li> </ul>
EM4	Implement 2018/19 actions resulting from the Strategic Asset Management Plan.	31/03/19	<ul style="list-style-type: none"> <li>Better and more efficient management of corporate assets;</li> <li>More strategic and transparent approach to asset management.</li> </ul>	<ul style="list-style-type: none"> <li>Plan not adopted;</li> <li>Staff capacity to implement the plan.</li> </ul>
EM5	Increase income at Brookwood Cemetery from 2017 levels.	31/03/19	<ul style="list-style-type: none"> <li>Increased income;</li> <li>More sustainable asset;</li> <li>Opportunity to reinvest for further improvements.</li> </ul>	<ul style="list-style-type: none"> <li>Competition from elsewhere;</li> <li>Legislative challenges;</li> <li>State of the local economy.</li> </ul>
GI1	Through Action Surrey, deliver agreed projects for 2018/19, to be confirmed through liaison with the Council in the context of Thameswey's business plan for the period.	31/03/19	<ul style="list-style-type: none"> <li>To be identified once the Thameswey business plan has been agreed.</li> </ul>	<ul style="list-style-type: none"> <li>Take up of projects amongst targeted audience.</li> </ul>
GI2	Green infrastructure input into the Hoe Valley Biodiversity Enhancement and Flood Risk Reduction project and other corporate projects.	31/03/19	<ul style="list-style-type: none"> <li>Effective green space, arboricultural, biodiversity and sustainability input into the ongoing planning and development of significant corporate schemes, as required.</li> </ul>	<ul style="list-style-type: none"> <li>Staff capacity;</li> <li>Availability of capital funding;</li> <li>Partner organisations' agreement, priorities and resources.</li> </ul>
GI3	Progress the retrofitting rainwater gardens project.	31/03/19	<ul style="list-style-type: none"> <li>Design and commence the first site(s) in the Maybury Sheerwater pilot;</li> <li>Develop and publish a rainwater gardens community guide.</li> </ul>	<ul style="list-style-type: none"> <li>Staff capacity;</li> <li>Partner organisations' agreement, priorities and resources;</li> <li>Availability of capital funding.</li> </ul>
GI4	Support car share initiatives and electric vehicle use in the Borough.	31/03/19	<ul style="list-style-type: none"> <li>Prepare EV position statement;</li> <li>Once national policy direction is clearer, research and develop future costed options for EV.</li> </ul>	<ul style="list-style-type: none"> <li>Partner organisations' priorities and resources;</li> <li>Availability of capital funding;</li> <li>Staff capacity.</li> </ul>

GI5	Support for local community groups and organisations on environmental projects.	31/03/19	<ul style="list-style-type: none"> <li>• Successful progress of existing and new Woking Local Action 21 projects, including Incredible Edible, the Woking Biodiversity Partnership (WBP) and Woking Local Food Directory (WoLF).</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteer and staff capacity;</li> <li>• Availability of capital funding.</li> </ul>
GI6	Promote existing and new green spaces in the Borough.	31/03/19	<ul style="list-style-type: none"> <li>• Publish improved green spaces information on the Council's website;</li> <li>• Republish updated Explore! green spaces leaflet;</li> <li>• Presence at key community events;</li> <li>• Successful handover and management of newly adopted green space assets.</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of capital funding;</li> <li>• Staff capacity.</li> </ul>
GI7	Promote, encourage and produce a performance report on ongoing adaptation to climate change.	31/03/19	<ul style="list-style-type: none"> <li>• Preparation and publication of 2017/18 report on the Council's energy usage and greenhouse gas/carbon footprint.</li> <li>• Delivery of the actions of the Woking 2050 action plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff capacity.</li> </ul>
GI8	Progress joint WBC and Natural England Favourable Conservation Status pilots for Great Crested Newts (GCN) and bats and support for other species.	31/03/19	<ul style="list-style-type: none"> <li>• Year 3 winter 2018 GCN habitat improvement works at Westfield Common;</li> <li>• Agreement of year 4 GCN habitat works;</li> <li>• Progress delivery of project supporting bats.</li> </ul>	<ul style="list-style-type: none"> <li>• Partner organisations' priorities and resources;</li> <li>• Availability of capital funding;</li> <li>• Staff capacity.</li> </ul>
GI9	Progress Woking Swifts project.	31/03/19	<ul style="list-style-type: none"> <li>• Successful progress of the new Woking Swifts project through its first Spring/Summer season;</li> <li>• Record sightings throughout 2018 swift season;</li> <li>• Identify opportunities for providing new habitat (swift boxes / bricks).</li> </ul>	<ul style="list-style-type: none"> <li>• Partner organisations' priorities and resources;</li> <li>• Availability of capital funding;</li> <li>• Staff capacity.</li> </ul>



GI10	Implement Woking Borough Tree Strategy and Tree Management Policies.	31/03/19	<ul style="list-style-type: none"> <li>Promotion of Tree Strategy and Tree Management Policies, providing strategic policy context and guidance for day to day decision-making and proactive management of trees and woodland.</li> </ul>	<ul style="list-style-type: none"> <li>Staff capacity.</li> </ul>
GI11	Develop the use of UNI-form through the Implementation / upgrade of Document Management Systems (DMS) for Planning, Building Control, Licencing, Environmental Health, Contaminated Land and Housing.	31/03/19	<ul style="list-style-type: none"> <li>Council information for related functions will be stored in the correct environment;</li> <li>The introduction of DMS will enable mobile applications to be deployed at a future date;</li> <li>DMS will also support future paperless working.</li> <li>The new systems may lead to improved ways of working and more efficient processing of key activities.</li> </ul>	<ul style="list-style-type: none"> <li>Availability / capacity of staff to support the implementation.</li> </ul>
GI12	Continuous development of Geographical Information Systems (GIS) and Local Land and Property Gazetteer (LLPG) services for internal and external customers.	31/03/19	<ul style="list-style-type: none"> <li>Annual review of progress against in-house GIS Action Plan;</li> <li>Development of interactive map on the Council's website to make selected spatial data available to the public.</li> </ul>	<ul style="list-style-type: none"> <li>Staff capacity.</li> </ul>
ID1	Preparation for the delivery of the Flood Alleviation and Environmental Improvement schemes. To include securing funding, obtaining consents, committee authorisation, procurement etc.	31/03/19	<ul style="list-style-type: none"> <li>Reduced flood risk;</li> <li>Increased bio-diversity;</li> <li>Improved water quality;</li> <li>Delivery of wetland study centre.</li> </ul>	<ul style="list-style-type: none"> <li>The success of external funding bids and the necessary consents will be essential for the project to progress.</li> </ul>
ID2	Effective operation of the Town Centre Maintenance Agreement.	31/03/19	<ul style="list-style-type: none"> <li>High standard of maintenance;</li> <li>Proactive management of Town Centre.</li> </ul>	<ul style="list-style-type: none"> <li>Continued need for liaison with the Town Centre Redevelopment Team and Surrey County Council partners.</li> </ul>

PP1	To prepare submission documents, submit to the Secretary of State and undertake Examination of the Site Allocations DPD	31/12/18	<ul style="list-style-type: none"> <li>Recommendations reported to the LDF Working Group and Council;</li> <li>To submit a DPD that the Council considers sound;</li> <li>An adopted Site Allocations DPd to enable the delivery of the Core Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>The nature and number of representations could impact on the timetable for preparing the DPD;</li> <li>It could also lead to additional work that had not been planned for;</li> <li>Availability of staff resources to undertake the work.</li> </ul>
PP2	Publish, consult, and analyse representations received on the Regulation 19 consultation on the Site Allocations Development Plan Document.	31/07/18	<ul style="list-style-type: none"> <li>Consultation outcomes reported to the Working Group and Council;</li> <li>A Site Allocations Development Plan Document that the Council is confident to submit to the Secretary of State for Examination.</li> </ul>	<ul style="list-style-type: none"> <li>The nature and number of representations could have implications on the timetable;</li> <li>Lack of public support for the release of Green Belt land for development could lead to insufficient land being identified to meet future development needs and to ensure the enduring permanence of the Green Belt boundary;</li> <li>Availability of staff to undertake the work due to staff turnover.</li> </ul>
PP3	Undertake a programme for reviewing the existing Supplementary Planning Documents (SPD) and Supplementary Planning Guidance (SPG) to ensure that they remain pursuant to the development plan for the area.	31/12/18	<ul style="list-style-type: none"> <li>Ongoing confidence in the robustness of the SPD's and SPG's;</li> <li>An up to date set of SPDs and SPGs to help inform the purposes of development management decision.</li> </ul>	<ul style="list-style-type: none"> <li>Work on the Site Allocations DPD could be prioritised over the work on the SPDs/SPGs;</li> <li>Availability of staff resources to undertake the work due to staff turnover.</li> </ul>
PP4	Support the development of Neighbourhood Plans in Byfleet and Brookwood.	30/12/18	<ul style="list-style-type: none"> <li>Neighbourhood Plans will help to determine day to day planning applications in the Neighbourhood Areas.</li> </ul>	<ul style="list-style-type: none"> <li>The likelihood of plans not being prepared to meet the basic conditions and legal requirements;</li> <li>Likelihood of plans being rejected at the referendum by local residents.</li> </ul>
PP5	Undertake an on-going programme to recover outstanding S106/CIL contributions.	30/12/18	<ul style="list-style-type: none"> <li>Will help the delivery of infrastructure to support development.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of staff resources to undertake the work due to staff turnover.</li> </ul>

## PLACE

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Sustaining the Local Economy</b>	Douglas Spinks	Business Liaison: Business Liaison Manager H. G. Wells: Business Liaison Manager Parking Services: Assistant Director	Cllr Hussain Cllr Hussain Cllr Kemp

### Service Plan Overview (Key Functions) 2018/19

The Sustaining the Local Economy Service Plan is divided into 3 main sections:

**Business Liaison**

The aim is to enhance the vitality and image of Woking as a place, helping to retain existing jobs and businesses, create new jobs, and attract new businesses and people to the Borough.

**H. G. Wells**

The H. G. Wells Conference and Events Centre team manage the sales and operations for all types of events including corporate meetings and conferences, concerts, dinners, exhibitions, community events, private parties and weddings and is a revenue generating business for Woking Borough Council.

**Parking Services**

The Parking Services team is responsible for delivering on and off street parking services across the Borough. Managing over 4,000 off street spaces, 3 Controlled Parking Zones and yellow line restrictions as agents of Surrey County Council.

Focus for the coming year – Service Plan Objectives and Priorities				
Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
BL1	To work with colleagues to deliver agreed priorities of the Economic Strategy (2017-2022).	31/03/19	<ul style="list-style-type: none"> <li>• Delivery of priority actions as identified by the Economic Development Task Group;</li> <li>• Clarity for businesses and other interested stakeholders as to what the plans and aspirations of the Council are;</li> <li>• Businesses supported to grow and prosper and contribute to the development of the local economy.</li> </ul>	<ul style="list-style-type: none"> <li>• Resources to adequately carry out objectives;</li> <li>• Business not engaging with us to deliver objectives.</li> </ul>
BL2	To design and deliver the Woking Works activity plan for 2018/19.	31/03/19	<ul style="list-style-type: none"> <li>• To directly engage with 450 (tbc) businesses and indirectly engage with 1125 (tbc) of businesses;</li> <li>• Delivery of 10 corporate events (5 with corporate partners).</li> </ul>	<ul style="list-style-type: none"> <li>• Businesses might not be willing to engage in the process.</li> </ul>
BL3	To create a digital strategy to monetise the fibre network in the town centre.	31/03/19	<ul style="list-style-type: none"> <li>• Realise a return on investment;</li> <li>• The service will be more sustainable;</li> <li>• Provide better connectivity for businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• Speed of delivery;</li> <li>• Return on investment not as high as expected.</li> </ul>
BL4	To raise £20,000 - £30,000 in sponsorship to support the 2018 Celebrate Woking Programme.	01/07/18	<ul style="list-style-type: none"> <li>• Costs of delivering the Party in the Park &amp; The Food Festival will be lowered;</li> <li>• The programme will be more sustainable.</li> </ul>	<ul style="list-style-type: none"> <li>• Organisations might not be interested in sponsoring the programme;</li> <li>• Programme costs increase.</li> </ul>
BL5	To manage, alongside colleagues in Community Engagement, the development of an educational package to promote the Mosque, Peace Garden and Brookwood Cemetery as borough heritage sites.	31/12/18	<ul style="list-style-type: none"> <li>• Attract a wider visitor audience;</li> <li>• Visitors and schools will be more aware of the relevance of these heritage sites;</li> <li>• The potential of heritage sites in the borough will be maximised.</li> </ul>	<ul style="list-style-type: none"> <li>• Decreasing audience levels;</li> <li>• Lack of take up;</li> <li>• Available resources.</li> </ul>

HG1	To reduce financial risk to the Council by increasing income in specific sectors whilst reducing Council funded events.	31/03/19	<ul style="list-style-type: none"> <li>Corporate income increased from 23% to 28% (figures tbc) of total sales.</li> <li>Accredited user and WBC income decreased by 3% and 2% (figures tbc) respectively.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of corporate business would result in a reduced income thus increasing the reliance on Council funded events.</li> </ul>
PS1	To maximise the financial surplus to the Council from parking revenues.	Ongoing	<ul style="list-style-type: none"> <li>Monthly monitoring through Green Book;</li> <li>Support the Town Centre development programme and the creation of additional parking spaces in the town.</li> </ul>	<ul style="list-style-type: none"> <li>Success or not of local business and Town Centre Shopping Centres can impact upon car park activity;</li> <li>The ongoing programme of Town Centre development can impact upon car park activity.</li> </ul>
PS2	The introduction of new back office parking systems.	31/03/19	<ul style="list-style-type: none"> <li>Implementation of additional modules for on and off street parking system;</li> <li>Improvements in parking management operation through more efficient systems.</li> </ul>	<ul style="list-style-type: none"> <li>Pressures on resources available from the Council and contractors to achieve the programme within desired schedule.</li> </ul>
PS3	Review options for new public facing car parking equipment and operating systems.	31/03/19	<ul style="list-style-type: none"> <li>Specifications in place to embrace all available technology for a first class customer service and resilient operations;</li> <li>Individual schedules for all car parks.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of internal resources to assist in the tender process;</li> <li>Suitability of potential suppliers to assist with the implementation.</li> </ul>
PS4	Introduce and manage an enforcement service for bus land contraventions as agent for Surrey County Council.	31/03/19	<ul style="list-style-type: none"> <li>Improved traffic management and pedestrian safety in the town centre.</li> </ul>	<ul style="list-style-type: none"> <li>Adverse public relations resulting from the new scheme;</li> <li>Changing policy from Surrey County Council regarding the management arrangements.</li> </ul>

## US

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Democratic Services</b>	Peter Bryant	Civic Functions and Expenses: Democratic Services Manager Corporate Management & Members' Services: Democratic Services Manager Elections and Electoral Registration: Electoral & IS Manager	Cllr Azad Cllr Azad Cllr Bittleston

### Service Plan Overview (Key Functions) 2018/19

The Democratic Services Service Plan is divided into 3 main sections:

#### **Civic Functions and Expenses**

This service is based around maintaining a distinctive civic profile for the Borough and its Mayoralty and to encourage participation in public life. This includes support for the Mayor and to organise civic events that the Council carries out as a civic/corporate body. Other elements of the service include Town Twinning and the Civic Award Scheme.

#### **Corporate Management and Members' Services**

This function manages the Committees of the Council which includes administering the meetings, agenda preparation, attendance, preparation of minutes and ensuring that action is taken following meetings. It also provides support for the Borough Councillors, including induction/training and the delivery of development programmes. Support is also provided to Corporate Management Group and the Elections service as required.

#### **Elections and Electoral Registration**

This function administers all aspects of local and national elections and referenda within Woking. This includes postal voting, recruiting and training staff for polling stations, publicity and the compilation of the Electoral Register.

Focus for the coming year – Service Plan Objectives and Priorities				
Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
CFE 1	To plan and deliver key Civic events including the Remembrance Day Service and the Mayor's Ball.	31/03/19	<ul style="list-style-type: none"> <li>Development of Woking's pride of place.</li> </ul>	<ul style="list-style-type: none"> <li>Staff capacity.</li> </ul>
CM MS 1	Embed the newly installed Mod.Gov committee management system within the organisation through a training programme for Officers and Members and through ongoing support and communication.	31/05/18	<ul style="list-style-type: none"> <li>Improved committee management, in particular easier access to documents and full integration with webcasting;</li> <li>A move towards paperless meetings;</li> <li>Increased public awareness of Council meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of engagement with staff / members;</li> <li>Not enough capacity to deliver the training.</li> </ul>
CM MS 2	Undertake the three year re-assessment of the Council's Charter for Elected Member Development.	30/08/18	<ul style="list-style-type: none"> <li>Successful application for reassessment of the Council's Member learning and development programme by South East Employers of the Council's.</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient improvements/progress achieved in taking forward the priorities and recommendations of South East Employers.</li> </ul>
EER 1	Plan and implement the 2018 Borough elections, working with the Cabinet Office to participate in the Electoral Integrity Pilots.	03/05/18	<ul style="list-style-type: none"> <li>All electors contacted to advise of type of ID required for voting;</li> <li>All poll cards delivered at end of March;</li> <li>All postal votes dispatched mid April, to ensure voters have sufficient time to complete and return them;</li> <li>All electors provide ID at polling stations to cast their vote.</li> <li>The count is completed successfully, with 10 Borough Councillors being elected.</li> </ul>	<ul style="list-style-type: none"> <li>Electors not aware of requirement to provide ID.</li> <li>Availability of staff to support the election (postal vote issue/opening, polling station staff and count staff);</li> <li>Preparation for other electoral events (e.g. General Election), if announced during the lead up to the Borough elections.</li> </ul>
EER 2	Conduct the 2018 annual canvass.	01/12/18	<ul style="list-style-type: none"> <li>Local residents update their details online;</li> <li>90%+ return of canvass forms.</li> </ul>	<ul style="list-style-type: none"> <li>Additional electoral events (e.g. General Election) may divert resources from canvass activities.</li> </ul>
EER 3	Complete a full Parliamentary polling place and polling district review.	31/12/18	<ul style="list-style-type: none"> <li>Consultation carried out with relevant bodies and representations from public;</li> <li>Updated polling district and polling place scheme agreed by Council;</li> <li>Scheme publicised on the Council website.</li> </ul>	<ul style="list-style-type: none"> <li>Additional electoral events (e.g. General Election) may divert resources from canvass activities.</li> </ul>

## US

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Corporate Services</b>	Ray Morgan Ray Morgan Ray Morgan Leigh Clarke Ray Morgan Peter Bryant Peter Bryant	Business Improvement: Senior Policy Officer Commercial Unit (Contracts & Procurement): Assistant Director Corporate Employer: Head of Human Resources Financial Services and Audit: Financial Services Manager Information Communication Technology: Assistant Director Legal Services: Solicitor Marketing Communications: Marketing Communications Manager	Cllr Azad Cllr Hussain Cllr Bittleston Cllr Azad Cllr Hussain Cllr Azad Cllr Pengelly

<b>Service Plan Overview (Key Functions) 2018/19</b>
<p>The Corporate Services Service Plan is divided into 7 main sections:</p> <p><b>Business Improvement</b> This service supports the Council in delivering a number of Corporate activities such as: Performance Management which includes the Green Book and the production of the Annual Service Plans, the Project Support Office which is responsible for ensuring that all Council projects are delivered and monitored in a structured manner and also Corporate Risk Management and Business Continuity. Business Improvement will also lead or support projects that aid the Council in its service provision or improve the efficiency of its operations in some way.</p> <p><b>Commercial Unit (Contracts and Procurement)</b> This service enables the Council to address financial challenges through taking a more coordinated approach to supplier relationships and procurement activity. This includes assisting colleagues with procurement exercises, supplier negotiation, spending reviews and demand management. This area also has responsibilities for the management of the New Vision Homes, Freedom Leisure and energy management contracts.</p> <p><b>Corporate Employer</b> This function is focused on activities relating to employees which includes recruiting and hiring of new employees, orientation and training of current employees, employee pay and benefits, policy development and retention. It is also responsible for Health and Safety, Insurance Services and the implementation of Equalities across the Council. It seeks to ensure that staff is equipped to deliver services to the public to the standards required and consistent with the Council's vision and values.</p>



**Financial Services and Audit**

This function is responsible for financial and management accounting, forecasting, treasury management, administration of the systems for the payment of suppliers and the invoicing and collection of sundry debts. This function is also responsible for the management of Internal Audit which is delivered through an outsourced contract.

**Information Communication Technology**

This service is comprised of Infrastructure Support which manages the ICT Service Desk, network, security, telephony service, servers and data storage. Application Support is also part of this service which implements and supports IT applications, new application implementation, migration and interfacing between systems and Council websites and web based systems.

**Legal Services**

This function is responsible for (i) provide in-house legal advice to the Council and (ii) procuring external legal representation for the Council.

**Marketing Communications**

This function manages internal and external communication activities to ensure businesses, residents and employees are kept abreast of Council-related news. This includes the management of the reputation of the Council, both online and offline, the delivery of key publications and close work with colleagues to develop and manage marketing and promotional campaigns through various communication channels.

**Focus for the coming year – Service Plan Objectives and Priorities**

Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
BI1	To undertake a corporate-wide review of the network shared drives and cleanse/ lock-down all areas as appropriate.	31/05/18	<ul style="list-style-type: none"> <li>All redundant documents older than 7 years deleted;</li> <li>A cleaner environment that will support GDPR requirements;</li> <li>SharePoint will be better utilised which will help to realise a return on investment;</li> <li>Council information will be more accessible and structured efficiently.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of resources from across the Council to support the review;</li> <li>Busy periods such as end of year impacting on the ability to meet deadline.</li> </ul>

BI2	Explore options for introducing limits and/or retention rules for emails.	31/03/19	<ul style="list-style-type: none"> <li>• A cleaner environment that will support GDPR requirements;</li> <li>• Possible cost and/or efficiency savings relating to storage and email system performance;</li> <li>• Council information will be more accessible and structured efficiently.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff reluctance to engage;</li> <li>• Lack of corporate support.</li> </ul>
BI3	Undertake a systematic review of Council functions to identify if any process improvements can be made.	31/03/19	<ul style="list-style-type: none"> <li>• Efficiency gains in the way that teams and/or individuals work;</li> <li>• Reduction in duplication of effort;</li> <li>• Reduction in hard copy documents;</li> <li>• Possible cost savings;</li> <li>• A leaner more efficient organisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of resources from across the Council to support the review;</li> <li>• Staff do not buy-in to the reviews i.e. lack of willingness to change and adopt new ways of working.</li> </ul>
BI4	Digitisation of Council Microfiche records.	31/10/18	<ul style="list-style-type: none"> <li>• Reduction in hard copy documents;</li> <li>• Release storage space across Civic Offices that can be rented or used;</li> <li>• Documents will be more accessible to the public to enable self-service;</li> <li>• Save staff time as documents can be retrieved via systems rather than having to manually search for documents;</li> <li>• Reduce reliance on expensive/out of date technologies i.e. microfiche machines.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff time to support the project;</li> <li>• Possible minimal loss of data due to duplication issues.</li> </ul>
BI5	Review the upgrade to SharePoint 2016 and conduct a final round of engagement with staff to ensure that the system is as fully embedded within the Council as possible.	30/09/18	<ul style="list-style-type: none"> <li>• Improved user experience;</li> <li>• A system that is more flexible;</li> <li>• A robust information and record management system.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff do not buy-in to the new system i.e. willingness to adopt the system and new ways of working;</li> <li>• The system does not deliver the planned enhancements;</li> <li>• Expectations of staff as to what the 'right solution' should be are not met.</li> </ul>

CU1	Review the use of Delta Procurement System for Quotes and Tenders.	31/03/19	<ul style="list-style-type: none"> <li>Delta or alternative system used for all Council Tenders;</li> <li>Delta or alternative system used for all Council Quotes;</li> <li>Staff aware of procurement processes.</li> </ul>	<ul style="list-style-type: none"> <li>Staff time and support for the project;</li> <li>Delays in implementation of Delta quotes module / alternative system.</li> </ul>
CU2	Leisure management contract for Sheerwater Leisure provision.	31/03/19	<ul style="list-style-type: none"> <li>Additional service outcomes are secured;</li> <li>Management Agreement between Council and Sheerwater facility is embedded in service specification with Greenwich Leisure Limited / Freedom Leisure.</li> </ul>	<ul style="list-style-type: none"> <li>Financial basis of service is more than anticipated;</li> <li>Service outcomes are not realised.</li> </ul>
CU3	Procurement of a new parking management system.	31/09/18	<ul style="list-style-type: none"> <li>Assist with the tendering process for the new system.</li> </ul>	<ul style="list-style-type: none"> <li>Business requirements are not defined;</li> <li>Insufficient time is allowed.</li> </ul>
CU4	Review contract management processes and procedures in line with best practice and WBC contract standing orders.	31/12/18	<ul style="list-style-type: none"> <li>Review existing procedures and compliance with contract standing orders;</li> <li>Develop new best practise guidance and procedural notes for officers;</li> <li>Staff awareness.</li> </ul>	<ul style="list-style-type: none"> <li>Staff resources for contract management;</li> <li>Contracts not managed effectively;</li> <li>Contracts not managed consistently;</li> <li>Failure to comply with legislation.</li> </ul>
CU5	Procurement of replacement ICT equipment.	31/03/19	<ul style="list-style-type: none"> <li>Assist with the procurement of the ICT replacement equipment where tender process / frameworks required.</li> </ul>	<ul style="list-style-type: none"> <li>Procurement processes are not resourced.</li> </ul>
CE1	To update the Workforce Strategy.	30/04/18	<ul style="list-style-type: none"> <li>Resources required by the Council to achieve its short and long term objectives are identified.</li> </ul>	<ul style="list-style-type: none"> <li>Objectives not fully identified or resources unavailable.</li> </ul>
CE2	To review allowances paid to employees and provide recommendations to CMG.	30/04/18	<ul style="list-style-type: none"> <li>Comprehensive report to CMG with recommendations on resolving inconsistencies with regard to payments.</li> </ul>	<ul style="list-style-type: none"> <li>No agreement reached on a way forward.</li> </ul>

CE3	Customer Care/Complaints procedure and Handling aggressive behaviour training developed and offered to all employees.	30/04/18	<ul style="list-style-type: none"> <li>All employees are aware of Council standards of behaviour;</li> <li>Clarity on behaviour from our customers and guidelines on how to deal with unacceptable behaviour towards employees.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of participation from employees.</li> </ul>
CE4	Assist with preparing the Council for the General Data Protection Regulations.	31/05/18	<ul style="list-style-type: none"> <li>Employees are aware of the Regulations.</li> <li>The Council is fully compliant with the Regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Non-compliance and possible fine.</li> </ul>
CE5	Manage the employee relations aspects of organisational transformation.	31/12/18	<ul style="list-style-type: none"> <li>Employees feel well informed;</li> <li>Unison is fully engaged;</li> <li>Successful outcomes for the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>Disputes requiring formal processes to resolve.</li> </ul>
CE6	To oversee a comprehensive management development programme.	30/09/18	<ul style="list-style-type: none"> <li>Diagnostic questionnaire completed by all managers;</li> <li>Leadership programme offered to managers.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of managers.</li> </ul>
FS1	To assist in the preparation and implementation of the Medium Term Financial Strategy.	31/12/18	<ul style="list-style-type: none"> <li>Facilitate the production of a balanced budget in 2018/19 and succeeding years;</li> <li>To provide the financial framework to facilitate the Council meeting its service objectives.</li> </ul>	<ul style="list-style-type: none"> <li>Funding reductions instigated by Central Government.</li> </ul>
FS2	To upgrade financial systems in order to improve efficiency, enhance financial information provision and facilitate electronic document storage.	31/04/18	<ul style="list-style-type: none"> <li>Increased purchase order compliance to facilitate improved financial monitoring and control;</li> <li>To test and evaluate the multi-company facilities in the financial information system.</li> <li>Implement upgrades to ledgers to further improve efficiency, usability and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Availability of resources from across the Council to cooperate in implementing the improvements;</li> <li>Outcomes are dependent on the performance of suppliers in delivering fit-for-purpose software and training.</li> </ul>

FS3	To bring forward the completion of the 2017/18 statement of accounts to meet the new statutory deadline of 31 May and to assist in the completion of the external audit by 31 July 2018.	30/05/18	<ul style="list-style-type: none"> <li>To meet the new (earlier) statutory deadlines;</li> <li>To release resources sooner to focus on the new financial year.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of resources from across the Council to cooperate in implementing the new arrangements;</li> <li>Outcomes are dependent on the performance of suppliers in delivering fit-for-purpose software and managed services;</li> <li>External pressures/priorities on Financial Services team to meet other Council objectives.</li> </ul>
ICT1	Implement self service modules for back-office applications.	31/03/19	<ul style="list-style-type: none"> <li>Increased digital interactions with Council Tax, Benefits and Housing systems;</li> <li>Mobile working for Idox users.</li> </ul>	<ul style="list-style-type: none"> <li>The cost of the software upgrades is prohibitive;</li> <li>Staff time to support the project;</li> <li>Partners time to support this project.</li> </ul>
ICT2	Improve and increase mobile working capabilities.	30/09/18	<ul style="list-style-type: none"> <li>Increased access to data when off network;</li> <li>Ability to collect data when off network to assist business processes.</li> </ul>	<ul style="list-style-type: none"> <li>Staff time to support the project;</li> <li>Restrictions placed by suppliers on Back Office systems;</li> <li>Security and Data Protection.</li> </ul>
ICT3	Upgrade Capita Academy system to Capita Open Housing and implement Open Access.	31/03/19	<ul style="list-style-type: none"> <li>Migrate the Academy system to Capita Open Housing.</li> </ul>	<ul style="list-style-type: none"> <li>Data Migration issues;</li> <li>Interface issues with other associated applications.</li> </ul>
ICT4	GDPR compliance.	01/05/18	<ul style="list-style-type: none"> <li>Be able to detect possible data breaches;</li> <li>Update software /applications to record subject consent;</li> <li>Update software /applications for right to be forgotten/</li> <li>Update software /applications for data retention.</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers do not provide software updates;</li> <li>Costs for software updates are excessive;</li> <li>Resources in ICT and business areas to install / test software upgrades.</li> </ul>
ICT5	Firewall / Security upgrade.	30/11/18	<ul style="list-style-type: none"> <li>Upgrade existing equipment to protect against cyber crime and data breaches.</li> </ul>	<ul style="list-style-type: none"> <li>Unauthorised access to the network;</li> <li>Increased risk of cyber crime.</li> </ul>

ICT6	Citrix and Microsoft upgrade.	30/06/18	<ul style="list-style-type: none"> <li>• Upgrade to the Citrix platform and Office products.</li> </ul>	<ul style="list-style-type: none"> <li>• To maintain software on supported versions and utilise latest functionality.</li> </ul>
ICT7	Review of Telephony within the office environment.	31/03/19	<ul style="list-style-type: none"> <li>• Unified communications platform implemented for voice and data integration;</li> <li>• Reduction in number of desktop phones.</li> </ul>	<ul style="list-style-type: none"> <li>• Fail to take advantage of latest available technologies.</li> </ul>
ICT8	Review / upgrade the ICT Service Desk software.	30/06/18	<ul style="list-style-type: none"> <li>• To improve the user interface;</li> <li>• To increase the software and hardware asset management capabilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Retain existing system which is not considered user friendly by the business areas.</li> </ul>
ICT9	Review Council network infrastructure.	31/03/19	<ul style="list-style-type: none"> <li>• Review of the Council network infrastructure with a view to upgrade / procure in 2019/20.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance costs will increase with the age of the equipment;</li> <li>• Latest technologies may not be available.</li> </ul>
ICT 10	Compliance with ICT standards such as PSN and PCI.	31/03/19	<ul style="list-style-type: none"> <li>• Review the requirements through health checks and monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Restricted access to Government systems;</li> <li>• Increased charges / penalties for payment card transactions.</li> </ul>
ICT 11	Review Corporate CRM solution with a view to upgrade or replace.	31/03/19	<ul style="list-style-type: none"> <li>• Drive improvements in processing and customer services.</li> </ul>	<ul style="list-style-type: none"> <li>• Current system may not support business requirements;</li> <li>• Costs increase for no appreciable benefits.</li> </ul>
MC1	Implement a redesign of The Woking Magazine and review of content.	31/05/18	<ul style="list-style-type: none"> <li>• Contemporary magazine design;</li> <li>• Magazine remains relevant in today's cluttered free publications marketplace;</li> <li>• Increase in readership;</li> <li>• Increase in advertising income generation;</li> <li>• Deliver greater online presence.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of redesign and resources available to drive project forward;</li> <li>• Readers dislike changes to content;</li> <li>• New design does not attract new advertisers.</li> </ul>

MC2	Continue to develop the Council's social media to support engagement with all stakeholders.	31/03/19	<ul style="list-style-type: none"> <li>• Greater presence on the Council's established social media sites;</li> <li>• Provide platform to disseminate Council-related news and information at no cost;</li> <li>• Greater two-way communication between stakeholders and Council, as well as quicker identification of community issues;</li> <li>• Improved communication with younger generation of residents and the Council;</li> <li>• Reduced use of more expensive traditional methods of communications with Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Restricted access to social media sites;</li> <li>• Information is out-of-date and of little interest to stakeholders;</li> <li>• Internal agreement as to responsibility for social media interaction with customers.</li> </ul>
MC3	Support the implementation of the new corporate website.	31/05/18	<ul style="list-style-type: none"> <li>• Meets needs of customers visiting site;</li> <li>• Delivers channel shift objectives – reduce direct interaction with stakeholders through provision of self-serve online services;</li> <li>• Opt-in mechanism for future targeted digital communications;</li> <li>• Website optimized for mobiles/tablets;</li> <li>• Simplified, plain English and up-to-date content;</li> <li>• Significant reduction in overall webpages.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited research data to identify what customers want from a modern site;</li> <li>• Staff resources – will require cross-organisational working;</li> <li>• Does not deliver the benefits it set out to achieve;</li> <li>• Uncertain management of long-term content generation and curation.</li> </ul>
MC4	Provide communications support to the Woking Integrated Transport Project, specifically focusing on the removal of Albion Square Canopy and the introduction of the High Street ANPR system.	31/03/19	<ul style="list-style-type: none"> <li>• Share the Council's aspiration and vision of the project with public;</li> <li>• Promote ongoing benefits of development and transformation of town;</li> <li>• Ensure members of the community are kept abreast of developments, specifically removal of the Canopy and introduction of ANPR system.</li> </ul>	<ul style="list-style-type: none"> <li>• Construction delays which lead to additional road closures and local discontent;</li> <li>• Local businesses experience reduction in footfall leading to complaints;</li> <li>• ETRO formally challenged;</li> <li>• Introduction of ANPR received negatively by wider public.</li> </ul>

MC5	Supported through an external advertising agency, to deliver and manage the #WeAreWoking place marketing campaign.	31/03/19	<ul style="list-style-type: none"> <li>• Ensure members of the community are kept abreast of developments ;</li> <li>• Share the Council’s aspiration and vision of Woking’s future with public;</li> <li>• Promote ongoing benefits of development and transformation of town;</li> <li>• Positively engage local businesses and community through #WeAreWoking campaign;</li> <li>• Ensure Woking remains ‘open for business’ during construction works.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of engagement work by external advertising agency;</li> <li>• Business and community apathy towards campaign;</li> <li>• Construction issues have adverse affect on campaign;</li> <li>• Visitor footfall reduces during construction phase.</li> </ul>
MC6	Provide communications advice and support to the Sheerwater Regeneration Project.	31/03/19	<ul style="list-style-type: none"> <li>• Ensure members of the community are kept abreast of developments;</li> <li>• Share the Council’s aspiration and vision of Sheerwater’s future;</li> <li>• Promote ongoing benefits of development and transformation of Sheerwater;</li> <li>• Provide clear communication to residents directly affected by regeneration plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Construction delays leading to resident discontent;</li> <li>• Resident complaints of lack of information/miscommunication;</li> <li>• Local businesses experience reduction in footfall leading to complaints;</li> <li>• ETRO formally challenged;</li> <li>• Introduction of ANPR received negatively by public.</li> </ul>



## US

Service Plan:	CMG Member:	Manager:	Portfolio Holder:
<b>Customer Support Services</b>	Leigh Clarke Leigh Clarke Peter Bryant Leigh Clarke Leigh Clarke	Customer Services: Revenue and Benefits Manager Housing Benefits & Council Tax Support: Revenue and Benefits Manager Licensing: Licensing Officer Local Land Charges and Searches: Revenue and Benefits Manager Revenue Collection: Revenue and Benefits Manager	Cllr Azad Cllr Azad Cllr Bowes Cllr Bowes Cllr Azad

### Service Plan Overview (Key Functions) 2018/19

The Customer Support Services Service Plan is divided into 5 main sections:

#### Customer Services

This function delivers the first point of contact for all customers coming into the Civic Offices in person and also for those customers who contact the Council by telephone through the Contact Centre.

#### Housing Benefit and Council Tax Support

This function is responsible for the administration of Housing Benefit and Council Tax support claims.

#### Licensing

This function is responsible for granting, monitoring and enforcement of all licenses for the sale of alcohol, late night refreshment and regulated entertainment. It also grants licenses for gambling premises, AWP machines, lotteries and for issuing and enforcing all licences governing taxi/private hire drivers, vehicles and operators.

#### Local Land Charges and Searches

This service is responsible for the provision of a local land charges search facility to identify registered entries and relevant supplementary enquires relating to land and property with the Borough.

#### Revenue Collection (Council Tax and Business Rates)

This function is responsible for the billing and collection of Council Tax and Business Rates.

Focus for the coming year – Service Plan Objectives and Priorities				
Ref	Objective	Target date	Expected outcomes	Risks that might impact outcome
CS1	Train customer service staff to process more complex Council tax changes at first point of contact as part of a drive to remove double handling of work.	31/12/18	<ul style="list-style-type: none"> <li>Increase the volume of Council tax process dealt with by customer service staff. Revenue training officer to provide training for staff over coming months.</li> </ul>	<ul style="list-style-type: none"> <li>Availability of training or staff.</li> </ul>
HB1	Prepare for impact of Welfare Reform on Housing benefit in 2018/19.	31/03/19	Benefit staff to receive training on: <ul style="list-style-type: none"> <li>Changes to provision of support for those placed in temporary accommodation;</li> <li>Removal of support for third and subsequent children;</li> <li>Use of Discretionary Housing Payments to mitigate impacts;</li> <li>Expansion of Universal Credit claims.</li> </ul>	<ul style="list-style-type: none"> <li>Software suppliers not given enough time to implement changes;</li> <li>Staff and claimants not provided with enough detail early enough.</li> </ul>
L1	Update the Taxi and Private Hire Licensing Handbook to take account of new legislation and best practice.	31/03/19	<ul style="list-style-type: none"> <li>Continue to maintain and update the Handbook where necessary. This is a single document that contains all information relating to WBC Taxi Licensing Policy and Practice - outlining the processes, practices, legislation and official stance of WBC Licensing Authority for both the applicants and for the Council.</li> </ul>	<ul style="list-style-type: none"> <li>No risks impacting outcome.</li> </ul>
L2	Assist Business Liaison team with the introduction of a Best Bar None Scheme, where possible.	31/10/18	<ul style="list-style-type: none"> <li>Work alongside Economic Development team to assist in the introduction of a Best Bar None scheme in order to assist with the Purple Flag Scheme.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of interest from local premises may reduce success of event or result in the event not happening;</li> <li>Priority must be given to Statutory Functions of the Licensing Authority.</li> </ul>

L3	Encourage attendance from Borough Premises to the local Pubwatch Scheme.	31/03/19	<ul style="list-style-type: none"> <li>The delivery and continuation of the scheme will lead to a safer Town Centre;</li> <li>Opportunity to meet with partners and establish ongoing relationships with local publicans and businesses.</li> </ul>	<ul style="list-style-type: none"> <li>Pubwatch may potentially cease of its own decision (not WBC controlled) due to lack of attendance.</li> </ul>
L4	Introduce an inspection rota to increase the number of inspections of licensed premises and vehicles.	31/03/19	<ul style="list-style-type: none"> <li>Increased staffing patrols of Taxi Ranks and Private Hire Operator areas;</li> <li>Increased night-time/weekend inspections;</li> <li>Increased premises inspections;</li> <li>More structured approach to service.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of staff time to commit to rota;</li> <li>Lack of staffing numbers;</li> <li>Other priority work, such as statutory requirements, taking precedent.</li> </ul>
L5	Strengthen standards of Taxi Private Hire Trade through appropriate training.	31/03/19	<ul style="list-style-type: none"> <li>Improved service for the travelling public;</li> <li>Improved safety of the travelling public;</li> <li>Maintaining Taxi and Private Hire drivers' level of professionalism to enable them to fully achieve their potential as ambassadors of Woking Town Centre.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of staff time;</li> <li>Outcome of Consultations;</li> <li>Lack of take/up attendance at training;</li> <li>Outcome of Committee.</li> </ul>
RC1	Implement new Capita software modules purchased to promote self-service and simplify processes.	31/12/18	<ul style="list-style-type: none"> <li>The new software modules will remove a number of manual processes and streamline others. Will allow further self-service and increase the number of processes that Customer Service staff can assist with.</li> </ul>	<ul style="list-style-type: none"> <li>Modules not installed into live due to other ICT priorities.</li> </ul>
RC2	Expand the implementation of Proprint software to improve printing options.	31/12/18	<ul style="list-style-type: none"> <li>All revenue and benefit documents to print through Proprint software. This will allow printing to be processed off site eventually.</li> </ul>	<ul style="list-style-type: none"> <li>ICT and Proprint supplier do not implement new software.</li> </ul>



EXECUTIVE - 23 NOVEMBER 2017

## DRAFT HOUSING REVENUE ACCOUNT BUDGET UPDATE 2018-19

### Executive Summary

This report represents an interim stage of the Business Planning process of the Council.

Social landlords are required to reduce housing rents by 1% a year for four years from 2016/17. This is a move away from the former guidance of increasing rents by CPI + 1%. 2018/19 will be the third year of this four year period and this 1% reduction requirement has been incorporated into the 2018/19 budget. As discussed later in the report the Government have announced this rent reduction period will end in 2020 and rent increases will return to CPI + 1%.

The working balance per property is forecast to be £150 at 31 March 2019. £100-£150 balance per property is considered to be necessary for prudent financial management.

### Reasons for Decision

Consideration of these proposals will enable the preparation of the Council's Housing Revenue Account budgets for 2018/19 to proceed.

### Recommendations

The Executive is requested to:

#### **RESOLVE That**

the draft Housing Revenue Account budgets for 2018/19, as set out in Appendix 1 to the report, be agreed for consultation with the Corporate Management Group and Portfolio Holder.

<b>The Executive has authority to determine the above recommendations.</b>
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### Background Papers:

None.

Sustainability Impact Assessment  
Equalities Impact Assessment

### Reporting Person:

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**Date Published:**

17 November 2017

## **1.0 Introduction**

- 1.1 This paper sets out the Council's draft Housing Revenue Account (HRA) budgets (Appendix 1) for 2018/19.
- 1.2 Detailed explanations of the changes and pressures within the different elements of the budget are set out in the sections below. A working balance per property of £150 is maintained for 2018/19. The balance per property is at the top end of the range of £100 to £150 per property considered prudent.

## **2.0 Forecast Outturn**

- 2.1 Adjustments to the revised estimates for 2017/18 have been made to reflect variations as reported in the October Green Book.
- 2.2 A £41,000 under spend is forecast on the responsive repairs budget. Capital investment in the stock over recent years has allowed repairs/enhancements to be carried out on a planned rather than reactive basis. A review of the schedule of rates applied under the contract has also contributed to this under spend. Responsive repairs expenditure can be seasonal and may increase due to factors such as damage from storms over the winter period.
- 2.3 A reduction on the management costs under the NVH contract has been offered on the basis the contract is extended. It is estimated this will create a saving of £30,000.
- 2.4 These savings will offset expenditure on additional works under the NVH Asset Management Plan in 2017/18.

## **3.0 Approach to Budget Setting 2018/19**

### Assumptions

- 3.1 The draft budgets in this paper should be considered alongside the draft Housing Investment Programme report elsewhere on the agenda which will influence the overall budget position.

### Management and Administration

- 3.2 Salary and other central costs have been allocated to the HRA in accordance with normal accounting rules to show the full cost of the service. The budgets are set and monitored in a pre-allocated format to make it possible to see the overall impact rather than just a proportion of the overall cost/variance which may be allocated to an individual service.
- 3.3 The basis of this allocation is currently being reviewed. Any changes in the allocation as a result of this review will be incorporated in the final budget.

## **4.0 Rents and Other Charges**

- 4.1 In May 2014 the DCLG published amended guidance on rents for social housing from April 2015. This guidance recommended annual rent increases of CPI + 1% and the Government indicated this rent policy would apply for ten years from 2015/16. However the Welfare Reform and Work Act prescribed that rents in social housing be reduced by 1% a year for four years resulting in a 12% reduction in average rents by 2020-21. We will be entering into the third year of this four year period and rents will be reduced by 1% with effect from 2<sup>nd</sup> April 2018. Applying the 1% reduction results in an estimated average weekly rent of £101.99.

- 4.2 This reduction is particularly punitive to Woking's HRA as the actual weekly rents at the start of the rent reduction period were £1.97 lower than the limit rent set by the DCLG. This meant Woking previously had the flexibility to increase rents by a further £346,000.
- 4.3 On the 4<sup>th</sup> October 2017, the Department For Communities And Local Government (DCLG) and the Prime Minister's Office, announced that social housing rents will be increased by Consumer Price Index (CPI) plus 1% for 5 years from 2020. This provides assurance that the duration of the 1% rent reduction period will only be four years as originally envisaged. Rent increases will then return to the level prescribed prior the rent reduction. However these will still be less than those calculated under the self-financing settlement under which the Council was required to pay the Government £98 million to buy itself out of the housing subsidy system.

### Recovery Of Charges

- 4.4 Service charges, including energy charges, are based on the cost of the service being provided. Council resolved on 10 December 2009 that authority be delegated to the Chief Finance Officer to vary service charges in line with external factors.
- 4.5 Energy charges are levied on a per block basis based on cost. This allows energy costs to be recharged to tenants on a more detailed basis. Energy charges will be reviewed to incorporate fluctuations in energy prices.
- 4.6 The 1% rent reduction requirement will not apply to service charges. A review of the service charge for 2018/19 is being finalised and will be presented with the final budget. An uplift of 3% (the September CPI) has been assumed for the draft budget.

### Implementation Date

- 4.7 The new rents will be applied from the first Monday in April i.e. 2 April 2018.

## **5.0 Prudential Borrowing**

- 5.1 The HRA requires certainty and accuracy of costs wherever possible especially following government policy changes, rent reductions, and the potential impact of the Sheerwater regeneration project. HRA interest charges for pre 2016/17 borrowing are fixed at the Council's average borrowing rate at 31 March 2016. Future HRA borrowing will be charged at the annual average 50 year borrowing rate. This ensures that General Fund investment decisions made by the Council do not impact the HRA.
- 5.2 These HRA interest costs are forecast to be £4,719,494 in 2017/18 and £4,825,683 in 2018/19. These costs include the borrowing taken on to acquire new dwellings as detailed in section 6.5 of this report. £7,481,000 additional borrowing is forecast over 2017/18 and 2018/19.

## **6.0 Robustness of the Budget and Risks**

- 6.1 It is important to consider the robustness of the budget and the adequacy of reserves for the purpose of maintaining the financial health of the Housing Revenue Account. The key risks are set out in the following paragraphs.



### Welfare Reform

- 6.2 The Welfare Reform Bill received Royal Assent on the 8 March 2012 and represents the biggest change to the welfare system for over 50 years. Key features of the act threaten to significantly increase the risk of bad debt within the HRA. The benefit cap, introduced under the act, was reduced from 7 November 2016 placing further pressure on tenant's household income. No increase in the bad debt provision has been built into the draft budget but income collection will be closely monitored by WBC Officers with New Vision Homes.

### Housing and Planning Act

- 6.3 This Act enables the Secretary of State to require local housing authorities to make a payment to the government equivalent to the market value of a proportion of the high value vacant housing owned by the authority. The provisions place a duty on local housing authorities to consider selling high value council housing and are intended to encourage the more efficient use of local authority housing stock. In effect the legislation allows the government to charge a fixed levy on councils each year based on an estimate of the expected income local authorities would receive from the sale of empty high value stock. However there is uncertainty around when or if the policy will be implemented and what the threshold for high value assets will be. Former Housing Minister Gavin Barwell told councils last November they would not need to pay the levy during 2017/18 and there has been no further clarification of the details of the policy. No specific provision has been made in the 2018/19 Budget for this levy but it remains a risk to future income streams over the 30 year HRA Business Plan.

### Welfare Reform and Work Act

- 6.4 The Welfare Reform and Work Act requires rents to be reduced by 1% per annum between 2016/17 to 2019/20. Total rental income in 2018/19 is estimated to be £179,262 lower than would have been charged if rents had been frozen at 2017/18 levels. At the start of the rent reduction period it was estimated that the rental income over the 4 year period will be £5,605,000 less than would have been received under the CPI + 1% rent increase guidance, and, £103m will be lost in total over the 30 year HRA business plan period.
- 6.5 When the DCLG published amended guidance on rents for social housing in May 2014 they stated they were offering Social landlords long-term certainty as the social rent policy would apply for a ten year period. The move away from this policy for four years has a significant financial impact on the HRA. However, as discussed earlier in the report, the Government have announced that rent increases will return to CPI + 1% for a 5 year period from 2020.

### Retained One For One Replacement Receipts

- 6.6 Local Authorities can retain an element of Right To Buy receipts locally to be used on one for one replacement housing. These receipts can be used to fund up to 30% of the cost of the replacement housing and must be used within 3 years or passed to the Government. On the 6th April 2017 the Council resolved that one for one receipts should not be retained from 31<sup>st</sup> March 2017. £15,743,000 is required to be spent by 31.3.2020 in order to use locally all the receipts retained by Woking Borough Council. Of this total £8,437,000 needs to be spent by the end of 2018/19.
- 6.7 As detailed in the Investment Programme Report elsewhere on the agenda, this replacement housing can be achieved through the purchase of street properties or

through the HRA carrying out its own development schemes. New Vision Homes have undertaken a review of potential development sites on existing HRA land. It is envisaged that these potential developments would provide the opportunity to utilise all of the receipts retained to date.

- 6.8 HRA borrowing has been identified to finance the remaining 70% of the development spend not funded by retained receipts. A further £4,565,000 of headroom in the borrowing cap will need to be generated in order to facilitate this. This headroom can be generated by the repayment of debt associated with properties transferred under the Sheerwater project or through approval by the DCLG to increase the cap.
- 6.9 It is estimated that the £8,437,000 required spend will generate 32 additional dwellings for the HRA. This is calculated by taking the average cost of affordable housing dwelling purchases to date (£261,000). However these were purchases of street properties and development schemes on existing HRA land are likely to provide dwellings at a lower cost per unit.

#### Right To Buy Disposals

- 6.10 In 2013 the Government increased the discount under the Right to Buy to £75,000. Take up of the Right to Buy is popular in Woking and 13 properties were disposed of in the first two quarters of 2017/18. A £169,000 reduction in income has been built into the 2018/19 budget to reflect the loss of disposed dwellings. The debt associated with these properties is still serviced by the HRA.
- 6.11 When a dwelling is disposed of under the Right to Buy the proceeds are split between the Treasury, retained one for one receipts, and for the Local Authority to use on general use. To date the proceeds retained by the authority have been used for investment purposes rather than repaying the debt associated with the disposed properties.

#### Housing Related Support

- 6.12 Currently Surrey County Council fully subsidise the Housing Related Support charges for council tenants in receipt of a means tested benefit. Surrey have indicated that this funding will cease with effect from 6<sup>th</sup> April 2018. This £142,000 funding has been removed from the 2018/19 estimates. The budget has been prepared on the basis that this service will continue to be provided in 2018/19 despite the loss of this funding. The costs associated with this service (including direct staff costs of £358,611) therefore remain in the 2018/19 HRA Budget. However this service will be reviewed during 2018/19 and the scope of the service may be altered from 1<sup>st</sup> April 2019.
- 6.13 This removes all Surrey County Council funding from the HRA.

#### Major Repairs Contribution

- 6.14 The Major Repairs Contribution transfers £3,982,000 to the Major Repairs Reserve for capital investment in the stock. This contribution has been calculated based on the Major Repairs Allowance advised by central government in the self-financing determination. This figure has been uplifted by CPI (September CPI of 3%) and adjusted to reflect changes in the number of dwellings held. This results in an increase of £109,000 on the 2017/18 contribution.

Energy

- 6.15 Energy costs continue to be volatile and difficult to predict. Charges to tenants will be adjusted to reflect changes in costs caused by fluctuations in energy prices. The Council has recently retendered its energy contracts to ensure value for money is achieved. A review of energy recharges will be undertaken following this retender and further quarterly reviews will be carried out.

Repairs, Maintenance, and Management

- 6.16 As reported in the October Green Book a £41,000 under spend is expected on responsive repairs in 2017/18. This trend is expected to continue into 2018/19 and the budget has been reduced by £61,000. This is offset by an introduction of a £15,000 budget for tree works which are now procured through Serco independently of New Vision Homes.
- 6.17 A 6% reduction on the management costs under the NVH contract has been offered on the basis the contract is extended.
- 6.18 The budget allocation to the New Vision Homes Asset Management Plan (detailed on the Housing Investment Programme) may need to be adjusted to take into account any increases in revenue budgets for services managed by New Vision Homes.

NVH Contractual Inflation

- 6.19 The New Vision Homes contract is inflated each year by a combination of the BCIS Maintenance and CPI indices less a 1% savings target. The September 2017 values for these indices were 3.5% (forecast) and 3% respectively.

Reserves and Balances

- 6.20 A £900,000 revenue contribution to capital outlay (RCCO) is budgeted for 2018/19 and will be used towards financing the NVH Asset Management Plan (AMP).
- 6.21 The balance on the Housing Investment Programme reserve was £10,168,000 as at 31<sup>st</sup> March 2017. £1,418,000 of this reserve has been budgeted to finance the Communal Heating and Hot Water Systems Project identified on the Housing Investment Programme. A further £289,000 has been budgeted to be used to finance the NVH AMP in 2018/19 to maintain the programme at its 2017/18 level (£5,171,000).

Sheerwater Regeneration Scheme

- 6.22 On the 6<sup>th</sup> April 2017 Council authorised Thamesway Developments Limited (TDL) to obtain tenders for the implementation of Phase 1 of the Sheerwater Regeneration Scheme. Once these tenders are reviewed officers will report back to Council on the update of the financial model for the regeneration. Both the affordability of the project, and its impact on the financial sustainability of the HRA, will need to be considered as part of this review. No implications relating to the Sheerwater Project are accounted for in the 2018/19 Budget.
- 6.23 Consideration should be given to mitigating the financial risks facing the HRA, including those arising from the Sheerwater Regeneration, by reducing the New Vision Homes Asset Management plan from 2018/19 onwards.

## 7.0 Conclusion

- 7.1 It is estimated that the HRA will make a RCCO of £900,000 in 2018/19. The working balance per property will remain at £150 as at 31 March 2019. A working balance per property of £100 to £150 is considered necessary for prudent financial management.

## 8.0 Implications

### Financial

- 8.1 The financial implications are explicit in the report.

### Human Resource/Training and Development

- 8.2 There are no additional human resources or training development implications arising as a direct result of this report.

### Community Safety

- 8.3 No community safety implications noted.

### Risk Management

- 8.4 Risks to budgets have been identified throughout the year and reported in the Performance and Financial Monitoring Information booklet (the "Green Book"). Draft budgets have been adjusted in appropriate cases. Specific risks have been set out in the report.

### Sustainability

- 8.5 No sustainability implications noted.

### Equalities

- 8.6 No equalities implications noted.

## 9.0 Consultations

No public consultations have been undertaken in preparing this report. Business Managers and Portfolio Holders have been consulted in the preparation of the draft budget.

REPORT ENDS

EXE17-075

**APPENDICES**

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
Gender	Men					X	
	Women					X	
Gender Reassignment						X	
Race	White					X	
	Mixed/Multiple ethnic groups					X	
	Asian/Asian British					X	
	Black/African/Caribbean/Black British					X	
	Gypsies / travellers					X	
	Other ethnic group					X	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					X	
	Sensory					X	
	Learning Difficulties					X	
	Mental Health					X	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					X	
<b>Age</b>	Older people (50+)					X	
	Younger people (16 - 25)					X	
<b>Religion or Belief</b>	Faith Groups					X	
<b>Pregnancy &amp; maternity</b>						X	
<b>Marriage &amp; Civil Partnership</b>						X	
<b>Socio-economic Background</b>						X	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).

## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			X	
Waste generation / sustainable waste management			X	
Pollution to air, land and water			X	
Factors that contribute to Climate Change			X	
Protection of and access to the natural environment			X	
Travel choices that do not rely on the car			X	
A strong, diverse and sustainable local economy			X	
Meet local needs locally	X			
Opportunities for education and information			X	
Provision of appropriate and sustainable housing	X			
Personal safety and reduced fear of crime			X	
Equality in health and good health	X			
Access to cultural and leisure facilities			X	
Social inclusion / engage and consult communities	X			
Equal opportunities for the whole community			X	
Contribute to Woking's pride of place			X	



**HOUSING REVENUE ACCOUNT**

	ORIGINAL ESTIMATE 2017/18 £	ORIGINAL ESTIMATE 2018/19 £
<b><u>EXPENDITURE</u></b>		
<b>SUPERVISION &amp; MANAGEMENT</b>		
Estate Management	5,285,444	5,297,134
Rent Accounting/Collection	-16,611	-16,611
Home Support Service	789,765	789,765
Tenant Participation	59,660	59,660
Repairs Admin (inc Building Works net cost)	168,221	168,221
Democratic Process	867,678	867,678
Insurance		3,205
NVH Contractual Inflation		68,870
NVH Management Costs		-27,814
	<u>7,154,157</u>	<u>7,210,108</u>
<b>MAJOR REPAIRS CONTRIBUTION</b>	<b>3,873,000</b>	<b>3,982,000</b>
<b>MAINTENANCE</b>		
Tree work		15,000
Responsive Repairs Saving		-61,000
Voids		-5,000
Day to Day Repairs	870,525	870,525
Revenue Voids	400,072	400,072
Planned Maintenance	<u>766,782</u>	<u>766,782</u>
	2,037,379	1,986,379
Debt Management Expenses	36,000	36,000
<b>TOTAL EXPENDITURE</b>	<b><u>13,100,536</u></b>	<b><u>13,214,487</u></b>
<b><u>INCOME</u></b>		
GROSS RENTS & SERVICE CHARGES	19,336,046	18,968,839
INTEREST COUNCIL HOUSE MORTGAGES	1,149	1,149
<b>TOTAL INCOME</b>	<b><u>19,337,195</u></b>	<b><u>18,969,988</u></b>
<b>NET (COST)/SURPLUS OF SERVICES</b>	<b>6,236,659</b>	<b>5,755,501</b>
Interest Payable and Similar Charges	4,730,769	4,825,683
Amortisation of Premiums and Discounts	29,817	29,817
Revenue Contribution to Capital Outlay	1,300,000	900,000
<b>Surplus (Deficit) for Year</b>	<b><u>176,073</u></b>	<b><u>0</u></b>
<b><u>WORKING BALANCE STATEMENT</u></b>		
Surplus (Deficit) brought forward	502,151	504,895
Surplus (Deficit) for Year	176,073	0
Interest on Working Balances	776	578
Surplus (Deficit) carried forward	<u>679,000</u>	<u>505,473</u>
TRANSFER TO (FROM) RESERVES (HIP Reserve)	<u>175,000</u>	<u>5,000</u>
Surplus (Deficit) carried forward	<u>504,000</u>	<u>500,473</u>
No. of Dwellings @ 31 March	3,363	3,347
WORKING BALANCE PER PROPERTY	150	150



EXECUTIVE - 23 NOVEMBER 2017

## DRAFT INVESTMENT PROGRAMME 2017-18 TO 2020-21

### Executive Summary

The Investment Programme sets out the capital and one off investments required to deliver the Council's key strategies and objectives. The Programme includes projects where the funding and consequent revenue implications have been incorporated into the draft General Fund and Housing Revenue Account budgets for 2018/19 which appear elsewhere on the agenda. Further detail on these projects is also provided.

This paper is the first iteration in the process of developing the Investment Programme for 2018/19 onwards, and reflects known slippage. The next stage will involve reviewing the profile of planned expenditure, particularly in light of actual spend to date, and the 2018 Business Plans for the group companies once these have been agreed.

A separate appendix reflects the Council's ambitions and shows those projects that the Council proposes to undertake if resources permit. The impact of the Investment Programme on revenue, capital and reserves are included in appendices attached to this report. Inclusion in the Investment Programme does not mean a project will proceed, only that the Council plans to undertake it if resources permit.

The Executive is asked to identify projects it wishes to bring forward to the funded Investment Programme and any potential savings through cost improvements or amended timing. The impact of these changes will be considered as part of the lead up to the final approval of the Investment Programme in February.

### Reasons for Decision

To agree the draft Investment Programme for consultation before submission for final approval to the Council in February 2018.

To authorise specific investment projects, in Export House and Woking Park, in exercise of its delegated authority to approve schemes up to an aggregate of £10m in any one year.

To authorise an additional Loan Facility for Thamesway Developments Limited to enable the preparation of a further Hybrid Planning Application for the Regeneration of Sheerwater.

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### Recommendations

The Executive is requested to:

#### RESOLVE That

- (i) the draft Investment Programme for 2017/18 to 2020/21 be received;
- (ii) Managers, Corporate Management Group and Portfolio Holders be asked to review the Programme for cost improvements including reviewing the projects, their costs and timing to achieve savings with the minimum impact on citizen outcomes;

- (iii) sites for development to deliver more HRA homes be worked up for consideration by the Executive;
- (iv) improvements to the kitchen and reception area of the Export House incubator units, at a cost of £24,250, are approved to proceed;
- (v) an additional £50k be approved for the Woking Park Play Area project to enable the Kiosk to be delivered as originally intended; and
- (vi) an additional £2.5m Development Loan Facility be made available to Thamesway Developments Limited, in accordance with the arrangements approved by the Council on 6 April 2017.

**The Executive has authority to determine the above recommendations**

**Background Papers:**

None.

Sustainability Impact Assessment  
Equalities Impact Assessment

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**1.0 Introduction**

1.1 The Investment Programme sets out the capital and one off investment necessary to support the achievement of the Council’s strategies and objectives. The Council recognises that its Investment Programme ambitions exceed the resources immediately available to finance all of these ambitions.

**2.0 Overview of the Investment Programme**

2.1 The Investment Programme lists all the Council’s projects and includes a separate appendix to show projects which are not currently funded but the Council proposes to undertake should resources permit. The estimated costs of the funded projects are shown in total in Appendix 1 and in more detail in Appendices 3 and 4.

2.2 For each project a proposed source of funding is identified (for example capital receipts, grant, development contributions, borrowing or use of revenue reserves). Actual funding decisions will be taken at the end of the year to optimise use of resources. The Investment Programme in itself is not a source of funding; it is the list of projects together with a summary of the implications on the resources available.

2.3 The following appendices are attached to this report

<b>Appendix</b>	<b>Title</b>	<b>Description</b>
<b>1</b>	IP Summary	Sets out the total funded projects in the Investment Programme.
<b>2</b>	Financing summary	A summary of how the General Fund and Housing Investment Programme projects will be financed.
<b>3</b>	Housing Investment Programme	A breakdown of the projects included in the Housing Investment Programme (HIP) where allowance will be made in the General Fund or HRA revenue budgets.
<b>4</b>	General Fund Projects	A list of projects included in the Investment Programme (allowance made in the General Fund budget).
<b>4a</b>	Asset Management Plan WBC	A breakdown of the projects within the Woking Borough Council Asset Management Plan included in summary in Appendix 4.
<b>4b</b>	Asset Management Plan Wolsey Place/ Export House	A breakdown of the projects within the Wolsey Place/ Export House Asset Management Plan included in summary in Appendix 4.
<b>4c</b>	IT Programme	A breakdown of the IT programme line in Appendix 6.
<b>5</b>	Supporting detail for projects	A report providing further details, including a description, of each project listed in Appendix 6.
<b>6</b>	Projects not included	A report providing details of projects not included in the funded Investment Programme (no allowance for costs in the budget).
<b>7</b>	Glossary	An explanation of the technical terms used in the IP.

**3.0 Finance Task Group**

3.1 An early draft Investment Programme was considered by the Finance Task Group on 19 September. Comments were sought on the projects within the Investment Programme regarding priorities, timing and any projects the Group considered should be brought forward. The group will also review an updated version of the programme at the January

meeting. Any comments will be reported at the Executive or taken into consideration in preparing the final Investment Programme as appropriate.

#### **4.0 General Fund Investment Programme**

- 4.1 The current and committed project details are set out in Appendix 4.
- 4.2 Where external funding is expected towards the cost of a project this is indicated against each project in the programme. If the external funding is specific to a project or type of project those external resources cannot be made available to fund other Investment Programme projects.
- 4.3 Where the project is to be funded by revenue, this is indicated as this expenditure must be taken directly from revenue reserves in the year in which it is incurred.

#### **5.0 Housing Investment Programme**

- 5.1 Works on the Council's housing stock are managed by New Vision Homes (NVH) and NVH's Asset Management Plan through to 2020/21 is reflected in the Housing Investment Programme.
- 5.2 The breakdown of the Woking Borough Council Homes Section of the Housing Investment Programme (Appendix 5) is illustrative and priorities will be agreed between WBC Officers and NVH. The NVH Asset Management Plan is based on stock condition surveys and NVH continually review and develop the Asset Management Strategy for the stock.
- 5.3 The New Vision Homes Asset Management Plan budget has been maintained at £5,171,000 for 2018/19. This is funded by a £3,982,000 Major Repairs Contribution, a £900,000 Revenue Contribution to Capital Outlay, and a further contribution from the HIP reserve of £289,000. This level of expenditure will need to be reviewed for the final estimates and any financial implications arising from the Sheerwater Regeneration Project will need to be considered. It is expected that the level of expenditure detailed in the Housing Investment Programme will be sufficient to achieve and maintain the Decent Homes Standard.
- 5.4 Under the Sheerwater Community Charter the Council is committed to providing Home Loss and Disturbance Payments to tenants of dwellings identified to be demolished under the project. These payments are to be funded by the 1% arrangement fee charged on the Thamesway Development Revolving Loan Facility (as detailed in the report to Council on 6th April 2017). The Charter also commits the Council to provide a Mortgage of Last Resort facility and Assisted Purchases both of which are to be financed by General Fund borrowing. These items have been included on the Housing Investment Programme.
- 5.5 The Housing Investment Programme includes a Communal Heating and Hot Water System upgrade project. As reported to the Executive on 15th October 2015 these works were previously delivered as part of the New Vision Homes AMP. To avoid the New Vision Homes 18% overhead and profit management fee these works are now procured directly through Thamesway Maintenance Services Ltd (TMSL).
- 5.6 The Mandatory Disabled Facilities Grants (DFG) item on the Housing Investment Programme is funded by a £999,000 grant provided as part of the Department of Health's Better Care Fund. The Fund is administered through local partnerships between Care Commissioning Groups and Local Authorities. The local Care Commissioning Group has advised WBC Officers that they envisage this grant should be used to finance both the

actual DFGs awarded to clients and capital costs incurred by the Council in delivering disabled facilities works.

Provision of new HRA housing

- 5.7 On the 16<sup>th</sup> July 2015 the Executive resolved that commercial assets serving the community as a whole (and not just housing tenants) should be accounted for within the General Fund and not the HRA. As detailed in the July 2015 report the total value of these assets was £11.6m. The transfer increases the cap on HRA borrowing enabling additional debt finance to be applied. Included in this £11.6m were land assets valued at £4.9m which were omitted from the detailed appendix. The final budget reports will include a clarification of the land assets transferred together with the implications for the HRA borrowing cap and access to borrowing.
- 5.8 Local Authorities can retain an element of Right to Buy receipts locally to be used on one for one replacement housing. These receipts can be used to fund up to 30% of the cost of the replacement housing and must be used within 3 years or passed to the Government. In order to use all the one for one receipts received £6,334,000 needs to be spent on affordable housing in 2018/19 and £7,306,000 in 2019/20.
- 5.9 The Housing Investment Programme reflects the affordable housing spend required in order to utilise these receipts locally. To date these receipts have been used to fund the purchase of street properties brought into the HRA. However officers have been working to identify potential new build development sites on existing HRA land. Officers are working up these schemes and will bring them to Council once more details are known.
- 5.10 On the 15th September 2016 the Executive resolved that the headroom within the housing borrowing cap (created by the appropriation detailed in 5.7) be used to fund investment in Housing Revenue Account (HRA) properties and the above affordable housing spend is budgeted to be financed by 30% retained receipts and 70% from borrowing. A further £4,565,000 in headroom will need to be generated in order to be able to borrow to finance the total expenditure.
- 5.11 Realistic options for generating headroom for Woking are the future repayment of debt associated with properties transferred under the Sheerwater project or through DCLG approval to increase the cap. The Leader of the Council is writing to the Housing Minister in order to request that the cap is removed to allow the Council to deliver additional HRA properties.

Housing Infrastructure Funding Bids

- 5.12 In July 2017 the DCLG launched the Housing Infrastructure Fund (HIF). This is a government capital grant programme of up to £2.3 billion intended to allow the necessary physical infrastructure to be developed to deliver 100,000 new homes. There are two elements to the funding;
- Marginal Viability Bids (bids of up to £10 million); where a funding award is intended to provide the final 'piece of the jigsaw' to allow work on blocked development sites to commence.
  - Forward Funding Proposals (bids of up to £250 million); where the funding is designed to help local authorities achieve large scale growth by financing upfront development costs to encourage further investment making more land available for development.

- 5.13 As reported to Executive on 14<sup>th</sup> September 2017, officers reviewed the Council's existing and proposed development sites across the Borough to explore whether this funding source could be utilised. Subsequently the Council submitted separate Marginal Viability bids for the Sheerwater Regeneration Scheme and the Victoria Square Development. A further bid joint bid with Surrey County Council was submitted under the Forward Funding element for a highway network upgrade south of the railway. We are awaiting feedback on these bids.

#### Sheerwater Regeneration

- 5.14 The loan facilities to be provided to Thamesway Housing Ltd (THL) and Thamesway Developments Ltd under the Sheerwater Regeneration Scheme are not currently included in the Investment Programme. Once TDL have come back with the detailed information on the tenders for phase 1 of the scheme the Programme will be amended to reflect these commitments.
- 5.15 However a Loan Facility of £2.5m was approved for Thamesway Developments Limited to work up the tenders for Phase 1 of the scheme and the sports and recreation facilities, and to prepare for the submission of a detailed planning application for Phase 2. In undertaking this work, and following the instructions of Council to seek to improve the scheme, including green space, it became clear that whilst preparing the detail for the tender exercise could be progressed the planning position for the remainder of the scheme was more complex and after extensive consultation it became clear that a full modified Hybrid Planning Application for the detail of a phase 2 plus the remainder of the regeneration would be required.
- 5.16 To undertake this more extensive work, which should, subject to Planning Consent, provide an even better scheme with more homes to meet local need both for rent and for ownership, it will be necessary to increase the initial Loan Facility of £2.5m to £5.m, an increase of £2.5m.

### **6.0 Projects not included in the Investment Programme (Appendix 6)**

- 6.1 Projects included within this appendix will only proceed when resources permit so no timing is provided for this part of the programme. Both the capital resources to finance the project and any ongoing revenue consequences of the project must be in place in order for the project to proceed.

### **7.0 Reserves Forecast and Resources Statements**

- 7.1 The Reserves section of the Investment Programme shows the effect of the spending on HIP and GF Committed projects on the Council's reserves. Subject to maintaining sufficient reserves to meet contingencies, it is in the Council's interest to use sources of funding other than borrowing rather than to incur the cost of borrowing. The reserves forecast will be presented with the next version of the Investment Programme once expenditure plans have been reviewed and refined.
- 7.2 The Wolsey Place reserve covers any shortfall in income or increase in the running costs at Wolsey Place and Export House. A number of capital projects have been identified which were planned to be funded by the reserve, some of which would be recovered from tenants through the service charge over time. It is proposed that these improvements (detailed in Appendix 4b) are funded by borrowing and any contributions set aside for the repayment of that borrowing when received. This will protect the funds held within the Wolsey Place reserve.



7.3 The Investment Programme contains some projects which are of a revenue nature. In accounting terms these projects do not produce an asset and so they cannot be funded from capital sources such as capital receipts or borrowing. The cost of these projects fall on revenue sources and are included in the Investment Strategy Reserve (General Fund) and HIP Reserve (Housing Revenue Account). Detail of the General Fund and HRA impacts are included in other reports on the agenda.

7.4 All of the costs relating to the Investment Programme are built into the General Fund and Housing Revenue Account estimates. However, given the ongoing pressures on revenue reserves and the current economic uncertainty, the Council's financial position will be considered before projects commence, and delaying starting projects remains an option.

## **8.0 Priorities**

8.1 The projects are included within the Investment Programme using the priorities established by the Capital Strategy. The use of capital resources are prioritised in the Capital Strategy as follows:

- schemes that are essential to comply with Health and Safety or security obligations;
- schemes that are essential to enable the Council to carry on its business with economy, efficiency and effectiveness, including electronic service delivery;
- schemes that are for essential maintenance of assets;
- schemes that enable the Council to further the objectives of the Community Strategy;
- schemes that secure or enhance the income base; and
- schemes that secure reductions in the cost base.

8.2 Prioritisation of the use of capital resources has regard to the Council's service priorities, as determined at least annually as part of the Budget process.

## **9.0 Reporting of Project Progress**

9.1 The Executive receives a quarterly report of progress on projects. The report focuses on active projects and shows the project progress and assesses overall project risk as well as the total cost of projects (including costs incurred in previous years).

9.2 When a project is planned, a project mandate is prepared and these mandates are used to update the Investment Programme. Spending should only commence on a project once it has been through an authorisation process and the budget released.

9.3 The supporting detail for projects presented in Appendix 5 is generated from project data on SharePoint and provides further information on the project objectives. The inclusion of the project reference also enables cross reference to the quarterly progress report.

## **10.0 New schemes included within the Financed Investment Programme**

10.1 The Investment Programme includes the following new schemes which have been added since the Investment Programme was approved in February 2017. The items added to the programme are indicated below and further details can be found in Appendices 5 and 6. Project reference numbers have been indicated where available for ease of reference.

- West Byfleet Play Area (20150)
- Play Area and Skate Park Repairs (20149)
- Car Park Variable Message Signage (20130)
- Pay on Foot Machine Upgrade £10 Notes (20155)

- Retrofitting Rainwater Gardens (20120)
- Poole Road Energy Centre – Loan to Thamesway Energy Ltd (n/a)
- Town Centre Property Acquisition (TMP4)
- Woking Gymnastics Centre (TMP20)
- Victoria Arch – Network Rail (TMP8)
- Business Incubator Unit – Kitchen Improvements
- Refurbishment of Floors 3, 5, 11, 12, 13, 15 of Export House
- Queen Elizabeth Gardens Drainage and Landscaping (20171)
- Queen Elizabeth Gardens Lighting Column Replacement (20168)
- Leisure Centre Dry Change – Loan to Freedom Leisure (n/a)
- Hoe Valley School Leisure Facilities Equipment Fit Out (TMP12)
- Community Meals – Kitchen Equipment Replacement (TMP19)
- Egress/Secure Emails/File Transfer
- General Data Protection Regulation Software Upgrades and Additional Requirements
- Microsoft Enterprise Agreement

#### Works at Export House

- 10.2 Refurbishment works are required at Export House following the vacation by tenants. Works totalling £260,000 are necessary to prepare the space to be let. Of this £88k is recoverable with the remainder to be funded by contributions from the previous tenants.
- 10.3 The current C2I incubator reception area is no longer fit for purpose and also requires investment to meet the needs of existing tenants. Tenants are seeking improved kitchen and seating facilities, to best serve their employees and their clients. It is an area which would also provide a less formal area to meet with clients.
- 10.4 To create improved space involves internal alterations and improvements to the existing reception foyer and staff kitchenette/rest area to improve the facilities available, remove the redundant reception counter and increase the seating capacity / flexibility of the area. The area currently provides a reception counter (which was originally proposed as a central reception hub for all sub-let units within the incubator unit) but is now unmanned and unused. The area also provides minimal informal seating for breakout / staff rest provisions and a small kitchenette area for drinks provision only.
- 10.5 It is proposed that the provision for seating be increased, the reception counter provision is removed, and that the kitchenette provision is enhanced to enable storage and preparation of basic snacks / food (refrigerator required) and provision of a dishwasher to accompany this function.
- 10.6 Quotes from potential contractors have been received and the Executive is requested to approve these improvements with a budget of £24,250.

#### Investment in Pool in the Park/Leisure Centre

- 10.7 As set out in the Leisure Management report also on this agenda, improvements are required at the Leisure Centre/Pool in the Park. In total the works are forecast to cost £1,855,000. This provides for the replacement of the Flumes in the Pool in the Park

(£800,000) and refurbishment of the changing rooms in the Pool in the Park (£705,000) and Leisure Centre (£350,000). The cost of this investment will be funded by, and ultimately a cost to the Council, however it may be beneficial for the Council to provide loan finance to Freedom Leisure to acquire and install this new equipment directly. Further details can be found in the Leisure Management report.

#### Kiosk in Woking Park

10.8 It has been necessary to use the budget for Woking Park Play area project to cover additional related costs of landscaping, path resurfacing and drainage. The result is that the cost of the Kiosk can no longer be met by the approved budget. The Executive is requested to approve an additional £50,000 to cover the cost of delivering the Kiosk.

### **11.0 Schemes in excess of £1m**

11.1 In accordance with the Notice of Motion agreed by Council on 12 July 2007 the following schemes have costs exceeding £1m, not all of which have been contractually committed.

- Victoria Square Phase 1 – Loan to Bandstand Square Developments Ltd (n/a)
- Brookwood Cemetery (n/a)
- Wolsey Place Refurbishments (n/a)
- Opportunity Purchases (n/a)
- MTFS Investment Strategy (n/a)
- Workstyle Project (10881)
- River Wey Flood Prevention – Byfleet (10917)
- River Wey Flood Prevention – Old Woking (10918)
- Hoe Valley Flood Alleviation and Prevention Scheme (10916)
- All Weather Pitch – Woking Football Club/Woking College (20052)
- Woking Integrated Transport Package (20124)
- Hoe Valley School and Community Leisure Facilities (20040)
- Heathside Crescent Car Park Extension (20099)
- Civic Offices – Refurbishment of Ground Floor South Wing (20100)
- CCTV Infrastructure Upgrade and Formation of Town Centre Control Room (20122)
- Town Centre Property Acquisition (TMP4)
- Civic Offices – Upgrade of Heating and Ventilation Systems (TMP7)
- Infrastructure Investment – Power Networks (TMP14)
- Waste Vehicles – Joint Waste Contract (20024)
- Woking Gymnastics Centre (TMP20)

11.2 Other items in excess of £1 million include the Asset Management Plan, ICT Programme and Housing Repairs and Improvements programme which are each made up of a number of projects which vary in size.

11.3 Reports seeking approval to schemes will be made to the Executive as appropriate.

11.4 Approved loans to group companies in total exceed £1 million and are released on request, providing they are within the sums agreed in the Group Business Plans.

## **12.0 Schemes not yet taken account of**

12.1 No financial implications have yet been included for the future costs of the Sheerwater Regeneration project.

## **13.0 Release of funding**

13.1 The Council's Capital Strategy sets out the arrangements for managing the initiation and approval of projects and includes a delegated arrangement for the Executive to agree new schemes which fall within the following parameters:

"Where the scheme is a new scheme the proposal will be scheduled for consideration by the Executive. The Executive will be granted delegated authority to agree schemes which can be contained within the following parameters set by the Council:

- the capital cost of each individual project does not exceed £5m;
- the aggregate capital cost of schemes approved by the Executive under this delegation does not exceed £10 million in any one financial year; and
- the cost can be contained within the authorised borrowing limits.

The setting of the Authorised and Operational borrowing limits is reserved to the Council. Where the scheme is expected to be outside of the above parameters the scheme will need the approval of the Council."

13.2 The use of this delegated authority is reported in the Green Book.

## **14.0 Implications**

### Financial

14.1 The financial implications of the Investment Programmes have been incorporated in the draft General Fund and Housing Revenue Account estimates. The Prudential Borrowing implications will be built into the Treasury Management Estimates.

14.2 The draft Investment Programme will continue to be reviewed for the timing, scope and funding of projects during the budget process to identify any possible savings.

14.3 The Reserves Forecasts and Resource statements will be presented with the next version of the Investment Programme. Later phases of the General Fund programme and the unfunded projects rely on the affordability of financing borrowing costs or the identification and receipt of other new resources to enable projects to progress.

### Human Resource/Training and Development

14.4 The Council has core resources to manage the Investment Programme but relies upon third party consultants to implement a number of its major projects. This is considered the most cost effective way of managing a varied programme.

Community Safety

14.5 This report has no specific community safety implications.

Risk Management

14.6 The project management arrangements provide for risk analysis as part of the improved control of Investment Programme projects; this seeks to minimise and manage risk. In corporate terms the main risk for the Council is in overstretching its capacity, this is recognised by Officers and from time to time it will be necessary to re-prioritise the programme to reflect the capacity of the Council.

Sustainability

14.7 Projects in the Investment Programme are progressed in accordance with the Procurement Strategy, Crime and Disorder Strategy, and the Climate Change Strategy.

Equalities

14.8 This report has no specific equalities implications.

**15.0 Consultations**

15.1 No general public consultations have been undertaken in connection with this report. The Investment Programme will be reviewed by Managers, Corporate Management Group and Portfolio Holders for cost improvements including reviewing the projects, their costs and timing to achieve savings with the minimum impact on citizen outcomes.

REPORT ENDS

EXE17-072

**APPENDICES**

## Equality Impact Assessment

The purpose of this assessment is to improve the work of the Council by making sure that it does not discriminate against any individual or group and that, where possible, it promotes equality. The Council has a legal duty to comply with equalities legislation and this template enables you to consider the impact (positive or negative) a strategy, policy, project or service may have upon the protected groups.

Page 41	Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
	Eliminate discrimination	Advance equality	Good relations			
<b>Gender</b>	Men				√	
	Women				√	
<b>Gender Reassignment</b>					√	
<b>Race</b>	White				√	
	Mixed/Multiple ethnic groups				√	
	Asian/Asian British				√	
	Black/African/Caribbean/Black British				√	
	Gypsies / travellers				√	
	Other ethnic group				√	

		Positive impact?			Negative impact?	No specific impact	What will the impact be? If the impact is negative how can it be mitigated? (action) <b>THIS SECTION NEEDS TO BE COMPLETED AS EVIDENCE OF WHAT THE POSITIVE IMPACT IS OR WHAT ACTIONS ARE BEING TAKEN TO MITIGATE ANY NEGATIVE IMPACTS</b>
		Eliminate discrimination	Advance equality	Good relations			
<b>Disability</b>	Physical					√	
	Sensory					√	
	Learning Difficulties					√	
	Mental Health					√	
<b>Sexual Orientation</b>	Lesbian, gay men, bisexual					√	
<b>Age</b>	Older people (50+)					√	
	Younger people (16 - 25)					√	
<b>Religion or Belief</b>	Faith Groups					√	
<b>Pregnancy &amp; maternity</b>						√	
<b>Marriage &amp; Civil Partnership</b>						√	
<b>Socio-economic Background</b>						√	

The purpose of the Equality Impact Assessment is to improve the work of the Council by making sure it does not discriminate against any individual or group and that, where possible, it promotes equality. The assessment is quick and straightforward to undertake but it is an important step to make sure that individuals and teams think carefully about the likely impact of their work on people in Woking and take action to improve strategies, policies, services and projects, where appropriate. Further details and guidance on completing the form are [available](#).



## Sustainability Impact Assessment

Officers preparing a committee report are required to complete a Sustainability Impact Assessment. Sustainability is one of the Council's 'cross-cutting themes' and the Council has made a corporate commitment to address the social, economic and environmental effects of activities across Business Units. The purpose of this Impact Assessment is to record any positive or negative impacts this decision, project or programme is likely to have on each of the Council's Sustainability Themes. For assistance with completing the Impact Assessment, please refer to the instructions below. Further details and guidance on completing the form are [available](#).

Theme (Potential impacts of the project)	Positive Impact	Negative Impact	No specific impact	What will the impact be? If the impact is negative, how can it be mitigated? (action)
Use of energy, water, minerals and materials			√	
Waste generation / sustainable waste management			√	
Pollution to air, land and water			√	
Factors that contribute to Climate Change			√	
Protection of and access to the natural environment			√	
Travel choices that do not rely on the car			√	
A strong, diverse and sustainable local economy			√	
Meet local needs locally			√	
Opportunities for education and information			√	
Provision of appropriate and sustainable housing			√	
Personal safety and reduced fear of crime			√	
Equality in health and good health			√	
Access to cultural and leisure facilities			√	
Social inclusion / engage and consult communities			√	
Equal opportunities for the whole community			√	
Contribute to Woking's pride of place			√	



**INVESTMENT PROGRAMME SUMMARY  
2017/18 - 2020/21**

	APPENDIX & PAGE REFERENCE	PLANNED EXPENDITURE			
		17/18	18/19	19/20	20/21
		£'000	£'000	£'000	£'000
<b>General Fund</b>	Appendix 4	295,913	177,560	141,356	20,502
<b>Housing Investment Programme</b>	Appendix 3	80,955	69,761	64,295	61,609
<b>Total Investment Programme</b>		376,868	247,321	205,651	82,111

**INVESTMENT PROGRAMME SUMMARY  
2017/18 - 2020/21**

APPENDIX 2

	FINANCING SUMMARY													TOTAL £'000
	CHARGE TO GEN. FUND (Revenue) £'000	BORROWING			CAPITAL RECEIPTS £'000	RESERVES					COMMUNITY FUND £'000	GRANTS & CONTRIBS £'000	PFI £'000	
		GENERAL FUND £'000	HRA £'000	TO FUND EXTERNAL LOANS £'000		IT RESERVE £'000	HIP RESERVE £'000	GENERAL RESERVE £'000	MAJOR REPAIRS £'000	SECTION 106 £'000				
<b>2017/2018</b>	596	138,110	3,047	187,597	1,496	180	2,000	3,023	3,955	14,457	100	22,307	0	376,868
<b>2018/2019</b>	289	41,013	4,434	179,897	2,090	180	2,718	2,199	3,871	6,474	100	4,056	0	247,321
<b>2019/2020</b>	269	26,729	5,114	150,675	2,382	180	1,300	1,819	3,871	300	100	12,912	0	205,651
<b>2020/2021</b>	269	23,184	0	43,920	190	180	1,300	1,098	3,871	0	100	7,999	0	82,111

**HOUSING INVESTMENT PROGRAMME  
2017/18 - 2020/21**

**APPENDIX 3**

DETAILS OF PROJECT	17/18	18/19	19/20	20/21
	£'000	£'000	£'000	£'000
<b>Provision of New Homes</b>				
PFI Bid				
PFI Bid Development				
PFI Estimated Capital Value				
<b>Total PFI Scheme</b>	0	0	0	0
Affordable Housing - Thamesway Housing Ltd				
Provision of New Homes	63,500	55,000	50,000	55,000
<b>Total Thamesway Housing Ltd</b>	63,500	55,000	50,000	55,000
Sheerwater Regeneration - Loan to Thamesway Developments Ltd	5,000			
<b>Total Non HRA Homes</b>	68,500	55,000	50,000	55,000
Affordable Housing - WBC Homes				
Design & Administration (Allocation Of Staff Salaries)	60	60	60	60
HRA Purchase Of Street Properties \ Small Site Developments	4,353	6,334	7,306	0
<b>Total HRA Homes</b>	4,413	6,394	7,366	60
<b>Total Provision of Homes</b>	<b>72,913</b>	<b>61,394</b>	<b>57,366</b>	<b>55,060</b>

**HOUSING INVESTMENT PROGRAMME  
2017/18 - 2020/21**

**APPENDIX 3**

DETAILS OF PROJECT	17/18	18/19	19/20	20/21
	£'000	£'000	£'000	£'000
<b>Renovation &amp; Improvements</b>				
<b><u>Woking Borough Council Homes</u></b>				
<u>New Visions Homes AMP</u> (Illustrative breakdown, report paragraph 5.3 refers)				
Communal Works	1,488	1,488	1,488	1,488
Lifecycle Dwelling Investment	1,500	1,500	1,500	1,500
Disabled Adaptations/Extensions	502	502	502	502
Works Arising From Cyclical Inspections	459	459	459	459
Capitalised Responsive Enhancements	127	127	127	127
Energy Reduction Programme	502	502	502	502
Development Projects	551	551	551	551
Fees & Consultancy	42	42	42	42
<u>Clientside Renovation &amp; Improvements Projects</u>				
Communal Heating and Hot Water Systems	700	1,418		
<b>Sub Total - Woking Borough Council Homes</b>	<b>5,871</b>	<b>6,589</b>	<b>5,171</b>	<b>5,171</b>

**HOUSING INVESTMENT PROGRAMME  
2017/18 - 2020/21**

**APPENDIX 3**

DETAILS OF PROJECT	17/18	18/19	19/20	20/21
	£'000	£'000	£'000	£'000
<b>Private Sector Homes</b>				
Mandatory Grants				
Mandatory Disabled Facilities	649	649	649	649
Fast Track Disabled Adaptation Grant	300	300	300	300
Palliative Care/end of Life Assistance	50	50	50	50
Discretionary Grants				
Discretionary Disabled Facilities Grant	80	80	80	80
Disabled Facilities Top-Up Grant	50	50	50	50
Moving Home Grant	20	20	20	20
Safe At Home Assistance	50	50	50	50
Warm At Home Assistance	100	100	100	100
Empty Homes Assistance	20	20	20	20
<b>Sub Total - Private Sector Homes</b>	<b>1,319</b>	<b>1,319</b>	<b>1,319</b>	<b>1,319</b>
<b>Total Renovation &amp; Improvement</b>	<b>7,190</b>	<b>7,908</b>	<b>6,490</b>	<b>6,490</b>
<b>Other Items</b>				
Housing Needs Research	40	40	40	40
Housing Strategy (Allocation Of Staff Salaries)	19	19	19	19
Housing Stock Condition Survey		20		
Sheerwater Regeneration Council Commitments				
Home Loss & Disturbance Payments		380	380	
Mortgage Of Last Resort & Assisted Purchases	100			
Properties Acquired By THL using WBC Loan Finance	413			
Legal Advice For Compulsory Purchase Order (CPO) Process	280			

**HOUSING INVESTMENT PROGRAMME  
2017/18 - 2020/21**

**APPENDIX 3**

DETAILS OF PROJECT	17/18	18/19	19/20	20/21
	£'000	£'000	£'000	£'000
<b>TOTAL OTHER ITEMS</b>	<b>852</b>	<b>459</b>	<b>439</b>	<b>59</b>
<b>TOTAL HOUSING INVESTMENT PROGRAMME</b>	<b>80,955</b>	<b>69,761</b>	<b>64,295</b>	<b>61,609</b>



**INVESTMENT PROGRAMME 2017/18 - 2020/21**  
**GENERAL FUND PROJECTS**  
**(Finance cost included in revenue budget)**

APPENDIX 4

REVENUE/ CAPITAL	PROJECT REFERENCE	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
		<u>Group/External Loans and Share Capital</u>				
C	n/a	Loans to Thamesway Central Milton Keynes	3,500	3,650	2,800	2,670
C	n/a	Energy Performance Contract - Loan to Thamesway Energy Ltd	970			
C	n/a	Poole Road Energy Centre - Loan to Thamesway Energy Ltd	10,000	15,117		
C	n/a	Victoria Square Phase 2 - Loan to Bandstand Square Developments Ltd	125,377	119,000	110,000	
C	20146	Loan to Freedom Leisure - Flumes and Beach Area (Subject to approval)	600	200		
C	n/a	Loan to Freedom Leisure - Changing Rooms (Subject to approval)		630	75	
C	n/a	Loan to Freedom Leisure - Leisure Centre Dry Change (Subject to approval)		50	300	
C	n/a	Loan to Woking Hockey Club	150			
			140,597	138,647	113,175	2,670
		<u>Woking Borough Council</u>				
C	Appendix 4(a)	Asset Management Plan (funded by borrowing/revenue)	1,294	1,250	1,250	1,000
C	Appendix 4(b)	Asset Management Plan - Wolsey Place/Export House (funded by borrowing/Wolsey Place Reserve)	1,483	820		
C	Appendix 4(c)	IT Programme (funded by borrowing)	1,183	1,145	250	0
C	10615	I T Infrastructure (funded 180k from IT reserve)	180	180	180	180
R	n/a	Community Fund Projects	100	100	100	100
G	n/a	Wolsey Place Refurbishments (funded from Wolsey Place Reserve)	200	200	200	200
C	TMP1	Wolsey Place Mall Refurbishments (funded by VSWL)	250			
O	n/a	Opportunity Purchases (funded by borrowing)	6,892	3,000	3,000	3,000
C	TMP2	Town Centre Property Acquisition (funded by borrowing)	77,053			
C	n/a	MTFS Investment Strategy (funded by borrowing)	15,741			
R	20125	Victoria Square Financial Modelling (funded by Wolsey Place Reserve)	17			
R	n/a	Provision for Feasibility Studies (funded by revenue)	0	50	50	50
R	10297	Local Development Framework (funded by revenue)	205			
C	10206	Playground Improvements Phase 4 (S106 & grant funded)	124			
C	10923	Woking Park Play Area (funded by S106/New Homes Bonus)	75			
C	20052	All Weather Pitch - Woking Football Club/Woking College (S106 & grant funded)	0	1,323	700	
C	TMP3	Brookwood Country Park Pitch Drainage (funded by borrowing)	10			
C	10207	Special Protection Area - Brookwood CP/White Rose Lane Incl SANGS (S106 funded)	142			
C	10881	Civic Offices Accommodation Strategy - Workstyle (funded by borrowing)	255			
C	20018	Civic Suite Refurbishment (funded by borrowing)	24			
C	20100	Civic Offices - Refurbishment of Ground Floor South (funded by borrowing/grant)	1,500	0		
C	TMP4	Civic Offices - Front Elevation Enhancements (funded by borrowing)	0	500		
C	TMP5	Civic Offices - Upgrade of heating and ventilation systems (funded by borrowing)		900	300	
C	20105	Civic Offices - Rainwater harvesting (funded by borrowing)	0	50		

**INVESTMENT PROGRAMME 2017/18 - 2020/21**  
**GENERAL FUND PROJECTS**  
**(Finance cost included in revenue budget)**

APPENDIX 4

REVENUE/ CAPITAL	PROJECT REFERENCE	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
C	20122	CCTV Infrastructure Upgrade and Formation of Town Centre Control Room (funded by borrowing/grant)	100	1,782	298	
C	20142	The Vyne Surgery Extension (funded by borrowing) *	650			
C	20143	Former Unwins Site - Purchased For Outdoor Rec (s106 funded)		600		
C	10542	Lakeview Community Centre refurbishment (funded from GF reserves and HRA AMP)	84			
C	10663	Playing Pitch Strategy Implementation - Sheerwater Recreation Ground (S106 and grant funded)	25			
R	10866	Gresham Mill Site Improvements (funded from S106)	35			
C	AF43176	Community Transport - Replacement vehicles (funded from reserves)	74	74	74	74
R	20158	Celebrate Woking (funded from reserves)	151	150	150	150
C	10874	Rhoda McGaw Theatre Refurbishment (funded by borrowing)	30	50	30	
C	10874	Rhoda McGaw Theatre Minor Items (funded by borrowing)	10	10	10	10
R	TMP6	Victoria Arch - Network Rail (funded from reserves)	650			
C	20124	Woking Integrated Transport Package (funded from S106 and grant)	10,995	5,806		
C	20081	Playing Pitch and Outdoor Facility Strategy Action Plan (funded from grant/contribution)	0	784	1,000	1,000
R	10840	Goldsworth Park Recreation Ground and Lake Improvements Feasibility Study (funded by revenue)	11			
C	10883	Goldsworth Park Recreation Ground Wetland (S106 funded)	50	400	300	
C	10889	Town Centre Planned Maintenance (funded from reserves)	150	150	150	150
C	20048	Export House Lift Refurbishment (funded from Wolsey Place Reserve)	70			
C	AF535011	Export House 1st, 3rd and 4th Floor Capital Contribution (funded from Wolsey Place Reserve)	9			
C	TMP7	Sheltered Housing Alarms (funded from Insurance Fund)	20			
C	10917	River Wey Flood Prevention - Byfleet (funded from borrowing/reserves/grant)	0	200	400	10,000
C	10918	River Wey Flood Prevention - Old Woking (funded from borrowing/reserves/grant)	0	500	9,500	
C	10916	Hoe Valley Flood Alleviation and Enhancement Scheme (funded from borrowing/reserves/grant)	489	5,200	5,200	
R	20042	Sutton Green Flood Alleviation Study (funded from general fund risk contingency)	10			
C	10914	Emergency Planning Vehicle (funded from Insurance Fund)	24			
C	TMP8	Westfield Common Management (funded from reserves)	330			
R	20067	Developing a Favourable Conservation Status Licence (funded from New Homes Bonus)	40			
C	20054	Hoe Valley School - Temporary Site and Woking Park Improvements (funded from grant/borrowing)	202			
C	20040	Hoe Valley School and Community Leisure Facilities Land Acquisition (funded from grant/capital receipts)	245			
C	20040	Hoe Valley School and Community Leisure Facilities Development (grant/contributions, interim borrowing)	24,869			
C	TMP9	Hoe Valley School Leisure Facilities Equipment Fit Out (funded by borrowing)		150		
C/R	Various	Personalisation and Prevention Fund - Over-arching project (funded from grant)	241			
C	20099	Heathside Crescent Car Park Extension (funded from borrowing) *	2,000	8,000		
C	20130	Car Park Variable Message Signage (funded from parking revenue)	20			
C	20155	Pay on Foot Machine Upgrade - £10 Notes (funded from parking revenue)	9			
C	20162	Loop Road Car Park (funded from borrowing)	49			
C	20020	Phoenix Cultural Centre (funded from borrowing)	20			
R	TMP10	Sheerwater Social Support (funded from reserves - New Homes Bonus)	25	125	125	

**INVESTMENT PROGRAMME 2017/18 - 2020/21**  
**GENERAL FUND PROJECTS**  
(Finance cost included in revenue budget)

APPENDIX 4

REVENUE/ CAPITAL	PROJECT REFERENCE	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
C	20045	Horsell Allotment and Amenity Facilities (funded from grant)	160			
C	TMP11	Infrastructure Investment - Power Networks (funded from borrowing)	2,000			
R	20140	Woking Gateway - Market testing exercise (funded from revenue)	20			
C	20024	Waste Vehicles - Joint Waste Contract (funded from borrowing)	2,050			
R	20144	Economic Strategy 2017-22 (funded from revenue)	8			
R	TMP12	We Are Woking (funded from VSWL/Victoria Square reserve)	150	100		
R	20041	Brookwood Cemetery - Revenue Grant for Backlog Maintenance & Repairs (funded by New Homes Bonus)	802	500	500	500
C	20041	Brookwood Cemetery - Grant for capital works (funded from borrowing)	1,000	1,000	1,000	1,000
C	20150	West Byfleet Play Area (funded from New Homes Bonus/grant)	60			
R	20149	Play Area and Skate Park Repairs (funded from revenue contingency)	77			
R	TMP13	A322 Junction Improvements Feasibility Study (funded from revenue)				
C	20120	Retrofitting Rainwater Gardens (funded from borrowing??) <i>FULL AMOUNT INCLUDED FOR NOW</i>	100	400		
C	TMP14	Community Meals - Kitchen Equipment Replacement (funded from equipment reserve)		20	20	24
C	TMP15	Woking Gymnastics Centre (funded from borrowing)	50	3,000	3,000	
C	20171	Queen Elizabeth Gardens Drainage and Landscaping (funded from revenue reserves)	15			
C	20168	Queen Elizabeth Gardens Lighting Column Replacement (funded from reserves)	15			
C	TMP16	Capitalised salary costs for projects (funded from borrowing)	394	394	394	394
			155,316	38,913	28,181	17,832
		<b>Total</b>	<b>295,913</b>	<b>177,560</b>	<b>141,356</b>	<b>20,502</b>

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**INVESTMENT PROGRAMME 2017/18 - 2020/21  
GENERAL FUND PROJECTS  
(Finance cost included in revenue budget)**

APPENDIX 4a

REVENUE/ CAPITAL	PROJECT REF NUMBER	DETAILS OF PROJECT	17/18 £000	18/19 £000	19/20 £000	20/21 £000
		<b>Asset Management Plan</b>				
		<u>Pool in the Park</u>				
C	20174	External Windows Phase 3 - Staircase glazing	125			
C		External Windows Phase 4 - Entrance Door and Surrounding Glazing	50			
C	20134	Replacement Roof - Phase 4	100			
C		Mechanical Works Phase 1 - Changing Room Air Handling Unit	75			
C	20175	Mechanical Works Phase 2 - Building Management System Upgrade	65			
C	20177	Mechanical Works Phase 3 - Internal Pipework, Fan Coil Units and Radiators	200			
C		Mechanical Works Phase 4 - Domestic Hot Water - Showers	50			
C		Mechanical Works Phase 5 - Kitchen Extract	20			
C		Mechanical Works Phase 6 - Removal of Redundant Equipment	50			
		<b>Pool in the Park Sub-total</b>	735	0	0	0
		<u>Leisure Centre</u>				
C	20176	Solar Shading - Fitness Suite Front Elevation	40			
C	20176	Solar Shading - Staff Offices Front Elevation	30			
C		Air Handling Unit - Practice Hall (New Studios)	125			
C		Air Handling Unit - Wurlitzer Hall	75			
C		Provision of Air Handling Equipment - 2nd Floor Activities Room <i>(value to be confirmed)</i>				
C	20178	Mechanical Works - Domestic Hot Water - Showers	35			
		<b>Leisure Centre Sub-total</b>	305	0	0	0
		Contingency Allowance	75			
		Breakdown Allowance	75			
		To be allocated	104	1,250	1,250	1,000
		<b>Total (includes slippage)</b>	<b>1,294</b>	<b>1,250</b>	<b>1,250</b>	<b>1,000</b>

**INVESTMENT PROGRAMME 2017/18 - 2020/21  
GENERAL FUND PROJECTS  
(Finance cost included in revenue budget)**

APPENDIX 4b

REVENUE/ CAPITAL	PROJECT REF NUMBER	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
		<b>Asset Management Plan - Wolsey Place/Export House</b>				
		<u>Export House</u>				
C	20109	Export House New Entrance	287			
C	20061	Toilet Refurbishment and Lift Lobbies - 2nd Floor to 15th Floor **				
C	*	Secondary Means of Escape and Staircases - Finishes	25	25		
C	*	External Window Cleaning Cradle	40	40		
C	*	External Concrete Cladding	30	30		
C		Windows (Value to be confirmed following inspection)				
C	*	Main Roof	40	40		
C	20060	Fire Alarm	75	75		
C	*	Building Management System	28	27		
C	20129	Repair of High Voltage Equipment	80	80		
C		Business Incubator Unit - Kitchen Improvements	24			
C		Refurbishment of Floors 3, 5, 11, 12, 13, 15	130	130		
		<b>Export House Sub-total</b>	<b>759</b>	<b>447</b>	<b>0</b>	<b>0</b>
		<u>Wolsey Place</u>				
C	*	Switch room and switchboard - back of house and lift supplies	33	32		
C	20066	Replacement generator	27	28		
C	20058	Resurfacing of Service Deck A and B and associated works **	12			
C	20132	Lift Galley **	80			
C		Former LL Stores including kitchen and WC facilities	17	18		
C	20131	Roof - First Floor Level	260			
C	*	Common Area - Floor Finish	55	55		
C	*	Smoke Vents - Mall	15	15		
C	*	Spalling and Concrete Damage	20	20		
C	20082	Central Square - Lighting and Ceiling Finishes and Door Heaters in Wolsey Walk East (	100	100		
C		<b>Wolsey Place Sub-total</b>	<b>619</b>	<b>268</b>	<b>0</b>	<b>0</b>

**INVESTMENT PROGRAMME 2017/18 - 2020/21  
GENERAL FUND PROJECTS  
(Finance cost included in revenue budget)**

APPENDIX 4b

REVENUE/ CAPITAL	PROJECT REF NUMBER	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
C						
C		<u>Residential</u>				
C	*	Lift Replacement	35	35		
C	*	Balcony Finish	50	50		
C		Main Staircase, Common Corridor and New Entrance Decoration (value to be confirmed)				
C	*	Spalling and Concrete Damage	20	20		
		<b>Residential Sub-total</b>	<b>105</b>	<b>105</b>	<b>0</b>	<b>0</b>
		<u>Contingency</u>	500	500		
		<b>Total</b>	<b>1,483</b>	<b>820</b>	<b>0</b>	<b>0</b>

\* Detailed costings are yet to be carried out. Accordingly a contingency has been included in 2017/18 and 2018/19 to cover the possibility of increased costs.

\*\* To be recovered through service charge.

**INVESTMENT PROGRAMME 2017/18 - 2020/21**  
**GENERAL FUND PROJECTS**  
(Finance cost included in revenue budget)

APPENDIX 4c

REVENUE / CAPITAL	PROJECT REF NUMBER	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
		<b><u>IT Programme</u></b>				
C	10323	Direct Public Pages (Self Service for back office systems)	100			
C	10676	Surrey Shared Data Centre/Computer relocation	71			
C	10865	Sharepoint/Records Management/Transformation	30	25		
C	10877	Unicorn (GCSx/N3/shared connections)	7			
C	10862	Housing Outsourcing/Hometrak Replacement	0	350	50	
C	10717	BYOD/Mobile Working	100			
C	20112	VMWare/SAN/Server capacity increase	7			
C	10908	View Portal Replacement	8			
C	20034	Integra upgrade/bring back in house	12	50		
C	20075	Web Redevelopment	32	10		
C	20025	Community Meals System Replacement	7			
C	20015	Civica Upgrade	65			
C		E-Forms Upgrade to integrate with Sharepoint	10			
C	20035	Shikari Development/Replacement	30			
C	20101	Firewall and Remote Access - Netscaler Remote Access Equipment	101			
C	AF101705	Replacement for Jetform and Columbus Print Utilities	24			
C	20113	SIP Trunks	36			
C		Unified Communications	50			
C		Central Post Opening/Scanning	0	100		
C		Telephony Upgrade	150	100		
C		Network Upgrade	0	200		
C		Disaster Recovery/Backup/Business Continuity	75			
C		PCI Compliance	20			
C		Kbox Replacement		50		

**INVESTMENT PROGRAMME 2017/18 - 2020/21  
GENERAL FUND PROJECTS  
(Finance cost included in revenue budget)**

APPENDIX 4c

REVENUE / CAPITAL	PROJECT REF NUMBER	DETAILS OF PROJECT	17/18	18/19	19/20	20/21
			£000	£000	£000	£000
R	20085	Digitisation of Microfiche	180			
C	20011	Notice Processing and Permit System - Chipside (funded from revenue	18			
C		Citrix Upgrade	20			
C	10922	Public Realm Wi-fi	30			
C		Egress/Secure Emails/File transfer		60		
C	20170	GDPR software upgrades/additional requirements		50	50	
C		Microsoft Enterprise agreement		150	150	
C		CRM (value to be confirmed)				
		<b>Total</b>	<b>1,183</b>	<b>1,145</b>	<b>250</b>	<b>0</b>



**SUPPORTING DETAIL FOR GENERAL FUND  
INVESTMENT PROGRAMME PROJECTS**

APPENDIX 5

Title	Project Reference	Project Description	Project Manager	Project Status
Playground Improvements Phase 4	10206	The primary aim of this project is to improve the quality and safety of 10 Council owned playgrounds, to increase enjoyment of users and to increase levels of use of play areas.	Arran Henderson	Active
Private Finance Initiative	10221	The primary aim of the PFI project is to provide affordable housing.	Paola Capel-Williams	Active
Local Development Framework	10297	The Council has a statutory responsibility to produce a Local Development Framework (LDF) which will comprise a suite of documents to guide future development within the Borough. This project will facilitate the delivery of all of these documents.	Ernest Amoako	Active
Mobile Working and Network and Telephony Upgrade	10717	This project will establish the framework to allow Officers to access systems and data remotely and look at how the telephony and network can be upgraded to support the business requirements in a resilient manner over the next 3-5 years.	Jamie Archer	Active
Goldsworth Park Recreation Ground and Lake Improvements- Feasibility Study	10840	To undertake a feasibility study and prepare a Landscape Master Plan for improvements to Goldsworth Park Lake and Goldsworth Recreation Ground.	Arran Henderson	Active
SharePoint Implementation	10865	The objective of the project is to implement SharePoint 2010 to provide joined-up solution to electronic records management, application development and intranet upgrade.	Pino Mastromarco	Active
Rhoda McGaw Theatre Refurbishment Phase 1	10874	The objective of this project is to undertake a refurbishment of Rhoda McGaw Theatre against a prescribed list of equipment / building works required as agreed with the Ambassadors Theater Group and Rhoda McGaw Theatre User Group.	David Loveless	Retention
Civic Offices Accommodation Strategy	10881	To provide improved utilisation of the Civic Offices to allow collocation with other statutory and voluntary organisation service providers.	Amanda Jeffrey	Active
Goldsworth Park Rec and Wetland Improvement	10883	To provide additional wetland/open water at Goldsworth Park Recreation Ground alongside improved recreational facilities.	Arran Henderson	Pending
Town Centre Planned Maintenance	10889	As part of a wider Town Centre management agreement with Surrey County Council it is proposed to complete a planned maintenance programme to upgrade key pedestrian routes through the Town.	Geoff McManus	Pending
View Portal Replacement	10908	To replace the current online document management system (View Portal) with one that has greater compatibility with non-Windows based systems/browsers.	Jaki Robbins	Closed

**SUPPORTING DETAIL FOR GENERAL FUND  
INVESTMENT PROGRAMME PROJECTS**

APPENDIX 5

Hoe Valley Flood Alleviation and Enhancement Appraisal	10916	To remove properties from the risk of flooding, enhance the environment, bio-diversity and accessibility of the Hoe Valley. The area is that which is downstream from the existing Hoe Valley flood defences to the Hoe Bridge on Old Woking Road.	Katherine Waters	Active
River Wey Flood Protection- Byfleet	10917	To remove properties from the risk of flooding and enhance the environment and bio-diversity and public accessibility of green space to the south and east of Byfleet.	Geoff McManus	Pending
River Wey Flood Protection- Old Woking	10918	To remove properties from the risk of flooding and enhance the environment and bio-diversity and public accessibility of Mill Moor.	Geoff McManus	Pending
Public Realm WiFi	10922	To provide a 'free to use' public access WiFi system in the public realm areas of Woking town centre, to enable access to the internet, together with the ability to provide local information and possible advertising by local retailers and organisations.	Mark Rolt	Pending
Woking Park Play Area	10923	To Rebuild the Play Area at Woking Park.	Arran Henderson	Active
Sheerwater Regeneration Project	20000	The objective of this project is to plan and deliver enhancements to the area of Sheerwater to enable the regeneration of the area.	Mark Rolt	Pre-mandate Approval
Parking Notice Processing and Permit System Procurement	20011	To procure a system to support all on and off street parking functions from notice processing to permit production and reporting.	Geoff McManus	Active
Civica Technology Refresh	20015	Technology refresh and upgrade for Civica applications.	Jimi Ogunsola	Pre-mandate Approval
Civic Suite Refurbishment	20018	Refurbishment of the Council Chamber and Committee Rooms 1a & b. Formation of a new meeting room within the area currently allocated to the members lounge. Formation of a new member's facility within the area currently allocated to Committee Room 2.	David Loveless	Retention
Phoenix Centre	20020			Pre-mandate Approval
Joint Waste Collection and Street Services Contract	20024	Project to procure a single supplier for waste collection and street cleansing services across a number of Surrey authorities.	Mark Tabner	Pre-mandate Approval
Community Meals Software Replacement	20025	To look for a replacement of the current Community Meals software which will soon be unsupported.	Stephen Petford	Closed
Integra Upgrade	20034	Upgrade Integra finance system.	Chris White	Active
Personalisation and Prevention Partnership Fund	20035	The project will implement a range of initiatives for older people and people with learning difficulties to keep them healthy, active and independent.	Jade Buckingham	Active
Hoe Valley School	20040	Provision of four form entry secondary school, leisure facilities and athletics track at Egley Road.	Ian Tomes	Active

**SUPPORTING DETAIL FOR GENERAL FUND  
INVESTMENT PROGRAMME PROJECTS**

APPENDIX 5

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Brookwood Cemetery	20041	Project to include tree works, construction of a replacement workshop, repairs to the Italian Mausoleums and the creation of a management plan for the site.	Ian Tomes	Pre-mandate Approval
Sutton Green Flood Alleviation Investigation	20042	The project consists of investigating the existing surface water flood risk in Sutton Green along New Lane and Sutton Green Road and prepare a suite of options to rectify the existing situation.	Katherine Waters	Active
Horsell Allotment Amenity Hut	20045	Provide a new site amenity building at Horsell Allotments in Bullbeggars Lane.	Tom Bardsley	Retention
All Weather Pitch WFC and Woking College: Phase 1	20052	To assist Woking Football Club (on behalf of 'Cardinals in the Community') in association with Woking College to undertake a feasibility exercise and submission of planning application for installation of a 3G Pitch at Woking College together with new changing, office, club room/teaching pavilion; re-configuration of existing grass pitches and additional car parking spaces.	Sue Barham	Pending
Hoe Valley School Temporary Site	20054			Pre-mandate Approval
Wolsey Place Service Decks A and B	20058	Resurfacing and repairs to the existing service deck to prevent water penetration to the units below.	David Loveless	Retention
Export House Replacement Fire Alarm	20060	Replacement of fire alarm system comprising panel, detectors, sounders and wiring.	David Loveless	Pre-mandate Approval
Export House WC Refurbishment- floors 2- 15	20061	Local refurbishment of the existing WC facilities on floors 2 to 15 only.	David Loveless	Retention
Developing a Favourable Conservation Status Licence	20067	Woking Borough Council and Natural England (NE) to work together to develop a new development licensing policy to trial a licence for "Favourable Conservation Status".	Tracey Haskins	Active
Corporate Website Redevelopment	20075	Project to redevelop the Corporate Website to encourage more residents to access information and services online.	Andrew Gresham	Active
Playing Pitch Strategy	20081		Matt Glazier	Pending
Wolsey Place Heating and Lighting Improvements	20082	The lighting to Central Square is poor. It is proposed to replace defective and poor flourescent and incandescent fittings with new LED lights to both improve the lighting levels and reduce running costs. Poor and tired decorations to steelwork and and plasterboard soffits to be improved and decorated to Central square There is a cold draught issue in Wolsey walk east, a 'door heater' is to be installed at the lobby adjacent Paperchase and Starbucks.	Ian Tomes	Retention
Digitisation of Planning Records	20085	Digitise Planning records created before 2002 in order to make them available to the public online.	Harriet Emery	Active

**SUPPORTING DETAIL FOR GENERAL FUND  
INVESTMENT PROGRAMME PROJECTS**

APPENDIX 5

Heathside Car Park- Additional Parking Provision	20099	Extension to provide additional parking decks.	David Loveless	Pending
Civic Offices Ground Floor Refurbishment	20100	Refurbishment of ground floor south wing to accommodate public sector partners.	David Loveless	Active
Netscaler Remote Access Replacement	20101	Project to replace the current Remote Access equipment	Jamie Archer	Pending
Civic Offices Provision of Rainwater Harvesting System	20105	Provision of rainwater harvesting system to serve WC facilities throughout the Civic Offices	David Loveless	Pre-mandate Approval
Civic Offices Refurbishment of the 2nd Floor and Basement	20106	Refurbishment of the 2nd Floor West Wing and Basement War Room to accommodate additional staff from Surrey Police	David Loveless	Active
New Entrance for Export House	20109	The conversion of unit F1 Wolsey Walk into a new secondary entrance to the core of Export House including a new reception desk. The scheme will provide a safe entrance and egress for the occupiers of Export House during the Victoria Square project but will be retained thereafter completion	Ian Tomes	Retention
SAN and VMWare Upgrade 2016	20112	The project will be to upgrade the existing Storage area network and VMWare hardware	Dave Fayers	Pending
SIP Trunks Implementation	20113	We currently have 5 ISDN lines to manage calls into the Civic Offices Provincial House and HG Wells. Phase 1 of this project will be the installation of a SIP trunk into Export House reducing the ISDN lines down to one. Phase 2 of the project will be to install a SIP trunk into the secondary data centre when the location is confirmed.	Jamie Archer	Active
Civica Database Migration	20115	Migrate the Civica database from an Oracle platform to Microsoft SQL Server This is in line with the ICT Strategy for 2016	Jimi Ogunsola	Pending
Retrofitting Rainwater Gardens	20120	Project to develop a rainwater gardens guide for householders and some pilot works to help reduce the flow of surface water after heavy rain in key locations in Woking town centre reducing flood risk to people and property	James Stanfield	Pending
CCTV Upgrade and New Control Room	20122	Replacement of the public realm CCTV system and construction of a new Town Centre Control Room and ARC Facility	David Loveless	Pre-mandate Approval
Woking Integrated Transport	20124	TBC	Louisa Calam	Active
Victoria Square Financial Modelling	20125	Creating a model which sets out the forecast income and expenditure from the proposed scheme to enable the Council to evaluate the project	Leigh Clarke	Pre-mandate Approval
Export House - Replacement of High Voltage Switchgear	20129	Replacement of the High Voltage Equipment including Associated Remedial Works	David Loveless	Pending
Car Park Signage Improvements	20130	Car Park signage improvements	David McKie	Active

**SUPPORTING DETAIL FOR GENERAL FUND  
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APPENDIX 5

Wolsey Place Shopping Centre - Replacement Roofs	20131	Replacement of dilapidated roof finish over four areas at Wolsey Place Shopping Centre	David Loveless	Active
Wolsey Place Shopping Centre Replacement of the Galley Lift	20132	Replacement of dilapidated galley lift located at the rear of Greggs at Wolsey Place Shopping Centre	David Loveless	Active
Pool in the Park - Replacement Roof Phase 4	20134	Replacement of dilapidated roof finish over the South East Corner of the changing rooms	David Loveless	Active
Woking Gateway	20140	The project is to market and secure a development partner for Woking Gateway which is a mixed accommodation area between Chapel Street and Sparrow Park	Chris Norrington	Active
The Vyne - Surgery Extension	20142	Extension to existing surgery to provide additional consultation rooms and increased reception area	David Loveless	Pre-mandate Approval
Construction of New Dentist Surgery	20143	Construction of new building to accommodate treatment rooms reception and back of house facilities	David Loveless	Pre-mandate Approval
Economic Strategy 2017-2022	20144	Develop an economic strategy for 2017-2022	Chris Norrington	Active
Leisure Lagoon Modernisation	20146	Installation of new play structure within the lagoon, replacement of main control panel, and upgrade of water feature plant. Removal of existing flumes installation of two new flumes and upgrade of pumps to improve operational efficiency	David Loveless	Pending
Play Area and Skate Park Repairs	20149	To undertake essential repair work at Woking Park and Lakeview skateparks and replace fencing at Boundary Road Goldsworth Park and Wheatsheaf Recreation Grounds	Arran Henderson	Active
West Byfleet Play Area Improvements	20150	West Byfleet Play Area Improvements	Arran Henderson	Active
Pay on Foot Software Upgrade for new 10 notes	20155	Upgrade pay on foot software to take new 10 notes	David McKie	Active
Celebrate Woking 2017-18	20158	Programme of events in the borough	Rlette Thomas	Active
Loop Road Car Park Resurfacing	20162	Loop Road resurfacing	George Chisenga	Pending
Queen Elizabeth Gardens Lighting Column Replacement	20168	There are four concrete lighting columns in Queen Elizabeth Gardens Horsell which have developed cracks near their bases and are showing signs of spalling This means that they are weak and prone to falling in high winds making them a health and safety risk The project will involve removing these four concrete columns and replacing them with four new columns and lanterns in a similar style	Arran Henderson	Active
GDPR Compliance	20170	Project to bring the organisation in line with the new GDPR legislation	Robert Bishop	Pre-mandate Approval

**SUPPORTING DETAIL FOR GENERAL FUND  
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APPENDIX 5

Queen Elizabeth Gardens drainage and landscaping	20171	This project will address drainage and erosion issues on the embankment and informal recreation area at the back of the scout hut at QE Gardens in Horsell	Arran Henderson	Pending
Pool in the Park- Replacement of external glazing Phase 3	20174	Replacement of the dilapidated single glazed windows with a modern double glazing system	David Loveless	Pre-mandate Approval
Pool in the Park Building Management System Works Phase 3	20175	Replacement of Outstations 23 and 35 and modifications to the LAN system which support the lighting systems and fan coil units throughout the building	David Loveless	Pre-mandate Approval
Leisure Centre- Solar Shading	20176	Installation of solar shading systems to reduce heat gains within the fitness suite and staff offices	David Loveless	Pre-mandate Approval
Pool in the Park Mechanical Upgrade Works	20177	Replacement of defective pipework fan coil units and radiators	David Loveless	Pre-mandate Approval
Leisure Centre- Upgrade of domestic hot water systems	20178	Upgrade of the domestic hot water systems serving the showers within both phase 1 and 2 changing rooms	David Loveless	Pre-mandate Approval
Celebrate Woking 2018-19	20179	A project to deliver various events across the borough including Party in the Park and the Food Festival	Riette Thomas	Pre-mandate Approval
Leisure Centre- Air Conditioning Upgrade	20181	Installation of solar shading systems to reduce heat gains within the fitness suite and staff offices	David Loveless	Pre-mandate Approval
Wolsey Place Mall Refurbishments	TMP1	Refurbishments to cover the area from Central Square to Commercial Way and Wolsey West to new square by Marks and Spencer	David Loveless	Pre-mandate Approval
Town Centre Property Acquisition	TMP2	Acquisition of town centre property	Ian Tomes	Pre-mandate Approval
Brookwood Country Park Pitch Drainage	TMP3		Sue Barham	Pre-mandate Approval
Civic Offices - Front Elevation Enhancements	TMP4		David Loveless	Pre-mandate Approval
Civic Offices - Upgrade of Heating and Ventilation Systems	TMP5		David Loveless	Pre-mandate Approval
Victoria Arch - Network Rail	TMP6		Douglas Spinks	Pre-mandate Approval
Sheltered Housing Alarms	TMP7	Replacement/installation of sheltered housing alarms	Pauline Lock	Pre-mandate Approval
Westfield Common Management	TMP8	Implementation of a management plan for Westfield Common	Paola Capel-Williams	Pre-mandate Approval
Hoe Valley School Leisure Facilities Equipment Fit Out	TMP9		Ian Tomes	Pre-mandate Approval

**SUPPORTING DETAIL FOR GENERAL FUND  
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Sheerwater Social Support	TMP10		Ray Morgan	Pre-mandate Approval
Infrastructure Investment - Power Networks	TMP11	Infrastructure works with UK Power Networks	Mark Rolt	Pre-mandate Approval
We Are Woking	TMP12		Ray Morgan	Pre-mandate Approval
A322 Junction Improvements Feasibility Study	TMP13		Geoff McManus	Pre-mandate Approval
Community Meals - Kitchen Equipment Replacement	TMP14		Sue Barham	Pre-mandate Approval
Woking Gymnastics Centre	TMP15		Ray Morgan	Pre-mandate Approval
Capitalised salary costs for projects	TMP16	Provision for salary costs associated with specified projects (to be allocated to projects)	Various	Pre-mandate Approval

PENDING PROJECTS NOT INCLUDED IN INVESTMENT PROGRAMME

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Title	Project Reference	Project Description	Project Manager	Original Planned Budget	Project Status
Civic Offices - Refurbishment of the 2nd Floor and Basement	20106	Refurbishment of the 2nd Floor West Wing and Basement War Room to accommodate additional staff from Surrey Police	David Loveless		Active
Capping Contaminated Land at Brookwood Country Park	10688	Treat contaminated land at Brookwood Country Park. It is supporting Japanese Knotweed which is being dealt with by Asset Management. The area has been used as a refuse tip whilst it was previously in the ownership of the Health Authority.	David Loveless	£ 99,000	Pending
Community Centres' Cafe Refurb	10880	To refurbish existing café and kitchen areas within the Community Centres to ensure that they are fit for purpose (to include: The Vyne, Moorcoft and St Mary's).	Stephen Petford	£ 150,000	Pending
Footpath 19 Resurfacing	20030	Resurfacing of the track to the side of the existing footpath and installing of ducting for future low level lighting. The section of track has no known owner and so has had a lack of maintenance over a prolonged period.	Faouzi Saffar		Pending
Fulham FC Foundation- Health Champions	10900	Design and delivery of an Extra Curricular Physical Activity and Health Programme, targeted at young people and families.	Gary Cordery	£ 5,000	Pending
Green Spaces Lighting Work	10686	Undertake a rolling programme of lighting improvements and refurbishments within the Council's green spaces in order to protect existing asset base and ensure that provision continues to meet user expectations and community safety needs.	David Loveless	£ 100,000	Pending
Green Spaces Resurfacing Work	10687	The project is to undertake a rolling programme of resurfacing works within the Council's green spaces in order to protect existing asset base and ensure that provision continues to meet user expectations and safety requirements.	David Loveless	£ 375,000	Pending
Lakeview Improvements	20010	Design a District Heating Network for Lakeview Estate that would offer fuel flexibility, improved efficiencies and improved carbon savings which could not be attainable with individual heating systems.	Paola Capel-Williams		Pending
Nappy Recycling	10891	Introduction of a weekly recycling service for Absorbent Hygiene Products (AHP) across the borough.	Mark Tabner	£ 230,000	Pending
Town Centre Management Agreement Improvement Works	20028	This project mandate is to release identified monies in the investment programme to accelerate planned repairs which will complement the larger scale development around the town.	Faouzi Saffar		Pending



PENDING PROJECTS NOT INCLUDED IN INVESTMENT PROGRAMME

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Wesson Preliminary Site Investigation	10564	This project aims to determine the presence or absence of contamination at Wesson site and determine whether further assessment, investigation or remediation is required.	Garry Carter	£ 4,370	Pending
Woking Geocoupled District Energy Network Feasibility	20009	It is a feasibility study into delivering a Geocoupled District Energy (heating & cooling) Network (GDEN) for major mixed-use redevelopment in Woking town centre. The heat source will be via ground-coupled heat pumps and chillers.	Paola Capel-Williams		Pending
Woking Hive	10936	To provide a crowdfunding platform for communities to suggest and fund projects.	Sam Marshall	£ 2,000	Pending
Woking Park CCHP Retrofit	20002	This is a feasibility study into the possibility of extending, supplementing or replacing an existing high-temperature CCHP network at Woking Park by means of a low-temperature Geo-coupled District Energy (Heating and Cooling) Network (GDEN).	Paola Capel-Williams		Pending
Woodlands Avenue Car Park Resurfacing	20022	Project to resurface car park.	Faouzi Saffar		Pending
Woking Park Tennis Court Improvements	20076	Resurfacing of two tennis courts and floodlighting four courts, 50% of the cost of the project will be applied for via the Lawn Tennis Association.	Matt Glazier		Pending
Litter Enforcement	20079	Introduce an enforcement service to deal with a range of offences including littering, smoking, dog fouling and cycling prohibition in the Town.	Geoff McManus		Pending
Town Centre Cycling Prohibition	20086	To implement a cycling prohibition between the hours of 10am and 4pm in the following areas: Town Square, Town gate, Mercia Walk steps, Craft Market and Gloucester Walk. Commercial Way, the length that extends between its junctions with Chapel Street and Church Path	Geoff McManus		Pending
Revs and Bens Online E-Forms	20087	The e-form will allow customers to apply on line via the Council's web site through the "Apply for It" pages. The forms will allow for all discounts, reliefs, DD's, new claims, and change of circs to be carried out on-line, removing the need to order and send paper forms.	David Ripley		Pending
Private Landlord Accreditation Scheme	20114	To implement a Private Landlord Accreditation Scheme	Neil Coles		Pending
Bats Conservation	20118	Project with Natural England to retrofit measures in existing buildings and landscapes, and encourage suitable measures in new build development and conversions, to support local bat populations.	Tracey Haskins		Pending

PENDING PROJECTS NOT INCLUDED IN INVESTMENT PROGRAMME

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Swift Conservation	20119	Project to retrofit measures in existing buildings and encourage suitable measures in new build development and conversions to support local swift populations.	Tracey Haskins	Pending
Implementation of Moderngov	20123	Implementation of software system Moderngov to replace Shikari	Frank Jeffrey	Pending
Old Woking Flood Alleviation Scheme - Feasibility and Detailed Design	20156	The Old Woking Flood Alleviation and Enhancement Project is a multi-beneficial integrated environmental scheme it takes an integrated approach to reducing flood risk improving accessibility for all establishing a diverse ecosystem improves water quality and increases recreation in the area for the benefit of the local community and all residents which reside within the Borough This project consists of the Feasibility and Detail Design stage of the Old Woking Flood Alleviation and Enhancement Scheme	Katherine Waters	Pending
Mobile Telephony Upgrade	20157	To replace the existing mobile telephones Blackberry devices and contract for airtime and data	Jamie Archer	Pending
Turf and Drainage Improvements at St Johns Lye Cricket Pitch	20159	Turf and Drainage Improvements at St Johns Lye Cricket Pitch	Arran Henderson	Pending
Car Park Enhancement	20160	MiniPark Car Park Enhancement for the Blue Peacocks Car Park Through a combination of improved Automatic Number Plate Recognition cameras interface with the existing car park operating system and a web based autobilling platform we have the potential to produce season ticket or part time season tickets with a fixed administration fee of 2	Ian Reynolds	Pending
Leisure Management Contract Extension	20161	The purpose of this project is to seek approval to award the four year extension to allow further investments within the leisure contract and the management of the new Leisure Facilities at Hoe Valley School due to open in September 2018 so that GLLFreedom have enough time to realise payback	Michelle Melia	Pending
Homelessness Reduction Act 2017	20166	Implementation of the requirements of the Homelessness Reduction Act	Hazel Craig-Waller	Pending
Alternative Premises Plan	20169	Project to set up an alternative premises at the Leisure Centre to be used if there is ever an emergency that means that we don't have access to the Civic Offices	Pino Mastromarco	Pending
Bandstand Square Development	20049			Pre-mandate Approval

PENDING PROJECTS NOT INCLUDED IN INVESTMENT PROGRAMME

Capita Transformation	20016		Mark Rolt	Pre-mandate Approval
Hollywood House 2nd Floor Refurbishment	20032	The second floor at Hollywood House has remained vacant for a number of years following the abandonment of refurbishment works. This project will complete the outstanding refurbishment works to provide accommodation for The Phoenix Centre.	David Loveless	Pre-mandate Approval
Safe Haven or Crisis Cafe	20021			Pre-mandate Approval
Shikari SharePoint Integration	20004	To integrate Shikari with SharePoint.	Frank Jeffrey	Pre-mandate Approval
Woking Locality Hub	20044	To assist NWS CCG in the start-up and on-going development of a Locality Hub based in Willow Ward at Woking Community Hospital which will provide an integrated frailty (75+yrs) service for people and their carers.	Stephen Petford and Pauline Lock	Pre-mandate Approval
Manor Way Car Park Hybrolights	20065	Options for repairs and upgrades to the existing hybrolights.	David Loveless	Pre-mandate Approval
Lightbox Remedial Works	20072	Building Services and Fabric remedial works.	David Loveless	Pre-mandate Approval
4e Chapel Street Refurbishment	20083	Refurbishment of property to form a house of multiple occupancy.	David Loveless	Pre-mandate Approval
Pool in the Park- Changing Room Upgrades	20104	Refurbishment of the changing rooms WCs and teaching pool viewing area	David Loveless	Pre-mandate Approval
Retail and Hospitality Skills	20110	Free customer service training for employees of Woking Town Centre based businesses in the retail and hospitality sector	Riette Thomas	Pre-mandate Approval
Installation of Priava at Community Centres	20111	Following the project to install the event management software Priava at H G Wells this project will look at installing the same software at the Community Centres and other venues	Stephen Petford	Pre-mandate Approval

PENDING PROJECTS NOT INCLUDED IN INVESTMENT PROGRAMME

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Pool in the Park - Security Gate to External Yard	20128	Provision of new security gate to rear yard area	David Loveless	Pre-mandate Approval
Tenant Training	20145	Project to train in life skills like budgeting and cooking	Jacqui Dixon	Pre-mandate Approval
Horsell Multi-Use Games Area	20148	To provide a new multi-use games area at Queen Elizabeth Gardens in Horsell	Arran Henderson	Pre-mandate Approval
Woking Loyalty Card Programme	20154	Set up a loyalty card scheme for Woking	Chris Norrington	Pre-mandate Approval
Reptile Conservation	20163	Reptile conservation	Tracey Haskins	Pre-mandate Approval
Woking Park Sites Heating and Ventilation Upgrades	20164	Modernisation of heating and ventilation systems at Pool in the Park and Woking Leisure Centre	David Loveless	Pre-mandate Approval
Victoria Way Car Park Additional Parking Provision	20165	Extension to provide additional parking decks	David Loveless	Pre-mandate Approval
Sheerwater Regeneration Implementation	20167	Implementation phase of the Sheerwater Regeneration scheme		Pre-mandate Approval
Open Housing Implementation	20172	Open housing implementation		Pre-mandate Approval
Open Access for Housing	20173	Open access for housing		Pre-mandate Approval
Best Bar None 2018	20180	Best Bar None 2018	Chris Norrington	Pre-mandate Approval

INVESTMENT PROGRAMME - GLOSSARY OF TERMS

<b>INVESTMENT PROGRAMME</b>	A plan of the capital and one-off investment required to deliver the Council's key strategies and objectives. Projects/schemes will proceed only if resources permit.
<b>CAPITAL EXPENDITURE</b>	Expenditure that has a benefit exceeding a year (as opposed to revenue expenditure where the benefit is used up in the year).
<b>FUNDS</b>	Money resources needed to finance the Investment Programme. Funds will only be released to enable a project to proceed once the Chief Finance Officer is satisfied that the project is affordable and the resources are available.
<b>REVENUE IMPLICATIONS</b>	The ongoing costs such as maintenance and loan charges arising from capital investment.
<b>HOUSING INVESTMENT PROGRAMME (HIP)</b>	Planned spending on housing projects .
<b>GENERAL FUND INVESTMENT PROGRAMME</b>	All other projects.
<b>CURRENT AND COMMITTED SCHEMES</b>	Schemes which are currently underway, for which funds have been released or for which it is imperative that they proceed to achieve key objectives.
<b>NEW PROPOSALS</b>	Schemes for which resources have not been released and, probably, have yet to be fully scoped.
<b>RESERVES</b>	Money set aside to cover expenditure in the future (excluding provisions for future liabilities or losses).
<b>IT IP RESERVE</b>	Money set aside specifically for Information Technology schemes.
<b>HIP RESERVE</b>	Money set aside specifically for Housing Investment Programme (HIP) schemes.
<b>INVESTMENT STRATEGY RESERVE</b>	Money set aside for schemes not covered by other reserves, mainly General Fund Investment Programme schemes.
<b>MAJOR REPAIRS RESERVE</b>	Money set aside mainly from the Major Repairs Allowance paid annually by the Government to finance work on Council houses.
<b>SECTION 106</b>	Contributions received from developers as part of the Town Planning process to finance projects in the community.
<b>BORROWING</b>	Borrowing money from external sources in accordance approved borrowing limits and tests of affordability.
<b>HOUSING CAPITAL RECEIPTS</b>	Proceeds from the sale of housing assets, such as sales under Right to Buy.

**APPENDIX 7**

<b>GF CAPITAL RECEIPTS</b>	Proceeds from the sale of assets other than Housing assets. No pooling is required.
<b>GF REVENUE</b>	Funding provided by the General Fund budget to finance one off revenue type Investment Programme projects.
<b>COMM FUND</b>	Community Fund – money set aside to provide financial assistance to local organisations for the provision of new or improved facilities for the benefit of the community.
<b>GROUP COMPANY</b>	Funding by Group Company.
<b>PFI</b>	Private Finance Initiative – a Government programme to bring private investment into social housing by allowing local authorities to work with a partnership of specialist organisations to build new homes or improve properties already owned by the Council.
<b>OTHER</b>	Funding from National Lottery, Government departments and other organisations.

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